

EVENING SITTING

COMMITTEE OF FINANCE

General Revenue Fund
Executive Council
Vote 10

The Chair: — I would ask the Premier to introduce his officials, please.

Hon. Mr. Romanow: — Mr. Chairman, thank you very much. I'd like to introduce to the colleagues of the legislature, my staff, who will be giving me assistance in answering these questions tonight, this evening.

First of all, to my left is the deputy minister to myself, Mr. Frank Bogdasavich. To my right is my chief of staff, Mr. Garry Aldridge. Behind me is the director of operations and executive services, Don Wincherauk. And behind him is the manager of administration, Bonita Heidt. And right behind Mr. Bogdasavich is Mr. Bogdasavich's executive assistant, Mr. Jim Nicol. And that is the team.

Item 1

Mr. Osika: — Thank you, Mr. Chairman. Mr. Premier, I'd like to welcome your officials this evening and express appreciation for them to assist us. With the indulgence of the House, I want to open up today's set of estimates with just some opening remarks, Mr. Chairman.

It's now been over three months since I first took my place in this spot to deliver my reply to the throne speech. I'll be the first to admit that it's been a learning experience for me, just as it has I'm sure for all new members in this House. Because I'm so new to politics, some might say I'm at a slight disadvantage this evening, going up against a man who's sat in this House almost constantly for so many years, having first been elected when I was barely out of diapers.

But I don't look at it as a disadvantage, Mr. Chairman. I see myself as still one of the people we are here to represent. A year ago, that's what I was — an outsider looking in on this place, wondering what the heck was going on in here, why some of the decisions were being made, why there were so many games played here, games that do nothing to benefit the people of Saskatchewan. And after sitting here for a session, I can see how those things can happen. I can see why games are played, why comments are made, but I also know that these games don't benefit the people of Saskatchewan in the least. And I think that's what we all should be aware of.

The people are worried about what affects them. Can they pay their bills? Do they have access to a hospital? Are their roads passable? And the list goes on and on. But too often, as members of this House, we get caught up in the blood sport of politics and forget about the problems that face the people — or, even worse, we see members of this House, members of the cabinet, the Premier himself, do nothing to fix these problems.

Instead the government seems to be fixated on playing politics, and that means finding others to blame.

I find it frustrating that every time we stood in this House to ask a question of the government about very real issues facing people of this province, the political switch clicked on and their blame game began. They know how ludicrous it is as well. They know they are being less than totally honest with the people of Saskatchewan, but who can blame the government, I suppose. On a political level, what they're doing makes sense. The NDP's (New Democratic Party) bread and butter for years has been to blame others.

The federal government, be it Conservatives or Liberals, has always been a prime target for this party and this government. And why wouldn't it be? There's no chance their own party will ever be in power federally, so it's safe to blame those nasty feds for every cloud in the sky. Just as it's easy to blame just as many of this government's own problems on the long-past Conservative government of Grant Devine.

Obviously, that corrupt and incompetent regime is a big target that any good politician would go after. Obviously, the debt that government racked up is something that will harm our province for years to come. However, enough is enough. It's time to stop the excuses and bring on the answers, and that's something the government opposite has simply refused to do. They haven't been able to stop playing politics long enough to level with the people of Saskatchewan.

A few months ago we heard the Premier in his \$30,000 infomercial tell us that the government had some difficult choices to make. Well what government doesn't have difficult choices to make?

Saskatchewan is not alone in that, and the people would understand about the difficult choices when it comes to issues such as health care, or education, or social services. But the people would also like to see a government that stands by their choices instead of coming up with every excuse in the book to say their choices aren't their responsibility. But that's what we've been subjected to. The "blame game" as my colleague from Thunder Creek called it earlier in this session.

When we ask the question, it's the federal Liberal's fault. When the Tories ask a question, it's Grant Devine's fault. Mr. Premier, can't you see the people of Saskatchewan aren't interested in whose fault it is. Can't you just stand up and tell the people here, here's the problem and here's our solution to fix it? Can't you give the people of Saskatchewan this courtesy?

No. Instead, we see the NDP playing much the same game as the Tories did. Say one thing before an election; say another after. The Tories mastered that and I'm afraid so have the NDP.

The litany of broken promises we've seen in this session alone is stunning and the government is just so blatant about breaking their promises you just have to shake your head and wonder if they think the people of Saskatchewan are so ill-informed that

they can't see what's going on.

And, Mr. Chairman, I'm going to get into those broken promises in a moment or two; but first, Mr. Chairman, I just want to begin my questions to the Premier this evening by first reading back a quote. It's a quote from September 21, 1991 and it goes like this: "We will make no promises we cannot keep." We will make no promises we cannot keep, and the speaker of that quote, the Premier himself.

So my first question this evening, the first of many, is a very general one. It's this. Does the Premier feel he's done a good job in keeping this, his first promise, his promise not to break promises, especially in this last year?

Hon. Mr. Romanow: — Well, Mr. Chairman, let me first of all say that the Hon. Leader of the Opposition talks about a learning experience for him, and I must tell the Leader of the Opposition that it remains a learning experience, I think, for every one of us. Certainly it remains, being a member of this House, a learning experience for me. For example, I didn't know until I heard you tonight that I'd been in provincial politics so long, so I learned something tonight. And all of us, I think, if we keep a mind that is open, and a heart and a spirit that is open, we're going to be learning. I have found that to be one of the great experiences of political and public life.

I think the Leader of the Opposition started out fairly strongly when he said, let's not play political games, and then very quickly got derailed by saying that he was going to do exactly what he started out by saying he was not going to do — namely, blaming us for breaking promises and for making statements of one sort or another that we didn't follow up, and attacking us on the fact that we somehow tried to divert our actions onto the federal Liberals or onto the provincial Progressive Conservatives.

I don't believe that to be the case in any excessive fashion. Although I think the Leader of the Opposition will have to agree with me in all honesty that if the shoes fits it must be worn. And certainly the offloading that the federal Liberals have imposed, not only on Saskatchewan but all of Canada, and what the Progressive Conservatives in this province have done to this province, certainly is a pretty factual circumstance and rather a tough tale of woe that the people of Saskatchewan have to carry.

But leaving that as an aside, and with those few preliminary opening remarks, the question is, do I feel that we have done a good job in making, in keeping, the promises that we've met. And the answer is, obviously I do. This is not quite yet, I don't believe, the first year anniversary of our election in the second term.

We have, in the 1995-96 period since our election, a series of commitments that we have made. And I believe that as I look down this list — which time does not permit me to recite at any length — but: balancing the budgets, '95-96, '96-97 through to '98-99; a commitment to reduce the total debt by \$1.2 billion, promise met; by 1999 the provincial debt will amount to 51 per cent of GDP (gross domestic product), actually we're predicting

44 per cent of GDP; more than 100 education sites to be connected on the information highway, over 100 sites now connected; elimination of deficit surtax to lower income earners.

As I say, I have several pages here where we keep a little check mark and checklist of the commitments that we made, and whether or not they have been fulfilled by our programs. And we've gotten off to a very fast start. I would have to admit to the Leader of the Opposition that not all of the promises made have been fulfilled, but we have three to four years yet to go on our mandate. But certainly on the major areas that we have promised action, we have undertaken them and we are well on the way to keeping the promises. Some are further down the road and more successfully attained than others, but on balance I think this is a very impressive record indeed.

Mr. Osika: — Thank you, Mr. Premier. Mr. Chairman, I'll return to a few more broken promises later and I'll try to get through them all, but I understand we've only got a few hours this evening so I'll just get through as many as I can. Any I forget, I'm sure my colleagues in the opposition or in the third party will remind me of them.

Mr. Chairman, over and over again we've seen this government's game plan to blame everything on the nasty feds. That works rather well, given they are our namesakes and we are now the official opposition. It makes perfect political sense to blame the feds. It's been done in Saskatchewan for years.

And yes, Mr. Chairman, Saskatchewan has received a cut-back, and by my calculations that cut-back is about 1.5 per cent over the next two years and that's taking in total revenue of about \$5 billion. Of course we hear the government spinning those numbers in the worst possible fashion they can muster, but in the end, Saskatchewan will lose 1.5 per cent of its revenue over the next two years. And this at a time when the farm economy is doing well, the resource sector is doing well, and if we are to believe the Economic Development minister, Saskatchewan is doing well economically.

That's open to question, Mr. Chairman. But for the moment let's use a huge leap of faith and accept this as being so. So I wonder if the Premier can tell us how a cut of 1.5 per cent can cause such apparent distress for this government. How can so many of our programs and government services depend on the same 1.5 per cent?

(1915)

I mean this 1.5 per cent has been blamed for everything from potholes on Highway No. 35, to the lack of sewer and water in the North, to the closure of nursing home beds, to the breaking of VLT (video lottery terminal) revenue promises — you name it. And it's because of this cut from Ottawa.

Again I ask the Premier, how can a 1.5 per cent cut have such a detrimental effect on a \$5 billion budget? It's like saying, it's just like saying, Mr. Chairman, I can't pay my rent this month because my salary cheque has been cut by \$5.

Hon. Mr. Romanow: — Well, Mr. Chairman, I think that the way to answer the Leader of the Opposition is in the following manner, by giving the Leader of the Opposition some hard numbers. These are numbers from the federal budget.

And may I begin by saying that it is not my job to fight the federal government. I want to serve as, if I may put it in this way, an ally, a Canadian, to find Canadian solutions to Canada's problems — whether it's a national debt, whether it's restructuring the health care program or the social safety net or whatever. There'll be areas of disagreement and we have ideological differences to be sure. But I don't enter into political life and I don't adopt the position as Premier, that my mission in life is to attack everything that Mr. Chrétien and the federal Liberal government does.

But here are the raw numbers. In 1995-96, the cash transfers to Saskatchewan amounted to \$624 million — '95-96, ending the period of March 31, 624 million. This year that we're debating estimates under review, that has dropped by \$114 million to \$510 million.

By 1997-98 the transfers will drop to 418 million or \$206 million less. In '98-99 the transfers will drop to 396 million or 228 million. By '99-2000, the time of the next election, the transfers will drop all the way to 372 million or \$252 million less in 1995-96 — \$252 million less; \$252 dollars for every man, woman and child in the province of Saskatchewan less. In total, 800 million less.

And by the way, I am not here taking into account, although I could very well do so, the question of the offload of the federal government, forcing the provinces to carry the responsibility, for example, for status Indian people off reserve or the changes to the UI (unemployment insurance) or for the moment even leaving aside the transfers reductions which took place before Mr. Chrétien took office. This actually started before 1993 under the former prime minister, Mr. Mulroney. So let's just deal with these numbers.

Now that's \$252 million, \$252 per capita less a year, but in four years time. Now here's our situation. The amount of money that we've got incoming in taxes and the amount that we've got out in expenditures for program are equal. All of a sudden, we're 252 less in revenue, 252 for every man, woman and child in the province of Saskatchewan.

Now if I'm to listen to you people, I'm not to run a deficit. I don't want to run a deficit either, although I'm 252 a year, each and every year, in a deficit if I do nothing. If I'm to listen to you people, I'm not supposed to raise any taxes, so I don't want to raise the taxes. So I'm still short \$252 million.

If I listen to you people, I shouldn't be cutting back in any government service or restructuring in any government service either, because that is in fact, as the Leader of the Conservatives says . . . add more if you listen to the Liberal Party — this doesn't square — your circle doesn't square.

And when I say \$252 per man, woman and child, please understand I'm working on a million people in the province of

which probably maybe 450,000 are taxpayers. That \$250 per capita is much higher for the actual taxpayers.

And when you have an ageing population and a youthful population and you've got a population which requires training and education and all the various other components, this compels the government of the day to do one of two things — sort of say, well to heck with it, we're going to run up deficits, we're going to ignore the problem. Or roll up its sleeves and say to everybody in Saskatchewan, including the official opposition parties, look, join us in making sure that we balance, that we don't increase taxes, that we save as best as we can our core programs in education, health, and social services, as best as we can.

They'll be pinching in other areas. We know the municipal governments are concerned. We know there's a highways problem and situation. But we're trying to manage this offload that is the case.

So when you say to us, it's only 1.5 per cent or whatever the percentage of the figure is, that's not the question. The question is, where do you find that 252 million which, if I may say before I sit down, leave it for one year is 252 million deficit; leave it for another year, it's a \$500 million deficit; leave it for four years and you're back to a billion dollars deficit and you know what that does on interest payments on the public debt.

Right now our interests on the public debt are \$860 million a year. And that money goes out of your taxpayers' pockets, out of your pockets or the taxpayers' pockets, and goes down to Hong Kong and Zürich and New York and London and Paris and Montreal and Toronto — and if you're lucky to have a Saskatchewan savings bond, well thank goodness, then you get the interest payments — money for them to get rich when the money should be here at home for our schools, our hospitals, our roads, our highways, our infrastructure. Well that's the circle that you have to square.

And you can attack us all you want, but in this debate you're going to have to at some point or other — I don't mean tonight; maybe tonight if you want to — at some point or other, you're going to have to tell the people of Saskatchewan where is it at. Is it deficit? And if it isn't deficit, how are you going to make up the shortfall? Is it going to be cut-back? Where and how? And if it's not going to be cut-back, you've still got the deficit. You've got to square the circle, and you can't be all over the ballpark in this debate. And that's the problem for the Liberal Party.

Now when the Conservatives come at me in these estimates, we'll have a different kind of a debate because they have a very specific agenda. We know exactly where they stand. And at least we've got a clash of philosophy, ideology, and practical economics. But with the Liberals, it's straddling both sides.

So I'm not trying to blame the Prime Minister. I am saying to the Prime Minister — I'm going to sit down on this — look, we'd like to join with you in tailoring a new suit to match the cloth which is available. We know that Canadians are in debt too. We know you've got to solve your national debt too.

But can we not sit down as premiers and prime ministers and territorial leaders and work out a sensible deficit/debt reduction strategy and devise redesign of health care programs — not just simply chopping — in order to do the best that we can to save the core values, the values of community, compassion, and caring and sharing which are the hallmark of Saskatchewan and Canadian life? And when the answer is no, the answer is simply, we're cutting back, that's the impact.

And if you were sitting here in the treasury benches, if you were right here, as my colleague, and you had to sit there every Tuesday in cabinet and you're lying awake at night worrying about where the next cut should not be made because of what the hurt is going to be to the people, then you've got a tough choice to make. In opposition, to be credible, you're going to have to tell us what choices you are going to make.

Mr. Osika: — Thank you, Mr. Premier. I agree with you; you do have some tough choices to make. We're not just totally convinced that some of the choices that have been made are the right ones, particularly regarding health care cuts.

Now it seems to me that your Health minister has been responding in somewhat of a confusing manner. On the one hand he says so much of the heartache and so much of the fear we see going on in health care today, particularly in rural Saskatchewan, is due once again to the 1.5 per cent federal cut-back. It's all their fault that there's that shortfall. But that's only answer number one.

Answer number two for the Minister of Health is to say there actually is no shortfall in health care because the provincial government has back-filled the cuts. So I'm a little confused, Mr. Premier. If these so-called cut-backs to health care have been back-filled by the government, why is there a health care problem today? Some would call it . . . some would even call it a crisis. If the provincial government has replaced all this money this year, one can only assume there is a crisis because there hasn't been enough money in the system for several years prior to the federal transfer payment changes.

Yes, Mr. Premier, we know that \$1.5 billion is being spent on health care, just as it always was. So why do we see so many facilities in trouble? Why are so many health districts crying out for more money? Why is there such an apparent problem if the provincial government is funding health care so adequately? And keep in mind, you've said you've back-filled any cuts from the federal government?

Hon. Mr. Romanow: — Yes, Mr. Chairman, and Mr. Leader of the Opposition, we have this year back-filled 100 per cent, the \$110 million, and it goes all the way to the 250 million that I told you about a few moments ago for the '96-'97 budget.

What I've not told you, and I could, but in the interest of time unless you want me to do it, to outline for you that it just didn't start magically in the year '96-97 — the cut-backs from Ottawa. This has been a pattern which has been going on now for the last couple of years, and there have been all kinds of actions taken by other provincial governments, the cap on cap and so forth, which is a part of this problem. It's been an ongoing

situation, but you have to understand a couple of facts in terms of Saskatchewan Health.

For example, Mr. Leader of the Opposition, this province still has more hospitals per capita, more hospitals per capita than any other province in Canada even today as I speak — 77 hospitals per million, and that's more than double the Canadian average of 30.7. Nearly 80 per cent of all of Saskatchewan people live within a 10-minute drive of a nursing home, and almost 80 per cent of the people of the province of Saskatchewan are within 50 kilometres, 50 miles . . . 99 per cent of the people, I'm sorry, are within 50 miles of the hospital in Saskatchewan. And that is way above the national average.

Now what we're doing here is we're saving medicare in Saskatchewan, and health care. And I'll tell you what we're doing. This is not a new idea. If you go back to the Thompson commission which was the forerunner for Douglas and Lloyd implementing medicare, Thompson studied medicare. Thompson said that there was a two-part approach to medicare. The first part was, remove money as an obstacle between myself as the patient and you as the care-giver. We did that with hospitalization and medicare in 1962.

But then they said there was a second objective — restructure health care into wellness. Move it away from bricks and mortar, pills and expensive technology where there are huge expenses, and try to keep people away from doctors and from hospitals. Take a look at the person in a holistic way, make sure that people understand. And the Leader of the Conservative Party perhaps won't accept this, but the children's council on health, Canadian Council on Children's Health, says that a child born into poverty, to state the obvious, is many more times likely to die in childbirth, be sicker during adolescence, and die younger. The simple fact of being born poor, the accident of poorness — not having a job — these are all factors which relate to health care.

So what the second phase of health care called for was a slight readjustment from acute care into prevention care. And so what we're doing is, for example, seeing a situation which there is a switch from acute care and fewer dollars going to institutions like hospitals and nursing homes and trying to do the very best for those that remain, making them the top quality, keeping in mind that medical technology is exploding in its cost and its effectiveness and range, and redirecting the money into community care and home care where people are available in their own homes in providing the care to live healthier, happier, more productive circumstances in their situation.

Let me just give you one other fact before I take my seat. One million dollars in this way, as I've just described, will pay for one of the following for a year: six hospital beds; 30 people in nursing homes; or providing 427 people with full-service home care for a year.

Now this is a big change. It's a change in the way we've done business in health care. We used to build hospitals everywhere, and I admit this ironically. In the by-election down in . . . where the late Jack Wolfe took the election in Assiniboia-Gravelbourg, the Conservatives campaigned on

hospitals once every 10, 11 miles — Coronach, straight down. And we argued that they were going to close them down. And in order to prove us wrong, they built the hospitals.

I don't say this in any . . . I say it in a critical way. I'm saying it's the nature of the way we used to think health care was to be organized.

And people are looking at the Saskatchewan model and they're saying, these people have figured it out right. It's a proper balance of acute care — the bricks and the mortar and the technology when we need it, because that's the fact of living; we'll need it — and good doctor care, coupled with prevention and education, and shift from bricks and mortars into the question of community care, wellness centres, and models of this circumstance.

Not only can you control the budget, but you have a longer-, happier-, healthier-living society. That is the principle of medicare. It's the principle of the Thompson committee.

(1930)

And the member shakes her head in disagreement and sighs a great act of disagreement. And it doesn't surprise me, because she's a Liberal. She fought medicare in 1962. The Liberal leader of the Liberal Party in this province kicked on the doors of this Legislative Building in opposition to the medicare Act. They never understood it then. You don't understand it now. You are in favour of two-tiering. You're in favour of making people pay if they think they can afford to pay. That's what your member from Arm River says. And you take the position that you take.

So when you characterize this as a crisis, it's false. It's a crisis if you were to do nothing. What this is, is — in pursuit of my other answer — preparing Saskatchewan for the 21st century; preserving and protecting the values which are essential and core to Canada and to Saskatchewan.

And I'll tell you, even though we've made mistakes — I'll admit that — in this process, the people of this province will nine times out of ten choose the CCF (Co-operative Commonwealth Federation) and the NDP to be the guardians of health care, than either the Liberals or the Tories, or the Liberals and the Tories together.

Some Hon. Members: Hear, hear!

Mr. Osika: — Mr. Chairman, my thanks to the Premier for his responses. And it's little comfort, I'm sure, to those people that may . . . I'm not sure that many are within 50 miles of a hospital — but in rural Saskatchewan, that 50 miles is more like a 100 given the condition of the roads.

Mr. Premier, I'm going to read you a couple more quotes. The first comes from 1989 and I quote:

The NDP is going to fight these health care cut-backs and these changes to medicare. It's going to fight the erosion of the principles of medicare. I feel rather certain we'll have a

change of government next time around, and then the public isn't going to have to worry about these problems.

Mr. Premier, the speaker in this case was Louise Simard, who upon taking office, sought to close dozens of hospitals in our province without any consultation. She then set up the shams called health districts, which as we now know, were merely political deflection screens for the government as it continued to cut medicare — the very opposite to what Louise Simard said the NDP would do, Mr. Premier.

And here's another quote if I may, Mr. Premier. This one from yourself.

New Democrats would continue to restore social programs such as medicare, the dental and drug plans, to their former place of leadership for Saskatchewan.

Obviously the Premier did not follow through on those words, Mr. Chairman. Mr. Chairman, so many of these promises were made in the very late stages of the PC's (Progressive Conservative) tenure in government, and long, long in advance of this year's 1.5 per cent reduction from Ottawa.

Can the Premier tell us if the NDP were the only ones not to know the desperate mess the PCs had left this province? Did they not know we were already billions of dollars in debt when they made these grandiose promises? Did the government have any intention of carrying through on these promises?

Hon. Mr. Romanow: — Mr. Speaker, this line of questioning, with the greatest respect to the Leader of the Opposition, is similar to what thankfully the Conservatives now are off. But in their first couple of years in 1991, they pursued in opposition. Their argument was that in 1991 we made grandiose promises. I will send over to you the 1991 election platform card of the NDP called "Let's do it . . . The Saskatchewan Way" and it's very simple. It'll just take a moment to tell you the so-called grandiose promises.

First things first, common sense financial management, open the books, public independent audit — we did that with Gass.

Number two, comprehensive review of all PC privatization and business deals that determine the public interest. We've done that. We're still working away at that and trying to manage it, notwithstanding, I might add, some very irresponsible comments by your colleague — and I do hope, as Leader of the Opposition, you can control him, the member from Thunder Creek.

New directions — jobs, fair taxes, and wealth creation. We did away with the enhanced PST (provincial sales tax). I'll go down the line. But I want to speak specifically to the health issue which is what you're talking about.

Here's what we said under better quality of life: "A commitment to a new community-based health care system based on the wellness model." That's what we campaigned on.

And by the way, talk about promises made and promises kept.

You can take a look at that and see whether we've kept that in '91 because this is a tradition in the CCF-NDP — you put out your baseball card, as the leader of the Conservatives says — and then in 1995 you go around to the party faithful and others and you say, done, done, done, or not done; it's got to be worked at. Same thing why we do it in . . . the same thing we do in 1995, the same thing we do in 1995.

Now let me make a point about the quotation that you referred to me about 1989. You're doggone right we opposed it in 1989 because you know what was happening in 1989 was this. While they were attacking the health care programs in a variety of areas and thereby saving money, in effect what was happening was a transference of that money out of the needs of ordinary people and right into the hands of the privatization Acts that the former PC government undertook in 1989 — whether it is Cameco, whether it is PCS (Potash Corporation of Saskatchewan), you name them.

When they privatized PCS, the people of Saskatchewan swallowed, swallowed — for some of us it's still here — about \$500 million written off the books of PCS when they sold it off at a value . . . when they should not have sold it, even against their own advisers. And the way to find that money — and they didn't find enough in any event and racked up the billions of dollars — was to cut it out of health care.

That's an entirely different situation — where people are making cuts in health care but not seeing the money saved, if I can use that word inappropriately, in health care, washed down the river in some form of an economic adventure which was undertaken, as it was prior to 1991. That is what the quote was referring to. That's what the quote intends to refer to, and that's what it stays for here all the way.

May I also say that I must very strongly disagree with your comment about sham comments, sham district health boards. The issue dealing with the question of the district health boards. There were widespread consultations. Louise Simard, all of us, by the way, in cabinet travelled for several months, thousands of miles, without a word of exaggeration, to local communities on our first White Paper on the wellness model. That's . . . and the Leader of the Opposition and the Tory opposition will know that to be the case.

An Hon. Member: — No, I said I didn't remember that.

Hon. Mr. Romanow: — Oh, yes. Well selective memory, as one of my colleagues said, is probably the case. But that's a fact.

Then what happened was we introduced the district health boards Act. You people — Liberals and Tories — opposed it. And once the Bill was enacted, and then the philosophy and the program started to get implemented and people at their home town level saw the shift from bricks and mortars into wellness, protests arose.

And I remember those too. I attended a whole variety of them. I was in fact with the Leader of the Conservative Party in a very nice, friendly meeting of about 3,000 friends and supporters at

Eston, about the question of the hospitals there, including my good friend, the member from Kindersley. We all attended those. No one can say there wasn't consultation. We stood on the front lines and we explained to the people what we were doing with respect to health care and saving health care.

But I want to close by also saying something else. I want to also close by saying, and I need one of my officials just to dig out this quotation, this idea of health care renewal is something which the current Leader of the Liberal Party should, I think, be very familiar with. We may not be able to . . . There it is. That's right.

On August 24, 1994, Liberal leader Lynda Haverstock — I'm quoting from the *Gazette-Post-News*, Mr. Chairman, so this is not breaking the House rules — Liberal leader Lynda Haverstock evaluated health reform today two years after its implementation. "The concept of health reform was and is valid," she says.

An Hon. Member: — If it's done the right way.

Hon. Mr. Romanow: — Well, you see, again the member from Humboldt says, if done the right way. This is the classical Liberal line. You walk both sides of the street: I'm all for health care reform, but I don't like the way you do it; I won't tell you how I'd do it, but I don't like the way you do it.

Well then you get up and tell me, in my estimates now, how you're going to do it . . . (inaudible interjection) . . . No, no, don't tell me from a seated position. You get up and tell me how the Liberal Party is going to support health reform in the province of Saskatchewan.

Or, in the alternative, is that you are from your seat saying that you are in favour of health care reform, but the truth of the matter is you're not, because you kicked the leader out of the caucus in one of the worst acts of political revenge ever.

Mr. Osika: — Mr. Chairman, I thank the Premier. I wish he wouldn't bring in family matters into this debate or this discussion.

Mr. Premier, we've seen your government cut health care services right across the province. Health care in many communities has in fact been virtually gutted, yet we've seen absolutely no savings. We're spending as much now as we ever have, yet we have reduced services throughout the province.

Can you explain to us how you managed to do that?

Hon. Mr. Romanow: — Yes, Mr. Chairman. Because, as I was saying, in the early answer — and I'll just make this very brief, not because it doesn't warrant but in order to get more questions and answers — I'm saying to the Leader of the Opposition, we're involving here a shift of funding.

If you've got 1.5 million, it's going in this direction, which by the way is not sustainable — bricks, mortar, pills, technology, continues to balloon up. Every province is experiencing this.

If what you're trying to do, because this is what the founders of medicare wanted you to do, shift a little bit out of acute care bricks and mortar and into prevention, then you will have in the communities that are affected by that shift concern, opposition, stories that you bring to the legislature. None of us likes to hear those. But that is the inevitability of change.

And I come back to the member from Humboldt — if she and the Liberal Party does not like that as the form of change, as I've just said it . . . (inaudible interjection) . . . Well forget about the people, you're the one who's speaking for the people here. If you don't like it, then you have to tell us what you do like. And I challenge you in my estimates to get up and tell me what you do like.

Your choices are very simple: either the status quo — which no province, no Liberal province let alone Conservative province, can afford to follow — status quo, we can't afford it; in the alternative, our changes; or you come up with something else.

Tell me what you're going to come up with? Will it be a thousand dollars health care premiums a year for a family of four? It's 860 in Alberta. It's 900 in British Columbia. Is there going to be deterrent fees for every visit to the doctor that you make? That's what you did the last time you were in office.

Is there going to be deterrent fees for every day that you spend in the hospital? You had no choice, you're a sick person, the doctor puts you in hospital, and the Liberal government the last time it was in power in the province of Saskatchewan made that person pay. Is that the way you're going to have reform?

Tell us — tell us what you're going to do.

Mr. Osika: — If we can just talk about the district health boards, Mr. Premier.

Clearly, these districts do not have the autonomy or the decision-making ability that this government would lead us to believe.

Clearly, the government still controls the money and so it dictates all health care decisions in this province through the back door. That's probably not surprising, since I don't think we've ever seen this government anywhere give up any of their power once they had it.

Mr. Premier, these health care boards are a sham. They are very good people who have been elected to them, but they themselves will tell you they simply do not have any real power to make decisions. How can the Premier continue to support this? We agree that decisions should be made at the local levels, but that's simply not the case here, Mr. Premier, and I'd like your comments on that.

Hon. Mr. Romanow: — Mr. Chairman, again the member makes an assumption, which I will have to accept because he's an hon. member of this House — he obviously believes — but it flies in the face of the facts. And then from the assumption he bases the question.

Now look, I have a copy of a letter here written from the Moose Jaw/Thunder Creek Health District Board, January 30, 1996. The Hon. Paul Martin, Minister of Finance in Canada, speaking to your issue about how you explain this. Page 2 of the letter, Dale Toni, chairperson, writes as follows:

We are concerned that the magnitude of the anticipated reductions in federal transfer payments to the province of Saskatchewan will erode the nature and intent of the Canada Health Act.

We'd like to remind your government that the active design to preserve the principles of a national health system benefit of all Canadians . . .

And on it goes, explaining the provision of the Bill. By the way, this comes right from the district, health district, where the hon. member from Thunder Creek has been one of the most severe critics of our reforms. Their own district, his own district, is critical of Mr. Paul Martin. I by the way could give you editorial writers, some from the Fort Qu'Appelle area, and I'll spare the members that hearing tonight.

The fact is we have less money. The fact is we're making a shift. But to call the district health boards a sham is — I say with the greatest respect to a person that I think does contribute much to this House and I have to say that you approach it with a fairness which I like — it's not proper or fair to say the people who've been elected, elected, are rubber stamps, are shams.

(1945)

The very fact that people are elected in any democratic act, they carry with them authority. They carry with them respect, and they should be given respect. And they have the authority under the Bill.

Now they don't have all of the powers, and we don't have all of the powers. It's like a see-saw or a teeter-totter; we're trying to balance provincial and local controls. We're quite not sure of the relationships, one to the other, yet. We're going through a learning curve. In some areas it's better. In some areas it's not quite so good. But at the end of the day, we are working in partnership with the district health boards, as we are with the rural municipalities and the urban municipalities and other provincial governments and the federal government in trying to sort out our differences for the common good of the people of the province of Saskatchewan.

So I dismiss the notion that they're shams. And may I say, not to be political but it's a fact, in New Brunswick they eliminated all hospital boards, local hospital boards. In New Brunswick there is one hospital board. It's called the Department of Health — Department of Health, New Brunswick — Liberal. That's what they did. Bango, all the decisions are made out of Fredericton, or Saint John. End of it.

And that is not the case in the province of Saskatchewan. Well the hon. member again, the member who's in favour of two-tiered systems of health care, the member from Humboldt,

and deterrent fees, simply does not know the facts — simply does not know the facts. She will refuse to accept the Liberal responsibility. She will refuse to respect the statutory duties of the district health Act. She'll refuse to respect the integrity that these people deserve by virtue of being elected, and their statutory obligations. And she will refuse to respect the momentous nature of the reform to save health care which is being undertaken here.

Well there's nothing new about that. Some people want to put their heads in the sand and think that the world is flat. That's the member from Humboldt, not me.

Mr. Osika: — Thank you, Mr. Chairman. Mr. Premier, I know many of the people that sit on district health boards. I have a great deal of respect for them. I commend them for the vast challenges that face them under the circumstances. Don't you think, Mr. Premier, that a good first step in making these boards at least appear like they're not under your thumb is to ensure that all members are elected in the future, and removing your own appointees, the yes-men and yes-women?

Hon. Mr. Romanow: — I think that the Leader of the Opposition has a suggestion which needs to be examined. I'm not committing myself to this. But I think as health boards evolve, as they are and they will, and as our relationship with them evolves and changes, I think your idea has something of merit that needs to be looked at.

What the district health boards Act now encompasses will not be written for ever, and it should not be; it should be assessed. And we intend to do that and we'd appreciate your suggestions and comments and criticisms in this regard; there's no doubt about it. So I think it can be changed.

But look, this is just an experiment of one or two years it's been operating. And experiment is not the word to use. This is a change of one or two years of which there are some difficulties I admit, that we've made. But these are, by and large, being worked out. And where there's goodwill and a little understanding of the philosophy and the direction, where I think there is, by the way, on almost all the boards, we're going to see our way out of this. And as to form of governance, if it requires election, I think that's an idea which simply has a great deal of merit.

By the way, just one point here again. I'm quoting from the *Prince Albert Daily Herald* of October 1, 1991, editorial:

Haverstock indicated one way to cut costs would be to eliminate the construction of new hospitals in smaller communities, replacing them with referral centres and clinics.

Replacing them with referral centres and clinics.

In an interview which was given to the *Star-Phoenix* in the election of 1991, as she was then the Leader of the Liberal Party:

Saskatchewan's health care system is at risk if

governments keep using hospitals as constituency patronage, according to the provincial Liberal Party. Universal health care should not be confused with the right to have a hospital in every town, Liberal leader Lynda Haverstock said Wednesday in Saskatoon.

We should stop talking about bricks and mortar and start talking about what really counts, Haverstock said.

Sounds an awful lot like what I've been trying to say in these estimates with you.

Now this is the leader who led you people to your nine or ten seats. You campaigned on that in 1995. And now for you to shuck that over and say because she's out, the caucus somehow, we're not subscribing to this, I think is a little incredible. I again challenge — not you, sir, but the member from Humboldt who seems to be very agitated about this issue this evening — does she support this or not? Let's find out where the Liberals stand.

Mr. Osika: — Mr. Premier, we've heard members on that side of the House, like the member from Regina Victoria, patting himself on the back because of your government's defence of medicare. No two-tiered health system here you say. As heartfelt as those comments might very well be, they also show an unbelievable lack of knowledge about what's truly happening in this province.

For members such as the member from Regina Victoria to stand in this House and say everything is all right with our health system is somewhat absurd. If he would take a trip outside of Regina once in a while, he'd see we already have a two-tiered health system here — one system for the urban residents, another for the rural residents. And the funding formula set up by the government makes sure more and more of the health care dollars and services move to the cities.

Mr. Premier, please tell me if you believe that the health care system in place in rural Saskatchewan today is better or worse than when you took power.

Hon. Mr. Romanow: — Mr. Speaker, I say for sure that the health care system, whether it's in rural Saskatchewan or urban Saskatchewan, for sure is not worse. I say the health care system is good, is as good as it's been. And I would go one step further and go as far as the Minister of Health — it is on its way to being the best health care system in the 21st century that we have in Canada, because the fact of the matter is that it is a system of public debt which is imposed upon the change.

Again the member from Humboldt is very agitated about this. I am challenging her . . . well I ask the hon. member from Humboldt to tell me, not from her seated position — please get into this debate so I can hear what exactly you say. You get in the debate and tell me — do you favour what the member from Greystone, when she was Liberal leader, said about referral centres and clinics and closure of hospitals when you ran under her banner less than a year ago? Tell me if you believe that now.

Mr. Osika: — Mr. Premier, the point is that the extent to which health care in rural Saskatchewan has been cut is getting seriously dangerous. The referral to some of the so-called wellness centres that exist around the province, unless you have a quarter to phone when you get into the lobby of one of these centres in rural Saskatchewan, you can't get in, and that's why it's referred to as a two-bit health care system.

In 1992 your government undertook what it called the next stage in medicare. With the so-called health reforms, the province was thrown into chaos — the towns seeing their medicare ripped away from their communities with the so-called wellness model. Now to be fair here, Mr. Chairman, when any major reform is undertaken there are bound to be mistakes made, and in our opinion, and in the opinions of many Saskatchewan residents, mistakes were made in the health reform process. So I would just like to ask the Premier if he does believe that mistakes have been made, and if so, what were those mistakes and what can we do to correct them now. We can't wait much longer. There is a concern in rural Saskatchewan.

Hon. Mr. Romanow: — Well, Mr. Chairman, let's just get this debate, or discussion in my judgement, properly focused. We're talking here about policy estimates. We're talking about the policy of health care renewal as we have undertaken it in the policy terms as I have described it. Now it is your obligation to either accept that policy or reject it, or advance some other, alternative policy. If you want to give me micro examples of where there are mistakes, fair enough. We'll receive them and we'll do the best that we can to correct them.

But in principle, I ask the Leader of the Liberal Party, does he agree or disagree, as the former leader of the Liberal Party apparently agreed, of the need to shift from bricks and mortar, have local community control, put emphasis on wellness and prevention, and all of the other concepts that I've talked about? And if the answer is yes, then we have got a common meeting ground. Then we can get into the question of what do we need to do to help out Greenhead District Board or the Canora district health board area or whatever.

Now I have here a document in front of me of what would have happened if we would not have back-filled the federal offload. If we had not back-filled the federal offload, I can tell you in almost every incident, in fact in every instance of the 30 district health boards, the shortage of funds would be dramatically greater than they are now.

For example — just take one as an example — North Valley Health District. If we had not back-filled the offload from Ottawa onto us, there would have been a shortfall of over \$670,000 for the year 1996-1997. Now as tough as it is now, can you imagine what that would have meant with that additional shortage of funds?

Now it took every piece of ingenuity that we could, and reorganization of government priorities, to back-fill it. Not perfectly. And as our budget says, at the year 2000 we won't be 100 per cent back-filled; we'll be 96 per cent back-filled. No other province in Canada has done that, even at 96 per cent.

And so there'll be gaps and there'll be pinches and there'll be difficulties, but that is the impact of the offload and flipping the coin, the positive impact of our back-filling of the operation.

Now should we be electing? I've said that's a suggestion that merits a lot of consideration. Should we be doing some other things? Let's hear them. But that's not what you people are about in this session. You are raising everything fundamentally in objection to the health care reform, I argue in contradiction to what you got elected on in 1991 and 1995, and I argue in contradiction of what reality is, fiscal and in fact, medical reality today is.

So if the issue is you're with us, say you're with us, and then let's work out the micro . . . manage the difficulties that we all have in these communities. None of us likes to see the problems that Canora has, or Fort Qu'Appelle has, the kinds of questions you raised in question period today.

None of us likes to see that, but that's a far different cry in trying to solve those than saying I'm fundamentally opposed to what you're doing. You can't have it both ways. You can't say I'm for what you're doing but I don't like the way you're doing it. That's walking both sides of the street. That's a classic, old-time, old-fashioned political game — I'm with you but I'm against you. So those who like the reform, you can vote for me; those who don't like the way it's being done, you can also vote for me. You can't do that. And you can't do that if you ever hope to gain office and to gain political credibility. Sooner or later — a lot sooner than you think — you're probably going to have to face this; you're going to have to face exactly where you stand on this issue.

Mr. Osika: — Thank you, Mr. Premier. When you do have to make serious decisions that are going to affect people's lives, there has to be some care and compassion involved when those types of changes and cuts are made. And in rural Saskatchewan it seems that that was not part of the equation when the cutting and slashing occurred.

I just wonder if — getting back to the offloading and the cut-backs from Ottawa — if you could provide us with the exact figures from the departments to tell us how that so-called drastic cut has been applied. And I ask that because up to this point we've heard that this cut from Ottawa, the cuts from Ottawa, have crippled our health system. You say it has crippled our education system; it's cut. That cut has ruined our highways.

Your Minister of Northern Affairs says if it weren't for the 1.5 per cent reduction, we would see water and sewer services throughout the North. We hear, if it were not for this 1.5 per cent cut, you could have kept your promise to eliminate child poverty in our province. You say if it were not for this 1.5 per cent cut, you could return VLT monies to our communities as you promised. You say if it was not . . . if it were not for this 1.5 per cent cut, you would not have had to break your promise to farmers regarding GRIP (gross revenue insurance program) payments.

Mr. Premier, if we were to add up all the times that's been used

— that 1.5 per cent cut has been used as an excuse for your government's decisions and choices — I think we'd find those explanations just don't hold up.

So can your government give us detailed figures as to how this 1.5 per cent reduction was applied to the various departments that has caused all these shortfalls in the various departments that are affected?

(2000)

Hon. Mr. Romanow: — Mr. Chairman, again this is an important question and I don't mean to minimize it when I say that there is a very easy simple answer to this. And I just ask the hon. members to contemplate this. We balanced the budget in '94-95; that's a fact. Provincial Auditor's confirmed it. And we balanced the budget in '95-96. That is the amount of money coming in, in taxes, and the amount going out for schools, roads, hospitals, etc., is equal — no deficit.

Now we have a \$110 million deficit, shortfall. If we had not had that \$110 million shortfall — keeping in mind that we balanced the budget before the cut-back on the block transfer was announced — we'd have had an extra \$110 million likely in surplus, likely in surplus. It may not have covered off all the list of items that you've talked about, but we would have had \$110 million, much of which could have been applied to some of the specific programs you talked about, or the taxations. A lot of it could have been applied. It's very simple mathematics.

But when you reduce it by 110, you automatically are in the red by \$110 million. Now look, you know, you're critical . . . or not critical but by implication critical about how this small — as you portray it — federal Liberal cut of 1.5 applies. We'll I've taken a little bit of liberty to ask the department people to take a look at what you people have been saying in this session so far. And by our department calculations — and we're going to tell the people of Saskatchewan this in due course — in four short sitting months, the Liberal MLAs (Member of Legislative Assembly) have proposed spending measures that would have added \$457 million a year to the provincial debt — each and every year.

On March 4, the member for Wood River proposed reversing the conversion of 52 rural hospitals — cost, 16.4 million. On March 4, the member for Wood River proposed improvements to rural facilities — cost, 15.1 million. On March 4, the member for Wood River proposed reversing changes in the drug plan — cost, 52 million. On March 7, the member for Canora-Pelly proposed to increase school board funding by 2 per cent — cost, 5.1 million. March 13, the member for Kelvington-Wadena proposed spending on park services capital replacement — cost, 26 million.

On March 18, the member for Saltcoats proposed matching federal road contributions to agriculture transport — cost, 85 million. On March 27, the member for Wood River proposed reversing consolidation of highway operations — cost, \$350,000. March 28, the member for Athabasca proposed a series of road improvements in his riding — cost, \$25 million. On April 4, the member for Canora-Pelly proposed increased

salaries and benefits for teachers — cost, \$8 million. April 24, and repeatedly I might add throughout the session, the member for Arm River proposes the government share of GRIP be distributed to farmers. Cost? One time — \$188 million.

April 24, the member from Wood River proposed passing the provincial share of Saskferco profits to farmers. Cost — \$22.9 million. On May 14, the member for Humboldt proposed keeping the Whitespruce facility open at a cost of 1 million. May 16, the member . . . (inaudible interjection) . . . That's right. What's a million, the honourable member from Humboldt says.

On May 16, the member for Kelvington-Wadena proposed spending on post-secondary partnership plan which would cost \$1 million. May 21, the member for Humboldt proposed reversing the closure . . . (inaudible interjection) . . . There's the member from Humboldt again. She proposed on May 21 the closure of the Plains hospital should be reversed, as all of her colleagues have been doing through the tabling of petitions — by the way, every one of those petitions dated before the last provincial election or a short, slight period after the provincial election on that issue, but they represent them as being current and up to date. Cost — \$10 million.

You know, Mr. Chairman, in round numbers the official opposition, the official Liberal opposition, has been proposing \$6 million a day in new spending each and every day. Nothing small-time about these people. They're not small-time thinkers at all at \$6 million a day.

However, what we've not done yet is we haven't, what we've not done yet is we haven't factored, what we've not done yet, we haven't factored in their ambitious plans for tax reductions. Now that is going to be worked up in the next operation.

So here you have \$457 million you've spent already this year, if you're going to be elected government in 1999 or the year 2000. And you're going to balance the budget. And you're going to reduce the taxes. And you're going to find this \$457 million. And you say you've got the public credibility.

I tell you the former Conservative government ain't holding a candle to you, 1996 version of the Liberals.

Some Hon. Members: Hear, hear!

Mr. Osika: — I agree. That was a marvellous performance with an impressive set of figures, and we'll come up with some as well. It's too bad there weren't some impressive figures about the number of jobs that can be created so we can keep our young people here in this province; so we can create an atmosphere so business wants to come and stay in Saskatchewan instead of shutting down and moving to Alberta and to the States where we lose some very valuable people, because they can't live in the atmosphere and the climate that this government has created with their oppressive taxes, Mr. Chairman.

I want to return to this whole subject of offloading for just a couple of moments. Mr. Premier, we've heard you and your

government cry bloody murder over the last few months over transfer reductions from Ottawa — reductions that can best be characterized as modest.

When I hear those cries of woe from the other side, it raises a question about what your government is doing to the municipalities here in this province. They've been hit hard in the last four years and will be cut by another 25 per cent next year. This government who calls out and cries and calls the cavalry after losing a mere 1.5 per cent of its budget, in the next breath cuts the municipalities by 25 per cent. Don't you see that there's some kind of a contradiction here, Mr. Premier?

Hon. Mr. Romanow: — Mr. Chairman, what I find . . . the Hon. Leader of the Opposition said that it was quite a performance. I really don't think it was quite a performance. If it was a performance, I tell you I think it was depressing what I had to read. Just when we fight our way out of a deficit and debt, and to think that there's a modern day political party advocating this kind of an encouragement of deficit again — this is nothing optimistic or encouraging. It is absolutely depressing.

And I've got to tell you when you talk about the jobs figures, don't take my figures for it. StatsCanada — agriculture, 7,000 more jobs up one month over the next month; manufacturing, 1,000 over a year; construction, 4,000 from a month; utilities up 3,000; trade up 1,000; service jobs, 1,000; primary, 1,000. I know 470,000 jobs, people working in our economy right now in 1996.

Sometimes it makes me wonder whether you people know you're in the legislature of Saskatchewan, because you're always singing the praises of Alberta. Alberta, Alberta, Alberta, Alberta, Alberta. You defend the medicare premiums in Alberta. You like that system. You like the two-tiered system of health care. You like that very much. You like their privatized car insurance system. You like their welfare reform. Put them on a one-way bus and ship them out to B.C. (British Columbia) or Saskatchewan. Alberta, Alberta. Who in the world do you people represent? Do you represent the people of Alberta or do you represent the people of Saskatchewan.

I tell you this is just not a very, very good way in which the Liberal opposition in this House is handling itself. It should really be looking at the facts. Look, you can argue that we're not doing enough. That I think is a legitimate observation. I think we should be doing more. I wish I had the capacity to reduce the taxes.

I want to give the Leader of the Liberal Party a little figure here which he may find of interesting note. On average, per capita in Alberta, on average per capita, oil and natural gas revenue from royalties, because they've been blessed by oil and natural gas, 85 per cent on average a year is \$900 royalty take from the companies. You know what our average . . . That's \$900 per capita — well not per capita because they have a larger population, \$900 million — 900 per capita, is the take on oil and natural gas. You know what our per capita is on 9 per cent sales tax in Saskatchewan — 720 per capita. In this province, at \$900 per capita of oil and natural gas, you know what you

could do? You could do away with the sales tax and have \$180 per capita to boot, to do other things.

You've got to be fair about the criticisms here. You've got to be fair, and you got to understand what we're dealing with with the third highest yearly expenditure, Mr. Leader of the Opposition, of your tax bucks. First highest expenditure is health care, second highest, education. You know we pay third highest — again I repeat — interest payments on the public debt — \$860 per capita. That almost matches the Alberta per capita oil royalty take.

And they talk about some sort of ideology or philosophy in Alberta paving the way. My goodness, if we didn't have that kind of a debt hanging around our necks and we had that kind of a boom of oil and natural gas around us to be able to distribute the largesse, we could do a heck of a lot.

And I tell you what is the miracle and the great hope and the great optimism for this government and for this province, is that we have done so well, that we have succeeded so well, that we have preserved our core values in the Saskatchewan way in the face of all of those obstacles that have been placed to us. This is a great accomplishment for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Osika: — Thank you, Mr. Premier. I guess my question then would be why are people just leaving so furiously, and whether they're going to Alberta or wherever. Our people have to go elsewhere to find jobs and to create business and to operate their businesses.

Mr. Premier, I just want to ask you about . . . on the subject of our municipalities, we've seen that you've withdrawn The Service Districts Act and that was, I'm sure, as a result of pressure in opposition from local government leaders. You stated you had no intention to force amalgamation onto municipalities. We've said that we don't believe you. Now we see this 25 per cent funding for local governments is being cut back. Now isn't this just a kind of a back-door method of forcing amalgamation, just as health reform has been a back-door way of shutting hospitals and nursing houses?

Hon. Mr. Romanow: — Well the answer, shortly put, is no, and if the answer was yes the leadership of SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities), I'm quite sure would not have entered into the accord with the provincial government to study, up until December 1, ways and means to eliminate overlap, duplication, and efficiency at all levels of government. We're trying to do it provincially, federally they're trying to do it, and municipally they're doing a very, very good job. That's a partnership agreement and we are wanting to work with them.

So the answer obviously is no, I do not agree this is a back-door operation at all. It's simply the fact of the matter, we don't have enough money to go around. I've given you already the total of your list of expenditures amounting to \$450 million.

I wish I could say yes, more for highways; yes, more for municipalities; yes, more for this; yes, more for that; and lower taxes. But I repeat again, over and over again, I can't do it. And if you think that there's a way that it can be done credibly, please give it to me, because if you think it's any piece of cake sitting on this side of the front benches trying to juggle the books, we'll take your idea and apply it.

And by the way, your opening comment was about the population loss. That is absolutely, totally inaccurate and wrong. For 13 quarters in a row, Mr. Leader of the Opposition, 13 quarters in a row, Saskatchewan's population has grown, according to Statistics Canada — 13 quarters in a row.

Some Hon. Members: Hear, hear!

Mr. Osika: — So then, Mr. Premier, can I then . . . will you then stand here in the House and categorically tell us here tonight that you have no intention down the road as Premier to force municipalities to amalgamate, either through direct legislation or funding cut-backs?

Hon. Mr. Romanow: — Mr. Chairman, I am absolutely confident that the process of consultation and cooperation will succeed. I am confident that our municipal leaders, in partnership with us — we're partners, after all; the same electorate — that come December 1 or some time shortly thereafter, there will be something that we can point to, to our common taxpayer base, to say that we've got the best possible infrastructure for rural and urban Saskatchewan that we can afford for the 21st century. I'm confident of that.

There's no use me speculating about what happens if it doesn't take place, if that happens, or if something else happens. We'll deal with that when we have to deal with it. Right now we're working together, got our sleeves rolled up in achieving the success story which I think we can achieve in modernizing our governance system in Saskatchewan.

Mr. Osika: — Thank you, sir. As we all know, the offloading doesn't stop at our local governments. It continues to go on and on. This government, which decries the evils of offloading, has turned it into an art form, Mr. Chairman. Again, Mr. Premier, I'm going to read back a quote from you: "Increased education is a priority for the NDP. All I can say is, we simply have to find the money." Mr. Premier, that was in October 1990 when we were on the road to fiscal ruin set forth by the Conservatives that was a well-known fact. So for you to now stand and say you couldn't keep this commitment either, again is just not completely right.

Mr. Premier, funding to public schools has decreased under your tenure. Funding to universities has been cut. Funding for technical schools has been cut. Funding for the regional colleges has been cut. Will you explain your 1990 promise and how it squares with reality? Because like I say, these cuts were made years in advance of any federal reductions, and your promise to increase funding to education was made when the fiscal mess the Tories had created was well-known. Please explain this lack of commitment to education, Mr. Premier, in light of these facts.

(2015)

Hon. Mr. Romanow: — Well, Mr. Chairman, the answer which I gave with respect to health care is the answer which I give here. The \$110 million roughly breaks down to \$50 million reduction in the health care area, if my memory serves me correctly; \$25 million in the education area; \$25 million, roughly speaking, in the social services area. It amounts to 110 million in total for just one year alone, but didn't start this year. It's been going on for some number of years.

And every year we're trying to back-fill and back-fill and back-fill. And this is for a province which has the highest per capita debt, I think, of any province still in Canada, although I think we're better than Newfoundland. We certainly have eliminated our deficit, but our debt is still one of the very highest. Now that's the fact.

Now I repeat again, so that you don't think that I'm bashing Ottawa all the while, I've been talking about a national alternative agenda. I think we need to, at a federal-provincial level . . . I'll be going down to Ottawa toward the end of this week to talk to my colleagues about this . . . have a truly national, deficit/debt cooperative game plan where we don't end up passing off each other's problems to somebody else's jurisdiction — Ottawa onto the provinces, the provinces onto the school boards or onto the local governments. That's no way to operate a railway or to run a country. I understand that. But we can only do that if we realize there's one common taxpayer, one common way in which to handle this deficit/debt approach. Do it in a common sense, sensitive way and do it cooperatively.

I can't do it, however, if the federal government says to me — bango — here's \$110 million less this year, going to 230 million in three years, like that. I can't do it. My people are taxed. Our people are taxed to the max. I can't increase taxes. I got to balance the budget because the bond rating agencies — we owe this debt of 14 billion — don't permit us to do otherwise. And I think the people of Saskatchewan want us to do as best as we can in back-filling health, education, and social services. And if we don't quite totally match 100 per cent, please understand the tight squeeze that we're under.

And I repeat again. If you have a solution which is better — and I'm not saying this rhetorically or politically — offer it to us. We'll take it, because presumably you'd like to see the pinch eased off school boards, as we would, or health care or anywhere else. So give us the alternative.

Mr. Osika: — Yes, Mr. Premier, and we're all aware that the pressures on school boards are mounting daily in fact. And we all know the problems that do extend beyond government funding. We know dropping enrolment is also a factor, and trustees are forced to come up with solutions for these problems.

However the government never seems too pleased when this happens. We all saw this recently with the Scenic Valley School Division which came up with a unique plan to save some money and perhaps save teaching positions or even a school. But they were met with resistance from the government.

The minister only recently agreed grudgingly to the proposal.

Can the Premier tell us if all school boards and divisions will be met with the same resistance when they come up with solutions to the problems of government cut-backs and funding? If there are some measures that are proposed, will they in fact be supported?

Hon. Mr. Romanow: — Mr. Chairman, we welcome ideas from school boards, individual school boards, the SSTA (Saskatchewan School Trustees Association), STF (Saskatchewan Teachers' Federation), opposition parties. Any idea which has merit obviously we welcome; we'd like to examine and to consider it.

I think the Leader of the Opposition would agree with me that we can't latch on to any one good idea immediately. If it sounds like a good idea, it needs to be analysed, and it's got to be figured out as to what its impact is going to be on the entire school system.

The four-day proposal . . . four-day school week proposal has merit. You can describe the Minister of Education's approach in this regard in any way you want, grudgingly or in not in a very helpful way. I don't subscribe to that. However you describe it is your right, but the fact of the matter is we are looking at it. We're going to be dealing with them and looking at it and seeing what can be done.

But it may not be a solution that is applicable to the province, and we're not going to simply . . . it would be irresponsible for a government, it would be irresponsible for a political party, to simply attach to the idea and say, hey, here's a good idea, and all of a sudden wake up six months, nine months, or a year later — oops, I made a mistake. So we're looking at it very carefully, and we welcome new ideas from any source we can get.

Mr. Osika: — Thank you, Mr. Premier. I'd just like to turn to a more recent promise made by your government, and that was the promise to return 10 per cent of VLT revenues back to our local communities. Mr. Premier, where you live it might not have made much of a difference when this money was promised and then snatched away as soon as the votes were counted in last year's election. But, Mr. Premier, it does make a big difference where I come from.

The pot of gold the government struck when they introduced these VLTs into our communities was in fact remarkable. They now take in every year more than any federal reduction in transfers, but we don't hear the government talking about that.

Mr. Premier, I want to read some numbers to you now, if I may, and these figures are only up to February of this year. So you may want to add another few hundred thousand dollars here and there to the mix. In the last three years, the government has taken millions out of Saskatchewan communities. I just want to read some of those figures and these were obtained from your own government: Estevan, \$5.6 million; Lloydminster, \$600,000; Melfort, \$2.5 million; Melville, \$3 million; Moose Jaw, \$10 million; North Battleford, a half a million dollars; Prince Albert, \$13 million; Regina, \$42 million; Saskatoon,

nearly \$50 million; Swift Current, over 6 million; Weyburn, nearly 5 million; Yorkton, 6 million. Those are just the cities. Out of smaller towns and villages, the government has taken in about \$120 million in just the first three years of VLT operations.

Mr. Premier, that's a grand total of over \$225 million — that's money taken directly out of our communities. So when the government committed to returning 10 per cent, the communities cheered. They were elated. Because maybe then they could do something to prop up the local fund-raisers devastated by the advent of VLTs; do something to fix their roads which have fallen into disrepair due to continued provincial cut-backs.

But, Mr. Chairman, I want to point this out. That money was never to be. That promise made in January 1995 was never meant to be kept. It was simply a tool to deflect some heat from the NDP in the run-up to the election. And now once again we see the NDP citing the federal government as the main reason for this broken promise. Even though we have a cabinet document from 1994 which shows at that time they should expect these modest reductions from Ottawa.

Mr. Premier, why would your government make such a promise if you had no intention of keeping it? Ottawa's cut-backs didn't come out of the blue, Mr. Premier. I'd appreciate your comments.

Hon. Mr. Romanow: — Mr. Chairman, what I'm going to say at the very outset is that I think I should sit here with a calculator, because now by my calculation, Liberals in this Legislative Assembly in four months — what day is it today, sitting day? — in 75 sitting days tonight, they've just added another 10 million. So it's 467 million that you have spent. And I could read the list again but I won't. But it'll be publicized well enough over the next months and years ahead, as you can appreciate. In 75 days you have committed \$467 million to the debt. Another 10 million you want to do.

So I'm going to ask somebody here to get me a calculator because this is getting very hard to figure out. Talk about tax-and-spend Liberals — this is the epitome of it. But leave that aside for the moment.

Look, there was no agreement amongst SARM and SUMA, the government, and SSTA I think was at the table as well — and SAHO (Saskatchewan Association of Health Organizations) too. We asked all of those people, we had many agreements — what do you want to do with the \$10 million? There was no agreement. We met and we met and there was no agreement. Some wanted to go here; some wanted to go there; some wanted to break it there. That was it.

Well that's the fact. And in the absence of the agreement, what did we do? We took the money back to the provincial treasury. And you say, you took the money back; you took the money away from the communities. We did? Well where does it go — to my pocket? It doesn't go to my pocket. This money goes back to public treasury and it goes right back to the communities. It helps the communities in health care and in

education and in roads and all the things that you say that we should be doing more of.

How in the world can it be argued that somehow you take the money out of the communities and pof, it disappears in the air. Nobody's got it. Or we walk away with it, you know, and spend it in Las Vegas ourselves. I mean this is not a logical argument.

And the last point I want to make about the Liberal leader, the Liberal opposition leader, if I may. Something else that you people have got to straighten out sooner or later, and I know you've got a leadership race coming up and maybe after the new leader is chosen that will be straightened out a little bit, but this is an inconsistency which keeps on cropping up like your health care inconsistency, which is major.

But here's another one. Today in question period, if I heard the hon. member from Humboldt correctly, she was back on the argument that gambling and gambling addictions were terrible, and they are terrible where they're affected, and we should be spending more money. I didn't have my calculator this afternoon for question period as to how much we should spend, notwithstanding the fact that we spend more than anybody else in Saskatchewan. There she is; gambling and all of that is all bad. You get up this evening and say, hey, it may be bad but let's use it and distribute it around, the proceeds, to the community.

Well is it bad or is it good? And if it's bad, what would you do? Would you do away with it? Would you stop the VLT program? Tell us point-blank. What would you do with it?

Again, I'm inviting the Liberals to articulate one more time — it's about the fifth area now; health care, education, how you'd square the budget problem — I'm asking you now, on the gambling side, what do you think we should do with that particular policy?

Mr. Osika: — Mr. Premier, as I mentioned at the outset, for my first, short time here it's really become evident how crucial it is to become experienced in being able to turn around certain answers to questions that are asked in order that you make the people asking the questions look like the bad guys.

I want to refer to the VLTs, Mr. Premier. They have in fact caused untold social problems in Saskatchewan. And we realize, we realize, sir, that the hoteliers throughout Saskatchewan lobbied the government hard for these machines, and rightly so. We're not arguing that. We understand their position completely, and we know that Saskatchewan is not an isolated island unto itself. But as you well know, those machines are highly addictive. Yet your government has only agreed to set aside 1.5 per cent of your \$100 million-plus profits for the treatment of addictions.

Does the Premier see this as an adequate amount, and will you agree, Mr. Premier, that gambling expansion policies have in fact had a devastating impact on some unfortunate people in our province? And they have been forgotten by your government as you reap nothing but profits from these machines, and yet do not seem to be as concerned over those unfortunate people that

become addicted.

Hon. Mr. Romanow: — Mr. Chairman, I mean with the greatest respect to the Leader of Liberal Party, how in the world can he say that? At the highest expenditure of any province toward those people who are addicted — that's what we have in Saskatchewan, 1.5 million — no other province on a pro rata basis is even close, Liberal included.

And he says that we don't care. Let's take a measurement as to whether or not the 1.5 million can deal with the situation adequately and properly the way it is right now. The situation's only been operational for a year or two. You are jumping into all kinds of conclusions that it is addictive. It is a problem. Anybody who is affected by any kind of an addiction of that nature or any addiction needs to be looked after, needs to be given assistance.

But you cannot jump from that statement to say that 1.5 — the best in Canada, given our fiscal situation — shows a lack of caring. And if you don't think 1.5 is adequate, tell me. I've got my calculator out; we're at 177 million already. How much more would you dedicate to this issue?

Mr. Osika: — Well just as I asked in regards to the health care reform, Mr. Premier, do you think your government has made mistakes in the gambling expansion program? And what would those mistakes be and how do you plan to address them?

Hon. Mr. Romanow: — I think, Mr. Chairman, that on balance, our program here . . . Let me back up, Mr. Leader of the Opposition. All of us will have our personal views about gambling. I think the ethic that you can earn money without working for it is a false ethic that society generally ought not to be promoting. That's my view.

But you yourself in the preface of the question said we're not an island unto ourselves. We have them in Alberta and Manitoba and the South and we have to manage as best as we can in the system that we have.

(2030)

I can tell you, with that reservation and with that fact, what we have done in Saskatchewan by and large has been as an effective and sensible and controlled and transparent policy on gambling as there's been anywhere in Canada.

And you don't have to take my word for it. All you've got to do is pick up the phone to the Liberal leader in the province of Alberta who'll tell you that he in the Alberta legislature advocated that they follow in Alberta the same kind of a model with respect to, for example, casinos and first nations people as they have in Saskatchewan. That's what he advocated — the Liberal leader in Alberta, your colleague and your philosophic soul mate and the province that you point to all the time as the model.

So I think that it has been as good a development, in the sense of trouble-free development, as this kind of a venture, which by necessity is troublesome, as I've explained in my opening

remarks, can be.

And as I say again, don't accept my words. Accept the words of the Liberal leader in Alberta.

Mr. Osika: — Keeping in mind, Mr. Premier, that federal transfer payments will increase over the next few years . . . (inaudible interjection) . . . Well keeping in mind federal will be increasing to some extent over the next period of time . . . Getting back to the VLTs, I would just like to ask if you can foresee, if you can foresee that 10 per cent or perhaps more of that VLT money that leaves our small communities in rural Saskatchewan going back to those communities, that 10 per cent or better.

Hon. Mr. Romanow: — Mr. Chairman, I really have to say this. I see no evidence in any of the Martin budgets federally — none — of any transfer increases to the year 2000, 2001. In fact I think it floors out at 2001. It continues to go down. I wish it were true.

I told you already; we're going from 110 million less this year to 230 million in Saskatchewan alone. In national terms, Mr. Leader of the Opposition, it is about \$8 billion less for health, education, and social services nationally, from Ottawa to the provinces. Our share ends up at 230 million. I see no transfer increases. Now maybe you know something that I don't know, but I don't see it. I hope that you're right. If that happens, I guess we'll have to make a decision, but as my late father-in-law used to say, "if" is the biggest word in the English language.

Mr. Osika: — Just to go on to something else, Mr. Premier, we've heard a great deal about government restraint over the years, but at the very top it doesn't seem that much restraint has been practised. Mr. Premier, in the grand scheme of things, the number of cabinet ministers or the number of staff in this building don't mean much, on paper at least. But in the eyes of the public, it means everything. When the people are asked to do with less, they say, so should the Premier and so should the cabinet — and quite rightly so. But now we see a situation where you have appointed two ministers in charge of gambling, and then we saw you appoint a second minister of Education — and of course all the requisite staff that go with these positions.

Mr. Premier, many people in this province no longer have quick access to medical service. Their highways are impassable. How can you possibly justify these extra ministries? Just on the face of it, don't you think this type of thing gives a wrong appearance to the people? I just would like to point out recent information that your NDP cousins in British Columbia, with three times the population, have announced a cabinet with only 13 ministers. Under the circumstances, you must feel hard-pressed to justify the size of your government.

Hon. Mr. Romanow: — Mr. Chairman, when I first assumed office as Premier, I swore in a cabinet of nine. That's what I did.

An Hon. Member: — It was 12.

Hon. Mr. Romanow: — No, it was nine. Nine cabinet ministers, it was the first cabinet that we had. And you could go down to eight. You go down to seven. You can go down to any number that you want . . . to say that's hard-pressed. Each premier will have to make a decision in each jurisdiction as to the size of the cabinet that they want. But the reality is, the simple reality is, that we lost five cabinet ministers due to election results and personal decisions.

I added one additional, new cabinet minister, occasioned by the fact that Ottawa said that manpower, skills training, is now going to be a provincial responsibility exclusively if you want it — not Ottawa's. This province, like almost every province, was behind the curve in getting skills training, manpower programs for our young people, and we need to put somebody in charge to do it. There's no extra cost of substance in having a Minister of Post-Secondary Education dealing with universities and SIAST (Saskatchewan Institute of Applied Science and Technology) and skills training at all, except for the fact that there's a minister and one or two executive assistants and secretarial staff.

You can do away with that. Maybe you can say that's a big symbolism factor, but it does not mean very much in comparison to the task that's involved, because all of those functions are being carried out in the unified Department of Education, from K to 12 all the way to post-secondary. That's the size of the cabinet.

Now we're always looking at ways and means to keep this government very, very efficient. And I want to tell you that this government is very efficient. This government is very efficient. This government is operating it's . . . (inaudible interjection) . . . I'm sorry. I can't . . . just settle down there for a moment, the Conservatives. We'll just get to you in a moment. But what I want to say . . . (inaudible interjection) . . . And that from my former friend, he sat in the students' representative council with me, if you can believe it, Mr. Chairman. I was a child student at the time. Can you imagine, there he was . . . (inaudible interjection) . . . That's right; I'm just a student.

Mr. Chairman . . . (inaudible interjection) . . . Okay now. Just listen to this and learn something for a change. Mr. Chairman, you know we run government — if I may use a lawyer's terms — qua government, as government, approximately for \$4,300 per capita, 4.3 billion. You'll say, oh no, but your budget says it's 5.1 billion, and you're right. Now you want to know what the difference is?

An Hon. Member: — Interest.

Hon. Mr. Romanow: — Right. You add 4.3 billion . . . (inaudible interjection) . . . You're learning. Interest payments. Add 850 million and you've got 5.15 interest payments. So what you have to do in order to compare expenditure of government is you've got to say to every government in the province, okay, let's forget about your interest payments and the debts. But how do you compare in running your services — schools, roads, the things that governments do. And you know what? On 4.3 per capita basis, Saskatchewan is the lowest per capita expenditure in the operation of government of any

province in Canada. If not in any province in Canada — the Investment Dealers Association of Canada is the second lowest — I think we're the lowest. There might be a quibble on what goes into a provision of service, but that's a doggone good record.

We've reduced the number of MLAs from 66 to 58; we've reduced the size of government's ministerial assistants across the piece; we've reduced the pay cuts 5 per cent, as my colleague points out. We've frozen pay cuts. We've made changes to pensions. Why you people even have done the great noble gesture of giving up \$4,400, so you say. We'll see at the end of the session.

So there's been a lot of sacrifice by a lot of people here. And I want to thank each and every one of you for doing it, especially the people in the province of Saskatchewan. But at 4,300 per capita, that is a tremendous record since 1991.

Now if you think that it should be cut some more in real terms, and then I'm going to put you for the sixth time in a sixth different area, tell me specifically where the Liberal Party stands, where it should be cut. Because I want to tell you, if you give me this kind of an answer, oh well, you cut back on the cabinet ministers or cut back on the MLAs, I tell you we could just say right now at 8:40 p.m., roughly speaking, June 18 in the year of our good Lord, 1996, every one of us is fired. We're all gone. Turn off the lights. You're walking out, never to come back. What would we save? Eight million? — 8 million a year.

An Hon. Member: — And a lot of anguish.

Hon. Mr. Romanow: — The anguish we're already saving ourselves on, so that part of it is a bit of the good news. We save ourselves \$8 million, Mr. Chairman — \$8 million we save ourselves.

You know what we do? We would pay the interest rate charges for Monday and Tuesday, maybe. And then you got to tell me how you pay for the interest charges for the next 363 days of the year. Will you tell me how you do that?

Mr. Osika: — Well, Mr. Premier, I'm sure you've heard people say this. I'm sure you probably told people every little bit helps. It all adds up. And if you agreed to turn back the monies, as we are going to, that little bit would help as well to help pay a health care worker or keep a hospital open.

Mr. Premier, if I may send over the document to you, and you're probably going to tell me that your calculator is better than mine . . . You're probably going to tell me that your calculator is better than mine, but these were the transfer figures that I was referring to and I'd like to share them with you — where it says that federal transfer payments will decline by 61 million in 1996-97, by another 60 million in '97-98, before increasing by 15 million in 1988-99. So the difference between '95-96 and 1998-99 is therefore \$106 million. I'd just like to share those.

I just want to ask you again, because I'm still not too clear on why it's necessary to have two ministers of gambling for

Saskatchewan. I mean is gambling now so important that the government . . . for the government that we need two ministers? That's more ministers than we have for Health. Of course given that minister no longer takes responsibility for his own portfolio, perhaps one provincial Minister of Health is too many as well.

But if the Premier would just give me his rationale for two ministers of gambling, and if he could as well, tell us how much this costs with the additional staff? It all adds up and, as I mentioned, every little bit goes towards what we are all concerned about.

Hon. Mr. Romanow: — Look, there's a very simple answer to this, and that is that when we do it the other way, you combine the ministries and the accusation is, oh well, you're operator of the gambling and you're also the regulator of the gambling — same minister.

And so when you try to separate . . . and the minister is responsible for making sure the investment at Casino Regina and the VLTs is operating in a commercially transparent and proper way, and another minister through Liquor and Gaming Authority has the regulatory licensing power and the disciplinary power and the investigatory power, which is the way we think it should be done, separate and apart. That's why we did it.

We do it that way. You say, well you've got two ministers of gambling. Well we don't. We have a minister in charge of all the bingos which are involved, and the licensing, the charitable lotteries that go on there, and the Nevadas and the pulls and all of these things that are going on, including the operations of the government. We're trying hard to make sure that we don't have, more than we are already, in a perception of a conflict of interest, being operator and regulator. Thus the two reasons.

By the way, this document that you gave me, I'm going to take a hard look at it. I don't mean to diminish it but I see it's a letter from Ralph Goodale, MP (Member of Parliament), directed to . . . obviously a newsletter. And I will take a look at this, there's no doubt about it.

Oh well, I see some of the figures here. I mean the . . . well there's no use debating this for the moment tonight. But I see what he's done here. What he's done is he's put into the calculations, very briefly, some areas like, for example, \$145 million assistance, he writes, from the Government of Canada over the next three years as further assistance related to transportation, including about \$85 million for Saskatchewan's road system over three years.

So that's not transfer payments.

Mr. Osika: — But they are a part of the \$20 million that came this week to help with the roadways and byways in this province, Mr. Premier.

I wonder, just on a little more technical and specific question, if I may ask. Can you tell us how many ministerial staff your cabinet now employs, compared to a year ago? And I would

ask, if possible, if you would provide us with a list of their positions and their salaries.

Hon. Mr. Romanow: — Mr. Chairman, I can undertake in the next few days to give this in writing. I'm not trying to escape the answer, but there's a few more coming in July 1.

We have, on March 31, 1996, 137 ministerial assistants — a decrease of 14 per cent from the previous administration. Average cost of ministerial assistants per minister's office in April '91 was \$412,000. Average cost, '95-96 is down to 341,000 or 17.4 per cent reduction. And I believe there are additional reductions which are going to be taking place on July 1. That's why I'd like to give you the additional information. But that's roughly where the trend line is going.

(2045)

Mr. Osika: — Thank you, Mr. Premier. I notice as well that the full-time staff within Executive Council is now 77, compared to 88 last year. Could you tell us which positions were eliminated?

Hon. Mr. Romanow: — Mr. Chairman, we have 11 reductions which represents a decrease of 12.5 per cent. As the hon. member has pointed out, two individuals are taking early retirement, one termination, and eight vacated positions will be simply deleted, not repeated.

And in what areas are these? Mr. Wincherauk, can you tell me? Communications coordination, chief of staff office, and planning and priorities.

Mr. Osika: — Thank you. Just to clarify, those people from Executive Council, are they still employed in other departments within government, and how many and in what capacity?

Hon. Mr. Romanow: — Not these, they aren't. Some will, invariably, or might be. I won't say will, but will be or might be. They are free to seek employment elsewhere. In this particular case, the answer is no.

As I say, we're trying to keep the cost very low. We campaigned in the 1995 election saying that we would save \$40 million a year annually . . . over four years, I'm sorry. We were actually criticized by the member from Greystone, the former Liberal leader, on that as being not enough. And we ended up in '96-97 saving \$50 million in administrative proceedings like this. That's in one year.

Mr. Osika: — Thank you, Mr. Premier. For the last couple of weeks in this House I've been discussing what I think are legitimate concerns regarding The Election Act. As you know, in our opinion we think that Act has been violated by the actions of the NDP and the Progressive Conservatives.

Mr. Premier, you were the one who brought in this portion of the Act. First of all, do you think that the intent of the Act is being followed today, the intent that you meant back in the '70s as our attorney general? I'm referring to the PC metro fund and the Tommy Douglas House.

Hon. Mr. Romanow: — Mr. Chairman, I am not in the business of giving my opinions with respect to the PC metro fund or any funds that the Liberals may have set up or have set up or do have on the go. What the PCs do and how they handle their business is their business. And what the Liberals do and how they handle their business is your business. Nor am I in the business here in these estimates to talk about NDP funds. I have no problem in doing that. My job here on the floor of this Chamber, however, is to explain the expenditures of the taxpayers of Saskatchewan through the Executive Council department.

But having said that, that one little caveat, I am of the belief that there has been compliance as far as the NDP is concerned with respect to The Election Act and Tommy Douglas House. I think that what the public wants is more compliance. That's why the amendments to The Election Act are before the House. I think they've been passed already by the House. And we think that that's the way that it should be proceeded.

And so the answer is, this law that I introduced in 1978 was trail-blazing at the time. I was very proud to introduce it. I think it's the right direction to go. I think in 1996 it needs to be improved, and we're trying to do it.

And we appreciate and welcome your suggestions as to how we can improve it. And I very much appreciate the fact that you and the representatives of the third party have met with the minister in charge of The Election Act to give your comments for improvement. And we monitor it and monitor it and continue to improve it in order to make sure that the political system, people have confidence in.

Mr. Osika: — Thank you, Mr. Premier. There has been in fact a concern raised as well about the independence of the Chief Electoral Officer. He is in fact an employee of Executive Council, Mr. Premier — you're aware of that. I've got to admit to you that as a newcomer to politics, I was just a little bit surprised by this. I just assumed that that position would be an officer of the legislature, much like the Clerk. If any position must be seen to be independent, one would think it would be the Electoral Officer.

As I understand it, our current Chief Electoral Officer in fact has wisely requested that he is independent from your office. Do you think you'll be following this course of action any time soon, and what reason might there not be for not making the Chief Electoral Officer completely independent?

Hon. Mr. Romanow: — Mr. Chairman, I think that there is merit to looking at the idea of making the Chief Electoral Officer independent, in the sense of being appointed by all of the Assembly, as we do the ombudsperson or the Conflicts of Interest Commissioner and so forth. I think there is a lot of merit in that.

We have retained the Chief Electoral Officer in the current set-up basically for two reasons. One is not a very good one I admit, but none the less it's one that is there. This has been the tradition for many . . . well has been the tradition every since I know and probably going all the way back to 1905 in

Saskatchewan, but that is not the major reason.

In reality, the Chief Electoral Officer although I'm responsible and report to . . . the Chief Electoral Officer, in some ways is like a judge of a Provincial Court. A judge of a Provincial Court is appointed by a cabinet. A judge of a Provincial Court and that budget is responsible to the Minister of Justice. And the Minister of Justice has to respond in estimates to you folks about court judges and other thing related to Justice, much like I do, by parallel, have to answer about the actions of the Chief Electoral Officer.

But no one would argue that the judges of the Provincial Court aren't free and independent in the fulfilment of their duties, in making sure that election returns are in compliance with the elections law, or the laws that the judges have to interpret.

And I think the same analogy applies to Mr. Kuziak and his predecessors. And in reality what we're talking about here more is perception than fact. Perception is important, I acknowledge.

So I think we need to take a look at this and I wouldn't rule it out as a possibility some time down the road.

Mr. Osika: — Thank you, Mr. Premier. The concerns that have been raised over the particular Election Act that's in place and some of the amendments in the Bill 92 that will in fact replace that Act has just in the very recent past raised some serious concerns and concerns that we've been debating and we've been discussing.

Mr. Premier, given all these related concerns and the obvious need to closely review what has happened, and perhaps under the current legislation whether or not there may have been some impropriety, I'm asking if you would consider . . . I guess I make an appeal to you that since . . . given that we do not have an election pending and in fact there would be no impact on any by-elections in the very near future, Mr. Premier, do you see any problem or why would there be any opposition to not leaving further discussion and consideration of Bill 92 until the next sitting of this legislature? Mr. Premier, it would give everyone a great deal of comfort in being allowed to adequately and totally review . . . I've received communication from the Provincial Auditor who indicated that during the course of his responsibilities there would be some questions he'd be looking at and reporting in his fall report or spring report.

Mr. Premier, I guess to, as I say, give comfort to perhaps a whole bunch of people without it affecting in the near future anything that that legislation oversees, to delay further discussion and debate on it until the next sitting of this House next spring. That's my appeal to you, sir.

Hon. Mr. Romanow: — What I can't see in the submission that you make is why the reason for the delay. I haven't heard the Liberal Party say that the proposed amendments are bad. I've heard the Liberal Party say that the amendments in their judgement are not necessary because the current Bill covers it off. But that may or may not be right. I don't happen to agree with that interpretation from what I can see.

But how can these amendments hurt? These amendments have got to be going in the direction that you yourself are calling for. And I don't want to get in the whole debate again politically, but in the very kind of trap that you and the Liberal Party have found itself in as well, namely non-revelation because of donations through either the federal organization or through the constituency organizations, which is another way that one could argue circumventing the Act by your interpretation . . . I don't think it is a circumvention of the Act. I don't believe it to be a circumvention of the Act by my interpretation of the law, but if others do that's an interpretation matter.

But the point is the amendments go a long way towards solving that problem as you see it and the perception. So to me when you say we should delay, my argument is, if I could find substantive reason why the delay, why not get on with the improvement? Why not?

I think the minister in charge of The Election Act has said that once the Bill is passed and the House amendments are introduced, there will be a period of non-proclamation where we'll have a time — your party, the Conservatives, the Liberals — to see how it applies, because there'll be a change in the rules. And there won't be an immediate proclamation of it. This strikes me as being a very sensible and fair approach to take.

So I hear your submission but I can't accept it because I just don't see a compelling reason why we would stop doing something which obviously is an improvement in the circumstance.

Mr. Osika: — I asked that, Mr. Premier, because those House amendments were presented here in the recent past. And given the business of the House nearing, or at least leading up towards, the end of the session, it would then allow an opportunity for more adequate and closer scrutiny, not only of those amendments but perhaps of other areas of that Act which were not a concern when we had initially discussed it a couple of months back, or about three months ago now. These concerns were only raised in the very recent past, Mr. Premier. And I guess all I'm asking for . . . it would not be detrimental to anything that's going to take place in this province in the near future; that it would not deter.

Some of the amendments will be proposed by us as well. And one of them, if I may just share it with you, sir, that clause 5 refers to the Chief Electoral Officer:

may inquire into any alleged or suspected corrupt practices or contravention of this Act, and for this purpose the Chief Electoral Officer has the powers of a commissioner under The Public Inquiries Act.

We would also like to include in there:

When the Chief Electoral Officer considers that an inquiry under subsection (7) is desirable, the Chief Electoral Officer may appoint any other person to act on his or her behalf and that person shall have such powers of a commissioner under The Public Inquiries Act as the Chief Electoral Officer specifies in the appointment.

I guess, Mr. Premier, that's one area where we see it would be beneficial to have it included in that kind of legislation. And because of the extent of the Act, there may be other sections, other areas, that would be mutually beneficial to anybody affected by this type of legislation. I guess we can't quite understand why the hurry to get it through this session, why it could not be achieved and accomplished in our next session, allowing, as I mentioned and I'm sorry to be repetitive, but everyone to take a real good, close look. All three parties again could sit down and ensure that it is totally complete, as we all feel that it should be.

Hon. Mr. Romanow: — Well the hon. member says that he's sorry that he is repetitive and I don't want to sound that I'm repetitive either in the answer. I give him the answer that I can because I believe that it is an improvement and I think it's a good improvement, may end the necessity for further amendments. It may spawn further amendments. Who knows? Nothing prevents us from doing this down the road, but I think we should get on with it. I mean I have here a letter from one Dr. J. W. Melenchuk, vice-president, finance, Saskatchewan Liberal Party, and Dr. Melenchuk writes, amongst other things:

If you'd like an opportunity to express your concerns and points of view to future policy makers, then I would strongly encourage you to join Liberal Rendezvous 1999. See enclosed.

And then I see a Liberal Rendezvous 1999 membership application form and I see included in this document: membership benefits, amongst other things, orientation dinner, a social evening — fair enough — registration fee only for the Liberal convention 1996. March 1997, legislative reception, response to the throne speech; March 1998, legislative reception; March 1999, another legislative reception. By the way these are funds where the initiation fee is suggested to be \$499 — initiation fee, not membership fee — and then payments of \$500 in '97, '98, '99 for a total of 1999, to the year 1999.

(2100)

So presumably somebody gets as a benefit, the chance of coming to a legislative reception, which benefit is applied to the people of Saskatchewan free of expense, as part of being an MLA.

Now if we put these amendments into place, Liberal Rendezvous 1999, it may be just another fund-raising technique of the Liberal Party, I don't know. It may be another organization of the Liberal Party. Whatever it is, at least that problem would be dealt with by the amendments that the hon. member from Fairview would take into account. It may not even be applicable — may not even be applicable. Well the Tory leader says the leadership candidate. I'm sure that Dr. Melenchuk is a leadership candidate because he writes in his letter:

I also plan on being a major player in the resurgence of the Saskatchewan Liberal Party and plan to play a key role in forming government in 1999.

The good doctor does not suffer from humility, that's for sure. Maybe he will be a major player, I don't know. But actually if you want to know the truth, Mr. Chairman, I'm putting my money on the member from Saskatoon Greystone to be the next leader of the Liberal Party because that's what the rank and file of the Liberal Party wants — not Dr. Melenchuk or anybody else. Although I must confess the member from Melville does a very credible job for his caucus.

Well all I'm saying is I attach nothing here. I make no accusations on this. I do nothing about this. All I know, that I see that there's a fund with a special funding arrangement which is set up and the like. And it's out there now being circulated in the community. Somebody's raising money for Liberal Rendezvous 1999 with special membership benefits, memberships which are open to the public for no fee whatsoever.

If we had that amendment into place, it probably wouldn't hurt with respect to Liberal Rendezvous 1999. It wouldn't hurt with respect to Tommy Douglas House or PC metro fund or anything else. It would strengthen the operation.

If we need other changes as we go on, we would do that as time requires. So I'm not against your approach of measuring it and doing it carefully and appropriately, but I would urge that you should be with us in agreeing to the amendments.

Mr. Osika: — Mr. Premier, you read me a letter. Why should we be subjected in our household mailboxes to get tickets — raffle tickets — from the NDP to support the NDP Party. That's not unlike a fund raiser, and that's all that letter is, sir. I don't know why you raise it. If you had some question about it . . .

I guess if there is some question about how we're carrying out our fund raisers and if there's any question, and there has been some serious questions raised, what are you afraid of to have an independent inquiry or to delay this particular Bill until next session so we can thoroughly review it? What is the concern? Is there something perhaps that there is a fear of having contravened any portion of that?

Hon. Mr. Romanow: — Mr. Chairman, the issue . . . we've been around this argument for ever, and we can stay here for ever, for ever to argue around it. The former minister of Justice, who if I may say so — I'm saying this as objectively as I can; he's a friend of mine and a colleague of mine — an outstanding lawyer, has got this figured out right. If there is an argument on the interpretation of The Election Act, that's not cause for a judicial inquiry, an independent inquiry.

I mean there are ways to handle this by way of interpretation. You can solve this problem by the amendment in the future. From here on in, that's what happens. You pass the amendment, and the rules are set. People make contributions in the rules that are the past.

Look, I don't know what Liberal Rendezvous 1999 is. I don't care. That's your business. But please don't compare to getting a raffle ticket to the NDP or the PCs and saying it's in the same category. This amounts to \$2,000 . . . (inaudible interjection)

. . . you're doggone right it's a lot of perogy eating. That's a lot of perogy eating. I just hope that the sour cream is as good.

No, I mean, I don't . . . I'm sorry actually. I don't raise this . . . I make no accusations about this, none whatsoever. I'm only saying that if it is applicable to the amendments, they're caught by the amendments; and if we do the same thing, they're caught by the amendments; the Tories do it, they're caught by the amendments. What's done is done.

The future is what we've got to do because that's what the public wants us to do. And the interpretation is, as the former minister of Justice has given, that's all I can say is for our side, and whether it's right or wrong, the Chief Electoral Officer and other events will determine. But what we should do is move on to tighten up and improve the Bill. And I'd urge you to do that.

Mr. Osika: — Thank you, Mr. Premier. And if you'd like, if you could spare me a few minutes, I could explain that Rendezvous '99 fund raiser for you. You may want to buy into it.

I just again, and I won't . . . I guess when I was asking for, at least some time to allow the Provincial Auditor to submit his report and his views on what has transpired. That's not asking too much.

When we audit the Department of the Executive Council for the year ended March 31, 1996, we will take into consideration the perspectives that have caused recent controversy. We will report our audit findings in our 1996 fall report or our 1997 spring report to the Legislative Assembly.

Mr. Premier, it shouldn't be too much to ask to wait until that kind of report can be tabled.

Hon. Mr. Romanow: — Why is it too much to ask to have the amendment passed which it improves the law? I mean again we just go back and forth circularly all the way. We can look . . . this Bill is not written in stone. It's not going to be there for ever. We strengthen the law, improve it, we pass it, we move on. If we need to do it next year, we move on.

If the Chief Electoral studies out of all of this requires further amendments, so be it. If there needs to be some disciplinary — so be it — action. But why not improve what we can improve by what we know obviously needs to be improved? I think it's blindingly clear, and I would do this and that's all that is the case.

I don't want to, because this has been a good debate we've had here, and you say about learning, and I must say, we've done well, you've done well here if I may say so, but I have to say this. I recall the debate back in 1974, I guess it was. The Leader of the Liberal Party at that time said the following about disclosure:

I can see no reason why they should not have that privilege (referring to anonymity) and the privilege to do it without their names being published. It is their business as to which party they want to support. It is their business the

manner in which they want to support it.

Then my very good friend, the former Liberal leader Davey Steuart said, quote, speaking in a debate 1974, same time:

Some people may decide that they don't want to be exposed to supporting our party, your party; they may not support any party. And I say that that really has been in the past and should continue to be their business.

And he argues for non-disclosure.

Ian MacDougall . . . no, I guess this is Cy MacDonald here, Mr. MacDonald said, quote:

I'm not sure, Mr. Speaker, that the \$100 is adequate (this is the \$100 or less you don't have to be revealed). Because the minute we do that, we immediately invade the privacy of my right to make a contribution for a political party.

And the nays were, on this Bill, Steuart, Grant, MacDonald, Weatherald, MacLeod, Lane; MacDonald, Moose Jaw; and Malone. All Liberals.

And I wonder if I voted for it. Oh yes, there I did. I voted for it. It would have been embarrassing if I hadn't have voted for it. But I voted for it.

Now my only point in raising this in '74 is that when you argue, look let's not do it, we need more time, for me, you'll understand my history on this. My first reaction is well, you know, maybe things haven't changed all that much for the Liberal Party. They didn't want this better and fuller and clearer disclosure then, fought the Bill, and maybe they don't want it in 1996. You're couching it, I know, in terms of well it's time . . . take time to consider it.

But maybe the real answer is because the Liberal Party deep down doesn't want this improvement in the disclosure laws.

In any event, I don't want to pursue the debate any further in this regard. I know your point, you've made the request. I tell you we're not going to do this. We want to get on with improving the law now.

Mr. Osika: — Well, Mr. Premier, you obviously saw something wrong with it back then, and that's why you implemented these changes. I guess all we're asking is whether those changes you implemented, you support. And if you do, why don't we review them to make sure that nothing untoward has in fact occurred, whether it's the Liberal Party, the Tory Party, or the NDP.

That was our concern about making sure that those laws that you put into force, into place with your amendments, were in fact followed. And if they weren't, that's what the concerns are that have been raised here in the last two weeks. And that's the reason that I feel that there needs to be some real close scrutiny of that Bill.

Mr. Premier, I'll go on to the fact that it's quite obvious that looking at our members here in this caucus, we've got a big interest in what happens in rural Saskatchewan. And it seems that over the last four years, rural areas have taken it on the chin from your government.

And, Mr. Premier, I think we all remember the final couple years of the Devine administration and I think we all remember that government for the political reasons gearing all its policies to rural areas where the bulk of their votes were. Quite often it was to the detriment of urban centres. And now we see exactly the opposite.

Can the Premier tell us how his urban-based strategy is any different than the Conservative's anti-urban strategy, other than the fact a different group of people are being picked on?

Hon. Mr. Romanow: — Well, Mr. Chairman, I take strenuous — not personal — but strenuous objection to the argument that we are picking on rural Saskatchewan — far from it. What we are trying to do is for all of Saskatchewan. This is the fundamental difference between us and the opposition parties. What we're trying to do is prepare all of Saskatchewan for this rapid, changing, global economy, technological economy, information-based economy, which is affecting Saskatchewan. And it's affecting rural Saskatchewan as much, maybe in some areas even more, than it is other areas.

You have two choices. I don't mean you personally, but we have two choices. We can either pretend that it's not there and keep our heads in the sand or wish that it would go away, or hope that we could add more to the debt in buttressing it. Or in the alternative, we restructure it in a way, working through the community, to protect it for the next 15 and 20 and 25 years.

And that's the approach that we've taken. And so we have regional economic development authorities, and people are working very well there. And the economic statistics are very good. Thomson Meats, \$4 million expansion. I don't know whether Melfort is rural or not; I think it's rural — over 30 jobs. The Belle Plaine expansion at Saskferco, over a hundred jobs. Cargill at Clavet, Saskatchewan, another large number of jobs. Wolverine Resources, 12 new jobs, to my dear friend from Humboldt, the MLA. Alcatel Canada Wire — nice to know that she feels the same way about me too. Thirty-five new jobs in Weyburn, Saskatchewan. Estevan, SRI Homes, into the United States market, 15 new jobs. And so it goes — 296 food processing companies mainly in rural Saskatchewan.

Is it perfect? No. Have we reached heaven on earth in jobs? No. Do we need to do more? Yes. Do we need to try to reorganize the infrastructure and the economic developments for rural Saskatchewan — yes, just like we do for urban Saskatchewan, just like we're looking at the universities, just as we're looking at health care, just as we're looking at job creation. This is a period of flux. You either have to try to influence it a bit and move with it or, Mr. Leader of the Opposition, it will dictate you. It'll wash you right out. You'll be irrelevant.

Now those Conservatives, they've got a vision. They're trying to dictate it. I totally disagree with their vision, but at least

they've got one.

You do whatever you want to do, but I tell you the one way to political oblivion is saying "status quo." Nobody believes that; nobody believes that. And I don't think you do either in your heart of hearts.

Mr. Osika: — Mr. Premier, it's great to hear the success stories that you've alluded to, and we'd like to hear much, much more of that. What is a bit of a chagrin, however, is the list of cut-backs out in the rural areas, and that's the ones I was alluding to, and it's a long one.

Those are the people that are affected. It's those people in the rural areas, Crop Insurance offices that have been closed in Wilkie, Kyle, Wolseley, Wynyard, Canora, Carnduff, Outlook, and Melfort; contracts for 154 crop insurance agents will not be renewed. That means those people are out of some work.

In the areas of highways, equipment storage closures have affected Balcarres, Craik, Hodgeville, Kincaid, Mossbank, Oungre, Rocanville, Stoughton, Val Marie, Willowbunch, Canora, Delisle, Eatonia, Hafford, Humboldt, Ituna, Macklin, Meacham, Neilburg, Birch Hills, Carrot River, Paradise Hill, and Shell Lake.

And the latest rural service centres to receive the axe are in Leader, Kamsack, Melfort, and Fort Qu'Appelle. Those are added to those offices that have been closed before.

(2115)

This is what the grave concerns are to people out there, that their services are being eroded, they're being cut back, people are losing employment, and they have to go elsewhere. They have to bear a further burden.

Ag Credit offices are closing in Watrous, Meadow Lake, Estevan, Moose Jaw, and Swift Current. Social Services offices have had their hours slashed in Wynyard, Humboldt, and Melville.

We see more and more school divisions in trouble. There's a closure of the court-houses in Melville and Kerrobert. And of course, there's a growing crisis in health care.

Mr. Premier, that's a long list but in reality it could in fact be much longer. Is there any reason that rural residents should believe that they are not bearing any unfair share of pain from your government?

Hon. Mr. Romanow: — Mr. Chairman, with the greatest of respect, the complete factual basis of that question is a mile off the mark and it is totally and completely erroneous.

Listen, we have given notices in the neighbourhood of 554 people in this budget. I'll give you the breakdown of where they are. We'll even get this typed up and mailed over to you, but I'll put it for the record and it'll be in *Hansard* tomorrow.

You know what the biggest number of position losses have

been? Regina, 306, 45.6 per cent of the lay-offs. Saskatoon, 55 numbers, 8.2 per cent; P.A. (Prince Albert), 55, 8.2; Moose Jaw, 11, 1.6; Battlefords, 29, 4.3 per cent; Yorkton, 27, 4 per cent; Swift Current, 48 people, 48 people in Swift Current, 7.2 per cent; Weyburn, 10 people, 1.5 per cent; Melfort, 5, 0.7 per cent; Estevan, 2, 0.3 per cent; Lloydminster, 0; Melville, 5, or 0.7 per cent of the complement.

And the totals breakdown in subtotals for urban, 82.4 per cent of the lay-offs — urban — and 17.6 rural.

Now you can say okay, I'm going to draw the rural line a little higher. You can draw it anywhere you want — you can draw it at Yorkton, you can draw at North Battleford, you can draw it Moose Jaw — but the fact of the matter is both in numbers and percentage, the biggest hit has been in the urban centres.

An Hon. Member: — But the impact is harder on rural people.

Hon. Mr. Romanow: — But that's . . . His argument says that we're attacking rural Saskatchewan and it is factually incorrect, it is factually incorrect. And you cannot maintain the system.

And now you're like the Liberals. You want to maintain in it rural Saskatchewan and balance the budget and reduce the taxes. Well mind you, you want to cut back on medicare and education and all of that, so you're not like the Liberals totally, a little bit of that nature. You can't have it both ways. You are totally and completely a mile off base.

Look, the politics of division of rural versus urban is the old Liberal-Tory, Tory-Liberal game. It's bunkum, it's bunkum. Doesn't support the numbers here.

Rural Saskatchewan is undergoing change and we have to help it. Help it and it'll help itself. It survives and survives very, very well in spite of all governments, any governments. But what we're doing is putting a climate here into place where our finances are in order and our economic development is in order.

And those are the numbers that come from the Public Service Commission. And we'll clean them up in the sense that I've got a few notations on them — they'll be the exact numbers that the Public Service gave — and then you can base your question.

While if you turn around and say, well the impact is greater, well I know that one job in a smaller community has a bigger impact. I know that that's the case. But don't argue that somehow we're the reverse of the Conservatives because that's what your question was predicated on. You said they were taking the strips of skin off urban Saskatchewan and now we're doing it off rural. It's not true. The facts do not support it. It's totally and completely false, what you say.

Mr. Osika: — Thank you, Mr. Premier. It's the feelings of the people that when they see these things happen that . . . (inaudible interjection) . . . But it's the people that feel the brunt of what happens.

Mr. Premier, I'd like to just defer to my hon. colleague from Melfort, if I might. But I do want to thank you for the

exchange. Thank you.

Mr. Gantefer: — Thank you, Mr. Chairman, and Mr. Premier. Mr. Premier, as you know, most of us are very new to the political scene in this legislature, but I think most of us also have always been observers of the political scene over the years.

And it strikes me that much of what you said to the Leader of the Opposition this evening rings a chord. I remember back into the 1980s and leading up until 1986 . . . and you're very right in terms of saying that the Conservative government of the day was totally irresponsible. I recall, I believe, in one of the budgets where they had estimated in their budget documents that we were going to have a deficit of some \$800 million that year, and I was shocked and abhorred at that kind of a figure, only to find out afterwards that it was \$500 million off the mark. It was a half a billion dollar oops in terms of how inaccurate the budget process was.

And I give you credit for the fact that I certainly am becoming increasingly aware that your government has gone a long way in improving the accuracy of the budget and things of that nature. And I do give you a great deal of credit for it, and my knowledge of that is becoming more and more acute as we work through Public Accounts Committee.

But, Mr. Premier, I also don't remember over those days as well that when this PC government of the day was spending these ridiculous amounts of money over what they were taking in, in revenue, I don't recall in one instance that your government as opposition . . . or your party as opposition was saying, hold it folks, you're spending too much. Just a minute; you're spending too much; you're going to put this province in debt. I recall in health and education, in every field, you kept asking for more. And so I think that it's a little bit trivial for you to criticize our suggestions that we're making in this legislature.

Now the thing that it strikes me as well is that there was an opportunity that you had at the time, in leading at the end of the '80s, that the Tory government did do something I think that was quite constructive and that was to appoint the Murray Commission on health care.

And the reason that I have some familiarity with it, one of the members of that commission was Bishop Blaise Morand of Prince Albert, who I believe you know very well, and you know and I know from my association at the time how much work he as an individual commission member put into that whole report and how much effort that whole commission went into in order to deliver that report at the end of the '80s.

And at 1991 after your election you moved into this new wellness model creation and the Murray Commission report, which I thought had a lot to offer, was completely dismissed. Mr. Premier, the question I'd like to ask you is, would you give your perspective on why that Murray Commission report was sort of sloughed off so out of hand and why we didn't move to the recommendations of that report as by your government, sir, in 1991 when you didn't adopt the recommendations of that report.

Hon. Mr. Romanow: — Mr. Chairman, I welcome this comment and I want to really underline in giving my answer what has been, in my judgement, all night the fundamental — fundamental — basic contradictions of the Liberal Party.

Now look, the Leader of the Liberal Party, the Leader of the Official Opposition, all night tonight in some way or other has been after me about our reforms and our district health boards. Remember what he called them? What did he call them? He called them sham district health boards. He said, you know, they're shammed. They don't have any power. He said you've consolidated. Some of them are elected, some are not elected. The whole concept that was involved in this operation, that we were controlling all the purse-strings and everything that was tied up to it.

Now here you get up and you say you know here's the Murray Commission report comes along and the Murray Commission report was sidelined by you. Actually it was sidelined by the Conservative government before we got to office. They never acted on it. That's the historic fact.

But do you know what the Murray Commission reported by numbers of health districts that there should be in Saskatchewan?

An Hon. Member: — How many?

Hon. Mr. Romanow: — Fifteen. No, 15. The member says 10, I'll even take 10; 10 or 15, it doesn't matter. Get this. The Liberal leader at the time then comes in, 1991, and she says this, quote:

Rural health care would be regionalized (referring to the Liberal Party, she said), small town hospitals would be used for basic emergency treatment and for recuperative and palliative care. They would also be the basis for promotion of wellness in communities.

What does that sound like — 10 and 15. Now where do you folks stand on this thing? Here you're getting up asking me the question that I should have adopted the Murray Commission report even though the Tories themselves rejected it on 10 or 15, and on the regionalization of the hospitals, and your leader just finished in the last two hours giving me heck for doing 30, attempts at putting some order and system into the health care system. My goodness. Where in the world does this Liberal Party in Saskatchewan come from? More importantly, where are you going in health care?

Some Hon. Members: Hear, hear!

Mr. Gantefoer: — Well, Mr. Premier, I know that in 1999 we're going to have our work cut out for us because we've got two decades of mess that has been made of health care because politics has come before common sense.

Some Hon. Members: Hear, hear!

Mr. Gantefoer: — And when I spoke of the Murray Commission, it was not to say I automatically endorsed it. It

was to ask you why those recommendations were not followed. But the report didn't have to be . . . just because they didn't implement it immediately in 1990. They were busy into the Fair Share nonsense. I mean you could have picked up that commission in 1991, looked at it, and given the people an answer as to why that commission's work was invalid, because there were, it seems to me, some of the fundamental flaws that we are now finding in this process that perhaps could have been addressed in those recommendations. So I was asking, why was that report not seriously considered when you looked in 1991 for revisiting the whole way you were going to change health care?

Hon. Mr. Romanow: — The answer has got to be painfully obvious to you, sir. If it isn't, I'm going to make it as simple as I can. We looked at the report, and we said, we think 10 regions — 10 regions, 10 in the province of Saskatchewan — is just too large, too few, too remote from local control and local influence. It destroys the whole concept of wellness and community input. That's what we said.

I know Dr. Bob Murray. I know Bishop Morand and all those people that are very able, competent people — Walter Podiluk, all of them. They were doing the best they could, but it was not good enough. We wanted to make this a workable system where there would be some input by the local people. That's why we rejected it. It was rejected by them in the first instance, maybe for the same doggone reason for all I know. I don't know.

But why in the world are you standing up, as Liberals, telling me now that we should have been adopting the Murray Commission report when, for the last hour and a half, the Liberal leader has been giving me what for for implementing 30 district health boards and doing the same thing? Can you imagine the compounding of the problem if we had taken your suggestion on Murray? Can you imagine? We have problems with 30, as you people pointed out in question period and as you did in the estimates.

Imagine putting it into 10 regions. How in the world can you stand up in credibility and say that what we're doing is wrong on 30, on these isolated examples that you give, and say at the same breath that it would have been better with 10? I think this is an absolutely, fundamentally flawed, contradictory argument.

I asked in my last question, I said where in the world are you people going? I know where you're going. You're going two-tier health care. You're going . . . like the member from Arm River says, those who can afford to pay should pay, and they'll jump the queue line. You're going on the deterrent fees because you introduced it in 1967. You are dismantling the health care system on the national basis by virtue of the block transfer approaches, and you are the same old Liberals that you've always been.

You are the same Liberals who kicked on the doors in opposition to Tommy Douglas and Woodrow Lloyd when we set up health care and medicare in the province of Saskatchewan and you're doing it now. Not kicking on the doors, but fighting the reform. Because you know doggone well

that if we adopted Murray or did nothing, we would have the collapse of the system and the two-tier, which is what you want. And it's totally contradictory to what the Leader of the Liberal Party himself has been saying for the last hour and a half.

Don't you two people caucus and figure out what the strategy and the position is? Tell me what your health care policy is, tell me right now what your health care policy is — you don't like ours — tell us what it is.

I'm going to sit down, and I'm going to ask you to get up and tell us specifically what it is. Do you endorse what the member from Greystone said back in 1991 about regional health care and the wellness models — yes or no?

(2130)

Mr. Gantfoer: — Mr. Premier, as I pointed out to you earlier, we studied your history in the 1980s very well. And the answer is, is that in 1999 you will find out, because what . . . we will then be in a position to make those kind of decisions that you are making now. And the health care that will be delivered will not be two-tiered unless you have forced all the rural centres to not offer any services, so the only place people can go for proper care is into the two major cities. That's what we don't do. I'll tell that to anybody in this province.

I want to leave this issue and move to another one because you were very kind enough to say that you would like some alternative suggestions and if we would come up with some, you'd be pleased to implement them. We've been coming up with an alternative suggestion, and so have the Conservatives for the last number of months, and it has to do with your union-preference Crown Construction Tendering Agreement policy.

We have shown, by example — and we used examples such as the Humboldt-Wakaw pipeline, we've used the example of SaskTel fire alarm system installations, that showed by actual, practical example where there were contracts that could be documented and tabled, and they were — that this was costing 30 per cent more to the taxpayers of the province.

And your own Department of Economic Development had an internal study that said that the 30 per cent figure indeed was a realistic figure. The Saskatchewan Construction Association has been saying all along that that figure is real. And we've been trying to establish what the numbers are in terms of what the magnitude of this is.

In the Finance minister's own budget document, she talked about \$635 million of capital construction in the province. I recognize not all of that is under the CCTA (Crown Construction Tendering Agreement), but a significant amount is.

Well, Mr. Premier, if you even take \$9 million which the . . . or \$30 million which the Minister of Economic Development used, that's \$9 million as an example at the very minimum level of how much money could be saved if you got rid of this unfair union preference policy.

Mr. Premier, I recognize today that you said that there may or may not be a current interim report that probably substantiates these figures and the construction association has tried to negotiate and that has failed. Why don't we scrap this document, this agreement that everyone recognizes is flawed and faulty, and have that money as a start, because just the \$9 million would save 300 long-term health care beds in this province, Mr. Premier.

Hon. Mr. Romanow: — Mr. Chairman, the mathematics of the hon. member just simply don't apply with respect to the CCTA and health care. But I want to come back to health care because I want it noted for the record that the Liberal Party says to the people of the province of Saskatchewan, wait till 1999 and we'll tell you what you're going to get by way of health care. Elect me, and what a surprise you might get. We won't tell you in advance, but just elect us in 1999 and there may be something coming out of our bag of tricks.

I'll tell you what comes out of the bag of tricks. What will come out of the bag of tricks are deterrent fees, and health care premiums, and two-tier health care system, and the dismantlement of the operation of health care. That's what you say.

Surely to goodness, you've got to get up and say that you didn't mean that. Because if you said on the record to the people of Saskatchewan, take a chance on us and elect us in 1999, and what a surprise you could get in health care . . .

An Hon. Member: — They'll know what we stand for.

Hon. Mr. Romanow: — They'll know what you stand for. They know what you stand for right now. They know you stand for the two-tier system of health care. You and the member from Arm River, and you and the Liberal Party, they know what you stand for and what you stood for right from 1962.

The hon. member got himself tossed out of this House . . . (inaudible interjection) . . . The hon. member got up in the House and he complained about the fact that the number of hospital beds in the Melfort area had been cut from 80 to 40. That's the principle. However, what he didn't tell, what he knew, was that the daily census of hospital bed occupancy was only 32 in Melfort — 40 and 32 — and he got himself tossed out, and this is the new Liberal Party, Mr. Leader of the Opposition. Elect us in '99, and we'll surprise you. You doggone right, people of Saskatchewan, the Liberal Party will surprise you, and I tell you the biggest surprise is going to be inflicted on you people as you get defeated in the next provincial election, as you should, for your lack of credible position in health care and across the piece that you take.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Now I want to make a point about CCTA. Elect me and take a chance. That's going to be the Liberal slogan.

Now, Mr. Chairman, CCTA. I don't know what it is about the member from Melfort and the Liberal Party and the

Conservative Party, what it is that they hate about unions. What is it?

An Hon. Member: — 30 per cent.

Hon. Mr. Romanow: — 30 per cent.

An Hon. Member: — 30 per cent extra from the taxpayers' pockets.

Hon. Mr. Romanow: — 30 per cent extra, the member from Melfort says. So maybe they're getting paid too much, is what you're saying?

Oh, Mr. Chairman, the silence is deafening. Are they getting paid too much? Are they getting paid too much? You get up and ask me this question and tell them . . . and tell the working men and women of Saskatchewan the Liberal Party believes that unionized workers in the construction area are getting paid too much.

Mr. Chairman, he has now recaptured his principles, and I'm not quite sure what they are but they're certainly loud enough to take over the House.

What's his complaint about the trade union movement? What's his complaint about employers who employ working men and women who happen to trade unionists? They want a piece of the action too.

An Hon. Member: — Let them bid openly and fairly.

Hon. Mr. Romanow: — Let them bid openly and fairly against non-unionized contractors because 30 per cent less, according to the member's own words, just as he said himself. He wants to rush to the bottom. He wants as his philosophy to get the people who are working every day in their restaurants, in the hospitals, in the factories, keep driving them down — keep driving them down so that everybody else can make bigger profits, and bigger money, and bigger opportunity. And that is, like Tommy Douglas used to say, free enterprise, as the elephant danced amongst the chickens. You are going to be dancing in that context.

Is this the society we're building in Saskatchewan for the 21st century? What do you want to do? Do you want to go back to 1886? This is 1996, Liberal Party.

And all we're trying to do is to say if the federal Liberal government introduced something like a fair-wage policy back in the 1970s, if the United States of America federal government introduced it in 1947, the United States of America, for goodness sakes, why can't Saskatchewan try to right the wrong that the Conservatives set up?

It's not easy, but why can't we try — why can't we treat our working men and women, unionized and non-unionized — fairly, and give them a fair wage and a fair salary and allow the contractors, unionized and non-unionized, to bid fairly? What is wrong with that?

Everything is wrong in your books and I tell you if you believe that, what you should do is what you've been thinking of doing. Pick up your chair — don't walk out of the House — pick up your chair and walk over there and join the Conservatives.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Chairman. Mr. Premier, just a few moments ago you alluded to the fact that the Liberal Party talked about health care reform and said that yes, we were wanting to get rid of bricks and mortar because bricks and mortar in fact is not the prime reason for any health care facility being put up in this province.

Now the difference in philosophy between the Liberal Party and the NDP Party is that the Liberal Party would have done health care reform in a much different way. It would have included the policy of inclusion and empowering people in decision making, in health, in education, and in every other sector. The NDP Party in fact has an exclusion policy in their party. They exclude so that they can gain power and control over everything, so that they make the final decision making, and they exclude and extract decision-making powers from everybody in this province.

Mr. Premier, in 1991 you campaigned and your party campaigned, and one of the big promises that you made was to eliminate child poverty in your first term of office. Well we all know that this has not happened. In your own discussion paper on social assistance reform, it is stated that child poverty has increased over the past 15 years. That 15 years, Mr. Premier, includes the past five years that your government has been in power. And you said that you don't expect to see any improvement of these problems for at least another year.

Now, Mr. Premier, there are 18,000 more children on social service today than there were in 1991. What are you doing to ensure that these kids get off of welfare? Can you guarantee that they're going to be looked after?

In your discussion paper on reforming social services, you talk about supplements to income. People have to get jobs in order to receive money through Social Services. Where are these jobs going to come from, the way you're going? There are no jobs, and you know it. It's that simple. What is your plan to create jobs, Mr. Premier? Not just minimum wage and part-time jobs but full-time, meaningful jobs so that these people can work to support themselves and get off social assistance. The discussion paper quotes jobs that will pay 7 or \$8 an hour. Well where are these jobs, Mr. Premier, because minimum wage jobs at \$5.35 an hour are not even there for people that would like to get them.

Mr. Premier, there were job creation programs in place when the NDP Party came to power, and your Minister of Finance axed those programs. The Saskatchewan Works program was creating 4,000 new jobs a year. What new programs do you intend to put in place to create, you know, jobs like the old program did? This program only cost \$6 million a year and it was axed. Are you able to implement an equally effective program at an equally low cost? The skills development

program that provided education to single moms was also axed when you came to power. How will that program be replaced and at what cost?

Mr. Premier, 65 per cent of the children living in poverty in this province are children of single parent moms, single moms. I would ask you right now how you intend to help those single moms get jobs, and if in fact you're going to use your training program in order to get them into an education position where they can get a job. How are you going to ensure there are going to be jobs for them that are ongoing, meaningful jobs?

And if that is so — if in fact it even happens with the great numbers that are out there of single moms — tell me how in fact is this going to end up taking care of their children? Who is going to take care of those children? Are you going to then supplement them with more child care money, or what are you going to do?

Hon. Mr. Romanow: — Well, Mr. Chairman, the hon. member asks me a question. Perhaps I could ask her and the Liberal Party yet another question. I think it's my seventh or eighth on policy. Where does the Liberal Party stand on increasing the minimum wage . . . (inaudible interjection) . . . Excuse me — where does the Liberal Party stand on increasing the minimum wage for working moms, working moms who have children on the poverty line that you talk about? Are you for an increase in the minimum wage and in their fiscal position — yes or no?

Ms. Julé: — Mr. Premier, you have no doubt much more experience in politics and in running a province than I have. You haven't even been able to answer the question that I put forward to you right here tonight. If you don't want to answer the question, that's entirely up to you. But the people of the province are waiting for an answer.

Because if you're going to be changing your whole social assistance and making reform here happen, you have to tell us exactly how that's going to happen because there are a great number of children at risk here — 42,000 of the people on social assistance are children.

So how in fact are you going to ensure the mothers and the people of this province, that those children are not going to go any hungrier than they are now?

Mr. Premier, I have some stats before me that actually should give you a great reality check here. We have in this province since you came in a higher rate of child prostitution. There are currently more than a hundred child prostitutes in Saskatoon's inner city, some as young as 9 and 10 years old. There's a task force that has been put in place to deal with this problem, but it is making little headway because we don't have the cooperation of the provincial government.

Child prostitution makes up one-quarter of Saskatoon's sex trade. This is 10 per cent higher than in other, similar sized cities in western Canada. And on top of it, johns who pick up child prostitutes are getting away with that. They're rarely charged. And when they are, they get a slap on the wrist. You need to implement policy that is going to be a lot harder on

johns. And so that kind of thing will certainly help to enhance the lives of our young children.

(2145)

We have also in this province, since you came into power, teen suicide that is escalating. Twelve thousand teens attempt suicide in Saskatchewan every year. Twenty-eight per cent of suicide deaths are youth deaths. Over the past three decades, suicide rates for teens between 15 and 19 have quadrupled.

Mr. Premier, child hunger and poverty — more than one-fifth of Saskatchewan's children live in poverty. In 1992 and '93, child nutrition and development program provided about 1 million meals to hungry children in this province. Saskatoon child hunger and education program fed 700 Saskatoon children, only in Saskatoon, daily, from January 1 to July 31 '95. And on top of it, Saskatchewan has one of the highest instances of substance abuse in the country.

We also have more than 82,000 people on social assistance. The number of children on social assistance has increased by 17,000 in the last three years when your government has been in power. We have child abuse in this province, Mr. Premier, that has not been dealt with. In Moose Jaw alone, the Moose Jaw offices of Saskatchewan Social Services reports at least 150 cases of ongoing child abuse each year. That's only in Moose Jaw. Looking at child abuse — that encompasses physical, sexual, and emotional abuse as well as neglect, and it occurs in all walks of life.

Mr. Premier, these statistics are alarming, and I think any other province that would have the rates as high as this would certainly be looking to doing something about it, Mr. Premier, and they would understand that a measure of success of any government in any society is how well they take care of their children and how well they take care of their women, in fact. So, Mr. Premier, I would ask you to comment on those statistics, please.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Chairman, first of all I want to observe that if the hon. members believes what she says about child poverty, she will produce of course her correspondence to the federal government . . . (inaudible interjection) . . . Yes, for the reduction of \$25 million to the province of Saskatchewan — I'll come to our policies in a moment. I'll come to our policies. I listened to you with the greatest respect; I think maybe you can listen to me.

Twenty-five million dollars have been reduced by your Liberal Party in Ottawa to the poorest of the poor. And I'm assuming that rather than grandstanding — that's just this year — rather than grandstanding in this legislature tonight, you will show me your letters to Mr. Martin and Mr. Chrétien opposing that. And you might tell us whether you've written.

Secondly, I'm not going to let you off the hook about the minimum wage for working moms. I'm not going to let you off the hook on that. You're going to have to tell us whether you

support it or not. It's not good enough to make the speeches. We all know the pain that's out there. You have to tell us what your solutions are going to be. Have you even taken the time to write a letter? Have you even taken the time to caucus and decide whether or not you support an increase in the minimum wage or whether you support your colleague, the would-be leader from Melfort, who wants to drive wages down for working men and women even further yet? You have to tell us that.

Now I'm going to tell you about Saskatchewan. I'm not going to tell you about all the details of the program, including the comprehensive children's action plan involving, amongst other things, the children's nutrition program that you referred to. It's our program, for goodness' sake, that we introduced in the circumstances. We know that this is a problem and we've been arguing about this and the need to do something about it for quite some time. There is in fact, in our social design paper, a proposal set out.

At the western premiers' conference, I want to read this part of the communiqué for you about the western premiers:

Western premiers agreed that it's critically important to address in the near future practical social policy measures that will improve the security and well-being of Canadians. Western premiers agreed to seek FMC (first ministers' conference) agreement to consider on a priority basis a coordinated national strategy to reduce child poverty.

One option discussed by the premiers that should be raised at the first ministers' meeting, all premiers of the West agreed, is the development of a national child benefit proposal that would integrate and improve the various federal, provincial, and territorial programs supporting low income families with children.

Western premiers agreed that a national undertaking to address child poverty would be a practical way that first ministers can express their concern for children, demonstrate that we're prepared to act together on a cooperative basis to address a growing social problem, and demonstrate that we believe that Canadians define themselves by a common set of values and shared concern for one another.

That's what's communicated.

Now what did the Prime Minister say today? Here's what the Prime Minister said today in a speech that he delivered in Ottawa:

The western premiers at their recent conference recommended, and we agree, on a national goal to reduce child poverty. (I agree, he said). All first ministers will agree. One idea the western premiers are proposing is a national child benefit that would integrate all the existing federal and provincial programs and support low income families. That is worth a serious discussion (the Prime Minister said). I hope we can mandate ministers to get to work now in finding concrete ways to reduce child poverty

in Canada.

If I may say so immodestly, that idea of the national child benefit comes right from Saskatchewan. And if I may say so, with some pride and congratulations, the Prime Minister, he has adopted it and it's on the agenda for this coming Thursday and Friday. That's what we're doing about it.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — And I might add, contrary to some of the local press which is written around this province, when you take a look at *The Ottawa Citizen* of yesterday, Mr. Ken Battle, who's one of the most foremost social writers on social policy in Canada, writes under the headline, "National child benefit — an idea whose time has come" writes:

Saskatchewan Premier Roy Romanow is breathing fresh political life into one of the most promising ideas to emerge in years — a national child benefit plan. Premier Romanow said he intends to push the concept of a national child benefit at the first ministers' conference on the 20th and 21st.

One of the long lamented irrationalities of Canada's social security system is the fact that it delivers more child benefits to families on welfare than it does the working poor, as he defends this concept. As it turns out, the Prime Minister today has adopted it.

Now there's the entire package.

But I want to go on from that point to make one other. This is a growing problem because one of the things that is facing this country of Canada in the current situation that we face is a crisis of inequality.

Lester Thurow says that 1 per cent of the population has 40 per cent of the share of the wealth. And that 40 per cent of the share of the wealth is double what it was in the 1970s. And it's double what it was prior to progressive taxation in the 1920s. He says the inequality gap has got to be narrowed.

How do you narrow the inequality gap? Not by, as the member from Melfort would have us do, driving it to the bottom through your CCTA attack. How do you narrow the inequality? Not by driving the minimum wage further down to the bottom and then making speeches in the House while the kids suffer.

What we've got to be doing on a national basis is, not because this is my idea — it's not my idea; a number of people's ideas — is working together to elevate up. But do I hear that from you folks in this legislature? No, all I hear is attack the working people, cut back on the minimum wage, cut back on the labour standards — you fought that tooth and nail — cut back on the CCTA, and you won't even tell us where you stand on the minimum wage.

I tell you, make the speeches that you want, we're moving with the first ministers, the Prime Minister included. It's going to be a tough one to crack but we're moving to stop this race to the

bottom. We're moving to try to give people a standard of living which is compassionate and coordinated and caring, for a society which is as rich and as great as Canada is. And you should be onside with us.

Some Hon. Members: Hear, hear!

Ms. Julé: — Mr. Premier, the CCTA situation is quite different than what you seem to be expounding here. I have had people in my constituency that would love to work on any construction project. Those people would be thrilled to death to be able to work, to have a job. They say to me that they are willing to work for less than union wages, but they can no longer get jobs because of unions.

So I say to you, Mr. Premier, give these people a chance to make their own decisions. They are perfectly willing to work and to live within their means but they have to be able to get a job. When you have union preference, these people don't have an opportunity to get the jobs, and there's a good number of them out there.

Now, Mr. Premier, the last thing I'd like to say to you today regarding child poverty, and taking care of the children of this province in a way that's meaningful for them in the future, is that you have got the power in your hands. You take charge. You are in charge. You have a great amount of influence on Mr. Chrétien in Ottawa and you know it. If in fact you have that kind of influence, I challenge you to go ahead and be the first to implement some good changes so that Saskatchewan can see the benefits of that before any other province in this country.

So take the leadership that you purport to have and do it here in this province soon, and quicker than any other province. And then you will have some credibility.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Chairman, I thank the hon. member for those parting words. But I tell you one thing, I will never accept the logic that says prosperity through lower wages. That's what you're saying, prosperity through lower wages.

You know something, you know one of the biggest proponents, one of the biggest proponents of a minimum wage, was Henry Ford Sr. — Henry Ford Sr. You may or may not know this historically. And all his manager said: Mr. Ford, what in the world are you doing with a minimum wage? Greatest capitalist around in the United States. Ford, what are you doing with a minimum wage and so high? You know what his answer was? Because I want somebody to be able to be around or to be able to afford to buy my cars.

Not you Liberals. You think you can get prosperity through lower wages.

I'll do my bit. I've read you what we're doing and I've told you where we stand and you haven't even had the courage — you and the Liberal caucus — to tell me where you stand on the minimum wage.

Ms. Julé: — Thank you, Mr. Premier. Mr. Premier, the first thing you need to do is to create some jobs in this province that are meaningful, long-term jobs and then we can talk about wages. What's the sense in talking about wages when we don't have the jobs? It's been evident by the exodus from this province that there aren't jobs here to sustain a family, and so those families are moving out. And you know that, Mr. Premier.

Hon. Mr. Romanow: — Well, Mr. Chairman, we can go on all night on this thing. I'm still waiting to hear where you stand on the minimum wage. If you won't answer me, maybe you'll answer the journalists if they ask you. You don't have to answer me.

Tell us where you stand on health care reform. Tell us how you're going to square the budgets. Tell us all the things that I've asked you to, that you don't like about us; tell us so that the people can compare what the alternatives are.

An Hon. Member: — Wait till we have an election.

Hon. Mr. Romanow: — Or as my colleague says, maybe the answer is elect us in '99 and it'll be a big surprise. Well I don't think we need to worry about that because the surprise, as I say, will be on you folks, thanks very much to the Liberal caucus.

Ms. Julé: — I'd like to thank you, Mr. Premier. I just wanted to thank you for your comments, and I would comment one more time that you have three years yet to clean up the mess that you have made in this province. So for the next three years you do your job, you establish whatever you want, and we will do it in 1991, although it will be difficult after following in your tracks.

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Premier, and your staff, welcome.

We haven't, as I don't believe yet at this point anyway, we've received the answers to the global questions from your department. If they have, I haven't been made aware of them but I would appreciate them if you have them available.

We can start with just a few to begin with, Mr. Premier. How much was spent on ministerial travel for the last fiscal year within your department?

Hon. Mr. Romanow: — Mr. Chairman, we will get to you the ministerial travel, the total. The travel that we have from my department or for myself amounts to, in the last year, a total of 29,197 and 36 is the figure which I've been — which I have been reported here on.

(2200)

Mr. Boyd: — Mr. Chairman, Mr. Premier, I would also like for you to detail to us — and you might want to commit to this later; it's not important to have the information here tonight — but what was the reasons for ministerial travel; where did you go; how did you get there; who went along with you on the trip; and the purpose of your trips. Also, what value can be attached to this expenditure in terms of the expenditure to the taxpayers

of Saskatchewan, and how the benefit to the taxpayers of Saskatchewan can be established.

Also, where did your staff travel to? All of the same relevant questions to them. How did they get there; what was the purpose of the trip; who accompanied them; and what was the total expenditure on ministerial assistant travel?

Mr. Premier, does Executive Council have any staffers hired by contract? If so, I wonder if you could provide us with the names and full details of their contract, including length of contract. Also by job description, how the individual qualifies for the position; was the position advertised; was a competition held on those positions.

Hon. Mr. Romanow: — If, as the hon. Conservative leader said, that they could take these answers later, we'll get them later. I could recite my own travel, where they were and how I did it, but it's an easy form. But you want more than that, you want MAs (ministerial assistant). We can get that to you in the next couple of days. Well, as long as it completes.

So on the contract stuff we'll provide all that to you as well. When I give you the figure of 29,197, I might just say that — well again, it takes too much time, but it's lodging, ground transportation, air travel, etc.

Mr. Boyd: — Thank you, Mr. Premier. With respect to the B-130s, I understand that each department must file a B-130 form within the Department of Finance prior to budget preparations. Perhaps it might be helpful to the Assembly if you could — and to the people of this province — if you could explain what a B-130 form is, and what its primary use is, to begin with.

Hon. Mr. Romanow: — I'm advised that we don't use B-130s.

Mr. Boyd: — Thank you, Mr. Premier, with respect to polling, we have noticed that most of the executive summaries and general methodology sections of the government-sponsored surveys do not state the total number of questions asked. What is the reason for that?

Hon. Mr. Romanow: — Mr. Chairman, I'm advised that the actual questions asked are appended to those reports.

An Hon. Member: — Pardon?

Hon. Mr. Romanow: — The actual questions that are asked in those surveys are appended to those reports.

Mr. Boyd: — We have received reports from people across the province, Mr. Premier, who have answered surveys, that pollsters commonly ask the respondents how they're prepared to vote, who they think the best leader is, and other clearly political questions. Mr. Premier, is it the practice of your government to attach partisan political polling to your own polling or to the government polling? And if that is the case, do you somehow or another split it out so that the party pays for it and the taxpayers separately?

Hon. Mr. Romanow: — No, we don't ask those kinds of questions.

Mr. Boyd: — Well, Mr. Premier, I don't quite understand then, because we've received reports from a number of people across the province who have been polled, assuming that it is government polling. I guess we have to make that assumption. We aren't doing any polling, and I don't know if the Liberals are doing any polling about these kinds of things, but I would just wonder how we could see that type of situation. Or if you would give the commitment, Mr. Premier, that there is no sort of partisan political polling attached to any polling that the government does.

Hon. Mr. Romanow: — We do not, at taxpayer's expense, Mr. Speaker, ask questions of that kind that the Leader of the Conservative asks. That's why I said no. That's the position that we've taken. That's the way the current situation is.

He asks me to speculate as to why these anecdotal evidences come back to him. I can't speculate. A pollster, ours or any other pollster, may be asking for his or her own interest those kinds of questions. I don't know that. We do not ask them. We do not pay for them, and that's our policy.

Mr. Boyd: — Thank you, Mr. Premier. Would then you commit for us and for the record that all government-sponsored surveys and polls conducted in the past have been published in their entirety? And . . . (inaudible interjection) . . . Yes, just that. Are they always published in their entirety?

Hon. Mr. Romanow: — The polls, the results which are released with the question surveys attached, are released in their entirety in the sense of the questions that we ask the pollster to ask. Those numbers are there, as the contract with the pollster obligates us to do . . . or he obligates for us to do.

Mr. Boyd: — Thank you, Mr. Premier. Just to change the subject matter here a little bit, with respect to SaskPower and SaskPower rate increases, I would wonder what your thoughts are with respect to the review process, the 45-day review process, that your government committed to. What are your thoughts with respect to that process? Has it been successful in your view and is it an ongoing thing that will be done for all Crowns?

Hon. Mr. Romanow: — An interesting question and an important question. I frankly don't know what the future of that will be. I should say this, we're committed to the 45-day review process for the time being because there's nothing else in place.

I know that the Conservative caucus advocates a committee of the legislature to review the rates and the like. We've had our debate about that. We can have it here again if we want. I don't rule that out. I don't like it. I'll just very briefly say why I don't like it. Because any tribunal, whether it's a committee of the Legislative Assembly or of PURC, Public Utilities Review Commission, by rule of law very quickly descends or ascends — depending upon your point of view — into a highly legalistic, chartered accountants situation.

As an example, Power comes in and says we need these rate increases. A consumers' association says, prove it to us that you need. Another consumers' association says well, I'm going to hire my accountants, my power experts, my lawyers, to cross-examine Power and then you get into lengthy proceedings, very costly proceedings, and that's one of the reasons why the former administration, the former Devine administration, did away with PURC. It just simply is very, very costly.

And at the end of the day, by the way, never once overruled any of the rate increases requested by any of the Crown corporations except one, SGI (Saskatchewan Government Insurance). And when PURC overruled SGI — I'm not saying this is the reason only why Mr. Devine did away with PURC. PURC was done away with, that's the end of it. So whether it's PURC or a committee of the House, you can't avoid the constitutionalization, the legalization, the bureaucracy attached to a fair hearing, otherwise somebody will make an application to quash the committee of the House or quash a PURC because he or she hasn't been heard one side of the . . . So we're trying to find a middle ground between cabinet deciding based on the recommendation of the board of directors where there is no public hearing versus the maximum public hearing, the 45-day.

And there were a whole bunch of hearings and a whole bunch of public meetings and it wasn't perfect. We're looking at it and for the time being we're sticking with it but we'd like to do something more effective and more speedy and more relevant if possible. So for the time being we stick with it but not to the point where I can tell this House that that is it for ever. We'll be examining what else we can do in order to have greater transparency and greater confidence in the minds of the public that these rates are fair and justified.

Mr. Boyd: — Thank you, Mr. Premier. With respect to the SaskPower's reconstruction charges, has there been a separate account basically set up within SaskPower to establish what those reconstruction charges are going to be used for in the future? Or how does that work exactly? I'm sure the taxpayers of Saskatchewan would be very interested in knowing what those reconstruction charges have amounted to as well as if they are indeed being used for reconstruction of the infrastructure program.

Hon. Mr. Romanow: — I will undertake, to the Leader of the Conservative Party, if he'll accept that, my undertaking that in writing within the next few days there shall be a written response by the minister in charge of the Power Corporation to answer your questions specifically and directly. And if you're not satisfied in the sense of it being a straight-up answer, leaving alone for the moment the substance of the answer, then I undertake to further get the answer.

I just don't know how they bookkeep on that and how they account, but that can be easily obtained, and we'll provide it.

Mr. Boyd: — Mr. Premier, earlier this spring we witnessed a fairly lengthy strike within SaskTel. At the end of the day the government settled with the SaskTel employees. SaskTel settled with the SaskTel employees. It amounted to . . . and their

figures vary. I mean I know you're not going to accept the 7 per cent figure that we believe is what the SaskTel settlement amounted to.

However I think when you look at what the negotiators on the union side were saying, they basically confirmed that it was 7 per cent or very close to the 7 per cent figure. And I'm wondering how you can square that with your commitment of your government not to come anywhere even remotely close to a 7 per cent settlement. When you take everything all into account — and that's what the union negotiators were doing there — they said it, I believe, came to 6.8 per cent, something in that neighbourhood.

And I'm wondering, Mr. Premier, given your commitment to, I believe it was three and a half per cent caps on public sector wage increases, how you can justify that level of a settlement to the SaskTel workers when you gave the commitment you wouldn't do it.

Hon. Mr. Romanow: — Mr. Chairman, the member asks an important question, but I have to say, as he intimated in the question, that I cannot accept the statements that he attributes to the union leaders — I've done this before in question period — or his interpretation. And I would summons in aid of my argument that the analysis is not correct, the fact that subsequent to the SaskTel negotiated agreement, there have been a number of settlements with a variety of public sector employees — teachers, subsequent; SAHO, mind you, it's still tentative — all within mandate. And I can tell you that in the world of industrial relations, if the interpretation as applied by the Leader of the Conservative Party was correct, subsequent unions would say look, we're not settling for something less.

They understood and understand that what happened here was basically a pension surplus which had to be dealt with either now or within three years. And over the three years, the surplus was handled in the way that it was to bring about the settlement. It was within mandate. No other surplus of that magnitude existed in other public sector operations. And in the consequence therefore, they could not in other sectors have those kinds of settlements.

So we've had within-mandate settlements, and that is consistent with my view and my interpretation that this was within mandate across the piece.

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Premier, well why then would the union negotiators say that the settlement amounted to something in the magnitude of 6.8 per cent, which was widely reported by the media at the conclusion of that strike?

Hon. Mr. Romanow: — Well of course I cannot answer for the union negotiator. All I can answer for is our side, if I can put it that way . . . (inaudible interjection) . . . Pardon me?

An Hon. Member: — What did it amount to, then?

Hon. Mr. Romanow: — I'm sorry?

An Hon. Member: — What did it amount to?

Hon. Mr. Romanow: — Well it amounted to the guidelines of zero, one, one, and one in the figures.

Let me say again, to be very . . . (inaudible interjection) . . . No. To be absolutely forthcoming in this, within the guidelines there are always, in every . . . I shouldn't say every, but almost every sector-by-sector settlement, there will be little variations, okay? . . . (inaudible interjection) . . . No, but this is not in that category of 100 per cent. The variation aspect was the fact of the pension money. It has nothing to do with the salary increase. Their base increase remains zero, one, one, and one. That's what the settlement was. It's mandate.

You've got the pool of money. If we had not done it this year, we would have done it next year or the year after that because by law, federal law, we had to do it by year 3. So it was agreed by the union people and by the management people at SaskTel that this is the way you could handle the settlement. But it's within mandate. It doesn't add anything to the base salary wage rate, other than within mandate.

Now if we had that kind of a surplus, say, for others and if it was an acceptable way in which to handle it and by law we had to do it, we'd do it. But it didn't apply in the case of SaskTel because . . . sorry . . . applied in the case of SaskTel because of the size of their surplus in the pension plan.

(2215)

Mr. Boyd: — But all parts of the contract count, Mr. Premier. All parts of the settlement count in terms of the overall percentage increase. I think that's the concern that we have, and I'm sure the taxpayers of Saskatchewan have, that when you take into account all parts of the settlement agreement, it amounts to something close to 6.8 per cent which was confirmed by the union negotiators who were negotiating with you, the Government of Saskatchewan.

That's the concern that we have, that at some point in further negotiations with everyone, and there will be further negotiations coming up with public sector, unionized employees, that they will be looking for exactly the same.

And I think you've set, and I think your government has set, Mr. Premier, a rather dangerous precedent with respect to that level of settlement at the same time that you profess only to be prepared to go to a three and a half per cent increase.

Hon. Mr. Romanow: — No. What the hon. member is not taking into account is that by virtue of this particular pension settlement, SaskTel no longer has to make contributions to the pension plans, which is in effect a saving for SaskTel. And that's the other side of it and it balances itself off.

But I repeat again my central point with respect to wages, the settlement, that there have been a spate of settlements since SaskTel, within mandate. And believe me, if the interpretation was as the member says, the Leader of the Conservative Party says, the way of industrial relations, somebody would have

said, we're not settling for anything less.

So your worry about the precedent is our worry about the precedent too. But the worry has not come to reality. Why? Because there have been settlements.

Mr. Boyd: — Thank you, Mr. Premier. With respect to a whole other area of native taxation, I've spoke with the Minister of Finance in estimates about it at some length; there are negotiations ongoing as I understand it. As I also understand it, there are out-of-province court cases taking place in, I think it's New Brunswick, with respect to the whole issue of native taxation.

What is the government's position in terms of native taxation? Is it your view that if you look at native taxation off reserve that you are very likely to lose the potential . . . or I mean the ongoing taxation on reserve. Is that the government's position — it's one or the other, but it's not both?

Hon. Mr. Romanow: — Well, Mr. Chairman, this is a difficult question to answer precisely for the preface of the question, which is that we are in negotiations with the Federation of Saskatchewan Indian Nations. Perhaps I should withdraw the word when I say, in negotiations. There have not been recent negotiations. We've heard Chief Favel speak on this and his concern about the direction taken by the government, and the Minister of Finance has articulated the government position. But when I say in negotiations, I mean the willingness, the readiness, for us to meet and to talk.

And the Minister of Finance has set out our general proposition. And I shouldn't be saying this, because if you stand ready to listen to offers and the like in the context of give and take for negotiations, I don't want any doors closed. But the Minister of Finance has roughly stated the position to the House and to the public that the government has adopted.

It so happens I happen to have watched that night of the debate featuring you and the Minister of Finance on this issue. That's a government policy. But it's also government policy that we don't want to go to court. If we go, we'll have to defend. We'd like to have a settlement. And we want to have, at least in the spirit of compromise and settlement, some options for some flexibility here. But the Minister of Finance has stated our position.

Mr. Boyd: — Thank you, Mr. Premier. Is your government committed then to court action, if necessary, to back up your taxation policy?

Hon. Mr. Romanow: — Well we do not make that commitment. We have not made that commitment at this stage in the game, because our preferred route in this area, as it is in almost every area, including the CCTA debate that we had a few moments ago, we believe that compromise, settlement, agreement, is the preferred way to go.

I do not believe lawsuits settle anything. I can speak from my own legal experience in this regard. We had a saying in law that a bad settlement was better than one good lawsuit. And that's

the reality of the case. You get into a lawsuit, you get into two, three years of negotiation, huge expenses, and at the end of the day, nobody wins.

So the answer is, are we committed? We have not made that decision. What we're committed to is to try and work out an amicable solution involving the first nations people.

Mr. Boyd: — Thank you, Mr. Premier. Our position on native taxation, as you know, is clear. We made it very clear during the election campaign, and we've reiterated by bringing in legislation with respect — private members' legislation — with respect to it. To date we don't know what the Liberals' position is. I wonder if you could clarify for us, Mr. Premier, what your clear position is with respect to native taxation off reserve.

Hon. Mr. Romanow: — Mr. Chairman, again I repeat that I cannot have it both ways. I cannot say to the House what I have said and what the Minister of Finance has said to the House — we want a negotiated settlement roughly along the lines that you describe in one of your earlier, immediate one or two questions, the parameters of the trade-off . . .

Some call it the flip-flopping. But we want a negotiated settlement. That is our view. And in the context, I can't have it both ways. I can't say we're going to sit down and negotiate in good faith; oh, but we're not going to sit down and negotiate in good faith because here is our position cast in stone.

I've given you the direction. We want to sit down and talk and see what our options are.

Mr. Boyd: — Mr. Premier, can you tell us then at what stage those negotiations are? Are we at a point where we can expect some sort of conclusion to the negotiations in the next relatively short period of time, or is this just going to be an ongoing thing that is negotiated out basically for a long period of time and is something that you are not committed to concluding? Or is it something that you are prepared to work at, and can we get some sort of idea of time frame of when those discussions and negotiations are likely to be completed?

Hon. Mr. Romanow: — These are very important questions by the Leader of the Conservative Party, and they're not easy for me to answer, not because of the fact that — I don't want you to misinterpret — that we don't have our perimeters, roughly speaking, with of how we might settle this, but in the public forum, I repeat again, we want to negotiate. And I want to make one point here, that I cannot give you a timetable because — I don't blame Chief Favel or the FSIN (Federation of Saskatchewan Indian Nations) on this at all. I think there's enough blame to go around for everybody — for the moment there is simply no discussion that's going on in any meaningful way.

I think the last salvo in this was fired by the FSIN in the contemplation of a major lawsuit in pursuit of what they think is their treaty and constitutional rights. That hasn't happened yet and there hasn't been discussions.

What is my strategy? Let's get around the table and try to talk it

out in the context of what I just told you a few moments ago.

So I cannot give you a timetable, and so long as no agreement is arrived at and/or no court order arrived at, it's business as usual.

Mr. Boyd: — So just to confirm for us then, Mr. Premier, there are no discussions ongoing at this point and none scheduled?

Hon. Mr. Romanow: — In the sense of formally scheduled meetings where you have proponents and the arguments and the advances and proposals being submitted, I believe — I want to stress the word — I believe I'm correct that there are none ongoing or scheduled.

I must say I've not been briefed by the Finance department officials lately, but I think that's the case. But my deputy says he does believe there will be soon and I know that the Leader of the Third Party will ask, what does soon mean. Can you give me a bit of a hint on that or . . . (inaudible interjection) . . . Yes, in the next weeks? In the next few weeks — we hope — but I can't give you a time. It is uncertain, I have to admit that.

Mr. Boyd: — Thank you, Mr. Speaker . . . or Mr. Premier, to turn our attention now to the future of the Crown corporations here in Saskatchewan. As we see the process, the public process of consultation, going on around the province right now taking place in Saskatchewan . . . of which we support incidentally, and I think you're aware of that. We support the public process of getting input from people all across Saskatchewan. I'm wondering how much weight your government is attaching to these hearings in terms of what the overall approach will be to the future of the Crown corporations.

Hon. Mr. Romanow: — The answer is we're attaching, Mr. Member, Mr. Leader of the Conservative Party, we're attaching a considerable amount of importance to the public input. But there are three parts to this process. One is the initial public input which we are now receiving. Then there is the review of what I call the experts — it's a heck of a word to use — but the analysts and the consultants. And then it is contemplated, if all goes well, by fall that there will be yet another public consultation process, this time focusing on the recommendations, if I can put it that way, of what this summer-long, spring-long exercise has meant.

At which point then it'll go to cabinet, through CIC (Crown Investments Corporation of Saskatchewan), and a decision will be made or an announcement will be made, probably late fall, early winter of 1997.

Hon. Mr. Shillington: — I move we rise, report progress and ask for leave to sit again.

The Chair: — Why is the Government House Leader on his feet?

Hon. Mr. Shillington: — There may have been a crossing of signals. I had understood the third party were not interested in stopping the clock. I now realize that we may have misunderstood each other. If they are interested in stopping the

clock and if the official opposition is interested in stopping the clock, we're prepared to do so. I think, Mr. Chairperson, I would invite you to ignore the clock until such time as someone draws it to your attention.

The Chair: — Is the Government House Leader's request clear to members? What I'm going to do is ask for leave to revert back to just prior to your motion to rise and report.

Leave granted.

Mr. Boyd: — Thank you, Mr. Chairman, Mr. Premier. We apologize for any confusion that there may have been. I was operating under the assumption that the Premier would be available again at some point. If that's not the case, we certainly are prepared to go along with the questions further.

Mr. Premier, we were talking about the future of the Crown corporations here in Saskatchewan, and the public process that's ongoing at this point. Now do you think . . . I'm sure your officials in your department are looking at the meetings that have been scheduled to this point, and there's been media reports that there's been relatively well attended, that there's been views on both sides in terms of the future of the Crown corporations, from privatization right through to maintaining them the way they are.

There also is reports that the various organizations, from the CFIB (Canadian Federation of Independent Business) to the labour movement, have been making statements at these meetings across the province.

Do you think . . . Mr. Premier, does your government have a concern about the meetings that have been held to this point and whether they fairly reflect what public attitudes are on this? Or are we just looking at the SFL (Saskatchewan Federation of Labour) on one hand saying, no, no, no. And other people on the other hand saying, privatize, privatize, privatize.

Hon. Mr. Romanow: — It's difficult to tell, but from I can read or what I'm told by people who read newspapers and watch television and radio, that there are people who come in with vested — not vested, I don't mean that — but with particular points of view. But that there's also a fairly wide cross-section of ordinary people.

I think it's still a more preferable way to get consultation than take a public opinion poll. A public opinion poll may scientifically be more accurate in terms of the larger proportion of people, but I don't think governments, generally on big issues like this, should go to that technique. I think we need to hear people's views.

(2230)

So I don't think it's being dominated by extremes, one way or the other. I think that there is open debate and it shows by the way that people care very strongly about their Crown corporations, whatever position they take. And that, I think, is a very positive sign.

Mr. Boyd: — Thank you, Mr. Chairman, and Mr. Premier. I haven't had the opportunity to attend one of the meetings to this point. I'm sure you're aware of what our policy is with regard to the Crown corporations. We believe that privatization should be an option and should be discussed at these meetings.

What is the structure of the meetings to this point? I understand they break up into small groups and they just sort of lay out the various options. Is that how it's done, and then the people sort of make their opinions known at that point?

Or is there some sort of a process where there is some direction, overall direction that the people are . . . attending the meetings are given in terms of the various options that should be looked at for the Crown corporations as well as what their financial, relative financial health, is for the Crown corporations? Exactly how is this process . . . or have you people put together the process and how is it working to date?

Hon. Mr. Romanow: — We actually haven't put the process together. The process is put together by a committee of PACE, which is the Provincial Action Committee on the Economy. It's a subcommittee of the Provincial Action Committee on the Economy that is conducting the hearings. In fact I believe . . . well the Chair . . . a number of people like the Chair of Wascana Energy, Mr. Frank Proto, is on the board. I forget the composition, but they decide the format.

As I am advised — I could be wrong on this — what happens is that there is an overview about the Crowns. A lot of people just have got to know what the assets are, what the Crowns do, what the statutory base for them is, what the regulatory base is for them, and set out the factual basis of the Crown, try to identify some of the problems in operating in the 21st century for the Crowns in a global economy, technologically oriented economy, and so forth.

Then they break up into these segments, these little buzz groups, as you describe. A variety of impressions are taken. People report out, and the Chair of the subcommittee or the people attending summarize the conclusions of that evening's hearings.

Now this is a good preliminary way to consult because it gives an informational, factual basis to the public, which is important. It gets feedback from the public as to what they think about the Crowns.

But what I said earlier, I repeat again. What is intended to be done thereafter, sometime in the fall, is I think they're thinking about a conference where the studies having been done, the actual numbers and the pros and cons on the economics will be advanced to the public for more detailed, specific debate.

That's the second stage or the third stage which will take place in the fall time.

Mr. Boyd: — Mr. Premier, don't you think that it might have been helpful to have that type of information available to the people prior to the meetings rather than after the meetings? It seems to me that if people are going to come to the meetings

and make any kind of rational decision about what they think the Crown corporations should be doing in the future, that that information would be useful in their decision-making process?

Hon. Mr. Romanow: — Well what we're doing here is . . . I think both is the best way to go.

First of all, we're giving, as the minister in charge of CIC tells me . . . and he's more familiar about the actual detail. This is generic, as he describes the word, uses the word, generic information which is right, fundamental, and important, about the way the Crowns are set up. A lot of people don't know. I mean . . . and I don't say it critically. It's a complex business. I think that's important.

Later on there will be a specific report with detailed recommendations which may be very complex and technical and accountant-based. But at least when the public shows up, they will have gone through this first hearing of getting the first understanding and approach, and they'll be in a much better position to make their views known as to the final suggested approach that we should take.

Mr. Boyd: — So is it then simply just an exercise in numbers then, Mr. Premier? If the majority of people attending these meetings suggests that the Crown corporations should stay as such, that will be the case. And if they say no, we think that another option should be looked at, a share offering or a sell-off or anything of that nature, that's what's going to happen?

Like how does a person sort of determine what the overall direction is going to be for the Crown corporations based on these meetings?

Hon. Mr. Romanow: — It is not a numbers game. It is not a situation of saying more people vote for retaining the Crowns as they are, or do something else with the Crowns. At this stage in the game, that is not the situation at all.

What this is, is as the minister says, basic information, reaction, people's feelings toward Crowns, their ideas about what the Crowns mean to them in their ordinary lives, in a rural setting, in an urban setting. And hereafter and concurrently started will be the detailed analysis of the Crowns. It's a \$3 million exercise, as you know, involving people who are more expert in the actual financing and the future developments of the Crowns. That's starting sometime now over the summer months. It'll be brought together in a comprehensive report, which report will be made public.

Thereafter there'll be another chance for the public, political parties and others, to make their submissions and their views known. Then a recommendation to cabinet. And we'll be making a decision based on the factual basis, the economic basis, the evidence which is before us, making our decisions public. And then you people in the public can decide whether we did the right thing or the wrong thing.

Mr. Boyd: — One of views that came out of one of the meetings, I understand, was reported by the media, I think it was out of Moose Jaw meeting, I believe. That the view was

put forward that a referendum should be held, a province-wide referendum should be held, prior to any privatization opportunities within the Crown corporation sector. Is that a view that your government would subscribe to or hold as something that you would want to look at as an option?

Hon. Mr. Romanow: — No, I'm not keen on what I call plebiscitarian democracy. I think that in our parliamentary system of government we are mandated for the term of our mandate to make decisions with as much consultation and input from the public as we can. And that at election time, the public either accepts or rejects what we've done or not done. I think plebiscitarian democracy is a weakening of the parliamentary system and is not a desirable way in which to make the necessary, difficult trade-off decisions and choices which often have to be made with very complex public policy issues, such as this particular issue with respect to Crown corporations and their future.

I don't rule out plebiscites in every case. There may be something or some circumstance in which this needs to be done, but in this particular instance, given what I know myself about Crowns, their financing, their intricate, difficult corporate structure, their challenges in the 21st century, I think that does not lend itself to an easy yes or no on a ballot with respect to this particular issue.

Mr. Boyd: — Thank you, Mr. Premier. Under what circumstances then would your government look at and consider privatization as an option? Is it an act of consideration that you will be looking at?

Hon. Mr. Romanow: — We'll want to obviously . . . I want to obviously await the results of the reports and the documents which are before us and I don't want to pre-judge those, because all that it amounts to is in effect an expression of opinion as opposed to a decision or an informed opinion based on fact.

I have taken the view that our Crown corporations — having said what I've said — have served the people of Saskatchewan very well. I've taken the view that our economy in Saskatchewan — you and I may disagree on this — has grown because it has been what I call, a mixed economy. There are three sectors to that economy working together. Three cylinders — the private sector, the cooperative sector, and the public Crown sector. They're not in competition. They work together in tandem. If they're tuned, if they've got goals, they're structured to a certain point of view, it's the best way for this province to overcome some of the barriers that we have for economic development — long-distance, tough to get our products out to market, tough to get our supplies here into market, lack of political clout, climate conditions — those circumstances. That's how we've overcome those obstacles in the middle of a prairie, North American plain.

Now having said that, since I say we are preparing Saskatchewan for the 21st century, Crown corporations have also got to prepare for the 21st century. And we know that the explosion in the information society, through telecommunications, necessitates SaskTel and others to take a

hard look at what its future is going to be four years from now or five years from now. It's not only SaskTel; it's Power and the like. And that's what we're doing. We're asking them to go through a check-up, a fiscal check-up, an economic check-up, a futures check-up.

A lot of them have done this themselves every year, as a matter of ordinary planning. They did this during your administration just in the course of ordinary planning. And those are good enough studies. But what I'd like to do is to make sure that they are as objective and independent and external as possible, so that whatever we decide as Saskatchewan people, in the combination of the factual basis and in the combination of the public opinion, is something which will provide for Saskatchewan an ongoing, healthy asset.

That means being pragmatic, it means being open-minded, it means making the right and sensible decision for the 21st century. That decision will be made after the reports are in.

Mr. Boyd: — So then we and the taxpayers of Saskatchewan can be confident that any changes in the structure of the Crown corporations will be based completely on the hard facts and the views of the people of Saskatchewan, and not on any kind of political philosophy, whether it's based in terms of privatization right across the board or in public sector Crowns across the board.

Hon. Mr. Romanow: — Well, Mr. Chairman, the answer to the question is that in . . . the answer is generally — I have to say the word generally and I'll qualify that in a moment, because I don't want you to get agitated about this. If you do, it's of course your right to do it — generally, the answer is we'd like to make decisions based on facts . . . (inaudible interjection) . . . No. We like to make decisions on facts. It's not too late; we can continue. We generally like to make decisions on facts.

But in a political — and I use the word political in the best sense of the word — policy, all kinds of factors enter into the decision making. I have explained to you quite candidly that I have an affinity for Crown corporations because I think they've served us well in a mixed economy — much better, three functioning cylinders, than one or two.

But I'm not so ideologically blinded to that view to have prevented the review from being started in the first place. It was our government which in fact launched the review, which indicates that we have the desire to do what is the proper economic, social, economic, small "p" political decision, cultural decision in the interests of the province of Saskatchewan based on the reports that are going to be forthcoming.

And that's the way all decisions of government are basically made. After all, we're not a business; we are a government. We involve public policy. We involve societal interests, community interests. A variety of interests are taken into account.

I mean not to be provocative, but you and the Liberals were after me all evening about the impact in rural Saskatchewan of

job loss and the like. If we applied a straight economic yardstick to rural Saskatchewan as a business, I could say to you, hey, don't bring in politics in this thing and how rural Saskatchewan might feel or how urban Saskatchewan feels. And since you do, we too do as government.

So it isn't as simple as that, but I can assure the member this is a legitimate, honest check-up for the public about the state of the Crowns and their future, as part of their economic health in the future.

Mr. Boyd: — Thank you, Mr. Premier. Well that gives, oh some small measure of comfort I guess to myself that it will be looked at as an option.

The question of course, as you have said, is the future of the Crown corporations — not the past — the future of the Crown corporations. And I can't help but think back to a dinner that I attended here in Regina not too long ago. And I think the Government House Leader was in attendance at that dinner as well. And as the after-dinner speaker was the . . . I think he was the CEO (chief executive officer) of Hewlett-Packard of Canada. He made some rather convincing arguments — and I think probably the House Leader could bring them to your attention — about the public sector Crown corporations in terms of things like telecommunications and the development of technology that's going to make it extremely difficult under the deregulated economy that we are faced with for Crown corporations as to what would be of value today to the public of Saskatchewan in Crown corporations, like SaskTel, and what the value will be tomorrow.

(2245)

And he made the rather convincing argument, Mr. Premier, that given the circumstances and the technological change that we are experiencing in the deregulated economy that we are seeing and the total atmosphere that Crown corporations must occupy these days, particularly high tech Crowns like SaskTel, he made the argument, and I think rather convincingly, to the audience there today, which was mostly chamber of commerce types, that the Crown corporation, SaskTel, is going to come under tremendous pressure from outside interests in terms of competition — tremendous pressure.

I think he made the case that his company alone, Mr. Premier, just to sort of speak about that for a moment, his company alone when it comes to putting out products here in Canada, and across the world for that matter, had something like \$35 billion worth of sales annually. And a full 70 per cent of those sales were in products that had only been developed 18 months ago.

And I think what he was saying is, is that the technology change is moving so fast, so rapid all across the industrialized world, the industrialized nations of this world, that we could see conceivably technological change come to the telecommunications part of the economy so rapidly that we could envision having essentially satellite telephone technology, which is available today as you know, but brought in at such an extremely modest price compared to the

technology that is there today, that may render — and that's my fear and I think probably the fear of the government as well — that may render SaskTel virtually worthless in almost no time at all.

And I think that that's the concern that we have to have primary in our view here, is that it's not simply what politics has to say about the evolution of the Crown corporations of the past, but what it means in the future, Mr. Premier. And that's the concern that I have, that we may have a Crown corporation that — I have no idea what SaskTel is currently worth — but we may have a Crown corporation that's worth hundreds of millions of dollars perhaps today that may be virtually worthless in a couple of years time based on the technological change that they are going to be seeing.

And I think that that comes from a fairly . . . that view comes from a fairly reputable type of person with respect to technological change, because he's running a company here in Canada that deals with technological change on a daily basis and the view that change has to be met constantly.

And so I'm just wondering, Mr. Premier, if that is going to be part of the overall context of how these Crown corporations are looked at, not the past, because that's, as you say, it's worked pretty well, frankly. But I think it has to be looked at in that context, in terms of technological change.

And the member from Rosetown-Elrose, we talked about some of those kinds of things in our discussions earlier, and I think he recognized that this may not be a time for partisan politics but this may be a time that we're going to have to look and put those Crown corporations under the most extreme microscope we can in terms of what their value is today, and what it's apt to be in a few years from today, because I would hate to have to stand in this legislature a few years from now and say I told you so, that SaskTel for example, is not worth a dime today, and it had the value of several hundred million in 1996.

So I just hope that that is part of the ongoing process here and part of the review, that we're not going to limit it in terms of the debate or limit it in terms of the scope of investigation here to whether or not you feel it is appropriate timing to look at privatization from a political standpoint or whether it is appropriate in timing in terms of what is best for those Crown corporations and the taxpayers.

Hon. Mr. Romanow: — Well I think, Mr. Chairman, that the hon. member puts forward a very thoughtful and important argument on this debate. And there's no doubt about it, that no one can dismiss the arguments which he advances. And believe me, as much as he hates having to get up to say in the legislature that I told you so, you should have done something; you can quite imagine how I feel if, in fact, he did get up in the legislature and with legitimacy and validity said that to me. I think I'd feel worse, which is why the reason for the study.

Having said that however, the other side of the coin is we must not assume that SaskTel isn't a globally competitive company now in a technologically explosive world. It has, as you know, done all the communications work in the Chunnel. It's in a

number of international companies: LCL (Leicester Communications Limited) and the cable involvement that they had over in England. In fact it's involved in the United States with respect to cabling up portions of the United States between Detroit and Chicago on a multimillion-dollar contract. This is a very, very technologically mobile, superior corporation. I take quite frankly, it's the issue of, in my judgement, the best telephone company in Canada.

Ownership, of necessity, may be neutral in this sense — publicly owned telephone corporation which has got the best of researchers and scientists and engineers and can move to pick up the slack in the international world can do it, should be able to do it, just as well as a private sector company. Now again we may have a debate on this philosophy and ideology. Ownership can be neutral. I don't think there's anything inherent about public ownership which would prevent SaskTel from continuing being what it is — which is one of the world leading, world leading telephone companies.

Having said that, the concern that you raise is one of the reasons why, quite obviously, this check-up is taking place.

Mr. Boyd: — Thank you, Mr. Premier. To move to another issue, with respect to The Labour Standards Act, labour standards legislation that we have here in Saskatchewan. As you are aware, your government's changes to The Labour Standards Act passed a couple of years ago under a fair storm of controversy. It seemed at the time that there was a lot of opposition to it. Business didn't like it. And in some cases labour didn't like the legislation either.

Mr. Premier, do you feel it was an appropriate way to introduce legislation, given that the issues were not pressing emergencies — we don't believe — to the province as a whole; was it worth the political strife to alienate the business community with this type of legislation?

Hon. Mr. Romanow: — Well the answer is, the process was very consistent with my philosophy — cooperation. I want to try in . . . and coming back to the CCTA. The minister of . . . (inaudible interjection) . . . Pardon me?

An Hon. Member: — Labour Standards.

Hon. Mr. Romanow: — I know, but coming back to the CCTA to make my point *vis-à-vis* labour standards, you asked about the process. On CCTA, that's a tough circle to square. I understand that. Labour standards was a very tough circle to square. But you alienate the business community. You alienate the working men and women and the part-time workers. You alienate somebody.

I don't want to alienate anybody. Not because I want to be loved. I know in this game you can't be. But because I think it's the only way you can advance good social policy and good policy for the government and for the people in the province of Saskatchewan. So was the process a good one? I think it was a good one. Did it work? It didn't work. Would I try it again? Yes, I'd try it again. I'd take the chance all over again.

And I just think that eventually business people, and working men and women in this province of Saskatchewan, will realize that when they disagree, somebody else in some other part of the world or Canada benefits. And cooperation is the ticket in the modern day, competitive world and we would follow that approach in general terms again.

Mr. Boyd: — Thank you, Mr. Premier. You and your ministers have often talked about the opposition parties sowing division in the province, but don't you think that that is exactly what happened with respect to the labour legislation here in Saskatchewan? You bulldozed ahead with your own agenda without any attempt to deal with the concerns of the people affected. And I think that that's the concern that certainly the business community has.

They don't feel that they were adequately consulted with respect to the labour legislation or the CCTA, for that matter, or anything else. They think that, relatively speaking, that your government has not been listening to their concerns with respect to labour legislation. They are more of the view, frankly, that your government, as the years go by, move towards sort of gaining some sort of peace with labour unions here in this province just prior to elections, and then you move to some sort of other agenda as the election passes by. And you've been successful, relatively successful, in doing that, I think, Mr. Premier.

At the time the legislation was passed, you'll remember your minister said he was listening to all sides in the debate. Again though, I think the business community felt that they were not being listened to and they were being ignored. And even, Mr. Premier, I think they felt that they were belittled.

And we talked to a number of business people, business leaders, across the province of Saskatchewan about your government's agenda with respect to labour legislation or with respect to Crown tendering and that sort of thing. And you recall your Labour minister at the time talking about ruthless, greedy businessmen. And I'm hoping that that was a rather unfortunate statement that he made at the time that I hope you will correct here this evening, because I think it is the type of statement that drives a huge wedge between labour relations of a government and the business community.

Because I don't think business people in this province are ruthless, greedy business people. I think what they are are people who are hard working, people who try to make a living in a province and try to employ people in this province, and they do it in the best spirit of business.

But when you have a minister coming out and saying those kinds of things, how can anyone conclude except to make the conclusion that somehow or another this government isn't all that interested in the concerns of the business community. And as I say, Mr. Premier, I'm hoping that you would be prepared to sort of correct what I hope was a misstatement of that minister at the time.

Hon. Mr. Romanow: — Mr. Chairman, I make two points in response. First of all, I obviously agree with the Leader of the

Conservative Party that the business community in Saskatchewan is a very important part of our community for all the reasons, and more, that he's articulated. That only makes common sense, and we want to work with them and we've met with them. All of us have at every point that we can. And I must say that notwithstanding some ill feelings which arise from time to time around contentious issues, I believe the relationship with the business community, as I believe it is with the trade union community, is not too bad with respect to this government.

As for the second point, namely the specific comments made by the minister of Labour, as he then was at the time, I think he made an explanation to the House, certainly did to me, which I accepted then and I accept now. And I think there was a misunderstanding in the report, the way the report was tabled. He did not intend to convey, nor did he convey the way that *The Financial Post* article represented his comments. You can accept that or reject that. I've known the member for quite some time. I accepted his words because I believed it to be an honest representation of the circumstances.

But the point needs to be made again that what we can do is learn from this experience. None of us can gain in my judgement . . . I don't think you people can gain either . . . the lateness of the hour to be too provocative, but you can't win either in this business by beating up on the working men and women any more than any political party could try to win on beating up on the business people. The province is too small. We're all in this boat together, and we've got to try to work together. There will be differences and at time to time governments will have to make decisions which one side or the other side won't like.

And you know, if I may say so, I have to smile a little bit about this because, believe me, if you think it's been all beer and skittles for me on the trade union side . . . skittles . . . do you know what skittles are? You know something, I don't either, but it sounded like a good phrase for me. Not all beer and pretzels, let's put it that way. Not all beer and pretzels for me too, so all I can say is, it's the way we should still continue to try to pursue efforts.

(2300)

Mr. Boyd: — Thank you, Mr. Premier. Well we have in the Conservative Party never attempted to beat up on anyone with respect to labour legislation. First of all, I'm too small, and second, I'm getting too old to attempt any of that sort of thing . . . (inaudible interjection) . . . That's a good question for yourself, actually.

But, nevertheless, Mr. Premier, there's been a lot of talk in the press these days about the political parties are sort of growing sort of maybe a little bit closer in terms of what has to be done to govern a province these days. And it must seem a little bit annoying for a committed social democrat like yourself to have to admit that they've had to move in a rather pragmatic fashion towards the centre or even conservative-type policies, in terms of running the province of Saskatchewan.

I'm pleased to hear, I'm pleased to hear, Mr. Premier, that you don't subscribe to the view that was advanced at that time about the business community, because I thought it was very provocative about . . . in terms of trying to raise the ire of the business community in opposition to things like The Labour Standards Act, The Trade Union Act, or as we'll touch on now, the Crown tendering policy here in this province.

Given your comments about the role that the business community has to play in the economy, can you explain why your government felt compelled to bring in the Crown tendering policy in the first place?

Hon. Mr. Romanow: — I think this is an important question. I'll be very pleased to explain it.

I believe that the period between 1982 and 1991 saw, again not to be provocative but I believe this to be the case, an ideological predisposition to providing Crown tendering work to essentially non-unionized contractors. Very strong bias that way. I would argue that the trade union legislation was amended the same way. And I would also argue that there were other non-amendments, occupational health and safety and the like, which fell into this area.

And in the end result, what happened was when you people got hit with a bit of an economical recession at the time and construction fell off, whatever work was obtainable was obtained, by and large, by non-unionized — I don't mean by and large — by large volume, by non-unionized contractors.

In the result, unionized contractors had to pack up. Unionized workers, skilled trades people with their journeyman certificates and the like, had to leave the province. Now we're back up into a bit of an economic uptake and the economy is increasing, and there is shortage, and there is now a demand that the pie be shared a little more equitably.

And the idea behind this is to try to remedy what we felt was the difficulty created by that particular period of time. That's exactly what the trade unions feel. And not only the trade unions feel, private enterprise construction companies who are unionized felt the same way.

Now if you're into the line, as the member from Melfort is, 30 per cent, drive them down — and I guess you are — then you don't want any CCTA. But as I repeat again, I think I'm correct in this, the United States of America federal government passed a similar provision back in 1947, for goodness sakes.

In the federal government in 1971 or '72, it's been policy to try to figure out a fair wage, fair chance at the business, without getting into this race to the bottom.

You know, if I may just elaborate for a moment, I know we're in a competitive world, but the argument that keeps on cropping up, well in Mexico they pay their workers \$4 a day. So what does that mean? Well it means our workers have got to take less and less, and you shouldn't introduce the labour standards because, you know, it's making the climate uncompetitive.

Well where does it stop? Where does it stop when the hungry child and the mother and the family has to worry about . . . I mean that's the point that I'm getting at. And so what we're trying to do is to find a reasonable solution where both unionized and non-unionized contractors can get a fair slice of the action, fairly.

And I might add . . . I don't have the exact numbers here, but I think I can say this without contradiction. If I do, forgive me because I don't have the numbers here. But I think since CCTA, even with CCTA, the majority of the Crown work that's been tendered out has been tendered to non-unionized contractors, by some substantial amount. That's the policy behind this move, and we wanted it reviewed over the year.

There is no report. There will be a report if the negotiations fail in the next three or four days or they don't take place. Somebody will write up a report for us as to what we do, and we'll have to make a decision. We're hoping, just like I said about labour standards, that men and women of goodwill in Saskatchewan can find a way to put a balance on this, as we have in other jurisdictions in other parts of the world.

Mr. Boyd: — Thank you, Mr. Premier. If that is . . . if we are to accept your argument that this is simply a way of correcting the past and that the people of Saskatchewan were somehow done wrong by having the policies different than this, isn't it exactly the same thing though, Mr. Premier? You have a policy today that is exactly the same as the policy of the old except the reverse — exactly what it is.

We have 80 per cent of the contractors in this province that are non-unionized. About 20 per cent of the people working in companies are unionized contractors in this province. And so you're saying to the people of Saskatchewan that somehow or another you have to correct this imbalance because 80 per cent of the people were working on jobs here in this province, and they were non-unionized . . . And somehow or another we have to provide an opportunity for those other 20 per cent, so we bring in a piece of legislation that compels the Government of Saskatchewan to have unionized contractors get the job.

But to further your argument, you say, but no, that isn't the case because the people of Saskatchewan and the taxpayers of Saskatchewan haven't been asked to cough up any more because they have been . . . you believe, and you don't support it with any information. We'd ask you to support it with some information to prove your contention that non-union contractors have been provided with that amount, extra amount. Because I'm not sure that is the case, Mr. Premier. But if it is the case, and even if it is the case, is it still not so that you have done exactly the same thing that may have happened in the '80s but the exact reverse?

You have provided an opportunity for unionized contractors a discriminatory policy that only allows for, if you choose, unionized contractors to get Crown tendering projects. That's the concern that I think is here. It is not only the concern that there is a higher cost to it; we're not only concerned about the higher cost to the taxpayers. And you can stand and you can say things like, are we only saying that you should drive the costs

of these projects down?

No, we have never said that, Mr. Premier. What we have said to you is, is that there should be a fair tendering policy. That the tenders let in this province should go to the people who are qualified, yes, but also to the people who are prepared to do it at a cost that this province can afford.

And if you are saying that the province of Saskatchewan can afford an extra cost to these projects, I'd like you to stand and say that. Because I think the taxpayers of this province and the business community in this province would like to hear you say, and justify the extra costs, just based on what you view as some social responsibility to the unionized contractors and unionized workers here in this province.

Hon. Mr. Romanow: — Well we'll undertake to provide in writing for you, for your analysis and examination, what the break-out is of the work since CCTA came into place, allocated to unionized and non-unionized workers. I'm sorry I don't have that with me here at the present time, and I'm asking the minister of CIC to give me the details but he does not have his officials here either. But we'll have that for you in the next several days.

But you misread the policy, if I may say so with the greatest respect. Because this is a policy which I say does not fall onto Saskatchewan from Mars. This policy or variations of it were around in Saskatchewan in the 1970s — 1970s. No, it's the same thing. There's an exemption of 150,000 or less. It's wide open to anybody. Over 150,000, all other things being equal — note the word, union preference — what the Tories and the Liberals have done is either wilfully or negligibly misinterpreted the word preference to mean union only. Preference does not mean only. They're two different words and two different concepts. And in fact under some circumstances, under your administration by the way, under your administration — under your administration when you constructed in concert with . . . or got involved in the partnership with the co-op movement on NewGrade, that was straight union contract.

When you got involved in Shand in the Power Corporation, that was straight union contract by diktat of your cabinet — by diktat. No non-union contractors . . . (inaudible interjection) . . . no, but . . . So? The point is exactly this — that it is a circumstance which acknowledges the fact that in the case of the Power Corporation, in the case of some major projects, all governments have adopted union only. We don't say union only, we say union preference. And all that this policy does, is saying over 150,000, that's the bid that takes place.

But look, stripping it, all of it, the reality is again, what you want to do — I mean I argue what you want to do is, you want to say, take away the union preference, go back to '82 to '91, catch-as-catch-can; and as you describe it, describing me, according to your vision of social policy. Well maybe it is. I just don't want to have a race to the bottom. I don't want to have a race to the bottom. We're racing fast enough to the bottom as it is without parties like the Liberals and the Tories getting up in Saskatchewan saying, let's even race there more

so that the construction company people can have an exclusive tie in this whole operation.

That we can improve the CCTA — that's exactly what we should be looking at. That we should be negotiating it and making it more compromisable and more understandable and acceptable — that's exactly what we want to do. That's why the negotiations are taking place, I hope will be taking place, over the next few days.

Mr. Boyd: — Well, Mr. Premier, I don't think that that's the case. And I don't think that the people of Saskatchewan believe that that is the case. We're not advocating any race to the bottom. But what we are saying is, is that the race to the bottom right now is being shouldered by one group. And that is the non-unionized contractors in this province because they have a policy . . . they are faced with a policy that says they are not going to get jobs in this province. That's the type of policy that they are faced with and they are shouldering the race to the bottom by themselves. And they are saying to you, Mr. Premier, that they think that this policy is not fair, that it discriminates against the non-unionized worker in this province who wants to have a job.

And so you are saying to that non-unionized worker that we are prepared to make you expendable in order to guarantee work for unionized contractors even if it costs more or even if it is discriminatory.

If you were to base your policy, that type of policy, on sex or religion or creed or anything else — sexual orientation — it wouldn't fly. But because it is union-only tendering policy, and that is not something that is made up within the purview of anybody to look at, it somehow is okay. It's somehow okay if you discriminate on the basis of a union card or a non-union card, but it is not on any other basis.

And that's what people are taking about in this province today, Mr. Premier, because they don't believe that this policy is fair. They do not believe that a government should set out parameters of which some people cannot work within. Some people simply choose — choose, Mr. Premier, not to belong to a union. That is their choice.

But they also are faced with a government that comes in with a policy that says you either are going to be unionized or you're not going to get a job from us. And I don't think that that is the type of message that you should be sending from your government, that you are prepared to discriminate in some areas and guard — religiously guard — discrimination, as you should, in other areas.

That is the fundamental argument here, Mr. Premier. Not only is it cost, but it is a discrimination against workers who make the conscience decision not to become unionized or a contractor who isn't unionized. That's the fundamental premiss of the argument.

And for you to say, Mr. Premier, that there isn't a report, that there's not any kind of a report, I don't think . . . I think it flies in the face of everything you and your ministers on the front

bench have been saying over the last number of months. Because you've been saying, hold on, there will be a review, we're conducting it right now, the report will be out relatively soon. Hold tight, you'll be happy with it. Everyone will be happy in this province.

(2315)

And then now what has happened. I'll tell you what I think has happened here, Mr. Premier, you got yourself in a box. You got yourself essentially two choices. On one hand your choice was, invite the Saskatchewan Construction Association in, sit down with them, with the unionized contractors and the unionized bargaining team that is in place, and try and hammer something out here and hope that the unionized contractors will give up something in this.

But the fact of the matter is, Mr. Premier, they already got their contract. They're going to hold you to it because it's five years of nothing but gravy for them, and they realize that. It's a five-year term that you've committed to. I think we're about one year into it now, but it's a five-year term. It's something that you had to give up to them just prior to the election, not only to get their support but to get their vote, Mr. Premier. That's what you were prepared to give up in the '95 election to get their support, that five-year agreement of no change in this policy.

And now I suspect what happens is . . . and I understand what happened at those meetings because we have talked to people from the construction association that attended those meetings. The unionized people got up, and they lectured them. They said to them, we got an agreement, and there isn't anything that's going to change this because we've got these people right where we want them in the government. We've got them boxed into a corner here where they can't get out unless they're prepared to go back into the legislature and legislate a change in it just like you did to the farmers of this province. But I don't think you're prepared to do that, Mr. Premier, because it would result in the loss of that union support that is so critical to your electoral future here in Saskatchewan.

So what did you do? You chose the opposite route. You chose the easy way, Mr. Premier. You said, I think we can get by the negative publicity that's going to result from us standing up and saying there never was a report. I think you chose what you thought would be the lesser of the two evils. I think you thought to yourself, we'll take a little heat for a couple of days, but all in all this thing's a pretty complicated issue. And before very long, the public of Saskatchewan will forget about it. And before very long the legislature will conclude, and then it'll be all a done deal. The issue will go away.

And it'll be another tendering year has gone by because we pretty well let, I suspect, most of the tenders under this policy for this summer, which is when most of the Crown tendering projects are done. And then you move back into the process next year. Same old thing, invite the Saskatchewan Construction Association in, say to them, well we'll talk again. We got a process here. Let's work our way through this. Let's grind her on through.

But the reality is, Mr. Premier, I think people saw through it. I think people in this province realize that that is exactly your agenda here. You were prepared in '95 to give up the store on this one because your election chances, you thought, would be significantly diminished if you didn't given them what they wanted. And I think, Mr. Premier, that that is not a good, public-policy type-of-way of doing things.

And you can be critical of anything you want in the past. I don't care about that. It doesn't really bother me a whole lot that you want to be critical about the past. But what I think is more important here, Mr. Premier, is what the people of Saskatchewan expect from you and your government in the future. I know you like to reiterate the past every time you stand up in this legislature.

It's either somebody else is doing it to you in Ottawa, or the past is doing it to you. But the more important issue here, Mr. Premier, is, what are you prepared to do to fix this thing? What are you prepared to do that will make this right, that will end the discriminatory practice that is before the people of this province?

The unionized contractors cut a deal with you; we understand that. We are prepared, Mr. Premier, to stay here and debate this for a period of time. We think that you need to take some action on this. We think that you need to deal with this issue. We think you should be bringing in legislation, if necessary, to break this agreement and go back to square one and invite in all of the parties, and that includes non-unionized employers, into the discussions because it isn't good enough, I don't think, Mr. Premier, to get into these types of negotiations and have a cosy little arrangement with only some of the players being there — 80 per cent, fully 80 per cent of the non-unionized people of this province not represented when you cut a deal with those people. And I don't think that that is right. I think the tendering policy of this government should be, as we have said, the lowest qualified bidder.

And if that means, Mr. Premier, that some people in this province cannot live with that type of agreement, then so be it. Because I think the taxpayers of this province want fair and equitable treatment, and I think the contractors want fair and equitable treatment. And I don't think they're getting it with this type of policy, Mr. Premier, because it is not right. You know it's not right. We think you're looking for a way out of this, and we're prepared to cooperate to give you that way out by giving you the opportunity to bring in legislation, if necessary, to deal with this agreement. We'd be prepared to sit here and debate that and help you through that policy and help you through that legislative change.

But I don't know, Mr. Premier. It looks to me like you have dug in on this. It looks to me like you have decided that you are prepared to accept whatever negative publicity there is surrounding your admission of today — just today — that there is no report, because we think there was a report, and I suspect before very long we may see a brown envelope turn up on our desks, as we have seen in other cases, Mr. Premier, or under the door.

And we're hopeful that that will happen because I suspect there was a report. I suspect there was a report. I suspect the report said this policy is discriminatory; this policy breaks all of the human rights type legislation when it comes to discriminating against people except if they have a union card. And I think, Mr. Premier, that you should take some leadership on this issue and deal with it, because it is no longer acceptable to the people of Saskatchewan.

Hon. Mr. Romanow: — Well, Mr. Chairman, the calm demeanour of the Leader of the Conservative Party heretofore is betrayed by the venom that he displays toward the working men and women of Saskatchewan in his last outburst. Yes, venom, venomous, a venomous attack in the face of the facts. That is the worst part of this. In the face of the facts.

Here is question no. 45 on the twenty-third legislature, first session, asked by the member from Maple Creek — that a return no. 47 do issue on the CCTA. Here are the facts. Your question and the answer tabled. What were the number of government-funded tenders that were awarded to union-only firms in 1995 and the total dollar value of these tenders? You asked that question. You know what the answer was? SaskPower, 19 projects, cost 6.183 million; SaskTel, 8 projects, cost 1.27 million; Sask Water, 7 projects, cost 15.2 million; STC (Saskatchewan Transportation Company), 1 project, cost 113,401; SGI (Saskatchewan Government Insurance), zero project, zero cost; SaskEnergy, 21 projects, cost 7.33; total of 56 projects CCTA, at a cost of 30.127 million.

Next question. What was the number of government-funded tenders that were awarded to non-union, non-union firms in 1995 and the total dollar figure of these tenders. SaskPower, 145 projects, cost 41.4 million; SaskTel, 183 projects, cost, 3.6 million; Sask Water, 14 projects at a cost, 703, 000; STC, one project, 14,733; SGI, one project, cost, 55,900; SaskEnergy, 39 projects at a cost of 43.4 million. Rounding it out, total of 383 projects awarded to non-union firms in 1995 at a cost of 89.3 million or \$90 million. Three times. Three times. On your figures the union contractors get 25.2 per cent of the work and the non-union contractors get 75 per cent of the work.

And that was a question that you tabled. That was an answer which we tabled, and you had, and you get up and you say, union only.

How dare you misrepresent the facts? How dare you attack the working men and women of the province of Saskatchewan? How dare you misrepresent the policy and the way that you represent it? How dare you continue your Alabama North approach, your approach of being able to determine to destroy the working men and women of the province of Saskatchewan and misrepresent the facts? You and the Liberals driving the people down right to the bottom.

There you are, you won't even allow me to give the speech, you and your cacophony down at the back yelling against the facts. You know those are the case.

You see, Mr. Chairman, what these people do. They misrepresent. These people, they twist and they turn. These

people want to govern again in 1999 like they governed in 1982. These people shout down others when they tell the truth, like the member for Maple Creek and the member from Rosthern. Why don't you listen? Why don't you accept the facts which are tabled?

I tell you, you five are a sorry lot, a sorry lot of misrepresenters and mean-spirited people who will never, ever be elected again to the government of the province of Saskatchewan because you do not tell the truth outside of this Chamber. You misrepresent the facts. You attack ordinary people. You do not seek compromise. And you have the answer tabled here.

And I tell you, Mr. Chairman, as far as I'm concerned, you can sit in this legislature for ever. We're not going to succumb to that kind of an argument, by that kind of a discredited party, on this kind of an important issue.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Premier, you can advance that kind of argument all you want, but I think what it represents is a wilful and negligent attempt to try and convince the people of this province that this policy does not favour unionized contractors in this province when I think it flies in the face of everything that the people of this province believe in terms of fair policy. And you know that is the case, Mr. Premier.

And I think it appears more than ever that you're prepared to tough her out on this one. But I think, Mr. Premier, that you will find that the people of this province will not support that type of discriminatory policy. I don't think, Mr. Premier, that they will believe you, that this does not represent unfair treatment to some people. And you can rant and rave all you want about unfair policy or what we are talking about.

Mr. Premier, you're wrong. You are wrong in terms of what you're saying about this project, or these types of policy. It is not fair; it is discriminatory; and I think everyone understands that. And at some point in the future, I think, Mr. Premier, that your government will be judged by it. Your government will be judged by those types of policies that advance the argument that only you know better about who should get jobs and who shouldn't get jobs in this province, Mr. Premier.

Mr. Premier, we're going to continue to advance the argument that this policy is wrong. We've been talking about it a fair bit in the last little while and we're going to continue to talk about it.

The Liberals have talked about the CCTA policy and how they are opposed to it as well, and yet it seemed incredible today, and I'm sure it must have been incredible to you as well, to see them voting time after time after time with you all day long, in compliance with just trying to wind down the session. That's what that attempt was.

But we don't believe, Mr. Premier, that we're prepared to let you off the hook just yet because we don't believe that this policy is right. You've committed to reporting to the people of

Saskatchewan on this policy. You've committed to reporting. You've committed to reporting to the people of this province on the policy, and yet now when it comes down to the crunch time . . . the legislature took a few weeks longer than you anticipated, I expect; but nevertheless, Mr. Premier, I don't think it's right; the people of Saskatchewan don't think it's right; the contractors of this province don't think it right.

And you can . . . Mr. Premier, I think the people of Saskatchewan will at some point say to you, no. You can't have those kinds of policies, you can't do these kinds of things because it is not fair. And, Mr. Premier, I think that that will be the conclusion of this in the end.

(2330)

Hon. Mr. Romanow: — I would just simply say, Mr. Chairman, whatever the members do is up to them. By the way, skittles is a game of ninepins in which a ball is thrown to knock them down. Beer and skittles is a carefree existence of drink and play. That's what my research staff says, so beer and skittles it is for everybody here today.

Mr. Toth: — Thank you, Mr. Deputy Chairman. Mr. Deputy Chairman, there's a number of issues that are certainly important to raise, but there's one thing I'd just like to bring to the attention of the Assembly and that is the fact that as we are winding down this session, and we've asked and we've talked to the Government House Leader, the fact that the Premier's got a responsibility to the people of this province and what we've ended up with is that in the dying days of this session, basically one evening that we're told okay, the Premier's available.

I noticed last week the Premier was here on three or four different occasions basically all day. We could have had Executive Council up. Unfortunately the government wouldn't bring it forward. And I'm not sure where the Premier was hiding; I'm not sure why he was hiding. It just seemed . . . just a few minutes ago that all of a sudden he's ready to debate us and take us on.

I would think, Mr. Deputy Chairman, if it's important, if the Premier feels he's so important, he's got a responsibility in this Assembly that we should have more than just two or three hours.

And I'm not prepared just to stand here and just vote off something in a matter of two hours. Nor is it fair, I think, to ask the officials to stay here just for another . . . till the wee hours of the morning to address some of the concerns, some of the questions.

So I'm going to suggest that we call the clock at this time and we bring Executive Council back to address the issues like the no-fault insurance program that is discriminating against people who are under \$50,000 in wages. Unfortunately SGI doesn't come directly to the Assembly, so we have to deal with it through the Crowns, but there are questions that need to be raised on that issue.

And there are certainly other issues that need to be raised and

brought to the forefront of this session, so therefore I would suggest we call the clock at this time, and bring Executive Council in at another occasion.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Chairman. Fair enough in calling the clock. It would be very nice if the Tories showed up in the legislature once.

The Chair: — Order, order. Members, will members come to order. Order. The Chairman neither asked for advice on how to advise, but I do advise the Premier that your last remarks were not in order.

The committee reported progress.

The Assembly adjourned at 11:35 p.m.

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