

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Nineteenth Legislature

Monday, April 9, 1979.

EVENING SESSION

COMMITTEE OF FINANCE — DEPARTMENT OF TELEPHONES — VOTE 38

ITEM 33 — Continued

MR. H. SWAN (Rosetown-Elrose): — When we adjourned just before 5 p.m. or at 5 p.m. we were discussing the cost of the homes in the non-profit construction business and I'm still a little concerned and I'd like to get an answer. How much is the labor portion of those non-profit houses?

HON. D.W. CODY (Minister of Telephones): — Forty per cent.

MR. SWAN: — That's in all cases? It doesn't exceed 40 per cent.

MR. CODY: — It would vary but 40 per cent would be a real good average and the reason it varies is because of the fact that some of the groups can negotiate a little better with us because they have better and more expertise so their labour costs would be down.

MR. SWAN: — The \$33,000 that you quoted me, was that including the cost of the land that the house was built on or is that the cost of construction?

MR. CODY: — The cost of construction only.

MR. G. TAYLOR (Indian Head-Wolseley): — Now, I'm interested in these non-profit groups and I want to obtain a little information from you, Mr. Minister. How many of these groups do you have at present in Saskatchewan?

MR. CODY: — Ten.

MR. TAYLOR: — And I take it these are all Metis groups? Are they Indian or Metis groups?

MR. CODY: — Seven are Metis. Three are not.

MR. TAYLOR: — What criteria . . . You mentioned if a group got together — do you expect some previous training of these people? Have they some skills? What does this committee of three you mentioned look for in granting a contract to a group?

MR. CODY: — The Federal Provincial Management Committee together with Jim Sinclair from AMNIS (Association of Metis and Non-Status Indians of Saskatchewan), look at the three top management people. These would be the manager, supervisor, and the bookkeeper and these three would have to have a certain amount of expertise. Expertise in bookkeeping for the bookkeeper; the supervisor would have to have some experience in housing, contracting or carpentry at least and the other person a bit of administration. So the three have to have some expertise. The balance of the people are people without any skills at all.

MR. TAYLOR: — Fine. You mentioned the other day when you were questioned in the

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House on this that the hope was to have these people, these non-profit groups learn in this situation, eventually gain the expertise and become active in the private sector, bidding for these contracts. That is what you mentioned in that. Is that not correct? I would like to ask how long have some of these groups been working in low-cost housing?

MR. CODY: — Larr Construction has been the longest and this is their third year. They are now going out on their own. All of the other nine have less than three years. Hopefully, a year or so from now they should have the expertise to go out on their own as well.

MR. TAYLOR: — You mention that their books come up for audit. Is this yearly or more often? Also under bidding and sub-contracting, are these scrutinized at all? Do you just audit the figures that are put in? How close a check do you have on the operation of these companies, especially in their initial stages?

MR. CODY: — We do a yearly audit which means a company audit, everything. When they start up we look at the costs and the estimates. The sub-trades are looked at as well at that particular time. Now I don't know whether you would call it auditing, but we look at their financial picture every five weeks.

MR. THATCHER: — Mr. Minister, referring to that answer, what do you look at every five weeks? Are these companies required to have a financial statement prepared? For instance, I am just wondering what your people view as they go in there. Do they look at receipts or are they required to have something ready? Could you just elaborate on that a little further? I am thinking of most businesses — if you were to go in on them at a given time within a five-week period, what would you look at? I don't think they would have a prepared financial statement. What are your requirements on that?

MR. CODY: — What we look at on a five-week interval is a financial inspection of the program. We review the suppliers, invoices and the employer expense reports. We verify the suppliers to see if they are being paid. We balance the sub-ledgers to the general ledger, we prepare cost variances, summaries on construction and we verify monthly bank reconciliations.

MR. THATCHER: — The people who do this, Mr. Minister, they are employees of Saskatchewan Housing Corporation, not chartered accountants or independent people. They are your own people.

MR. CODY: — They are employees of SHC.

MR. ROUSSEAU: — Mr. Minister, you indicated a few minutes ago a \$33,000 cost for building, exclusive of land. Is that right?

MR. CODY: — I said there was a \$33,000 building cost on the average for Larr Construction. I did not say that that was for all of the groups. Larr Construction's costs for 57 units in 1978 cost \$33,000 average.

MR. ROUSSEAU: — What size homes were they building for that \$33,000?

MR. CODY: — Just under 1,000 square feet.

MR. ROUSSEAU: — And that was exclusive of land?

MR. CODY: — Yes, exclusive of land.

MR. ROUSSEAU: — Earlier today you indicated that these non-profit groups received grants from DREE or other federal departments, but you didn't know what amounts. If you don't know the amounts and I take it the \$33,000 is a cost to this government, therefore I am presuming then the grants from the federal government are over and above the \$33,000. Am I correct?

MR. CODY: — Yes. The \$33,000 is a cost to SHC. Now, if they should go out and buy a truck, for instance, we would take the depreciation into account in that cost.

MR. ROUSSEAU: — You evaded my question slightly. The grants supplied by the federal government go directly to the contractor, and you are not aware of the amounts, and they are over and above the \$33,000 average cost.

MR. CODY: — Yes. Really what I said is I am not sure if they do get DREE grants, but I say there is a possibility they do, and there is also a possibility that they get grants from Manpower and Immigration for people without skills to train them and so on. I cannot be specific and say that they did get these grants, but I say those kinds of grants may well be available for these non-profit groups.

MR. ROUSSEAU: — Right. If that's the case, and you indicated to the member for Thunder Creek (Mr. Thatcher) a minute ago that you are having these companies checked every five weeks (I presume you are checking the financial conditions and statements and so on), then how can you possibly tell us that it is a non-profit organization when you don't even know, first of all, how much they are getting from the federal government? It could be \$10,000 per house. It could be any amount. The cost is now becoming as much as the contractors who are building on the figures that we talked about earlier today. Where are you justifying a non-profit group in costs of \$33,000 for a house under 1,000 square feet, plus the land, plus the grants from the federal government, amounting to probably (and who knows, you don't know, which is something that amazes me) as much or more than what is being built by the private sector on a tender basis.

MR. CODY: — Well, the fact of the matter is this is not an unusual thing, to see a non-profit organization get grants. It certainly isn't any more unusual to see private enterprise get grants. I can tell you of a corporation down at Frontier which constantly gets grants from the Department of Manpower and Immigration, constantly gets DREE (Department of Regional Economic Expansion) grants, and it's for employing people in areas where people aren't normally employed. So why not do the same thing for a non-profit group that you may well find the federal government do for a group of non-profit people? It just seems to make eminently good sense to me that they would want to give grants of that nature. Certainly we don't know if this non-profit group has received other types of grants. We know what we have given them because we have every dollar itemized, but we certainly don't know what the federal government may have given them.

MR. ROUSSEAU: — If you don't know then let me tell you how it's done. A private sector individual who is bidding for business on tender is going to take into account grants he's going to receive from the federal government, or any other area that he may receive a grant from, in order to be able to come in with a low tender on his bid. When he is bidding his tender he is taking into account the possible grant or assistance that he will receive from the federal government, or your government, or any other

government, municipal government if you like.

When you are calculating a non-profit group cost basis of \$33,000, any grant that is received over and above that is profit. It is not part of your cost of \$33,000. It is profit! Now then, why if you are calling it a non-profit organization or a non-profit group, are you not calculating in that the amount of money received from the assistance from other governments?

MR. CODY: — Well, Mr. Chairman, probably the reason why is the fact that we are getting these non-profit houses constructed for \$33,000 in the case of Larr versus \$37,000 in the case of private enterprise. So there's a difference of \$5,000. Maybe it is \$5,000 that the federal government has given but I can tell you the people who they're building for are needy people. That \$5,000, if they can get that, it's tremendous! It sounds like a good idea to me.

We really believe that the non-profits have done a tremendous job for us. I would say it has saved us about a million dollars.

MR. ROUSSEAU: — Well, you tell me how you could possibly know it has save you a million dollars when you haven't tendered for it. How do you know that if you hadn't tendered for that same work, the same houses that were done by the non-profit group wouldn't have come in?

AN HON. MEMBER: — Sask. Housing.

MR. ROUSSEAU: — What was that remark? . . . (inaudible interjection) . . . That's possible. That's quite possible. But if you're telling me that you are paying \$33,000 average cost for a house under a thousand square feet, the \$33,000 being your cost, not knowing what is going out in profits, grants, (I call them profits) to the contractor, I suggest to you that if the same thing was bid on a private sector, the cost could be less. How do you know that you have saved a million dollars?

MR. CODY: — Well, on the yearly audit, any ones that we've done, there has been simply no profit there and it's as simple as that. We audit the books once a year and we have found that they have taken no profits. As a result of that we can't see what else needs to be done. With regard to the million dollars, I can explain to the members if they would really like to know how the Government of Saskatchewan has saved a million dollars because we have just finished calculating it in the last couple of days. It's very simple. If you take the extra cost of building 180 units under the non-profit groups, it gives you \$610,560. The provincial share of this is 25 per cent or \$152,630. Now, because, yes \$610,560. You're talking about it costing extra money because we're using non-profit organizations. Twenty-five per cent is the provincial government's share, that means that our share is \$152,630. This has created 396 jobs. O.K.? The extra cost to the province of creating the jobs, as you have just indicated it does, \$387,000. That's the additional cost to the province. O.K.? \$387.00 per unit, I should say. In addition, 68 per cent, 268 of these jobs created were filled by people who were previously on welfare or on unemployment insurance, so 268 of them, 68 per cent of those are today not on welfare. If you look at that, 268 of those people on welfare or on the unemployment insurance rolls, that means \$570 for each job. If you look at all of them you get \$1,000,000 that the Government of Saskatchewan has saved by the non-profit group.

AN HON. MEMBER: — Tremendous, hear, hear!

MR. THATCHER: — Mr. Chairman, from the minister's comments, if he believes them to be valid (and I might add that he is one of the few in this Assembly who do) may we then assume that Vote 49 will consequently be changed from \$43.4 million to \$42.4 million? Is that a reasonable assumption, Mr. Minister?

MR. CODY: — No, I would suggest not because the \$1 million, as I just finished telling you, doesn't come out of this subvote for SHC; it comes out of the subvote for social services. We save them that kind of money in social services.

MR. THATCHER: — Well I think, Mr. Minister, it's pretty well indicative that the \$1 million you saved was probably a figment of your imagination and not anything related to accounting.

Mr. Minister, we were talking just before 5 p.m., in terms of Larr housing and you took my argument away when you indicated how successful they have suddenly become. They apparently came from nowhere and did some non-profit work for the Saskatchewan Housing Corporation. They then embarked on a program where they were buying controlling interests in many of their suppliers such as kitchen cabinets, sinks, etc. Nonetheless, they have been successful. You certainly indicated my point on that.

But, Mr. Minister, you did indicate that, in total, Larr housing had done work in about 178 houses which, I believe, is the figure you gave us before 5 p.m. My question to the minister is would he be willing to provide us with data on these 178 houses? For instance, the 178 houses had to go out and — Mr. Minister, incidentally, I'm not asking for that tonight. To speed things up, I'm prepared to let that one go. Would you be prepared to give us the year in which the 178 houses were awarded (that probably starts about 1976), what the original cost was, what the original estimate to Sask Housing was, and what Larr housing came in at?

Mr. Minister, I'm going a bit by memory because my file on Sask Housing happens to be at my residence. It was our understanding that Sask Housing would not be up today and I do not have it with me. But my memory on Crown corporations about one year ago goes back to a very sordid cost overrun on the part of (I'll qualify that) the vast majority of non-profit housing groups.

Now, in some cases there were very legitimate reasons for it. I do not recall very many on that list, provided by the Saskatchewan Housing Corporation, coming in on budget or under budget. I'm not disputing what you say, please don't misunderstand me because frankly, Mr. Minister, I admire the way you've handled yourself tonight and I suggest if the minister from SEDCO has handled himself in a similar vogue we would have moved on a heck of a lot quicker. Because at least you have taken opposition challenges, you have faced them, you have stood up and . . .

MR. CHAIRMAN: — Order. We are dealing with subvote 33 and not previous votes.

MR. THATCHER: — Mr. Minister, if you would provide us with that information at some reasonably close future date, I would be most appreciative. I think, Mr. Minister, that about covers it. I'm sure when subvote 49 comes up involving \$43,400,000, the minister will want to answer in the clear concise manner which he has this evening and I will await information from him on the 178 units on behalf of Larr housing. I believe from the minister's nod I can assume that it will be forthcoming. Can I assume that?

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MR. CODY: — Well, Mr. Chairman, it is not everyone I would give this information to. But I just couldn't refuse the hon. member for Thunder Creek (Mr. Thatcher). Yes, we will supply you with all of the information you have asked for. I don't think there is any problem in supplying it. It may take a week or so because it means going back two years if you want to have it all, and we will have to pick up that data. So it will take a period of time to do it, but we can certainly give you the information that you have asked for.

MR. TAYLOR: — Mr. Minister, as you are in such a co-operative mood this evening (you must have had a good supper), I would like to know how long the Qu'Appelle Valley Construction has been operative and I would also like to know the number of homes which they built last year?

MR. CODY: — September 20, 1976 is when they were formed. They have 49 houses to date, and 24 in 1978.

MR. TAYLOR: — One other question. Getting back to when you form a group, you take two or three people who have some degree of expertise. In the cost, if you're forming a group (and you said some of these people had been on welfare), there are certain tools and transportation and so on. Now do you consider some of these things in on the cost? You mentioned trucks a while ago — trucks, tools, and things of this nature.

MR. CODY: — No, there is nothing given by way of seed money or anything like that from SHC. The only thing is, as I have said, if they would buy a truck, or something like that, the depreciation is worked into the cost of housing. But I do believe in the case of Qu'Appelle Valley Construction they received a \$19,000 grant from the Department of Industry and Commerce. That's to get them started or to get into tools and vehicles or whatever have you. Now, they may well have got some from DREE; they may well have got some from Manpower but I can't tell you that because I don't know that. But my officials tell me that Industry and Commerce were involved in this particular venture.

MR. P. ROUSSEAU (Regina South): — Mr. Chairman, wouldn't it be incumbent on you to find out what they received in grants from the federal government, Mr. Minister? You stated a few minutes ago that you saved a million dollars through the, I think it was, Larr Construction in Saskatoon. You mention because of — oh, through them all. You mention part of the reason for the million dollar saving was by taking them off welfare and providing them with jobs. Are you suggesting for one minute the private sector wouldn't do that?

MR. CODY: — I am not suggesting they may not, but in this particular instance we just did and I didn't see any private enterprise organization coming forward very quickly saying that we'd like to take 396 of your people off welfare or unemployment and get them into pounding nails into houses. No one has come forward to us with that kind of a proposition, but there were ten groups come forward with that kind of a proposition so we took them on and we have had tremendous success with them.

SOME HON. MEMBERS: Hear, hear!

MR. ROUSSEAU: — You may say no one has come forward since you are giving it to non-profit, so-called non-profit, groups. But if that was instead given to the private sector on a tender basis where the cost might be less than what we are talking about here they would in fact be hiring, maybe not the same people, but the same labour and

the same hours, so that work provided would come to the same thing. I don't know how you can justify your saving \$1 million dollars by saying it was because you gave the jobs to so-called non-profit groups (who in fact may have received more money in the long run through all the grants and everything else that the private sector did). How can you possibly tell us you have saved the taxpayers a million dollars when it is being paid out anyway.

MR. CODY: — Well, it's just the matter of the fact (we had a program) which is a rural native housing program that simply hired or had working in it 396 people. And as I just got done telling you, 68 per cent of those were on welfare or were on unemployment insurance. They simply aren't there now. So, obviously we save some money on them and the private enterprise organizations did not come forward asking to get into this program or saying they would want to in fact take on any of these people. So, as a result we had to take up the void and we did.

Items 33 and 34 agreed.

Item 35

MRS. J. DUNCAN (Maple Creek): — Mr. Minister, on the grants to The Senior Citizens Home Repair Assistance Act on SHC file No. 424444, could you give me the list of contractors and the amount paid to them and the amount paid by the pensioner? I realize you won't have that information with you.

MR. CODY: — Would you mind repeating the number again and then we'll find the information for you.

MRS. DUNCAN: — F24444.

MR. J. GARNER (Wilkie): — Mr. Minister, can you tell me how many applications you received last year for grants under this program?

MR. CODY: — There were 10,000 applications.

MR. GARNER: — Would you please tell me how many of those applications you accepted?

MR. CODY: — Something better than 95 per cent. The only ones we really don't accept are the ones that don't qualify because they aren't on guaranteed income supplement or they aren't under the new criterion, they aren't under a certain amount of income. That's the only time you really disqualify them with regard to income. Now there are certain things that you can't do under the program such as you can't build yourself a garage, you can't build a swimming pool. That's basically it. There is a pretty sweeping program there.

Item 35 agreed.

Item 36 agreed.

ITEM 37

MR. ROUSSEAU: — No, Mr. Chairman, I may be out of order by my question. We asked you for salaries earlier today and I skipped it for item 33. However, I'm going to

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ask it now. I know it's useless to ask you for the individual one but you have suggested you would give us the aggregate of the five top senior officials. Could you give me that, please? I also want benefits and I'm referring to automobiles.

MR. CODY: — O.K., for the five senior top management: 1978-79 actual, the salaries only \$172,828, average of \$34,566; salaries with fringe benefits \$191,062, average \$38,212; budgeted for 1979-80, salaries only, a total of \$184,926, average of \$36,985; salaries and benefits \$204,436, average of \$40,887.

MR. ROUSSEAU: — You're missing the one for the 1978-79 estimate.

MR. CODY: — 1978-79 estimate, salaries only \$161,631, average \$32,326; salaries and benefits \$178,900, average \$35,780.

MR. ROUSSEAU: — Is there any one of the senior management receiving an automobile?

MR. CODY: — Yes, there is.

MR. ROUSSEAU: — Are these five senior management the same people as a year ago? Have there been any changes made on these five senior management people?

MR. CODY: — There is one addition. It is Loanne Myjah. She's our corporate solicitor. The great lady is right here.

SOME HON. MEMBERS: Hear, hear!

MR. ROUSSEAU: — You said one addition. Did you give me — the first figures were for four people, or she replaced somebody?

MR. CODY: — Yes.

MR. ROUSSEAU: — Does the replacement of this lady add to the cost or was it approximately the same as what the previous person was getting?

MR. CODY: — Slightly less.

MR. ROUSSEAU: — Getting slightly less?

SOME HON. MEMBERS: — That's right.

MR. ROUSSEAU: — Well, Mr. Minister, how can you possibly account for over 20 per cent increase in one year in your department for five people?

MR. CODY: — We're under 6 per cent in the estimate and 7 per cent was a general increase in salary.

MR. ROUSSEAU: — Mr. Minister, here we go again. If you use the same formula for your actual salaries paid in 1979-80 as you used in 1978-79, you went from \$161,000 to \$184,000 in estimates. Your actual went from \$161,000 to \$172,000 if we use the same formula and say that in 1979-80 your actual is going to be in the neighbourhood of \$196,000. That is an increase of \$35,000 on \$151,000, which was the estimated from last year.

MR. CODY: — We can't anticipate what the actual is going to be at the very moment. That is exactly why we are doing what we are today, and it is called estimates. We are estimating what the 1979-80 budget is going to be and that is exactly what I have given you. If you are looking at the salaries only it is \$184,926. If you look at the actual amount which was spent last year, it is \$172,828. I would have a hard time with my mathematics to find 20 per cent in there or 15 per cent or 10 per cent.

MR. ROUSSEAU: — Well, Mr. Chairman, I would have a hard time in my mathematics to find an increase of 6 per cent when your estimate last year was \$161,000 and your estimate this year is \$184,000. That is an increase of \$24,000. I suggest to you that \$24,000 over \$161,000 is 15 per cent.

MR. CODY: — Well, let's clear the figures up once and for all for the member. If you look at \$161,631 which is the 1978-79 budget, and if you look at the 1979-80 budget, it is \$184,926. That is 14 per cent — one budget to another. If you look at the actual for 1978-79 to the budget for today which is \$184,926, you get a 7 per cent increase. Surely that is reasonable.

MR. ROUSSEAU: — This is absolute nonsense, when you are trying to tell the people of the province that you estimated last year \$161,000 and you actually go out and pay \$172,000, which is an increase in itself. If you take last year's increase — \$11,000 on \$161,000 — that is approximately 7 per cent. Then you go from \$172,000 to \$184,000. That is another \$12,000 and that is another 8 per cent making 15 per cent. You can't have it both ways. You go estimate to estimate, or you go actual to actual. You can't tell us what the actual is yet because it hasn't been paid.

If it is going to be the same figure as used last year, an increase of \$11,000, then I suggest to you that we are talking 15 per cent, not 6 or 7 per cent.

MR. CODY: — Well, Mr. Chairman, obviously the member just doesn't want to understand. I will tell him once more that I simply don't know what the actual is going to be. I don't think anybody does. What I'm telling the member is that we are giving him the actual for last year which we know, and we are telling him that we do know what we have budgeted — that increase is 7 per cent. Surely that is the only way you can run a business. I can't tell you what the actual is going to be today and neither can the other member.

MR. ROUSSEAU: — I can't possibly let that go by, Mr. Chairman, simply for the fact that what it is costing the taxpayers is the difference between the estimate that you had last year to the estimate that you have this year and that's the cost to the taxpayer and that cost is a 15 per cent increase, not 7 per cent.

Item 37 agreed.

Item 38

MR. SWAN: — I would like to know the reason for the increase here. Is your collection process falling down? What is happening that your forgiveness has gone up to \$442,000?

AN HON. MEMBER: — Almost doubled.

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MR. CODY: — Well, forgiveness here means that that's the grant portion of a residential rehabilitation program. The program means you can get some grant money and some loan money. You can get a loan of up to \$8,000 and some portion of that is forgiven. The reason it is higher this year is because we anticipate there will be more people applying for the program, that's all.

Items 38, 39, and 40 agreed.

ITEM 41

MR. ROUSSEAU: — Mr. Minister, the \$360,000 which is a new estimate for this year, a new subvote, is that over and above the \$33,000 cost we talked about a while ago to non-profit groups?

MR. CODY: — It's a different program completely. The amount of money I gave you before was capital costs. These are subsidies to people.

MR. ROUSSEAU: — It says here, non-profit sponsors. Are we talking about the same group of non-profit operators which we were talking about on the \$33,000 average cost?

MR. CODY: — No, one is a construction of homes. This is a subsidy for people in homes and not the same kind of people, not the same program at all.

MR. ROUSSEAU: — Well, it says sponsors. Are the sponsors the people who live in the homes?

MR. CODY: — I think the subsidies you are looking at are under section 40 of the act — that's the rural and native program. That's the one we were discussing with regard to \$33,000 to \$38,000 per housing unit. That's the program we were talking about ten minutes ago, Now we are not talking about that. We are talking about the urban native program. That's the program I was telling you is still under negotiation with the federal government. I told you earlier this afternoon we had capital costs in an urban native program that we were negotiating. This subvote here is the subsidies for people in that program, which is now existing. The other one is still being negotiated for additional houses.

MR. ROUSSEAU: — I believe the figure you used earlier today was 450 homes for \$4 million — is that the group?

MR. CODY: — No, that's not. That's the rural and native housing program, the building program under section 40 to SAIL (Saskatchewan Aid to Independent Living). That's not the program at all. This is a completely different program.

Items 41 and 42 agreed.

Saskatchewan Housing Corporation, Municipal Affairs Vote 24 agreed.

SUPPLEMENTARIES

ITEM 1

MR. H. SWAN (Rosetown-Elrose): — What assistance did you provide last year or in this

estimate are you intending to provide with this \$150,000? Is your farm not working well?

HON. G. MacMURCHY (Minister of Municipal Affairs): — The drought assistance program that was provided for the drought year two years ago didn't complete some of the projects and there was a carry over into this particular year. We acquired \$150,000 in order to complete those particular projects. So it does back to the drought assistance program of two years ago.

Item 1 agreed.

Supplementaries agreed.

SASKATCHEWAN HOUSING CORPORATION — VOTE 49

ITEM 1

MR. SWAN: — Are you going to tell us where the money is going on this one or do we have to coax for half a day . . . (inaudible interjection) . . . Well, I think you hinted at it but I would like you to tell us where it's going.

MR. CODY: — O.K. Mr. Chairman, we'll give them some information here that I think I've already given under another vote but I'll give it to you again. In the year 1979-80 we will be spending under public housing \$7,965,000 which should produce 1,260 units under the co-op housing program; \$12 million which should produce 300 units — and incidentally I want to say that that program is 100 per cent provincially funded. That's a program which the feds have opted out on . . . (inaudible interjection) . . . Just for the benefit of the member for Rosthern (Mr. Katzman) I maybe should say it again — 100 per cent provincially funded. Under the non-profit rental program, \$10,350,000 should produce 300 units — 100 per cent provincially funded. We are about the only province in Canada who does that, by the way.

Then there is a program which I said before we are still actively negotiating with the federal government and that's the acquisition of existing homes for urban and native housing. We have set aside \$3,500,000 for that program which we think will produce 360 homes. However, that program, as I said before, we cannot indicate to you as concrete at this time because the negotiations have not been completed with the federal government . . . (inaudible interjection) . . . It's the acquisition of existing homes under the urban-native housing program.

Loans for construction of rural housing units, \$4 million which should produce 450 units; loans for the repair of existing units — that's the Residential Rehabilitation Program — \$5,200,000 and we think there should be about 1,500 applications under that program.

AN HON. MEMBER: — Is that NIP (Neighbourhood Improvement Program)?

MR. CODY: — That is not NIP. NIP is another program the federal government has decided not to carry on with. Land assembly and development, \$28,600,000 for land assembly projects and development of that land. That makes a total of \$71,615,000 and as you'll note in subvote 49, we only had to borrow \$43,400,000. Good management by the boys and girls around me.

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SOME HON. MEMBERS: Hear, hear!

MR. SWAN: — I'd just like to thank you for the information. I don't know why we couldn't get that kind of information the other day. Perhaps he's taught a lesson to the whole cabinet and I hope it happens that way from now on.

MR. ROUSSEAU: — Mr. Chairman, I'd like to make just one comment about your non-profit groups of 100 per cent provincial financial financing. If there are grants coming from the federal government, I don't know how you can call it 100 per cent provincial funding. If I should accept the statement you made earlier, that the grants are non-profit. Again, you can't have it both ways.

My other question is — you're talking \$43.4 million. You explained this afternoon that some of this was internal revenue (the difference between the \$71 million and the \$43 million) and you indicated another \$12 million or \$14 million from some other area. My question is, why do you have, before this House, a bill for an extra \$100 million if you don't need it?

MR. CODY: — Well, we have three questions here. First of all, the member again does not understand the non-profit organizations. The non-profit rental is 100 per cent funded by us. If you're talking about the rural housing program, which is a non-profit organization as well, that is a 75/25 program . . . (inaudible interjection) . . . I should tell the hon. gentleman that I've been around for a little while and I barely understand him.

With regard to the additional funds, \$14 million is generated from within the housing corporation and \$14 million is the cash which is on hand, carried forward.

With regard to the borrowing, for which we have a bill in front of the House at this point in time, that is simply because we are gaining equity in the non-profit organizations such as public housing. Public housing, if you're going to build a heritage house in Regina that's going to cost you \$10 million, 25 per cent of it belongs to us, which is \$2.5 million. That means that we have to have that money on hand and we're just about up to our borrowing limits now, so we have to have additional funds so that we can continue building these to have an equity position. That's exactly what the borrowing is all about.

MR. ROUSSEAU: — Well, if you need the \$100 million for expansion, as I understand it, why isn't that in the estimates?

MR. CODY: — We may not use the limit of borrowing in this particular year. We are just putting it in now so that in case we get up to that limit, we have it for next year so we don't have to come to the House at that point in time.

MR. ROUSSEAU: — You've accounted for the \$43.4 million or the \$76 million, I should say that you have in your estimate of \$71,615,000. You've accounted for that, so why do you need the other \$100 million unless you're going to spend some of it this year? Are you going to spend some of it this year?

MR. CODY: — The thing is that as we continue to build houses . . . or senior citizens accommodations are basically the big one. As we continue to build these accommodations, our equity position, which is 25 per cent, increases. Now we may well not spend all of that money this year. We may not spend any of it this year that we have to

have. But we have to have the borrowing limits so that if Regina or Saskatoon or Wolseley wants to have a senior citizens home, we have the money or the capability to be able to put our portion into that project. That's why we have to have the borrowing limit.

MR. KATZMAN: — How many of these homes, where the government's involved and they are completed, have stayed empty for longer than six months before somebody moves into them? Are you aware?

MR. CODY: — None of the homes but there may be an odd unit within the home that has been vacant for some period of time. But surely we haven't had a 200 suite heritage without anybody in it for more than six months. That simply is not the case.

MR. KATZMAN: — How about the homes?

MR. CODY: — The individual homes. I don't recall any that are six months without people in there; there may be an odd one here or there but by in large 95 per cent will be rented considerably for six months.

MR. CHAIRMAN: — O.K. Yes, Mr. Minister, that completes the municipal affairs and Sask housing.

Saskatchewan Housing Corporation Vote 49 agreed.

MINERAL RESOURCES — VOTE 23

MR. CHAIRMAN: — Order. Mr. Minister, if we are ready, I'll let you introduce your support staff, please.

HON. J.R. MESSER (Minister of Mineral Resources): — Mr. Chairman, I have sitting to my immediate right, Mr. Keith Laxdal, the assistant deputy minister of mineral resources; behind him, I have Floyd Wist; directly behind myself, Mr. Philip Halkett.

ITEM 1

MR. CHAIRMAN: — Have you got a problem, Roy?

MR. R.A. LARTER (Estevan): — I was going to let it just go through, but one of those fellows over there gave me a dirty look this afternoon, and I thought we should ask a couple of questions. My feelings were hurt, so I thought I should say a few things tonight.

Mr. Chairman, first I would like to start off tonight by mentioning to the minister and to the members opposite that certainly our whole philosophy of uranium development, of potash differs from you. We have said and will continue to say and still feel that the people of Saskatchewan will get the maximum out of their resources by having the private sector develop them. I think I would like to move into uranium tonight and talk a little bit about uranium and SMDC (Saskatchewan Mining Development Corporation). If you don't mind Mr. Minister, I would like to cover uranium first and just stay on uranium until we finish it and then move to potash and oil later on.

I would like to say that it is very interesting to note that SMDC in 1978 is participating as partners in over one hundred projects in the North, and that they, according to the

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financial statement, are at various stages of development, mostly the early stages except for possibly Cluff Lake and one or two more. I mentioned that we feel that the private sector can better develop the uranium industry, and that the government should not be taking part other than monitoring and acting as a referee in the environment part of the uranium industry. I would like to also say that when the Bayda report came down (I read the Bayda report) I think that many of the things it said are now coming to light as not actual facts, and this is going to be very disturbing to the people of Saskatchewan. Some of the information they used in the Bayda inquiry has proven out. I think there's even vibes from Environment Canada that there wasn't enough information used and some of the reports that the Bayda Commission used in arriving at some of their decisions in that report are not factual. This disturbs us because the people of Saskatchewan are not really getting the word o the safety that must be built into any mining or developing of the uranium itself in Saskatchewan. I think the government has been very remiss in not passing this on to the people of Saskatchewan. Selling uranium to Saskatchewan might have been a slight snow job, and I think that is a very bad situation. I think this has been borne out over the past month or so by what has happened in Harrisburg. We're talking about nuclear power plants now, but I think it does point out very loud and clear to the people of Saskatchewan and to the people of the world, what can happen. Really, there are so many unknowns in the uranium field and the nuclear field. If you listen to someone who knows a little about uranium you'll find that it really shocks you. You just can't believe the dangers that are there.

I think, possibly, the accident at Harrisburg pointed out to the world the unknowns in the building of nuclear power plants. (I know there's nothing planned for nuclear power plants in Saskatchewan into the start of the century, but I'm not too sure of that.) I don't think there ever was a place or time in history that was watched more than what happened at Harrisburg. With the number of nuclear power plants in the world today (in the united States and in Europe and in some third world countries) I believe that all people of the world, even more than at the dropping of the atomic bomb, I think were shaken into reality. Many of them think back to the time that bombs were dropped on Hiroshima and Nagasaki and they are remembering these things. Certainly the people who are responsible for nuclear development have a long way to go in selling the public on the safety factor of not only the mining, but of the nuclear power plants as well.

I think this was proven in the PCB spill in Regina here and the slip-up of the environmental department in Saskatchewan when they missed the boat and did not inform the public (or event he minister) about what happened in such a minor spill.

This is why it bothers us so much that the government is part of the developing of uranium in Saskatchewan. They are not a neutral monitor or referee in the nuclear game. This, I think, has to be a must!

It also amazes us to find out that even Environment Canada doesn't operate under one act. It is operating under three acts. It's only piecemeal. I find that Ontario, Alberta and British Columbia are probably further ahead than anyone in monitoring environment in Canada. Certainly Saskatchewan is not prepared at the present time to do the proper monitoring. I don't think we even have a laboratory to check spills in Saskatchewan.

This is especially important when you know that not only the uranium development in northern Saskatchewan, but also the heavy oil tar sands developments in both Alberta and Saskatchewan are probably the biggest projects going on in the world today, probably in this century, where there can be environmental problems. For this reason,

again, I say that the government should not be a part of the action in developing this uranium in northern Saskatchewan.

I think, also, one of the main concerns we have is the investment and the future investment of the taxpayer in these properties in northern Saskatchewan which the SMDC (Saskatchewan Mining Development Corporation) shares as partners. I think uranium is possibly a far greater risk in the future as far as return to the taxpayers than the potash industry is. But it is similar and it has been pointed out many times that instead of investing \$500 million in the potash industry, we could have probably been drawing anywhere from \$60 million to \$80 million a year, even at 10 per cent, and going into the heritage fund, along with that \$500 million which should be in the heritage fund, making the taxpayers some money without even investing a dime — without a dime of risk we could have had a good return for the taxpayers of this province.

It's the same in the uranium industry. We are budgeting for \$78 million this year, to put up some of our share of the money in some of the partnership ventures we are going into. I believe that should we take our full share of risk and our full partnership role in developing these ventures in the North, then I feel the taxpayers of this province are going to . . .

I mentioned the other day to the Premier that we would probably put out \$500 million before we got one dime returned either out of heavy oil in Lloydminster or the uranium industry. It's going to be interesting to hear the minister disprove that theory.

Again, the uranium industry is a very, very high-risk industry. The minister just returned from the Far East and stopped at Vancouver to attend a meeting and at that meeting he heard many gloomy pictures on the future of uranium — headlines: Short-term Outlook for Uranium Gloomy, Market for Uranium on a Steady Decline, Mining Industry Faces Tougher Times Ahead. Now these are from people who are involved in the uranium industry, people who are concerned with the future of uranium, and people who can see the amount of uranium which is coming onstream in the mid 1980s when the uranium in northern Saskatchewan would be coming onstream. They know that it is a high-risk venture. They, like we, haven't been able to convince the Government of Saskatchewan they are not in the private sector, free-enterprise competition for the markets and in the mid 1980s there is going to be probably over twice the amount of the present world sales of uranium available to competitive selling. It is predicted by some of the heads of the mining industry that uranium could drop from \$40 to \$20, exactly in half. I wonder what will happen when we get, say, \$500 million invested in the mining industry in the future and the sales drop. I can see and I think many people can see deficit budgets ahead, certainly no return to the heritage fund for many, many years. I don't think that this is going to do much to improve the confidence of the people in your investing in the private sector competitive business.

I wonder, in taking your full partnership roles, if you do take part in, say, 100 ventures or you start off and take part in, say, 20 or 30 mining ventures, I wonder what's going to happen should the money run out and should we start getting short of money. I wonder, are we going to be sacrificing a portion of that partnership share in these companies to take the product in time when it comes on stream? Are we going to be able to afford to take our partnership role or otherwise are we just going to go to an equity role and not take part in the development of it? But according to the report you will be taking a full partnership role in many of these ventures and this, I think, has to be of some concern to the future for the people of Saskatchewan.

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I also believe that if you should let the private sector develop this very, very high-risk venture, then I believe the government can do a far better job of monitoring. I think that the partnership role you play is going to control our economy. There is absolutely no way that you can fulfil your role as co-partners in these ventures and still come up with the growth in the rest of the provincial scene.

I would like to also know what SMDC (Saskatchewan Mining Development Corporation) is doing in the Northwest Territories, why you are extending your scope and field into the Northwest Territories and ventures there? I thought SMDC was formed to assist us in developing ventures in Saskatchewan and not go too far afield.

I wonder if the Minister could also make note and tell me if he doesn't think it's not unfair competition for SMDC to be competing with other companies in the uranium field. I think probably a good example of it was the Key Lake sale of the UNESCO (United Nations Educational Scientific and Cultural Organization) property to Eldorado and then later part of it picked up by SMDC. Again, the minister reassures me, there is only a couple of million dollars and it's really not a very high-risk venture and I agree that \$158 million is like a windfall profit. But that \$158 million also could be in the heritage fund earning money. I think the minister knows the money that would have been put in by Denison (maybe not the same money, but almost an identical amount) was put into potash in New Brunswick so that money was invested out of the province similar to the potash money. It left the province and wasn't reinvested in Saskatchewan. I think most of your Crown corporations are formed as SMDC (Saskatchewan Mining Development Corporation) and as Saskatchewan Potash Corporation, most of them are formed primarily because governments have come — I think they're a little paranoid, they don't trust multinationals. They feel that they're lying to them all the time. Yet when they come into this country all governments, both Liberal and NDP (we don't have to take any of the blame for some of the goofs they made in the earlier days) entice these people to come here and they possibly give them too good a deal to start with. There's no argument with that. The governments of the day were anxious to develop resources and they blame it all on the big multinationals for the poor deals they got in the earlier years. I've mentioned before that there were two people at that negotiation table, one was the Government of Saskatchewan and the other was the company. If those two made a bad deal or if one of the partners made a bad deal — in this case the Government of Saskatchewan, practically in all cases made the bad deals — then I don't think you can blame it on anybody but the Government of Saskatchewan. You've done a pretty good job of trying to convince people that it was the big multinational companies who were at fault. I'm not trying to protect the companies, but I'm saying that as government you've done a very, very poor job of negotiations in the past. They brought in their expertise. They fulfilled their part of the bargain and as soon as they got these resource developments along as far as you wanted them, then you, as in the potash, threatened to confiscate. They can either get out or sell out to you. Naturally with the threat of confiscation over their heads they are not going to stick around very long because they know if they're being confiscated, they're going to get one price and if you're buying them out at least they know what price they're getting . . . (inaudible interjection) . . . That's true. Absolutely true. The member from Quill Lakes (Mr. Koskie) doesn't know a thing about it . . . (inaudible interjection) . . .

The private sector, as you know, Mr. Minister, is prepared and willing to come in and develop all these resources. I think you know, yourself, that the government has the full right to tax these companies up to 100 per cent of profit on income taxes. I think you know you have that right. Any government in Canada has the right to tax any company

up to 100 per cent and still you want to be a player in the game instead of being the government and running the province the way it should be run.

I hope the minister will make some announcements in the next few days that they are going to get out of some of the resource industry in the North and let the private sector take part in it. They can still get maximum returns, as I have said, for the taxpayer of this province without being involved in any way, shape, or form.

The government has mentioned that they are involved in probably 100 partnership ventures in the North. I would like to know at what rate they plan on going ahead with the developing of these different sites? Is it going to be a controlled economy in the future or are you going to try to take Saskatchewan up to the level of our beautiful Tory province to the west? That is Utopia they tell me. I like Saskatchewan, but they tell me that is a Utopia. I just hope you don't think that you can develop these resources with the government being involved as fast as the oil was developed in Alberta, in any way, shape or form. I don't believe you have any hope of doing that. I think the people of Saskatchewan are going to get quite a surprise when they find that the heavy oil and potash is not going to bring them the returns they think they are, within the next 5 to 10 years. I would like to hear some explanations from the minister on that.

Mr. Minister, I have a number of questions that I will be asking as I go along, and I know the other members would like to join in. I would just like to hear some of your comments on the uranium in the North and we can get into some of the questions after that.

MR. KRAMER: — There were several good places to stop.

HON. J.R. MESSER (Minister of Mineral Resources): — Mr. Chairman, as the Minister of Highways said, there were a number of good places for him to stop, and I don't know whether we are going to specifically get into some of the subject matter that he is relating generally. I suggest that we likely will.

First, I am displeased to hear that the member's feelings were hurt, and it is only because his feelings were hurt that he has undertaken to participate during the estimates of the Department of Mineral Resources. I would hope that he would have had some interest, regardless of what his feelings were prior to this afternoon. The member did say, Mr. Chairman, he wanted to first spend some time discussing uranium. I noted in his ongoing statements about uranium related activities to the province of Saskatchewan and to North America, in fact, global concerns that he also made some comment about potash. I do not want to get into that debate at this particular point in time but I do want to remind the member, when he refers to my statements made in Vancouver some days ago, that I made it perfectly clear that the province of Saskatchewan was not involved in the potash industry because of philosophical beliefs, but because of the circumstances, the circumstances that the government is confronted with in dealing with the potash companies. It was because of their deliberate intransigence (as the Minister of Revenue says) in coming to realize that the Government of Saskatchewan meant business when they asked them to provide them with some certain information so that we could properly set up a taxing system, that would return some of the windfall profits to the people of Saskatchewan who own that resource; windfall profits that the potash companies were enjoying, not because of higher operating costs, not because of circumstances that were within their control totally, but because of a certain set of circumstances which took place in the globe, in the areas they were servicing with potash, that drove the price up, returning to them much higher profits than they had ever dreamed of. We believe it was credible

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then, as we believe it is now credible, to adjust the taxing system so that we can give greater returns to the people of Saskatchewan. We have done that, and I think the potash industry realizes that we mean business. We're beginning finally to make some real progress in that regard.

Now, Mr. Chairman, I'm a little confused, just a bit confused, about the comments of the member for Estevan (Mr. Larter) because, if I hear him correctly, and I think the debates and the proceedings in Hansard will show me correct or incorrect (I believe I am correct), he says that the activities of the present Government of Saskatchewan are doing nothing to attract industry to Saskatchewan but are in fact chasing it out. In fact, I think he said, close to the end of his remarks. I hope that the minister will get around to making some announcements about getting out of these deals so that we can have private enterprise and participate to a greater level.

Well, Mr. Chairman, I've always respected the member for Estevan as being a somewhat knowledgeable person but, for some reason, he has missed what has been happening in the province of Saskatchewan in the last six or seven years, as far as resource development is concerned.

Let me remind the member that there is more resource activity in the province of Saskatchewan, in the area of hard-rock minerals, than there is in all of the rest of Canada put together.

AN HON. MEMBER: — By whom?

MR. MESSER: — By whom? I'll get around to reminding him by whom. He talks about joint ventures. Certainly the private enterprise sector is there, but I'll elaborate on that in a moment. Let me remind the member, when we talk about gas and oil in the province of Saskatchewan, that, yes, there was a period when we had a level of activity that was not satisfactory. But we had a position and we had a policy, and as a government we introduced it. And the industry, for whatever reasons, decided that they would call our bluff and move out and hope that we would succumb to the pressure of free enterprise because former governments had. We did not and, as it was stated in Vancouver by the mining industry, they said, if we learned one thing from the New Democratic government in Saskatchewan, it was, when they get mad they stay mad. And we were mad! They found out that we had legitimate cause to be mad. They also found out that in two subsequent elections the people of this province gave us grater support in the positions that we took with those resource companies.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — Not less, greater. They have learned a lesson. This government stands for the people of Saskatchewan and it stands strong and firm. If they're going to be here they're going to be here under the terms and conditions set by this government in the best interests of the people of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — They've learned their lesson. They're here, hard-rock mining, more so than anywhere in Canada, gas and oil, more activity this year than there has been in this province in any one year of the last ten.

I remind the member that that's under two governments, New Democrats and the

former Liberal government.

The members talk about heavy oil. Certainly. We make no apologies for it. The heavy oil, under the attitude and the policy that's now in place in this province, will be developed in the best interests of Saskatchewan. Most of the activity will take place in Saskatchewan. I've tried to encourage the industry, when they advance to the point that they need upgrading facilities and the like, to be located in the province of Saskatchewan and not somewhere else.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — I stand by that. We will do everything within our power to see that the development takes place in the best interests of Saskatchewan, that the spin-off accrues to Saskatchewan industry and to Saskatchewan people. When we have processing and refining we will endeavour, wherever possible and wherever it is safe and proper, to have it take place in the province of Saskatchewan.

Now, Mr. Chairman, the member for Estevan talks about the Saskatchewan Mining Development Corporation. I'm not going to kid him during the review of the Department of Mineral Resources estimates that I can properly, or that I should properly answer for the Saskatchewan Mining Development Corporation. My colleague, the chairman of the corporation, will no doubt have an opportunity to do that in Crown corporations.

I must admit that I do have some limited knowledge of the Saskatchewan Mining Development Corporation, having had some relationship with that corporation up until a short while ago.

The point that I wanted to make when I mentioned it generally a few moments ago, was about the member for Estevan either not knowing what's going on, or trying deliberately to mislead this House, when he says our policies and our activities keep the industry out.

AN HON. MEMBER: — Yes and no.

MR. MESSER: — Yet, on the other hand, he makes mention of something in excess of 100 joint ventures with SMDC (Saskatchewan Mining Development Corporation). Well, for the information of the member, we have, I think, just slightly under 200 joint ventures in northern Saskatchewan. Each and every one of those is with the private sector that he is alluding to not wanting to come into this province, or not in this province, because of the attitude of the present provincial government or the attitude of the Crown Corporation, Saskatchewan Mining Development Corporation.

AN HON. MEMBER: — Where's the consistency?

MR. MESSER: — I ask the member, how can he have it both ways? He knows, and he will not deny, that we've got more hard-rock activity in northern Saskatchewan than all of the rest of Canada put together. He knows that that takes place largely by joint ventures, with the Saskatchewan Mining Development Corporation. He knows, if he reads the mining journals and the newspapers of Canada, that the industry has said that the attitude of Saskatchewan in regard to uranium development likely gives them a greater degree of assurance and stability than any other policy in place in Canada today. That's a matter of record.

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SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — They know what the score is and they are here to operate. Now, Mr. Chairman, I am deeply depressed and concerned.

MR. KATZMAN: — You look it!

MR. MESSER: — The member for Rosthern says I look it. Perhaps I have substantive and justified reason. When I hear the member for Estevan (Mr. Larter) talk about the Bayda report and say that it is now being legitimately criticized and that the basis of lots of their decisions have now been proven not to be accurate and factual, I ask him where he gets this information? I have had the opportunity of talking not only to the uranium industry (those who are out there developing and promoting, who say that Bayda is likely the best report which is available to the industry in the world today) but I also have had the opportunity to talk to higher levels of government, starting with Canada, which I think would not deny and I believe has publicly stated that Bayda is quite likely the best reference that any government could turn to as far as current information and recommendations in regard to uranium mining and related activities are concerned.

I have talked to United States governmental representatives who say the same thing. The Bayda report is used widely in such countries as Australia, where they are also confronted with the problems of uranium development, particularly in the mining field. It is related and referred to by such user countries as Japan, France, West Germany, Italy, England, the Scandinavian countries. The Bayda Inquiry that this government had the guts to instigate (and the courage to say, regardless of what their recommendations were, we would base our policy on it) is now considered globally to be the best document that one can relate to if they want information on uranium mining and related activities.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — And I am sorry that I hear the member (the spokesman for the Conservative Party in the province of Saskatchewan) saying it is deficient. If he is going to continue to say it is deficient, I hope that he can march forward some real credible logic and reasonings behind that criticism, because there isn't anybody that I know of who has been able to do that, other than in a cursory way, because he finds himself anti-uranium development.

Mr. Chairman, the member also talked about Harrisburg, Three Mile Island, and the dangers of uranium and nuclear power. That's not news to this government. So it is for those very reasons we constituted and instigated an independent inquiry such as Bayda. After receiving the benefits of that inquiry, the Premier of this province, a year ago, communicated with the federal government of Canada. Even though we have the most stringent measures and safeguards in the sale of uranium, we should be looking at making them even more acceptable to the Canadian people, so that we were safe with our own mining, with our own refining of uranium and that we could feel secure in selling nuclear fuel to countries throughout the world who have chosen the nuclear program as their source of energy. So that we know there are dangers, and we also, Mr. Chairman, will admit that there will be some unknown dangers. That's the way it is, and we can't do anything about it. But we have tried to identify each and every area of concern, and the adequately bring in some safeguards in order to deal with that. That has been our policy, it is our policy, and it will continue to be our policy.

Now, Mr. Chairman, I can't help but return again to the free enterprise rhetoric that the member for Estevan (Mr. Larter) makes saying that . . . (inaudible interjection) . . . yes, for the sake of the member for Rosthern (Mr. Katzman), rhetoric . . . saying that the Saskatchewan economy could be stronger if we would just get out of the way and let free enterprise come in. And I hear a clap or two from the Conservative caucus in that regard. Yet, if they want to take the time and look at the economic activity and development in Saskatchewan compared to any other province they'll see we've got nothing to be ashamed of. Because we're head and shoulders above each and every other province in Canada, with the exclusion of Alberta. And Alberta has a peculiar set of circumstances in that we're an energy-short nation, and they have the energy. They've got the oil and the gas in the large quantities which we don't have in the province of Saskatchewan. But, nevertheless, we've been able to bring in policies that accrue much larger returns to Saskatchewan people and we're second in Canada as far as economic development is concerned. And that comes about because this government again, Mr. Chairman, has got guts enough to bring in policy that will give the fair share to the people and still benefit from the resources, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — Now, even though we have that, I want to give to the member some examples of those almost 200 joint ventures in northern Saskatchewan from the free enterprise sector who are willing to be here, playing by our rules, playing our game. He makes mention of the \$158 million that we could have had if we had allowed Denison to purchase its share of the Key Lake operation. We had a right of first refusal. We negotiated that right, and the member admitted in his comments that it was good business to negotiate it because we had, in fact, a windfall profit. We know what the resource is. We know what we're going to be able to get from it. We know what the cost of development is. It would have been foolhardy to let it go. That's one point.

The second point is that Mr. Steve Roman of Denison Mines certainly wasn't afraid to come into, as he terms this provincial haven, 'the socialist centre of Canada'. He was prepared to risk \$158 million of his money to come here and play our game by our rules. He's telling you something. He's telling you that even though we may not like the take that we get under the Saskatchewan system, it's still enough to attract us to develop. We may get more in every other jurisdiction in Canada, but we get enough to stay here. We get enough to interest us and that's why he makes that kind of offer on the Key Lake proposal, that's why he is, at this point in time, joint-venturing with the Saskatchewan Mining Development Corporation on uranium claims in northern Saskatchewan.

Let me give you another example, Esso Resources, Numac, a relatively new rich uranium find. When one talks to those people, they are more than happy to be here in the province of Saskatchewan, more than happy to meet the policy criteria for mining uranium in the province of Saskatchewan. In fact, I don't think I'm saying anything they haven't already said. They are not only happy to be here but they are saying that they are so optimistic about the production of that mine and the other mines that will come on stream in Saskatchewan in the early 1980s, that they can sell all of their product in advance of turning a wheel for a mining complex at that site.

So I guess one can listen to two points of view and I do not criticize the member for Estevan (Mr. Larter) for saying there is a party who says that because of the Harrisburg incident and some of the other anti-nuclear activities about the globe, that there may be a lessening in the demand for uranium. But the experts will tell him (and experts have

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been proven to be wrong but we have to rely on somebody), the companies who are developing the other agencies that we can hire to give us some information in regard to what they think the global market for volume and for price is going to be, are telling us something more optimistic than that. They are telling us that by the late 1980s there will be real significant demand for uranium. They are telling us that we have opportunity to sell uranium on long-term now. We believe that we have opportunity to hold back for short-term sales which will be of additional benefit to Saskatchewan people.

Now Harrisburg is an unknown. It may have some effect but I choose to interpret that situation on the opposite side of the coin from some people who say that it will have a negative effect. I say that it tested the ability and the safety features built into a nuclear plant that went out of control. Yes, there was danger and, yes, there was a scare, but they were able to control it and it is now under control. I think that in the period of time of the last three, four or five years, while a number of governments have been hesitant to move ahead on their nuclear development plans, they will now say here is a situation where we've come as close to disaster as we are likely to get. We've proven the system, even though it has had its failures, but we have proved that we can control it. We are not going to be able to wait any longer because the demand for power is coming closer and closer.

Yes, we can practise conservation. Lots of countries are doing it. But if their industrial activity is going to continue to develop and expand as it has to in order to meet the economic problems that certainly North America is confronted with, and Japan, the large anticipators of nuclear power. I believe the other side of the story is more relevant and that is they will be forced to make a decision sooner to go ahead with nuclear development. Once that decision is made, the fuelling will be of utmost importance for them.

So, one may be able to have a doom and gloom point of view. One may be able to be somewhat more optimistic. I choose to be somewhat more optimistic. I guard that statement in saying that I don't want this legislature to interpret that by tomorrow or next week all of the problems in regard to nuclear development have been resolved. They will not be but I think if we listen to what President Carter or France or Japan is saying, we're going to put in even tighter safeguards but we're going to start moving ahead more aggressively with our nuclear programs. If you can believe what's being said there, I think that rather than a continuing delay, you're going to see an escalation of those projects take place in the next year or so.

Now, Mr. Chairman, the member did ask some specific questions and I hope that I might be able to answer them. I think that I partially related to a couple in my general remarks. I will, however, just review them so that he has the satisfaction of an answer he may want to continue to pursue. He talks about sales and I mentioned sales. My answer to him, if there is a concern about the sale of uranium, and there is, what would he rather have? Would he want a situation of Canada selling uranium with very stringent safeguards to give optimum peace of mind to not only Canadian people but all people on this globe that it's going to be used for the proper purposes and not for proliferation? Would he rather have a policy like that or would he have us withdraw from the sale of uranium? Would he want to declare a moratorium, an embargo as we had several years ago with countries like Japan and let the countries who are going to go ahead with the nuclear program irrespective of Canada's position go to a country like South Africa and buy uranium? They would buy uranium at a cost greater than what we would sell for but pay the premium because there is no safeguards treaty that they would have to sign with the purchase of that uranium. I don't believe that that's the alternative the member

is recommending. I don't know whether he's thought it out and I suggest to him that if he has not he has to begin dealing with uranium and nuclear power with the assumption that it is a reality. It's here and it's going to expand in several jurisdictions of the world and if it expands they have to buy produce and I suggest to him it's safer to buy product from Canada with tight safeguards than it is to go to South Africa or some other banana state republic and buy without any strings attached because then I do become very worried. I want to prevent that. The way to prevent that is to develop uranium in a proper manner with tight safeguards. That's what Saskatchewan and that's what Canada is doing at this particular point in time.

The second question the member asked, I believe, was what is SMDC (Saskatchewan Mining Development Corporation) doing in the Northwest Territories and I'm sure he can get into that in greater detail in Crown corporations. The minister in charge says we're looking for uranium. I might just add to that because I happen to be the minister in charge at the time and our reason for being there is because we were invited by our free enterprise partner, depending how you want to interpret that, Uranerz, to come up into the Northwest Territories and look at an interesting play of uranium. We were there consequently because of their invitation and because we quite frankly thought that it would probably be a good investment to be there. That's not the first time a Crown corporation in the resource development field has gone beyond the borders of the province of Saskatchewan and we make no apologies for it because we think we are going to be able to derive from that activity some benefit to Saskatchewan people.

Now, Mr. Chairman, the third question I believe the member asked and I think that I have also in a general way answered it, was about unfair competition. I don't really know when he relates to Key Lake and the Denison activity how he can say we took advantage because we were a government and would be able to compete, somehow, unfairly. I have conveyed to him that we negotiated a right of first refusal. We knew, because of the structuring of the ownership of the Kay Lake joint venture, that there was a number of foreign investors there, that somebody would have to sell. We knew it was only a matter of time until that would happen. It was in our best interests to negotiate a right of first refusal so that if it was economically financially attractive we would be the first ones to be able to take advantage of that deal. I don't know how that can be interpreted to mean we were taking (because of some government affiliation or attachment) unfair and undue competitive advantage.

Now, Mr. Chairman, I think that the member did get around to asking a couple of other questions. He wanted to get into the whole rate of development, the partnerships with the Saskatchewan Mining and Development Corporation. I think he alluded to whether or not we were following some sort of planned development. I think he was talking specifically about uranium in northern Saskatchewan. The answer to that is yes. Obviously one of the reasons that we are involved as joint partners gives us an opportunity to play a greater role in structuring the level and the rate of development in northern Saskatchewan. It will also be the responsibility of the province of Saskatchewan and we have conveyed to the companies who are there, that we will have for them, in more precise terms, the long-term developmental strategy of uranium development for northern Saskatchewan. Not unlike, in some instances, but I think better in most, the province of Alberta, who are also busy developing and playing some planning role in the extraction of their resources. They also, for the member's information, (I am sure that he is aware of it even though he doesn't like to bring it to the attention of this Assembly) play a direct role in that development, much as we do in Saskatchewan. I hear somebody saying — ah! — but I happened to come back from Vancouver a couple of days ago and I flew on their airlines, first to Edmonton and then

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to Saskatoon. It may well be that the members of the Conservative Party in Saskatchewan say, oh, but we disagree with that kind of policy. We don't want to be involved with the airline companies, as do the Conservatives in the province of Alberta, as do the Conservatives in the province of Ontario. It might be that they say it is improper for the province of Alberta to be involved directly in the construction of pipe lines, to move gas and oil, not only in the province of Alberta but outside of the province of Alberta. It might be that the Conservatives in Saskatchewan are different than the Conservatives in Alberta in that they say they shouldn't be involved in the tar sands development, as we are involved in joint venturing of our heavy oil development. We say good business for them to be there; they are not there in the way that we think is most appropriate, but nevertheless, it is the same principle. The government is involved in that development in a direct way. It has some benefit for Albertans. In Saskatchewan, it has benefits for Saskatchewan people. It also gives greater confidence to the industry in that they know governments will not be able to dodge some of the responsibilities that come about because of environmental concerns and/or other problems that the industry is confronted with from time to time.

In conclusion, Mr. Chairman, I have tried, in a general sense, to respond to the observations, the rambling observations, made by the member for Estevan. I close by simply saying that he cannot have it both ways. He cannot begin his remarks by trying to paint this province as a depressed, doom and gloom situation as far as economic activity is concerned, and then on the other hand, recognize the level of activity that is taking place on a joint venture basis with the free enterprise, and with the multinational sector in this province.

The only assurance that we can give to Saskatchewan people is that they are not going to be in control, but it is, their elected government. That is the way they want it and that is the way we are going to continue to manage it.

SOME HON. MEMBERS: Hear, hear!

MR. LARTER: — First of all, Mr. Minister, I would like to say to you that it is quite natural that these companies would go in on joint ventures with you because you set the rules down that they can't come in unless they do go in on joint ventures with you. If they have commitments for such a commodity as uranium, I would suggest to you that they have no alternative; they are going to come in on this risk venture, as partners of the government. I don't think there is any doubt about that, if they want to be a part of the action, they have got to play by your rules.

I think you have proven time and time again, with the two other industries we have mentioned tonight — oil and potash, where if they don't play by your rules, that's fine. You can chase them out, but the people you are chasing out are still the people who helped this government when they asked them in, under the rules that they agreed with, together; these are the people you are chasing out. Naturally they are going to come in . . . (inaudible interjection) . . . Well, that's right. They are going to come in on a joint risk. Why wouldn't they come in? If there is only one rule they have got to play by it, if they want to get in on the action. Naturally.

What they do know, in the back of their minds is that the rules can still be changed overnight, as was in the potash industry and the oil industry. The rules can still be changed overnight, even though the minister, in Vancouver, reassures the multinationals that he truly needs them for partners here in these ventures in

Saskatchewan. The rules can still change overnight under this government and every one of these companies recognize that.

I mentioned that there is quite a difference between the government of Alberta venturing into some of these risk areas and the Government of Saskatchewan. They have a heritage fund to gamble with, whereas you are gambling with money you haven't even got into the future. You are risking the taxpayers' money into the future. I mentioned some of the things that could happen in the uranium district in the 1980s and you seem to think the market is cosy for the future of uranium in Saskatchewan. It may be and it may not be. You are in a risk venture.

I wonder if the Government of Saskatchewan, along with other governments in Canada, has looked at the possibility before developing uranium of developing all the other fossil fuels. It is said in industry that there is enough of both gas and oil to last the countries of the world for about one hundred years. I wonder, are we going to be watching some of these oil wells and gas wells become museum pieces in the future? As the minister mentioned, there is a real future in uranium, and it is said that in certain parts of the United States, about 60 per cent of their power now comes from nuclear power plants. If this is the case, are we going to be sitting with the safe fuels in the ground and go on to a type of fuel where the dangers are unknown? I wonder if the people of the world aren't being misled by their leaders in not going ahead and developing these fossil fuels? There are dangers such as the oils being in the wrong places, such as Saudi Arabia and how do you get it out, but there are unknown dangers in nuclear energy and the minister alluded to the dangers. They knew they were there, and we do know what dangers there are in attempting to use up the fuels of the world in both gas and oil. I don't think anything you could do, Mr. Minister, whether you develop the uranium safely in Canada or Saskatchewan is going to change the way that any government in South Africa is going to sell uranium. I don't think you are going to control that. You might feel that some day you can, and I hope you can, but they are very unpredictable and I think anyone who wants to get uranium in the world today can get it and mostly in a very unsafe method. If you like, Mr. Minister, you can make a few comments on some of those things I have mentioned.

MR. MESSER: — Mr. Chairman, if I may just begin by saying the member identified his confusion here when he says on one hand that the industry is being chased away, yet why wouldn't they come here on a joint venture because they have to come? My point is they don't have to come, and they are here. They do not have to come. The member says they do have to come. Let me remind the member that as of a certain date, June, 1975, in all activities in northern Saskatchewan where in excess of \$10,000 was spent, the company who had instigated that \$10,000 or wanted to spend more money, had to offer to the SMDC (Saskatchewan Mining Development Corporation), a Crown corporation of this government, an offer of joint venturing up to 50 per cent. It had to offer. It did not have to accept or continue to explore or develop for uranium in northern Saskatchewan. Prior to June, 1975, all of the activity that fell into that category was voluntary. I might remind the member that some two or three dozen, certainly in excess of two dozen companies, voluntarily, joint ventured with SMDC, and they're still venturing in northern Saskatchewan on uranium related holdings.

After June 1975, all of those that continued to explore and develop are on a mandatory basis. But nobody makes them come in. They can desist their activities in northern Saskatchewan. And, if I believe what the member for Estevan (Mr. Larter) is trying to say, that there's nothing here for them, then why would they want to take the option of a joint venture? They are not going to continue to spend money in northern

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Saskatchewan, joint venture, mandatory or otherwise, unless they think it's going to be attractive to them and their shareholders. And I'm saying that the policy makes it attractive to them and their shareholders. In fact, if one looks at last year, in excess of \$80 million was spent, \$22 million of it SMDC, the other \$58 million coming from the private sector. They're willing to spend it, because they know that given the odds they deal with, if they can strike a core of uranium or a body of uranium, with the taxing and the royalty situation that's in place in Saskatchewan and, yes, with the joint venturing with SMDC, it's still attractive for them to continue to be here. So you can't have it both ways. Either those 200 joint ventures with private interests are there, and they're willing to be there, spending money on a joint venture basis, or we're chasing them out as the member says, but you can't have it both ways. I'm saying they're here. I would like him to say either they're here or they're being chased out, but don't say both, because it's not relevant and it's not credible.

Now, the member talks about fossil fuel, and are we going to develop something at the expense of some fossil fuels, oil, gas or whatever. I think that for those countries who have a choice they will choose a combination of sources of energy. They will choose oil and gas and hydro and nuclear, and they will choose perhaps some of the renewable, other than hydrolic or hydro, if it's economically feasible for them to do so. It is not our responsibility, nor can it be in our jurisdiction to say to other countries, outside of Saskatchewan, for that matter outside of Canada, how they can develop their energy requirements. They are, in most instances, democratic countries on their own, and they will decide what their energy policies are. Having decided that, if we can sell them oil or gas or nuclear fuel, then we, I guess, consider what the merits and rewards are in selling them that resource. We again look at a combination of those resources and a placement of those resources to give us the best security possible. So, it's not a case of one dictating over the other; it's a case of the two recognizing the requirements and the abilities of each other and then coming to some sort of agreement. That is what we are doing in those instances. I might add, though, for the benefit of the member for Estevan, that there are some countries who have no choice, who have no fossil fuel and I think Japan has to be the best example in that they are reliant to a very significant extent now on the OPEC countries. They have been treated very harshly in the last few years with rapidly escalating prices. It's had some very significant effects on their economic environment, on their industrial abilities. They have said, and I believe the member would agree with me, that it is more secure to increase our dependency on nuclear power and fuel from countries such as Canada rather than depend on countries that we have been dependent on for oil in the past. I think that's the proper decision for them to make. I think it was the right decision for them to make and because of that decision it enhances our ability to expand our development in northern Saskatchewan to generate an economy here in Saskatchewan which we would otherwise not have. I don't think the member would disagree with that and I hope that answers the question that he raises about fossil fuels because it is not our intention to leave them in the ground. It is our intention to develop them in a planned, logical way which over the long term will give Saskatchewan people, as I have said many times, the best rewards possible.

AN HON. MEMBER: — Agreed.

MR. LARTER: — Mr. Minister, I still wonder why the Government of Saskatchewan has to embark on risk ventures. I am talking about risk ventures and certainly uranium is a risk venture. I have stated, and if I am wrong tell me I am wrong, about the business of the Government of Saskatchewan being able to tax these companies at whatever rate it wants to on profits. It's a case of what degree you can tax these companies to and keep

them here. I think you have probably found out that by taxing them to a certain point you are going to chase them out and by making it a little more attractive you can keep them in here and at the same time get returns for the people of this province. I believe firmly that the resource industry on a risk venture should not be entered into by the Government of Saskatchewan.

MR. MESSER: — Obviously we have a disagreement in development strategies of the province. We believe that the joint venture is worthwhile. We believe it's worthwhile because the rewards justify it. The private industry is willing to take the risk because the rewards they know on the net result are going to justify the expenditure in the developmental stages. So, it's good business to be there.

Now the member says we can capture all of that by taxation. We have found out that we can't predict what the situation may be in the future in regard to rewards from the development of a resource. We've gotten into some protractive disagreements and discussions because of the need to change the taxing system. We think that the joint-venturing not only gives us better flexibility in that regard, but it gives us a better understanding as to what limits we can go in taxing that industry, because we are, in fact, part of it.

We don't get into the long, extended debate such as we had with the potash companies, saying show us your books if we're taxing you too much and if we are, we'll readjust it, and they said, 'No, no, we're not going to show you the books, but you're still charging us too much. We went on for years like that. That will not happen under a joint-venture policy if adjustments have to be made in taxing structures in the future, I think it is less likely that will happen when we're joint ventures.

Now, setting that aside, there are other reasons, obvious ones, because as a partner in the operation we have some say as to what spin-off benefits should go to Saskatchewan, and what personnel we bring in.

Saskatoon would not now be enjoying the level of economic activity it is, if it wasn't for the Saskatchewan Mining Development Corporation, because it was that Crown corporation which influenced the location of a good many uranium mining companies in Saskatoon, and not in Toronto or Edmonton or Calgary. That's a benefit that we don't get through simple taxation and I think that's very important. It gives us an opportunity to locate highly paid personnel here in Saskatchewan. It gives us an opportunity to guarantee a spin-off benefit that we otherwise wouldn't enjoy.

It gives us an opportunity to play a role in the decision making of those operations. Most of them are multinational; the member knows that. If there are problems, for whatever reason, and we don't have any direct voice there, and they have to curtail production, it may well be that it's advantageous to curtail the production in Saskatchewan from a global consideration. For that particular company that would be the best business decision to make, and I wouldn't argue with them. But we don't want to be left with the negative ramifications of shut-down here, simply to satisfy their global economic circumstances.

If we're a partnership, we've got an opportunity to argue our point, saying, yes, maybe it's a problem with you in a global situation, but we're arguing on behalf of the Saskatchewan people, the employees, and the other people who depend on this operation to continue operating so we have a presence that we don't otherwise have. We cannot attain that through a taxing structure.

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I think the member can look at situations in Canada and in North America where decisions have been made by multinationals which have had some very severe effects, some very severe negative ramifications for certain jurisdictions, be they provinces or states. We can, I think, feel somewhat satisfied in that we won't be faced with those kinds of circumstances, with the presence that we have in the joint ventures. We can't guarantee it, but we certainly have a presence in the board room. We certainly have a presence with head offices in Saskatchewan so that they have to deal with the Saskatchewan community, with their partners, the Saskatchewan Mining and Development Corporation, before they make those decisions. I think that is almost as important as the revenue to the Saskatchewan people because it gives stability as well.

MR. SWAN: — Mr. Minister, I hear you espousing really an economic policy, a policy of making money for the province of Saskatchewan, and that's a nice change. We don't hear that very often from your government. But what I am concerned about is, are you looking at the other side of the coin in the uranium mining business? Are you looking at the effect of uranium and the waste products on the people who are mining it, on the communities where the mines are located, on the communities where the mineral is being broken down and you are extracting uranium and shipping out the waste produce, or disposing of the waste product? Are you looking at these areas, or are you looking at it only from a dollar point of view? I think we need to have a look at both sides.

MR. MESSER: — I am pleased to hear the remarks of the member for Rosetown-Elrose (Mr. Swan). We are very much concerned about an economic policy for Saskatchewan. We have talked about it long and hard for a number of years, in this legislature, in the country and on the campaign trails. We are seeing the results, the production of that economic policy. Certainly that economic policy is to make money. That's part of it. We are not so naive as to think that we want to develop without any legitimate, tangible, financial returns to Saskatchewan people. I say that I think that's the policy of this government, and I am not embarrassed and neither is the government in saying so.

We are also very much concerned about health and safety. I think that by being directly involved, we are likely to have more stringent and more proper health and safety controls and measures than we would have otherwise. In fact, I think if you were to talk to some of the people who are joint-venturing in uranium, they would tell you that they have become more conscious of the need to be aware of and meet health and safety policies, structured by not only the province of Saskatchewan, but by the Canadian government. So I like to think that we have the best of both worlds with the policy which we have in place at this point in time. We are not going to sacrifice health and safety for financial gain.

MR. SWAN: — Mr. Minister, I asked you a question about waste disposal from a plant which is going to break down the ore. Have you looked at this? Have you got plans for the disposal of the nuclear waste that will develop from the breakdown of the uranium ore?

MR. MESSER: — If the member is talking about the waste at the mining sites and I assume that that's what he's talking about, in many instances because of the formation and the bodies, the richness of the ore, there will be less radiation left after the site has been mined out than there now is. But having said that, whatever the recommendation, we have agreed to the measures that Bayda has recognized and we have said publicly and have conveyed to our partners that if new evidence or new circumstances show

that there should be yet other measures taken than what have now been agreed to in relation to the disposal of the waste from these mining operations, we would be willing to put that into place. Because we make no apologies for wanting to be as close as possible to meeting all of the safety requirements in regard to those operations. I might say, Mr. Chairman, just before the member gets up, that we imposed the health and safety regulations on Amok rather than the federal government because if the federal government were to impose them, they would have found themselves in a national dilemma because they were so stringent that they would likely have had to shut down uranium mining operations in the province of Ontario. I say that for the benefit primarily of the member for Estevan (Mr. Larter) who says that it is likely because of our joint venturing, we may have an inclination to introduce measures that are not to the extent that they should be. The actual fact of the matter is that we have introduced measures that are more stringent than are now in place in the province of Ontario which is the leading mining province of uranium in Canada.

MR. SWAN: — Mr. Minister, I was really meaning the waste when you mine the ore and you bring the product away from the mine and process it to extract the uranium and then the end product. There you have a very dangerous waste product. What are you going to do with that product?

MR. MESSER: — Well, Mr. Chairman, I believe now the member is talking about refining the product and it may well be that he's alluding to the proposed Warman refinery. There have been questions in the Legislative Assembly earlier about the provincial government's position in regard to the Warman refinery I believe that there was one this morning and the Premier made it clear that the government is not committed to a refinery period, whether at Warman or anywhere else. There is a policy in place in this province which companies like Eldorado Nuclear have to meet in the process of deciding whether or not there should be such activities as a refinery being proposed at Warman. So the government has not stated that it is for the refinery. We want to make that categorically clear. The government will only make a decision after we have gone through the process of environmental safeguards that is now in place. Then we will begin to give that our consideration and reach a conclusion. Certainly a part of it will be the whole waste disposal problem.

MR. SWAN: — I didn't mention Warman or any other particular place but wherever you mine uranium, you must process it to take the uranium out of the ore and I want to know what you are going to do with that waste product because that's a very dangerous product, a product that you have to get rid of somewhere. What are you going to do with it? That's all I'm asking — I didn't say Warman.

MR. MESSER: — Well, if you're talking about the residue from the mining operation per se, it will vary from mining site to mining site. At Amok however, where they are taking the uranium out from below the water, it will be brought to the mill site; it will be milled and the residue will be contained in concrete and asphalt storage tanks. That's the situation for Amok.

AN HON. MEMBER: — That may not work.

MR. MESSER: — Well, somebody says it may not work. We are told that it will work. It meets the criteria that we think is current today and, as I said, the mining operation may somewhat alter the means of being able to store that but it will be only done by a means that meets with the health and safety standards of the province. I might also say that in order to assure that there isn't some of the danger that the member for Estevan (Mr.

Larter) alluded to and perhaps also the member for Rosetown-Elrose (Mr. Swan), when it comes to the inspection and the responsibility of carrying out these policies, they used to rest with the department of Mineral Resources, and the members will know that in the throne speech we said that we have transferred that responsibility to the Department of Environment. This is so that there is a separate agency, a separate department of government that will be responsible for monitoring and policing the policies and the regulations that have been set down for those companies that are mining in northern Saskatchewan.

MR. R. KATZMAN (Rosthern): — Mr. Minister, you refer first of all to the joint operations which your government and private enterprise are involved with. Let me first suggest that it's past experience and I refer, of course, to Intercontinental Packers. When occupational health was started in this province and the government was part owner of that company and occupational health was also run by the government, the former doctor involved in occupational health totally bent in favour of management, against the workers and the benefit of the workers on the safety aspects of Intercontinental Packers as was proved later after that doctor was let go and a new doctor came in. On that same point, Mr. Minister, may I suggest that all through the Bayda hearings there were assumptions made on facts that today are being disputed and I refer to the Rasmussen report of which the member should obviously be knowledgeable. But let's take the one point that the minister brought up and start with the Warman refinery and the tailings. It's interesting to note on my last trip to Port Hope that as I was touring through the plant I saw two big canisters that were being prepared to go to Russia. I asked . . . (inaudible interjection) . . . Gross, that's the first time you've ever used your head — well, you should have put something in it.

AN HON. MEMBER: — Was he banging his head on his desk?

MR. KATZMAN: — Yes, he was banging his head on the desk.

Mr. Minister, may I suggest when the gentleman in charge informed me that those two canisters were going to Russia, he also informed me, because of the new agreements and safeguards, that the material after it is used must be returned to the sources from which it came. Basically what he is saying is that we in Saskatchewan, because we mine the uranium here, will shortly be required to take the dangerous uranium and that's part of the new safeguard. The minister shakes his head. Well, all I'm going to tell you is I was at Port Hope and that's what I was told by the senior man in charge of the Port Hope refinery. He said that in countries behind the communist bloc, countries where they are not sure the uranium will be used properly, to keep it from going into nuclear arms the agreement is it must come back out. That is why I think we are now getting ourselves into another problem. We are now looking at spent uranium coming back to Saskatchewan for us to handle and keep around here. Now there's research in other parts of the world and I wonder why. Maybe Australia and these countries are doing research in how to neutralize the product for that reason — because of places like Russia and other countries that are not following the regulations and therefore one of the conditions is that the spent uranium must come back out. That being the case, today there is no method to our knowledge on what will happen with the spent uranium. Let's go back to the other comment the minister made about the tailings being put in concrete and asphalt and buried for a hundred years, basically that's the suggestion on how long those cement bunkers will last. It's interesting if the minister has ever been around and I think Regina is a prime example of the soil shifting and how cement cracks. It's interesting to note that those people that make cindercrete products . . . does the Attorney General (Mr. Romanow) want to get into the debate or does he want to sit

there quietly? Well then you either get into the debate or be quiet and follow the rules of the House.

Mr. Minister, it's interesting to note that the Attorney General from his seat is once again chirping. Are you in favor of nuclear development? There's no such thing in that man's mind as to what safety is all about or the betterment of the people. The safety is the first issue.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — If he can't realize that anything that is unsafe is not worthwhile having then he's in trouble. Let's make sure that we know where we stand before we start saying are you for it or against it. Let's find out what the rules are. Let's find out what dangers are there before you start to say whether you're for or against it. That's all you know! Come on, get at it!

Mr. Minister, I suggest you go through the whole Bayda hearings and study the briefs they put forth (even a brief by SPC (Saskatchewan Power Corporation) when they suggested that they may be looking at a nuclear reactor). I suggest that you look at the submission made by your department and Mr. Lloyd. I suggest that during the Bayda hearing there was always an assumption, never a guarantee, of the safety for the individuals of the province of Saskatchewan.

There is no guarantee all through the hearings. They were almost all facts that were presented pro. They admitted they weren't 100 per cent positive. They admit there were risks in everything they suggested. They were not totally controllable. They also admitted (in the Cluff Lake situation especially) that the wind will play a major importance in that project. I think you realize that open mining, which is not done anywhere else, will probably be the most dangerous type that will happen in North America.

AN HON. MEMBER: — That's right, in the world.

MR. KATZMAN: — Some of my colleagues say in the world. I'm not a world expert. I'll just talk about what I learned while I was at the Bayda hearings. May I suggest to the minister that all through the Bayda hearing the one key word 'we don't know' was coming through. We're really not sure if it's totally safe but we think the risks are worth it. We think that there's enough bucks in it. Therefore we think we should take the gamble. What's strange about the whole thing is that the government is going to be a partner with the majority of the companies going into the North and the government is also going to be the referee. If you ever find that safety is going to deter the Government of Saskatchewan and its partner from making a buck, safety is going to go down the drain. It's a proven experience with your government.

I refer again to the one situation with Intercon, which I can back up. I suggest that it's interesting to note that the environment safety and the safety of the employees and the workers is really a federal issue as far as uranium mining is concerned. It's a little hazy and there are many arguments. The Government of Saskatchewan's Department of Labour is to be complimented because their standards are better than the fed's standards. That's a fact. I won't argue that. I know from past experience that the occupational health people have looked over things because it meant bucks to the Government of Saskatchewan, and once again, I refer to the Intercon situation. I suggest to the minister, that all during the Bayda hearings, the dollar sign was hanging

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out all the time — not the safety of the people of Saskatchewan, not the safety of our environment, even though the Scientific Council of Canada in 1965 in Vancouver at a meeting suggested that we only needed nuclear power for 20 years, not forever, for 20 years because we are going to learn. If we spend the money properly we will learn how to protect ourselves and use solar energy, wind and other forms rather than going to the dangerous uranium product which we cannot control and which we are not capable of controlling at the end now . . . (inaudible interjection) . . . Mr. Minister, I suggest to you that the government's involvement as a partner is not allowing them to sit there as an unbiased judge and jury. Your view is tainted because of the dollar sign. The greed of the government for the buck. Let's not give away the safety of the citizens of Saskatchewan in favour of the almighty dollar.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — The people of Saskatchewan deserve the right to know what state we leave the province in for our future generations. For a short line benefit which you seem to be heading towards, generations shall pay. This seems to be what you are attempting to do. I suggest you look at Port Hope for an example of that statement. Port Hope now has to move its total waste area because that is not satisfactory. The safety precautions that they thought were capable at the time the waste disposal started there are not good enough. In fact, Mr. Minister, let me say further of my last trip to Port Hope. When I was there the last time I was able to climb over the fence. It is only six feet high. It was a little hard getting over here, but I climbed over the fence and I could walk around the nuclear waste dump site with nobody protecting it. That's security? You could have picked up a 45-gallon barrel, thrown it over the fence, painted it and sold it and made a buck. That's not what it is all about. What safety? And they don't even protect the dump site. Anybody can crawl in there. You can take the big barrels with the sign on them, Radiation — Danger, and take them out and sell them to the general public. That's not safety, and if you tell me Port Hope is safe, it's strange. I have made three trips there — one announced, two unannounced, and it's strange how the people of Port Hope aren't that way. The way people seem to think, it's a big massive important thing. The people at Port Hope at the service station, the coffee shop, walking downtown, talking to the clerk in the store — they are there because their husbands are there and they need a dollar. They need the jobs. It is surprising how many of them say, you know, I really don't feel comfortable here. I'm worried about it. There's all kinds of trouble here. We hear of this spill, and I hear of this spill, but I'm never sure, I'm not sure they're being fair with me. I'm not sure they're telling me the facts. There are people at Port Hope who live beside a refinery. Talk to people around there, talk to the employees. It's interesting, as you go on the official tour and you see how nice this is, and how nice that is, and they tell you how it's all rosy. I grow a garden over here and I'm just three blocks over and the wind blows towards my garden. I eat those vegetables and I have no problems, I'm as healthy as a horse. The guy was too, and he says that it's perfectly safe. He doesn't . . . (inaudible interjection) . . . well, I may look a little like a horse, but you look like the rear end.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: — Order! I think we can get along with less assistance from both sides of the House. I certainly think it's not necessary for anyone to make any comments such as we have heard, and I ask all members to act in a parliamentary way. Let's proceed.

MR. KATZMAN: — Mr. Minister, as I was saying, safety is the key word. When the present minister was in charge of SEDCO (Saskatchewan Economic Development Corporation), when they ran around trying to buy land, and were concerned that the

price may go up if the information got out and where, on a Sunday . . . In fact I think the same reporter is upstairs who broke the story, Mr. Messer, so we have an expert with us who is an impartial judge of the situation. It's nice to have an impartial judge occasionally because we're not going to have them in the environment safety business in this uranium industry with you people playing as a partner.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — When you made your no comment type of answer, when you were asked if you were trying to buy land for a uranium refinery, you seemed to hedge and hide from the answer. When the federal department had its stakes, yes, you were attempting to buy land on their behalf for a refinery. It's also a fact, and it also came out at the Bayda hearings, that it was the Government of Saskatchewan that requested Eldorado to come to the province and consider building a uranium refinery. That's an undisputed fact, so let's get that out in the open. It's also a fact that your government, as far as it seems to indicate, is concerned, I repeat, for the dollar sign and not the safety. It's interesting and a whole new concept of mining is what Cluff Lake is going to come about with. The new system to put the tailings away, which by the way I understand are going to be richer than most mines, and therefore they will be coming back to refine them later. It's interesting to note that the method you're going to use is an untested method in actuality. It's assumptions that are being made, not facts. But there is one thing going in your favour at Cluff Lake. There is no population other than two people by my understanding that are within the area not of their own choice. Everybody else going to Cluff Lake is there of their own choice. Not as in the Warman situation where the people were there first and you are bringing in industry to them which they are, in the survey I took, not in favour of having. It is an unwanted industry. It is interesting to note that nuclear awareness is developing and the Three Mile Island is one of the reasons it developing. I think, faster than normally was expected.

If you're in Saskatoon you can go to a movie at the Odeon Theatre and watch the line-ups to see a movie made quite a while ago about a nuclear reactor that breaks down. It points out that the one fault in that movie that the Three Mile Plant also seems to have developed. All of a sudden people are more aware of what is affecting them and what the uranium industry is all about.

Mr. Minister, I realize you are not a partner in Cluff Lake. In some ways it's probably going to be the biggest nugget of the uranium industry in this province. Nobody seems to dispute it. But I do not believe that this province is capable and with the present laws is going to be able to keep the safety of the miner in mind and worry about his environment. It is interesting that the Miner's Voice, a publication put out by miners, in fact, steelworkers in most cases, is concerned with the safety aspect and how history has proven not only with government but also with private enterprise that the safety of the miner is not as important as the dollar. I suggest to you, Mr. Minister, with your record of the dungeon that we have over on the Wascana property, it seems like your attitude will be the same and the safety of the individual will not count as much as the holy dollar. In fact, I think, as was indicated, that the holy dollar to your party and your government is more important than the safety of the individuals and I refer to the miners who have to work at both your sites and all other sites.

It is interesting, Mr. Minister, that when you spoke for almost 15 minutes, 20 minutes after the member for Estevan, you talked about safety. I go back to my first comments that were made after the Warman announcement came about and I said is it safe or is it not? What really have we got here? Have we got a monster we are going to be able to

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control and understand or have we got a monster that's going to go uncontrolled because once we get it started there's no stopping it?

It's interesting to note that with this project and the Bayda hearings, some groups made presentations, if you want to call them the anti-nukes, fine. But it was interesting to note that somebody, who wasn't either an anti- or a pro, was challenged when he wanted to speak. I refer to myself. I was not an anti or a pro at the time. Either way, I was still trying to understand the situation. It's interesting that I was asked if I were pro or against so that the time I took to speak at that hearing would be taken from one area or the other. Does the ordinary citizen not have a right? Does an MLA not have a right because of concern for the safety of the people of the province — the safety of the people in his own area with an industry nobody is sure of yet? It's interesting in its infancy that nobody . . . (inaudible interjection) . . .

The member for Saskatoon Buena Vista seems to want to get into the debate. I will take the suggestion from the Chairman. I'll consider the source and stay on the topic.

Mr. Minister, I suggest that when you get to your feet you make the comments (and I would like a commitment from you) regarding what used to be called the 27(b) clause in occupational health, which say that at any time when a worker believes it is unsafe to continue on the job he has the right to close the whole project down, are you going to honour that type of thing? That's the first question.

During the hearings we talked about the working level months (four was the figure) suggesting that Cluff Lake will down at the 1.5. I believe that is what they were indicating, that they thought they would be able to work as level working months.

It's interesting to note that at the hearings everything seemed to be perfect. They had the answer for every question. What annoyed me, was in Warman (at the high school) when the Bayda hearings came about . . . I don't think the minister is responsible for this. In fact, I say the Premier was wrong in appointing one person that he did to that commission. The one lady who was on the board was quoted by an NDPer as saying at the NDP annual convention the year before she was a pro-nuclear. She wasn't open minded on the topic.

AN HON. MEMBER: — Oh, no!

MR. KATZMAN: — I think that was a mistake by the Premier. Until, at Warman, when it was suggested by, and if I stand corrected on this, the son of a cabinet minister who challenged her. I wouldn't be aware of that fact. It is interesting and I note that she had gone through the whole hearings, the formal hearing portion, and that information had never come out. I think the other two people on the committee always were listening but unfortunately here was a case that makes me doubt the total lack of bias of this commission. I suggest that this is not the minister's mistake, but the Premier's. As I say, I would not have been aware of it if it hadn't been brought up by an NDP person who was at the convention who stated that she had stated that prior to a convention, before she got appointed to the Bayda hearing commission . . . (inaudible interjection) . . . Well, some people suggest that might have been a number one qualification so that the pipeline was open at all times to what was going on so the government may have some input. I don't really give the Premier credit for that much, hoping to have control, but some people do.

I suggest, Mr. Minister, safety first. Will you allow a shutdown because of what an

employee believes to be a safety hazard, not the safety officer, but any employee on the job site. Remember, we are dealing with probably the most unknowns and dangers in this industry. Second of all, Mr. Minister, do you have and are you and your partners prepared to share total safety data on all aspects of your industry, because one mine will be going before the next. From each mine site you will learn something to make it safer at the next mine site. Is all information going to be available and is scrutineering going to be available? I say this with a little bit of concern.

When I attempted to make arrangements to go up to a uranium mine in the North, I was informed I would have to make an appointment. To me, when somebody tells me I have to make an appointment to go see something, I know I am going to get the dressed up picture. I am going to get the tourist's special. I am not going to see what goes on there because it is a proven fact with Eldorado at Port Hope. I was once there unannounced, once announced, and then came back another time on my own. The tour I saw when I was announced everything was rosy. But when I went back on my own after that time, and when I was there ahead of time, the picture I saw was not identical to what they showed me.

I want to make sure that everybody will have the right to see the total picture, both the good parts and the bad parts and the dangers, because Mr. Minister, I say now, every time you open up another hole you double the dangers. We are going to have a lot of problems and unfortunately those problems will be well hidden from the normal citizens of Saskatchewan as they have been hidden in other areas. We don't hear about Russia and its accidents; they're well hidden. We hear about them later. When the state has total control of the safety and everything else and the state will lose by the information getting out, the citizens of the state will be the big losers. The citizens of Saskatchewan will be the losers. Medicare will be going up in costs to treat the cancers that are developed. The minister laughs. It's a fact that in the industry everybody knows the most dangerous aspect of the whole industry is the mining. The safest part of the whole industry is the refining. That leaves the reactor in the middle. Those are facts. The minister shakes his head and says no, they are not facts. The source — go anywhere you want in the industry. It was stated at the Bayda hearings for a lack of a better example if you want a source to look it up. Look through the reams of material. You'll find it in there. The indication was that mining was the most dangerous because they had the least control over the total atmosphere of the situation. Refining was the least dangerous and reactor was in the middle. I don't dispute those facts. The Bayda hearings brought them out and I think Peter's shaking his head in agreement with me so therefore that even proves that I'm even more right . . . (inaudible interjection) . . . I beg your pardon? The minister from his chair suggests that I criticize the Bayda hearings.

Mr. Minister, I criticize the unanswered questions of the Bayda hearings. There are so many areas of that hearing that are not answered to this time and will never be answered in my opinion unless we get back into that whole picture and re-examine it. We all know that the Three Mile Island accident is going to slow the whole industry down. We also know and if you follow the scientific community, if we put the money into solar, into wind, and other areas, we wouldn't have to put money into uranium. We would be having a cheaper source of energy for the betterment of people.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — The minister also knows that if you took that money and spent it for the betterment of the people in those areas, we'd all be better off. But we're into the

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mining area now. You're committed whole hog. You're looking for the bucks. Now who's worried about the safety of the individual? When I get up in the morning and choose to walk across the street, I know the risks but nobody in the general public knows the total risks of what you have embarked upon. We're not all sure and the Warman refinery bothers me more than any because you're committing that one on more people — on people that are there without suggesting to them you're going to give them a voice. Sure, we're going to see hearings, all kinds of big books suggesting it's safe and that's safe but is that what we're going to do? You look at the Port Granby hearings. They were turned down once because they didn't bring in enough facts. They had to send out and do their own homework. Eldorado was so sloppy that they felt they could bring anything through and get it passed. They were sent back to the drawing board to redo it.

AN HON. MEMBER: — Government of Canada.

MR. KATZMAN: — They came back with the facts in much better condition than the first time.

What bothers me about the Eldorado situation in Warman (and it was the minister who brought it up) is we have Eldorado stating this is the prime site. There's been no movement of this soil for 60,000 years. It's solid. It's safe. Is that really the reason they're looking at the Warman site? No, Mr. Minister, I suggest that isn't the real reason. They're looking at Warman for one reason. It's the University of Saskatchewan; one of the finest universities in this country. They want it to be near so they can get the right class of people, the people they want who will be attracted so their sons and daughters will have the chance to go to one of the best universities in this country. I don't blame them for the idea. I suggest the minister isn't learning much and that he open up his ears. Plug one and open the other and maybe we'll get something drummed into that thick . . .

Mr. Minister, I suggest that as we watch the government at its own annual convention we make sure that the nuclear discussion be placed in such a place in their agenda that the clock would run out so that they couldn't be required to have a vote on it. That's the understanding I have from people in your group.

AN HON. MEMBER: — It's true.

MR. KATZMAN: — Mr. Minister, let's get back to the first words I had to say about the hearing, the whole Warman issue, the whole uranium issue. The key issue is one word — safety. The safety of the citizens of the province should come before anything else. Mr. Minister of Social Services, I may have to say it a hundred times before I can get it through that thick you know what.

MR. CHAIRMAN: — Order! Again, I ask for better attention from both sides of the House. I don't think innuendos from either side add any credibility to parliamentary system. I bring to the attention of all members that repetition has to be judged by a chairman, and I ask members, when they're speaking, to keep that in mind. Things do become repetitious at some time.

MR. J. GARNER (Wilkie): — A point of privilege. Can we have the member use a little decorum and keep their feet off the desks please?

MR. KATZMAN: — Mr. Minister, I refer to Tuesday, February 20 Leader Post. One article

refers to when the Minister of the Environment was heckled in Saskatoon at a four-man debate that took place at the University of Saskatchewan, and one of the most atrocious statements I have ever heard . . . no, I shouldn't say that. I've heard that atrocious statement once before, and it's from the minister that I am addressing this evening when he was the Minister of Agriculture, when he forced the Hog Marketing Commission upon this province. The same words were spoken by the Minister of the Environment that evening . . . (inaudible interjection) . . .

MR. CHAIRMAN: — Order. I think the statement you just quoted is not relevant to subvote 1 here and I ask you to get back to item 1, please.

MR. KATZMAN: — Let me refer to that evening when the hon. member for Shellbrook in questioning was asked if the citizens of Warman were going to have a vote on the issue of the refinery. He indicated, you've had your vote on October 18. That's what he indicated. He wasn't going to give the citizens of Saskatoon and area the right to have their voice. He suggest that on October 18, you had your vote. Well, it is interesting to note that people at the same meeting said, yes, we did and we voted an anti-nuclear person on to the government side, and they refer to Mr. Prebble, because they wanted their say. That was what the people said at that meeting. In fact, there was a very large round of applause. I notice the member that I am referring to sits back and nods his head, that's right, it did happen. He was there. He was one of the speakers against nuclear development, but yet the Minister of Environment, the man who is going to be required to protect the safety of the environment of the province of Saskatchewan says, you had your vote on October 18. He doesn't indicate that the citizens will, if things go normally, have two chances to defeat the Warman refinery. The first one, unless the Government of Saskatchewan decides to step on the people of Saskatchewan by not allowing them to vote, if they change the zoning of the land from agriculture to industrial. I understand that in the cities, if you want to vote on zoning or anything else, you get so many of the people to sign a petition and you can have your vote. Unfortunately, in the R.M., in the rural area we are not allowed the same privilege. Or by now, Mr. Minister, we would have had our vote and everybody in the area would have had their say if they wanted it or didn't. The Minister of the Environment is going to have to make sure that you and your partners in these financial mines, these mines which are in for financial benefit follow the rules. He doesn't seem to want at the Warman site, to give the people of Warman and district the same choice. I don't know if I have faith in that minister looking after environment. The former minister had the PCB spill and we never found out about it for years. How many other spills will we have in the North in your environment industry? In how many areas of the uranium will we have leakage and seepage into water in the area and nobody will find out about it?

Mr. Minister, it's strange to see the bedfellows of the NDP and the multinational companies as we are seeing in the uranium industry.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — The member for Estevan has just passed me a newspaper clipping, Monday May 1, 1978 — Bayda Under Pressure to Prepare Uranium Report. You know, Mr. Bayda was given extra time to prepare his report but those who wanted to speak on the issue did not get extra time to prepare their stands, their information and their research. No, all those who were wanting to speak on the uranium issue and before the Bayda hearings were required to get in on the time limits, blink, blink, all the way through. But when Mr. Bayda needed more time, he was given more time. We were supposed to see the first report much earlier than it actually came in. But did you give

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the same consideration to the people of Saskatchewan? Or were you trying to rush it through so that we would not maybe change Mr. Bayda's opinion? Were you clouding the research and shortcutting those that were opposed to this project?

Mr. Minister, history is going to judge all of us. History will judge, were the Bayda hearings right or the Bayda hearing wrong? It's interesting to note that even though at the Bayda hearings we only heard certain facts and those groups who were short funded — I know this government said there's lots of money and we'll give you more money to get your research. But you didn't give them time. You didn't give them time to prepare all the documentation they needed to dispute some of the facts that the multinational companies and your buddies (with all their bucks) could come against the little man with.

It's interesting to note that we see the unholy reliance of the big multis and the Government of Saskatchewan who seems to always want to say 'those guys are your friends', but it's you people who are in bed with those fellows, not us.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — Mr. Minister, during the Bayda hearings, as those who had comments to make filed in and filed out, and as the people who were there (and I refer to one lady who was there by herself, no group to back her up) voiced their little funds, she tried to state her concerns on one area only.

MR. BYERS: — What was her name?

MR. KATZMAN: — It's interesting to note that there was one expert who was world renowned and from England, who I think was given a good hearing. His statements and his concerns were well listened to by Bayda. He ended up by being one voice in the wilderness — because the well-financed companies were able to make much more noise than he.

Mr. Minister, it's interesting to note that the former Minister of the Environment just pipes up, 'I read the report.' Where was that minister when we had the PCB spill and the people of Saskatchewan were not told about it?

AN HON. MEMBER: — That's right.

MR. KATZMAN: — It's interesting to note that . . . (inaudible interjection) . . . Let's get back to the topic. Mr. Minister, if you're aware that in the hearings in the North when they supposedly went to the concerned citizens of each area of the province, they went from school to school. People were there for information, trying to understand the whole Bayda hearings and came away more confused than when they went there. It is interesting to note that the member a few minutes ago indicated that it was his government that suggested that Saskatoon should be the head office for all the mining companies. Mr. Minister, my constituency surrounds Saskatoon, and I have many residents of Saskatoon who are in my constituency, but I suggest to you and your government that you did Prince Albert disfavoured. Prince Albert is closer than Saskatoon to the industry and I wonder again, why the government in its place suggested Saskatoon. Would it be that there are eight MLAs from Saskatoon who you wanted to win the seats, and there are only two in Prince Albert?

AN HON. MEMBER: — That could have something to do with it. I think that's it.

MR. KATZMAN: — Yes, the minister says we won them. Is he suggesting that politics now comes ahead of the safety of the people of Saskatchewan? That's what he seems to indicate. We won the eight seats. Mr. Minister, you know the time is growing late, and I have a box of information tomorrow that's about that size — some of you have seen my walking file. I think I brought it to SEDCO last year. In that file I have all kinds of comments made at the Bayda hearings. The Minister of Social Services (Mr. Rolfes) refers to pictures. If he should take a look at a mirror, I am certain he may scare himself. Mr. Minister, as I started to say when I got up about a half an hour ago . . . (inaudible interjection) . . . There's no rule against repetition, Mr. Attorney General, especially if you are making a point, and especially if the Attorney General wants to get back in this debate and discuss the safety of the people of Saskatoon. If we have a break in a pipe line, which can happen in a refinery, and if the wind conditions are just right, he may not have any constituents left. That can happen. The minister laughs. Well, that's normal for the minister. He usually laughs.

AN HON. MEMBER: — Then you do away with the PC member.

MR. KATZMAN: — Mr. Minister, I repeat before I call ten o'clock . . . oh, you have to move the committee rise, do you, Mr. Attorney General? Mr. Minister, I suggest tomorrow, when you stand in your place to answer some of the comments that I have made, that you show leadership and show me where the safety of the citizens of Saskatchewan, the safety of the miners, and the safety of the people in the area of each mine, is going to be guaranteed to be protected and monitored. I see now way yet today that you are monitoring the environment of the North so that ten years down the road we can see if there's any change. I don't seem to hear about you, monitoring the conditions up North today, so that as you open up those mines and you expose the uranium and the radiation and we will see the dangers, you won't have anything to compare to. You won't have it as it was clean before you developed it. The minister . . . O.K. I will have more to say tomorrow.

The committee reported progress.

The Assembly adjourned at 10:04 p.m.