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May 17, 1983

EVENING SESSION

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

ECONOMIC DEVELOPMENT AND TRADE

Ordinary Expenditure — Vote 19

Item 1

MR. CHAIRMAN: — Would the minister introduce his officials, please?

HON. MR. ROUSSEAU: — Yes, thank you, Mr. Chairman. I would like to introduce my deputy minister, Jim Hutch, sitting to my left; associate deputy minister, Wayne Lorch, to my right; Bryce Baron, right behind me; and Harvey Murchison, behind my deputy minister — that's all, I guess.

MR. KOSKIE: — Thank you, Mr. Chairman. Mr. Minister, I note that recently the acting deputy minister has been appointed as deputy minister, and I would appreciate it if you would provide me with salary of the deputy, and if you would give me a resume of his curriculum vitae.

HON. MR. ROUSSEAU: — Mr. Chairman, I presume the hon. member would take it as a document to send over. Okay, and as far as the curriculum vitae, I would suspect you probably already have one from many years ago.

MR. KOSKIE: — and you have now appointed a full-time deputy minister. When you were introducing the officials, I didn't hear exactly what you indicated that your other officials . . . But do you have an associate or an assistant deputy minister? . . . (inaudible interjection) . . . I see. And, I would also like the salary and the . . .

HON. MR. ROUSSEAU: — If I may just correct what I indicated to you from my chair. It's an assistant deputy minister, I think is the question you're asking.

MR. KOSKIE: — Now, and provide me with the salary, also, of your assistant deputy minister.

In the previous estimates, not many weeks ago, I'd asked a number of questions and received some answers and I want to follow up in respect to a few of those. And, you have indicated that a D. Sollosy was a communication executive assistant, at an annual rate of \$32,000 per annum. I'm interested to know what these communication executive assistants do in a department of your nature where so little goes on.

HON. MR. ROUSSEAU: — If you're looking to start an exchange, I'm more than happy to accommodate the hon. member. And one more remark of that nature, and you're in for a little discussion and response.

To answer your question as to the qualifications . . . Or was it qualifications you asked

for? The duties of communications officers are many and varied; anything to do with media; anything to do with press releases; a certain amount of research; preparations for responses to questions that may be asked by the opposition — if you can think of any questions to ask, which hasn't been very intelligent, shall we say, lately.

The job description is a little difficult. I'm not sure whether we have one here, and I'm told we don't have one. I can provide the hon. member with a written job description if you like but it gives you some ideas of some of her duties, and there'd be a few more besides that. I can tell you that she works a lot more than just an eight-hour day. She's here this evening, for example, and she's here most evenings, particularly when the House is sitting, and has organized tours that I've made throughout the province for me. She'll organize official openings of industries or businesses . . . helping with not only the economic development and trade. But also keep in mind that I have three Crown corporations that she assists in, as well. So, those are basically her duties.

MR. KOSKIE: — Yeah, well that's a general description; that's fair enough. In respect to the minister's staff, I got a return which indicated that you had a M.J. Fries, executive assistant at \$2,160 a month; and a H.R. Parken, executive assistant at \$45,000; and a D.J. Sollosy, communication executive at \$32,000; and then you have a secretary to the minister at \$2,138; and a J. Burnett, clerk 2 temporary at \$1,282. I'm just wondering in respect to your other duties and since we will be riding through on the CIC (Crown Investments Corporation of Saskatchewan) and Sedco, I note that you have a Rod Dedman as an EA, CIC and SGI, as a part of your personal staff. And could you indicate the salary of Mr. Rod Dedman, and if he is in fact in your employ at the present time?

HON. MR. ROUSSEAU: — I'm just going to correct you. The name is Ron Dedman, and I will get you the salary, but we don't have it here, and as soon as I can make that available to you, I will be happy to do so.

MR. KOSKIE: — Then you had on staff, a special assistant for a period of time, an L. Nicholson, special assistant, Canadian Pioneer Management. And I was wondering whether you could be good enough to indicate whether he is still in the employ, but also I would like to know the terms of his employment, and if he is not in fact in your employ now, which I think you indicated in the question period, I'd like to know the total amount that he was paid and for what period.

HON. MR. ROUSSEAU: — No, Mr. Chairman, Mr. Nicholson is no longer in our employ. He was on contract for a short period of time. I don't have the exact length of time or the amount that we paid him, but he is back, and he was on loan to us from Pioneer. And I want to take this opportunity to express my appreciation to Pioneer Management for allowing us to have Mr. Nicholson assist us in that period of time when we needed all the help that we . . . We needed that kind of assistance and that help, and he was of great assistance to us. So, as I say, I sincerely appreciate that offer and generosity of the Canadian Pioneer Management group.

MR. KOSKIE: — You will be providing that information, Mr. Minister? I have to have a commitment on the record.

HON. MR. ROUSSEAU: — I think you already have it. I said at the beginning I would.

MR. KOSKIE: — And I note that you also have a Legislative Secretary, one by the name of Rick Folk. And what I want to know: besides curling, what are his duties and more

particularly . . . Seriously, what I want to know is whether there has been any expenses paid in respect to the duties of the Legislative Secretary. That's really what I want to know.

HON. MR. ROUSSEAU: — Well, I'm told he's an excellent curler. But seriously, I don't believe there has been any . . . Let me rephrase that. Let me say that to my knowledge there has been no expenses paid to Mr. Folk. And I will check the records to be absolutely certain of that, but to my knowledge — the best of my knowledge — there have been no expenses paid.

MR. KOSKIE: — And in respect to CVA vehicles, can you indicate whom in your department has a vehicle?

HON. MR. ROUSSEAU: — Yes. I can give you the information very quickly. While we're looking it up, I wonder if the member would go on to another question, then perhaps we'll give you the information very shortly.

MR. KOSKIE: — Just carrying through with some of the further information that you gave me, Mr. Minister, and you will recall that during the last estimates you indicated what great things you were doing in Saskatchewan and you were talking about, oh, these great new manufacturing that was taking place, and when I got the list I was a little bit disappointed because it's a fairly prefabrication of the fact in conjunction with what you had actually said. Because when one looks through it, you know, and I can look at a lot of them . . . (inaudible interjection) . . . Well, 'confidential,' he says. But, you know, you want to take a lot of credit for making big headlines when the press are standing around about the 90 new firms that were established totalling something like 496 jobs.

I just want to say that that list I could have come up with myself because there is nothing new in it. A great majority of these were in existence and what you had is one person being employed by an established firm and you stood up in the legislature seeming to claim that you had created miracles and had all these new establishments, many of whom were assisted by your department — initiated, in fact. I want to say that I would want to make that confidential too if what you're publishing to the public . . . Because you look through that list, Mr. Minister, and you know, I could go into my constituency and you should take a look at those. And for you to claim that you have done wonders in establishing these firms is, I think, a misrepresentation of what you are doing.

But, if what you are saying, that you gave that on a confidential basis, I will treat it as that but I think it's only fair that in the future I am going to seek information. I took you at your word that you had really created some outstanding new firms, that it had been the initiation of your department, that you essentially and your officials were very responsible for the development of them and so I thought I was getting, you know, a real secret list here, something that . . . And the truth of the matter is that if you go through the list, really, it's what was established in Saskatchewan before.

You have added well established firms. They added a person to their employment. You added that up as somehow having created a new employment. Take credit for it, and I'll leave it at that unless you want to respond on that, but certainly . . . (inaudible interjection) . . . Well, I am asking a question, and you may have to go over to help him before I'm finished. But what I'm really saying is that — note — it was really a misrepresentation of the basic facts because you alluded to having developed — having 90 new firms established — 496 jobs, as I recall. And when you look through it,

it's just not the facts, and so I'd like you to comment on that.

HON. MR. ROUSSEAU: — Well, Mr. Speaker, I'd be very happy to comment on that, and I believe the hon. member has exactly the same list as I have here, I'm not too sure. But first of all, I would like to update that list and indicate to him that it's not 496 jobs, but it's . . . As of about a month ago, it was more like 688 that had increased that much at that time. I will admit that there were a few that had been in discussion prior to our becoming the government — not too many, and I'll go over them. But I will indicate that if I look at the list, the stage of development as of May the 8th, which is the day that we became the government in 1982 — going down the list without calling out any names, the first one says there was no development at that time. The second one says plans to proceed were under consideration. The next five say no development — the next six as a matter of fact. The next one says application for assistance was under review. Then it goes on with four more 'no development' as of May the 8th, 1982.

So what I said to the hon. member . . . I can go on down the list, and that's basically what it does. There's less than 10 per cent of these numbers that were in fact under consideration prior to our becoming the government. So they are new developments as it indicates in here, and as I say the list has been updated to increase that by almost 200.

Now, no time did I tell you that I created all of this. I don't recall ever saying that. I don't think you can indicate anywhere on the record that I have said anything like it. But what I have said is that with a change in policy, and a change of philosophy of this government, business will be more attracted to this province, which is what we intend to create. It is that interest, and the bringing in of new industry to create new jobs, that will be the role of our department; I take pride in that.

We can talk about several possible projects that we're working on, and, you know, we can raise a lot of expectations about what the development is going to be and the projects that we have under way, and the projects that are in fact, some even on stream. Except that perhaps announcements can't be made at this point in time for one reason or another as the Leader of the Opposition will understand.

So what I said to you then was that we had done this much to date given that short period of time. It is improving, it will continue to improve. We do have plans for attracting more industry to the province. And if the hon. member is interested in knowing what has been accomplished in that department, I'd be more than happy to take the next 15 minutes, 20 minutes, half an hour, whatever time he wants, to discuss the achievements of that department in the period of time that we have been this government.

MR. KOSKIE: — Pretty flimsy explanation of what you bragged as having been a great effort by your department. I go to another list that you provided with me, and that's with respect to some 86 prospective projects. And I asked you what sectors they are likely to occur in, and you broke down the sectors. You know, you said you had another 86 on stream and I asked you to break it down into categories, and I'd like to go through those and see whether there has been any fruition from the statistics that you gave me previously.

Now the sector, first of all, is food and beverage, number of projects — 11. And I'm wondering whether, since the time that you provided me this information, whether any of those projects have been established.

HON. MR. ROUSSEAU: — Well, I'd be more than happy to provide the member with an update of the — again, I'm not going to name them. By the way, while we're checking that one, I'll give you the answer to an earlier question you asked on the CVA cars. I'll get back to this one very shortly as soon as we have some facts to provide to you.

CVA vehicles. There are five; eight including mine.

MR. KOSKIE: — Excluding yours, can you indicate who has been assigned a CVA vehicle?

HON. MR. ROUSSEAU: — Yes, three of them are assigned to departmental consultants; two are to administration; one to the deputy minister; a pool vehicle; and my own.

MR. KOSKIE: — I'd like you to provide me with the individuals that the cars have been assigned to. That is, the three departmental consultants, I want to know who they are, and the same in respect to the two in administration and one with the deputy. Well, the deputy, that's understandable. But the two to the others to administration.

HON. MR. ROUSSEAU: — I'm sorry, I didn't realize you were finished your question. I will send over the list to the member — give you that in writing. I would ask you to keep that one confidential, if I may. I can explain the reason to you, if you need that reason.

MR. KOSKIE: — I'm really here to . . . (inaudible) . . . and to find our information on behalf of the, you know, the opposition, and on behalf of the people of Saskatchewan. And getting information on a confidential basis . . . (inaudible) . . . as you indicated previously, in that list. That phoney list that I got, in my view, is not of much use to me. No, I really think that we are entitled to know who, in fact, is being assigned vehicles. I don't know what should be secret about it.

HON. MR. ROUSSEAU: — You got it.

MR. KOSKIE: — And no confidentiality tied to it? I thought I could talk you into that one. Okay.

Getting back to what I was referring to previously, and I had, as I indicated, asked the government the following question with respect to some 86 prospective projects: what are the sectors they're likely to occur in? I got that information from you. And the sector, first of all, is food and beverage, and the number of projects is 11.

I understood in the last review of the estimates that what you really were doing here is that they were possibilities, and some exploratory work was going on, and you're going to determine whether or not they would in fact establish themselves. And so I'd like just to follow it up in a general way. First of all — and that is in the sector food and beverage — the number of projects projected was 11, and I'm asking you: can you indicate whether any of those have firmed up and actually become established?

HON. MR. ROUSSEAU: — Yes, there has been one, and I'll give you the others while I'm on my feet to save you asking the question. And the update as well on the lists, as the department has it, is now 14 projected number of projects — projected — for food and beverage, and there's one from the previous list now open and in place.

Electrical and electronics is now 14; rubber, plastic, textiles and clothing is now 6; metals, machinery and transportation equipment is 33. I don't have the old list so I can't make the comparison, but there has been one that's opened since you received that list: wood, building products, furniture and fixtures — it's now 15 — there's been one that's in place and opened; and non-metallic minerals, etc. is 10; and miscellaneous 14; for a total of 106.

MR. KOSKIE: — I just want to make sure I have the numbers right, here. I'll just read them back. Food and beverage, you indicate that the number of projects have increased from 11 to 14, right? And electrical products from 11 to 14; rubber, plastic, textiles and clothing, 5 to 6; metals, machinery, transportation equipment, 17 to 33; wood building products, furniture and fixtures, 8 to 15; and then non-metallic minerals, petroleum and coal, 9 to 10; and I didn't get for chemicals, chemical products and pharmaceutical. It was two. What is it at now?

HON. MR. ROUSSEAU: — The non-metallic minerals, petroleum, coal, chemical, chemical products and pharmaceutical is all one — that's 10 . . . (inaudible interjection) . . . No. I think you had them broken down into two areas there, or something. The total of those two, of what you have there from non-metallic minerals down to pharmaceuticals, is now a total of 10.

MR. KOSKIE: — Well, previously there were 11, so that obviously has gone down one. So since speaking to you, you have that up to a total, the previous . . . You had a list called miscellaneous, which was really pretty high — 23, over one-quarter of it — and it's unidentifiable. I don't know why they couldn't be broken down into a category, but you had 23. What is the final total — 86 was the previous; what is it now?

HON. MR. ROUSSEAU: — 106.

MR. KOSKIE: — Out of the 86 which you . . . number of projects that we're looking to develop here, what I have from the information you gave me; one in food and beverage; one in metals, machinery, and transportation; and one in wood building products, furniture, for a total of three having developed to fruition. Is that accurate?

HON. MR. ROUSSEAU: — That's the information we have. Whether it's accurate or not, but that's what we have — three names down here that we're sure of. There could be some more. We're not positive.

MR. KOSKIE: — You're indicating that three have established, and what I would like to know is the total number of employees that that constitutes — in those three.

HON. MR. ROUSSEAU: — Thirty-three.

MR. KOSKIE: — And have you done any projection as to the likelihood of further development from these various prospects? Are there any . . . much of a likelihood that others will be developed?

HON. MR. ROUSSEAU: — Well, I can indicate to the member, Mr. Chairman, some projections that we have on the basis of percentage of probability, and I'll give you the top . . . Well, there are eight in the 80 to 99 per cent probability, and four in the 60 to 79 per cent probability, and 13 in the 40 to 59 per cent probability.

Now . . . and they also indicate that this changes on a monthly basis, where they may start out at zero to 19 per cent because of the initial contact or something. The change

the following month may put that particular firm into for example, a 20 to 39 per cent category, or it may put it in a higher category than that. But what we have now is, as I indicated to you, at the present time we're sure — we're 100 per cent sure — of eight more establishing in the near future which will, by the way, create 101 new jobs. In the 80 to 99 per cent probability, and I indicated to you there were eight projects, and that we indicated 231 job creation.

MR. KOSKIE: — In respect to the three projects that have been announced, or have established, are you in the position to divulge what the name of the firms are and where they're located?

HON. MR. ROUSSEAU: — Do you want to ask that question again? I'm sorry . . .

MR. KOSKIE: — Out of the initial group that you gave me, the sector and the number of projects, and then you indicated in food and beverage that one had been established since we last had estimates. And there's one also in the metals, machinery and transportation and I think one in the wood-building products, furniture. Can you disclose the name of those firm, where they are located, since they are already established?

HON. MR. ROUSSEAU: — No, Mr. Chairman, I don't intend to indicate, name the names of companies. But I can tell you this as well, that just off the top of our heads, the list I gave you is inaccurate. I can tell you that right now. The three. Just off the top of our heads, we've thought of three more. So somehow, we don't have the full information and I'm going to ask my officials to confirm those numbers and those companies. I hope to be able to get it within the next day or two and then I'll provide it to you. But we just, as I say, sitting here, thought of three more companies that we are aware of, since the last estimates, that have established in Saskatchewan.

MR. KOSKIE: — I'd like to ask you: why are you keeping this a hidden secret? Why haven't you been announcing the establishment of these firms? The reason I'm asking you is: can you give us the names and where they have located? Or are they mythical?

HON. MR. ROUSSEAU: — Mr. Chairman, I just hesitate to get into the naming of companies in the legislature. They, in most cases I believe, have been announced at one time or another, that they had opened up. I think that for the time being we'll just leave it. If you don't believe my statement that I made to you, then I'll send you the names on the basis of confidentiality. But I'm not going to get into naming companies.

MR. KOSKIE: — I want to ask you: why the confidentiality? I mean, if they're an established firm in Saskatchewan — and as you indicated there are three of them and they're employing 33 people — and they're functioning and you're wanting to take credit for apparently helping to get them established. I don't know what this nonsense is about sending everything over on a confidential basis. I mean, if there's a legitimate reason, then please inform me.

HON. MR. ROUSSEAU: — Mr. Chairman, we're updating the list right at the present time and I'll provide that to you very shortly and if you want to use the names, go ahead and use them.

MR. KOSKIE: — I don't want to, of course, Mr. Minister, jeopardize any continuing discussions or any future position of any of the companies. But without giving me a

reason, I think it's impossible for me to want to accept anything on confidentiality. And so what I'm asking you again is to provide it and provide where they are located and the number of employees in each of the individual operations. And if you provide that, that's great stuff. I think you should have done that right at the outset. It would have been much faster.

I want to turn to one other piece of information that you provided, and that is in respect to the total amount of entertainment expenses, and I notice that executive assistant at \$1,080. I would like you to provide me with the specific details as to the nature of the expenditure, a breakdown of the items that that expenditure was made, and I want to know for what purpose. I'm not quarrelling particularly with it, but I think that since an executive assistant has spent \$1,080, I think again I have a duty to get some of the details in respect to what it was spent for. Can you provide that?

HON. MR. ROUSSEAU: — Well, Mr. Chairman, while my officials are looking up the answer, it's a possibility that I might . . . I'm not sure yet, but I'll tell you why I may not, and that is simply that if there are companies that we've taken for dinner or for whatever reasons, for entertainment, that we perhaps are trying to attract into the province, I'm not going to identify them to you through that manner or that way. So if that's what the list includes, then I won't be giving you that information, but I'll check it after we've looked it up by the officials.

MR. KOSKIE: — I want to turn now . . . And since your new department has been established — and I see that there are all of five subvotes with total expenditure of \$6,712,480 — I guess what I would like you to explain is, in a brief form, sort of the mandate that you seek for this particular department as opposed to what you might have been doing under industry and commerce. And we'll want to get into the various thrusts. But first of all, I would like you to enunciate briefly — I don't want a 10-minute speech — the general mandate as you see it for your department.

HON. MR. ROUSSEAU: — Mr. Chairman, I didn't think the hon. member was ever going to give me a break tonight and he just did. He just gave me an opening for what I've been wanting to say all night, so I'm going to thank him for that. He indicated he didn't want a 10-minute speech. I won't give him a 10-minute speech, it will probably take 15. So if you're prepared to . . .

Okay, I'm going to do it from here at this point, Mr. Chairman, because he's been needling me for quite a while now about that department. I think it's high time that the individual knew exactly what it's all about and why certain things are the way they are. So rather than picking excerpts from the information that I have, I am going to go through the information for the benefit of the hon. member so that he can then take notes and ask questions from what I indicate to him.

I'd like to begin, perhaps, by saying that in my department, in spite of generally poor economic conditions across North America and indeed across the world, many positive things have been occurring in Saskatchewan. First of all, let's look at some of the statistics. Our seasonally adjusted unemployment rate of 7.6 per cent is the lowest in the country, and last year we were the only — the only — province in Canada to record an increase in the total employed labour force.

The Leader of the Opposition has said that the increase took place because unemployed workers were returning to the farm. We must be doing something right in terms of creating unemployment, Mr. Chairman, because non-agricultural employment

increased by 8,000 in just one month, February to March of 1983. The retail trade sales — I want the members opposite to take note of this — had a cumulative increase of more than 19 per cent between May, when we came to power in 1982, and January of 1983, over the previous year. And the per capita retail trade is above the national average. Our manufacturing shipments are steadily growing and are showing particular strength in wood, food and beverage sectors; in fact, in January of '83 over December of '82, 10.9 per cent increase. Housing starts were up 6.6 per cent in 1982 compared with 1981, the largest increase during the year as the national average went down by 2.35 per cent. As a matter of fact, Mr. Chairman, in Saskatoon the end of March, just to give you an example, was 654 per cent increase over that same month in 1982. We don't hear the members opposite talking about that too often. The permits went from \$30 million to \$63 million in that same period of time. And, it looks like 1983 will even be better than ever than 1982, Mr. Chairman.

Now the steady growth in the residential housing sector has kept our construction workers off of the unemployment rolls and gainfully employed — a fact of which we are very proud — when this sector has been very hard hit across the country. We have a new, much more positive environment for the private sector to grow and develop in, that has existed in past years. Mr. Chairman, it takes a long time to change the business climate that was created by the previous government, and then longer to change the attitudes of private investors. It's starting to happen, and I can assure the members opposite that major new plant announcements will be made, and when they're proper to do so.

Now we have a new and much more positive environment for the private sector to grow and develop. But we still have a long way to go and a lot of things to do if we're going to raise the eighth-place position that manufacturing holds down in the province. We're pleased to be able to offer two business-related departments, and you were asking about why the department is getting the business profile and resources it requires.

The estimates we are debating for this new Department of Economic Development will help us get a portion of the job done — that of attracting and encouraging investment from both local and out-of-province sources, and helping companies find new markets for their products. Investment area and investment development branch has been established to provide the capacity to go after new investment, to help that new investor establish in Saskatchewan. Our staff are currently working on more than 100 investment projects, as I indicated to the member earlier. As well, there's a wide range of major projects under consideration which would create thousands of new jobs. I want to tell the member today that in doing a very brief analysis of some of the major projects, I'll tell you that they number well over 50, and I'm referring to projects that are of \$10 million and higher.

To further promote and attract investment in Saskatchewan, we will identify opportunities and communicate this information to potential investors who have the capacity to develop their opportunities but who are unaware of them. In fact, profiles of some specific opportunities have been developed already. And we'll share up to 50 per cent of the cost of feasibility or market studies conducted by reputable consultants with a potential investor that has reasonable capacity of carrying out the project. We'll work to dispel the erroneous notions that have built up over time that Saskatchewan is not a desirable place to do business, as it was under the previous administration. And we'll do this through various promotional activities.

We'll provide customized research and information services to in- and out-of-province investors, municipal development officers, and investment prospect generators. In fact, research development and investment information system is now complete, and it has entered into a data base. We want to expand and update the information constantly, so it is always relevant. But it is operable now. I would be very happy as a matter of fact, Mr. Chairman, to provide the hon. member with the kind of information that is now available through the data bank that we've established and taken some time to do. We can provide now a profile, for a company desiring to locate in Saskatchewan, in about two hours time, to tell them the facts and the information he needs to know to make an intelligent decision . . . (inaudible interjection) . . . Oh, I've got a long ways to go.

Upon request, Mr. Chairman, our skilled staff can provide counselling and information to potential investors who have the capacity to undertake successful investments. We can provide an advocacy service by lobbying the provincial government, the federal government, financial institutions, and private agencies for changes in basic policies, programs, and services, when you are perceived to be a constraint to development.

Along the same vein, we will encourage those same institutions to make special concessions to potential investors of projects which offer significant economic advantage to the province when the projects will not proceed without these concessions. It will help those with investable funds locate those people with investment ideas and capacities by ensuring a working information exchange between the two groups.

However, investment is not enough. Not only do we have to produce the best products, we have to sell them, and it's particularly advantageous if we can sell them beyond our borders. More Saskatchewan companies should be selling their products outside of the province. The 1983-84 budget, Mr. Chairman, for Economic Development and Trade will provide greater resources to assist Saskatchewan companies with their exporting activities. In fact, the trade development budget has been doubled, as the members will note in the *Estimates* book. An additional \$1 million will be allocated to support local companies find new markets for their goods and services.

We will be providing information to help companies export information such as language and shipping requirements, taxation, financing arrangements. We will help companies get their products before buyers at trade shows, and we'll help them promote their products by sharing the cost of advertising materials, sample shipments, and bringing in out-of-province buyers.

Assistance for the latter activities was covered in great part by the Aid to Trade program, and increased resources have been allocated to this very successful and greatly demanded program — a program, I might add, Mr. Chairman, it was introduced by the opposition when they were government. But trade is simply an exchange between the buyer and the seller. We don't have to go beyond our borders to do that. One only has to look at the potential that exists of supplying to the major projects that could come from our resource development which are already under way.

Now the government also represents a tremendous market, much of which is untapped. It was shameful during the previous administration how much the government were buying, but not encouraging those products to be bought from local manufacturers or business people. In fact, my colleague, the minister of government

services, Joan Duncan's Department of Supply and Services, purchases more than \$120 million of consumable goods annually for government departments, and that doesn't include Crown corporations. Therefore, we have provided major funding in this budget to assist local firms increase the sale of their goods and services to local buyers. This budget gives the new Department of Economic Development and Trade the scope and necessary tools to go out and do the job.

Now, Mr. Chairman, I just want to perhaps list some of the points — the principles, basic principles of the department. Actually the framework of this department, Mr. Chairman, was presented at the Open for Business, or the *Financial Post* Conference back in October, but I'm sure that the members opposite didn't pay any attention or heed to what we were saying. But I will go over them now and indicate the kind of work, and the kind of job, and the kind of dedication that my officials had to their job in that department.

One, develop a tax and royalty regime which would provide the opportunity for fair business profits. And I give you two examples of that that we've already done, Mr. Chairman, and that would be the royalty regime for oil which has already been revised, and the elimination of the gasoline tax.

Two, to get business, labour, education, and government communicating and working together. And again I want to indicate to the hon. members — and I don't know whether they're aware of it, but I'm sure that they should be because it has been announced — that we have had five or six meetings already, on economic development board that is chaired by the Premier, of which I am also a member. And there are nine or 10 people from those various corner-stones of our economy that are on the board, and I'm referring to labour, education, I refer to business, and I refer to government.

Three, we're going to minimize the direct involvement of government and business activity. Some Crown corporations have been limited or had activities constrained. That's already happened.

Four, we're going to develop an infrastructure — utilities, transportation, research facilities, and other public services.

Five, provide a high-quality relevant educational capacity to meet the needs of Saskatchewan's business, its labour force and its youth. And again, I point to our achievement and our announcements that we've made re the technical schools that were announced and other educational facilities.

Six, we want to reform the regulatory structure to remove unnecessary obstructions. Again, Mr. Chairman, I talk about over 600 regulations that have already been eliminated out of some, I believe 6,000, or whatever the figure is, that have been on the books. And most of them were either redundant or duplicative or whatever, and they have now been identified and taken out. And so that's another achievement by this government and this department.

Seven, we'll encourage business investment by attracting investors and encouraging local business to expand. The government is looking at providing basic services to investors as per the attached sheets. Now we've already indicated some of those companies that we've gone out and attracted. Many more that we are talking to; it doesn't happen overnight. I want the members of the opposition to understand that. It's difficult for them to understand that, because they never knew what it was like when

they were in government, to go out and try and attract investment. They tried to do it all and own it all as a government or state-owned industries.

But when you build a socialist wall around the province, Mr. Chairman, it's not that easy to break it down. It takes a little while and we have to rebuild the confidence into investors around the world that we do, in fact, mean that we are interested in having the private sector and investment money attracted to our province.

Eight, we want to develop a data bank service in support of business investment. Now we've done that; we've already done that. Economic Development and Trade has drawn up a data base for investors. I indicated if the member wants to see it, I'd be very happy to go through it with him. In fact, I might even make a copy of it available to him if he's interested in having it.

I'd even go so far as to say, Mr. Chairman — because one of the jobs I have in this department is to attempt to recruit anyone and everyone that will assist in encouraging investors to locate or to expand within the province — I would even go so far as to say that I would like to recruit the opposition to do the same thing instead of preaching gloom and doom about our province, as they continuously do.

Perhaps they could take the opposite attitude and go out and say, 'Well, this is a good province; this is a great province. We have opportunities; we have the resources; we have everything going for us. We have the people; we have the natural resources; we have the minerals; we have the agricultural base; we have the potential for manufacturing; we have everything going for us. We have the educational facilities.' And they could be on my team if they really wanted to do something for this province, not just preach the gloom and doom that they've been doing since we have been this government.

So anytime that they are interested in assisting in that way, I'd be more than happy to discuss it with them. I'll take them to seminars if they don't know how to do it. I'm sure my officials would be more than happy to teach them how to do it.

Nine, we're going to assist business in developing new export and local markets for Saskatchewan products and services. The government is looking at basic services for trades, and I can go through that, because I'm sure the member is quite interested, and I can take all the time needed if you really want to know what this department is all about and what it's doing.

Ten, they're to assist business to improve productivity and expand by providing information on productivity, and facilitating the availability of management and technical services.

Mr. Chairman, I can again tell you and the members opposite that that's already been put in place. The Premier has taken an exceptional interest in that area of productivity.

So if the hon. member is interested in knowing why a Department of Economic Development and Trade, I'd be more than happy to spend another few minutes to give you a more in-depth explanation of why the department is structured as it is today rather than as it was under the previous government.

MR. KOSKIE: — I don't know what lesson one is to learn from that diatribe, but I want to

ask the minister . . . There are a number of economic indicators, I think, and he went into retail sales, into housing, and increase in the total number of employment. I want to indicate to him that the real gross national product in Saskatchewan increased on the average of 5.6 per cent per year through the period from 1972 to 1981, but only 0.2 per cent in 1982 — 0.2 per cent.

If one looks at the personal income in Saskatchewan, we find that it increased on the average of 30 per cent per year from 1972 to 1981, but only 8 per cent in 1982. And then we look at total investments, and the minister was saying that there was a socialist wall around Saskatchewan. We find that the total investment in the province increased by an average of 35 per cent per year from 1972 to '81, but declined — declined, Mr. Minister — by 7.3 per cent in 1982 — total investment.

Manufacturing investment increased an average of 25 per cent per year from 1972 to 1982, but declined 21 per cent in 1982. The value of manufacturing shipments increased on the average of 28 per cent per year from '72 to '81, but declined 6.5 per cent in '82. And then if we take a look at what is, I think, the telling story, employment in manufacturing: from 1972 to 1981 there was an average annual increase of 620 new jobs, but in your first year — April of '82 to April of '83 — there has been a decline of 7,000 in manufacturing in Saskatchewan, from 29,000 down to 22,000. And I think those are fair indicators of what in fact has been happening in Saskatchewan with the so-called open for business approach of this government.

All of the significant indicators are down under your administration. Total investment is down. Manufacturing investment is down. Value of manufacturing shipments, down. Employment in manufacturing, down. I think that what has happened here is that there has been a lot of rhetoric and really very, very little, if any, substantial results from your open for business approach to the economy.

I know that you have had an initial opening for business conference last October. The province spent a considerable number of dollars on that. Then you took a trip to Europe and you have been able to identify any results from that. I note recently that you've had an outlook conference here in Saskatchewan sponsored by the chamber of commerce, and I don't know if they even bothered inviting you. I noticed the finance minister was there.

If you look at all of the indicators, Mr. Minister, your performance is not very good. The only thing that you have going for you is your rhetoric, and the people of Saskatchewan are pretty well getting fed up with high-sounding phrases with no performance. And certainly, if you look at our young people, I think it's a national disgrace, but I think it's a disgrace for this province.

You inherited a province with the strongest economic record in Canada, in North America. In North America it was the strongest, strongest economic province — had the strongest economic base of any province in Canada. And I've said before, we had the lowest unemployment in Canada, and you can't deny it. We had the lowest per capita debt, and you can't deny it. We had balanced budgets and paid as we went. We had the lowest unemployment. And I want to say, you took a province which was in the best shape of any area in North America. And I want to say, that there has been a steady erosion of that base. And the price is being paid, as I said, by the thousands of young people who are unable to find a job in this here open for business in Saskatchewan.

I want to ask . . . (inaudible interjection) . . . It's starting to hurt. You know, the minister

stood up and he indicated that, oh, in housing in 1982, he had such a tremendous performance. Well I want to tell you, Mr. Minister, that in Sask Housing in '82, that the number of units built under every program under Sask Housing was down, whether it was urban, whether it was native, whether it was farm housing, whether it was senior citizens, whether it was . . . (inaudible interjection) . . . Ah, they say private sector.

Well, let's get into some facts here. You know we got the big minister here who couldn't stand up in the Crown corporation. Of course, he had to admit that he didn't do anything in '82. I want to go into it. All right, here we have . . . I want to tell you what you were boasting about. In 1982, single dwellings: you know what? In 1981 we had 3,199 single dwellings. In 1982, down — 2,179. Down. Semi-detached . . . (inaudible interjection) . . . all right, they say housing was up there. Semi-detached: 1981, 413; 1982, 259. Row housing: 1981, 220; 1982, 171 . . . (inaudible interjection) . . . All right. Apartment and others — now this is where they had their big increase, and they have been spreading the rumour that in housing they had a 14 per cent increase. And you know, they had an increase in the apartment and others: from 1981, it was 2,150; in 1982, there was 4,213. All of that was a direct result of the federal MURB program. In every individual area during 1982 . . . Although there was increase, it was in the apartment construction; the single dwellings were down; semi-detached were down; row housing was down, and the only one that was up was the apartments.

I want to say that when you take a look and you're talking about housing, and you take a look at the Saskatchewan, in January, February and March in 1982, in Saskatchewan, there was 1,924 units built — the first three months under our government. And after that . . . (inaudible interjection) . . . Dwelling starts. And then in April, May and June it went down to 1,507; in July, August, September, 1,677; and October, November, December, 1,714. So what I'm saying, with dwelling starts, the largest proportion of it was built during the first quarter of the previous government.

So let's take a look at it, Mr. Minister. All of the indicators during the first year of your office . . . And they can't take it — they can't take it because goon squad across the way, Mr. Speaker. They can't sit in their own chairs. They have to come across and send their little goon squad. Well, that's fine. And I'll tell you I'm going ahead and I'm going to give the statistics because this is a bunch of killarney that is coming from the other side.

I want to ask the minister, after outlining to you the errors of your way, because all of the essential indicators . . . As I said, in the real gross national product, we had an average of 5.6; you were reduced to 0.2 per cent. Total investment average 35 per cent, declined to 7.3. Manufacturing, where we have to make an impact, under your year of administration declined by 21 per cent; value of manufacturing shipments, down; and worst of all, 7,000 jobs lost in manufacturing. Open for business, he says. But I want to say that really what has been happening and I'll get into that in a moment — into the number of bankruptcies. From May, 1982 through to April, '83, this government's first year in office, there has been a 60 per cent increase in the total number of business bankruptcies compared to the number during the comparable twelve months earlier.

I can go on and indicate that what has . . . You haven't really done anything, Mr. Minister, other than to spout rhetoric about tearing down the wall around Saskatchewan, talking about positive attitudes. And I want to say that while our young people look for jobs and can't find them, you have to share some responsibility. I want to ask you, since you spent 15 minutes on your little sermon, whether you have done a

projection as to what in fact will be the probable increase in manufacturing investment. Have you got a projection as to whether there are likely to be an increase in manufacturing investment from the previous year? Have you got a projection?

HON. MR. ROUSSEAU: — Mr. Chairman, if the hon. member expects me to give him an answer to that question before responding to his misinformation that he's provided this Assembly, he's badly mistaken because, you know, one thing that they do forget across there is that for four months of last year — for four months of last year — they were the government. He talked about housing starts and I'll just . . . So that the people of Saskatchewan fully understand what the truth is and not the misinformation that has been provided and talked about by the member opposite, but what the truth is and I fully intend to do that.

Now, we started government in May of last year, not in January but in May. In January they were there. They were still there. And from May to March of this year — which is March being the last figure that we could document — '81-'82, that May-March period, to May-March of '82-'83, the housing starts, single detached, as he referred to a few minutes ago, in urban Saskatchewan was 1,822 and since we've been there it is now . . . it has climbed to 2,027. So those figures that he indicated were for the year. They must have been doing a terrible job the first four months, based on that information. Because based on my information, Mr. Chairman, that's an 11 per cent increase.

May to February, I can even give the hon. member that information, but that's the same information I just provided. In total, dwelling starts in urban Saskatchewan . . . (inaudible interjection) . . . Total, that's right. The first one was single-detached; now we take the total. He talked about a decline, a decrease. Not true. Not true, Mr. Chairman. The fact is, that is an increase of 14 per cent. Since we've been there, up to the end of March, is 5,243; as compared to their time of 4,612. As a matter of fact, Mr. Chairman, an even more dramatic figure . . . I'll give you two of them, the total as well as the single-detached. The single-detached just for the month of March '83 over 1982; when they were the government (1982 March), they had 54; we had 355. And the total dwelling starts in Saskatchewan: when they were there, 287; this year, just under 800 — 793. That's 176 per cent increase. Now, that's February.

But let's take a little further comparison, if the hon. member is interested in making comparisons and saying how bad Saskatchewan is. Let's compare Manitoba. Let's look at Manitoba. In Manitoba, the same information, Mr. Chairman, 1982 over '81 was down by 25 per cent. But even more interesting than that is that for the 10-year period, an average annual change — and that was particularly during their administration, because it dropped from 1978 — it was averaging over 12 per cent.

Now, again I come back and the member in his latest — he refers to it as diatribe, so I may as well use the same terminology — again wants to talk doom and gloom. He's not interested in promotion; he's not interested in talking about how good this province can be. What in fact they're hoping for, Mr. Chairman, they're hoping that everything will fail, then they'll be happy. If the private sector, industry, the economy, if everything in Saskatchewan can fail, then they'll walk around smiling. Instead of saying, 'This can be a good province. The opportunities are here. We need the investment; we can attract. They can do it; we can do it. Everyone can get together and work together to have that done.' But instead, they took the opposite negative attitude, say, 'Aah, this is a bad place. This isn't worth while coming to.' That's what they're saying. They talk about that wall — oh yes, oh yes, there was a wall built around this province, and particularly during the potash take-over years, when that wall was really solidified.

And that takes time to break that down. It takes time to convince the investors around the world. Because, as you know, Mr. Leader of the Opposition, the business community in the world is a very small community. When you pull stunts like you pulled on that one, it reverberates around the world very quickly. And it takes time to convince those people that Saskatchewan is indeed a good place to invest, to make profits, to create jobs, to pay taxes, which is what it's all about.

We brag about increase in investments, increase in manufacturing, and so on. Of course. Yet, whose investment was it? It was state ownership. I don't know whether the . . . Perhaps even count land bank in those investments. I'm sure that they perhaps even count the buying of the potash mines in those investments, but they were there. Sure, they invested, but they bought it. It was already there. They didn't think of creating, as long as they could own, as long as it could be state ownership. Keep the private sector out, keep those people away, because they are the ones that know how to create. They know how to make money and how to pay taxes and how to create jobs.

Mr. Chairman, I can argue statistics with the member as long as he wants to — as long as he wants to. And if he wants to pick and choose what he thinks might win him some political points, let him do so. I'll argue them at any time.

Well, I don't know. I'm to answer your question as to . . . You asked the question of . . . Oh, before I sit down on that point, and before I get back to that, I said, and the member indicated, 'manufacturing exports down.' Well, yes, that's true. That's true. But what they don't say in the same breath, the same statement, is that the old economy was in pretty bad shape last year. Pulp sales were down, and we have a pulp mill. But we were doing as well as other industries, as the other companies in the pulp industry. In fact, in most cases we were doing better. In fact, if you look at the losses the P.A. Pulp Mill had last year as compared to the industry, you'll find it was pretty good. I will show, in fact, document, losses of some \$60 million for some of these companies.

The steel mill . . . Yes, business was down. Why? Well, they had 11 years . . . For example, I'll use two reasons, two examples. Eleven years that the people of Regina complained about the water — quality of the water, the taste of the water — and refused to do anything about it, to even discuss it. That could have been a program that they could have prepared themselves for, to go with when the need arose, but they didn't bother. For 11 years nothing was done about that.

When the NEP (national energy program) was introduced in Ottawa, it had a serious effect on Ipsco (Interprovincial Steel and Pipe Corporation), a very serious effect. But who put the Liberals in Ottawa that brought about the national energy policy? But their colleagues — NDP Party in Ottawa — so if it wasn't for that, that wouldn't have happened. So now they want to blame us because there is no work at Ipsco on order, but I think they know better than to do that today, because of what is happening and what the future looks like.

The same applied to the plywood industry and the lumber. Our exports — housing starts in the United States were deplorable low level.

Farm machinery — of course it was down. Could have been a lot worse, but for intervention by our government assisting many of those manufacturers that were in serious trouble, but the previous administration ignored the danger signs — totally ignored the dangers that some of these companies, manufacturers in Saskatchewan,

were facing — and provided absolutely no assistance for redevelopment or refinancing. One of the first jobs that we had to do was to make sure that we didn't lose some of these companies. And we kept them. They would have had something to complain about if you'd have said 'Look, if you can't run your business; you go down the tube.' We didn't do that.

I will get the answer to the question the member asked about the projections for the need of manufacturing. I am informed that we don't have that information and we can probably get . . . We can get it.

MR. KOSKIE: — Okay. I would like also the projected value of manufacturing shipments for the coming year. Can you provide the information?

HON. MR. ROUSSEAU: — We don't have the information here, but we can get it, and I will provide it.

MR. KOSKIE: — And also I would like to ask you: what are your projections for employment in manufacturing? There was a decrease during the past year from April '82 to April '83. There has been a decline of 7,000 jobs in manufacturing in Saskatchewan, decreasing from 29,000 down to 22,000. Can you provide us with a projection of what the employment will be in manufacturing in the coming year?

HON. MR. ROUSSEAU: — My officials inform me that we have been working on those projections, but they're not ready yet. When they are ready and available, I'll provide them to you.

MR. KOSKIE: — Further, I would like to ask the minister whether his department has done any projection as in respect to the rate of unemployment in the province in the coming year. Have you any projections as to whether the employment position will be better or will it be worse in '83?

HON. MR. ROUSSEAU: — Mr. Chairman, that's the question that should have been asked of the executive branch planning department, and we'll attempt to get it from them to provide to the hon. member.

MR. KOSKIE: — Thank you. I just want to indicate that, for what it's worth, the quarterly provincial forecast of the economic indicators has been done by the conference board of Ottawa. The previous one was in February '82, and in February the conference board's key predictions for '83 were as follows: that the real GNP to increase in Canada by 1.2 per cent — in Saskatchewan by 0.4 per cent; unemployment in Canada to increase to 13 per cent — in Saskatchewan to over 7.5 per cent. The latest forecast predicts better real growth in 1983 in Canada, for Saskatchewan, and for most of the provinces compared to the forecasts of three months ago. They now forecast that our unemployment rate for 1983 will be increased to 7.8 per cent, not the 7.5 per cent which they had projected in February. If you look at the . . . In respect to the 1983 real GNP growth forecast of May of 1983, we find that Newfoundland a 1.9 per cent increase; Prince Edward Island, a 0.9 per cent; Nova Scotia, 2.8 per cent; New Brunswick, 2.4 per cent increase in the GNP; Quebec, 1.8 per cent; Ontario, 2.3 per cent; Manitoba, 1.5 per cent; Saskatchewan, 1.5 per cent; and British Columbia, 2.9 per cent. Overall, in Canada, they project a 1.9 per cent increase.

Now, I would have thought that in your department, you would have been able to come

here . . . Rather than mere rhetoric, that you would have been able to draw out a blueprint which would address and would increase substantially our gross national product — the real GNP growth. I would have thought that you would have been able to draw out a projection of having employment decrease rather than increase as is indicated by the conference board in Ottawa.

And so what I'm asking the minister . . . Since you are in the Economic Development and Trade, I would have thought that one of the concerns that you would be addressing is indeed laying out a blueprint and advising us as to, you know, the projection of employment in the province. And as I indicated to you, all the economic indicators seem to say that open for business hasn't arrived yet, and certainly the results are not very evident.

And so, I'd like the minister, then, to comment on what I've indicated: that the conference board has stated that they expect that the employment will in fact increase in Saskatchewan, and that the gross national product will be one of the lowest in Canada.

HON. MR. ROUSSEAU: — Well, first of all, Mr. Chairman, I think it's a well-known fact that the Conference Board of Canada is not the end-all, nor does it have that great of a track record. Their forecasts have never been that accurate, and if we want to talk about forecasts . . . Let's refer, for example, to the Royal Bank 'Econoscope' forecast, which is entirely different than what was forecasted by the conference board.

I'll tell you some of the areas of errors that the conference board had in their report. But before I'll do that, the Royal Bank 'Econoscope' predicts long-term growth in Saskatchewan's gross domestic product will average 3.2 per cent annually, second only to Alberta. By the way, I believe — and I don't have that with me now — but I believe for 1983 was even higher than that.

In the conference board predictions — forecasts — a couple of factors. The board was not aware, for example, of the government's rural gasification program which would boost construction activity in the province. It also appears that they have underestimated the impact of government housing subsidies, again reflecting on their low forecast for this year.

For example on housing, where they forecast some 6,300 in 1983, other groups — for example HUDAC (Housing and Urban Development Association of Canada) and I believe some of the government departments — are putting that in the 7,000 to 8,000 range, and perhaps even higher than that.

Figures from the Department of Energy and Mines suggest a higher level of oil production in the province than reported by Statistics Canada and used by the board in their forecast.

So if the hon. member wants to stand up in this Assembly and refer to a particular report as put out by the conference board of Canada, particularly when you consider their track record — yes, fine. Go ahead and do so. But when you know full well that there is other information and other statistics available to you and we've talked about them before, it confirms again what I said to you earlier: that you would rather preach gloom and doom in this province than promoting it. You'd rather tell the people of Saskatchewan there's no hope or that it's a bad deal and everything else, rather than being honest with those people and say, 'Well, this is one forecast but here's another

one.'

Now I think if you took a more responsible approach to your criticism, you'd perhaps indicate a better future for the people of this province, which we know, all know, that such a future exists in this province, that the possibilities of that development are here. Then it's incumbent on you, you as members of this opposition, as elected members of the people of Saskatchewan, to instead of promoting gloom and doom, that you promote the activities and the possibilities and the development of this province.

So, if you're going to quote figures such as you've done, to take advantage of television or take advantage of whatever — the media or whoever might be listening to you — then give both sides of the story and perhaps we'd have a better understanding. To answer your question, the information you're referring to is available in our department. Yes, it is information that comes from the executive branch and we receive it from them on a monthly basis and update our records. However, we don't have the information and I'll provide it to you when I get it.

MR. KOSKIE: — I want to say that I get a little sick of listening to the minister get up and give a speech and it's the same speech. He's on the same track as the Premier, and as the press and the editorials have said, it's about time that the rhetoric stops and that some concrete steps be taken.

Now I'm giving you some statistics in respect to the conference board and I'm not indicating whether they are totally accurate — but they are a projection. And what I ask you is: can you indicate then, on your information collected within the province from the various departments, can you give us what you suspect will be the projection of the growth in the GNP for 1983? Because I'm satisfied if you have any information, but you've come here with no information whatsoever to provide a blueprint as to what your economic policy is going to in fact accomplish.

I ask you for the manufacturing investment; you don't have that projection. I ask you for the value of shipment in manufacturing; you don't have it. I ask you for employment in manufacturing; and you can't give it. I ask you to give a projection for unemployment for this year; you can't give it. I ask you what the gross national product is going to be; you can't give it. You get up and give the same speech.

I want to say to you — I want to say to you, Mr. Minister, that I and my parents and family have lived in this province as long . . . since confederation. I have a pride since the province was founded and I want to say that the welfare of the citizens and the welfare of this province is as close to me as it is to a Tory.

I also want to draw attention that we had an economy that was number one in North America when you assumed office, and you can't deny it. You can't deny it on any indicator that we had. We had the lowest unemployment. As I've indicated, we had good investment. We had a Crown corporation sector which was in fact making money for the people of this province. And you know what? This year alone, under your management, Mr. Minister, in CIC — \$126 million deficit.

If you take the potash corporation alone, \$141.7 million dollars was made in 1981 — 141.7 million, Potash Corporation of Saskatchewan. And you know what you have done? You have reduced that, if you hadn't cooked the books, to \$12 million to a \$13 million deficit — \$12 million to \$13 million deficit. And do you know why you did it? You did it because you were instructed to do it by your multinational corporation

friends. You in fact disbanded the Potash International which had in fact developed a sales market for potash, and you turned it over back to Canpotex, and the people of this province have suffered — suffered by a lack of sales, and lay-offs at the various potash mines, and also a massive decrease in the amount of revenue.

I want to say that this province indeed had a bright future. And since you have assumed office, Mr. Minister, you may have entitled your department with a new name, but factually you have absolutely no blueprint for the development of this province, other than rhetoric. You had Open for Business Conference, and supposedly the investors from all over the world were going to come rushing in and develop Saskatchewan.

I want to say, and as I've said to you before, this experiment hasn't been initiated or dreamt up by you. This policy was developed by the former premier of the Liberal party, Ross Thatcher, and it was handed over to you by his son who is now a Tory — exactly the same policy. So I ask you, Mr. Minister, can you be specific and indicate what you expect to be the job prospects, what you expect to be the GNP in 1983 in respect to the growth of the economy in Saskatchewan?

HON. MR. ROUSSEAU: — Well, Mr. Chairman, if the hon. member wants to continue asking the same questions, and making the same ridiculous statements, I will continue to make the same speech. So it's up to him. When he's ready to stop, then I'll stop. Because some of the diatribe that I've been hearing from this man tonight is just making me a little bit annoyed.

I'll just talk about a couple of those that he talked about. For example, he talks about the CIC profits. He talks about the CIC profits. He forgets, Mr. Chairman, the accusation that I made when I became minister back in May of last year, and he talks about cooking the books — that's like the kettle calling the pot black. They are the worms that invented that system.

When I took over the responsibilities of the CIC investment, I asked the officials of CIC at the time to provide me with a forecast of what the year was going to be. That's one week after we became government. One week, Mr. Chairman. When they, prior to their calling the election, announced that CIC was going to make \$100 million profit, we discovered, a week after becoming government, that it wasn't going to be \$100 million profit; it was going to be \$100 million loss. We knew that then. And they had been the government for 11 years. So don't talk to me about cooking the books. Don't talk to me about cooking the books. You know how to do it. You've done a good job over the years.

You talk about profits in Crown corporations. Let me ask you something. Is your memory that short that you have forgotten the \$56 million you lost in SGI in a two-year period? Surely you can't have forgotten that already. In addition to which you had to sink another \$72 million into it interest free. Calculate the losses on that. In addition to which you didn't calculate your proper losses and expected losses on reinsurance, as you well now, which we had to do when we came to power. Don't talk to me about cooking the books, because the evidence that we have discovered of your government doing exactly that is too strong to be accusing us of doing it.

You asked for a blueprint. Oh, I know the kind of a blueprint you'd like to see me produce. You'd like to see me produce the same duplication of work that your government used to do. Well, I indicated to you that the Executive Council already gets that information. If you think that I'm going to ask my officials to waste their time in

compiling that same information and duplicating those efforts, well you're sadly mistaken. I don't intend to do that. My department will spend their time in something productive — in attempting to attract investment, looking for new markets and exports, helping individuals expand in their business — not doing research and statistics. We'll get that information from Executive Council and be happy to provide it to you. And had you been on your toes when you had the estimates for Executive Council, you'd have asked the question then and you would have had it by now. But you didn't think of asking at that time, and you knew full well that that's where the information came from. However, since you are unable or incapable of doing that, I'll do it for you.

So that's the blueprint that my department will live by and that will be to create and to be productive and to attract investment to this province, and to build, rather than spending their time, as you expected the previous department to do when you were government, in doing all of this research and doing all of the statistics and sitting down with pushing pencils and papers around. Well, that's not my way and that's not what I intend to do.

We've taken some time to establish a new direction, to establish a new format, to establish a new structure. We now have it in place. We have some additional work, yet unfinished, but within the next couple of weeks I would hope that it would be all finished, including perhaps even having to relocate the office. But once that is all in place my department will know what their job is; they know it today and they will be . . . They're very anxious to get at the job of doing exactly what they are hired to do, and that's being productive, not being just bureaucrats as you expected them to be when you were government.

MR. KOSKIE: — You seem always to evade the reality of what your job is to do. And you absolutely cannot stand up in this House and in fact indicate what manufacturing you are expecting to have developed in this province — new manufacturing. You can't indicate how many jobs you're going to create to the thousands of young people who are unemployed. And let's take a look at unemployment. Why shouldn't we be concerned?

Real unemployment is more accurately measured by the dramatic increase in registered clients without work at the 11 Canada Manpower centres in the province. This data show that in April 1983 there were more than 59,000 unemployed persons actively seeking work. That's about a 77 per cent increase over 1982. Over the same 12 months the number of new jobs posted by employers actually declined by 7.5 per cent, and we are to believe, Mr. Minister, that you have the competence, or indeed a direction, which will reverse the trend that this province unfortunately is heading towards. And so, specifically, you get up with rhetoric, and obviously you have done no homework, none whatsoever, in order to tell this Assembly what in fact the prospects and the expectations of your department — absolutely nothing.

I want to ask the minister: you have indicated that there are a number of areas which can in fact assist you in this great so-called open for business economic thrust. I want to ask you, Mr. Minister, one of the prime concerns, apparently, of the Saskatchewan business men, and that is in respect to the labour legislation in Saskatchewan. It is alluded to that the labour legislation in this province is much too slanted towards or in favour of the workers, rather than the business community. And I'm asking you whether you are in agreement with the contention by the chamber of commerce and the business community, who are alluding to the fact that the labour legislation in this province has to be somehow overhauled to give a fairer treatment to the business

community. I ask you whether you have, in fact, heading up this new economic policy, whether in fact you have reviewed the position put by the business community and the chamber, and do you agree with their contention that the labour legislation should be drastically reviewed and amended?

HON. MR. ROUSSEAU: — Well, Mr. Chairman, if the hon. member thinks that I am going to indicate to him what the Minister of Labour may or may not, or when and if, introduces amendments to the labour act, he's sadly mistaken. That is not my department; I do not intend to indicate to him what those changes are going to be, and I am not going to answer hypothetical questions, particularly when they don't apply to my department.

MR. KOSKIE: — Well, I just want to indicate, Mr. Minister, that you said that you were going to set an economic climate in this province which was conducive to business and investment. And here it says the Saskatchewan business men are serving notice that their year-old love affair with Grant Devine's Conservative government is on the lie, unless provincial labour laws are changed and changed quickly. This is supported by the chamber of commerce and a number of small business men.

You have indeed indicated that many of the factors which will, in fact, be conducive to bringing business here, will be attended to by your government. And one of the key ones, which the business community is in fact alluding to, is in respect to the labour legislation. I'm asking you, who supposedly are developing this new economic thrust whether in fact you agree with what the business community is saying; and whether or not it's a factor which you are going to be addressing in order to make a conducive environment for the business community.

HON. MR. ROUSSEAU: — Mr. Chairman, again I come back to the same reply I gave him a minute ago. What the business community thinks of our new legislation . . . If and when we introduce it, we'll find out then. I am not going to speculate as to what they may or may not like or think about what we intend to introduce in amendments. We'll wait until that happens, until the bill is introduced, if and when there is going to be one, and listen to the comments of the business community at that time, listen to the comments of the opposition, listen to the comments of the labour movement, and listen to the comments of anyone else who wants to comment on whatever legislation we will introduce at that time. I don't intend to get into that discussion, into hypothetical questions, or to crystal-balling the future in what the labour legislation may or may not be. That's not the intent or the reason for the estimates of Economic Development and Trade.

MR. KOSKIE: — I can see obviously dodging the questions, afraid to indicate what various factors are conducive to development of your economic strategy.

I want to ask the minister, then: in luring so-called investment, what are the factors which you think that you can make more favourable, and does it include labour legislation? What factors are you thinking of in establishing which will make it more conducive to future investments?

HON. MR. ROUSSEAU: — Mr. Chairman, it isn't going to do the member any good to use the back door. I don't intend to fall into any of his traps or attempted traps that he may want to put out for me. The answer is still the same as I gave earlier, and if he wants to know what I think is going to make business attracted to Saskatchewan, well . . . He

didn't like my answers a while ago when I took a little while to . . . Let's see, there's 1, 2, 3, 4, 5, 6 pages of foolscap that I could really get into. I'd be very happy to do it, but I think the hon. member would have trouble following it and just come right back with the same question, not understanding a thing I said, and would be a little unhappy if I in fact took that time to . . .

In fact, Mr. Chairman, earlier in my original remarks that I made responding to his accusations at the time, I indicated fairly broadly what this department was going to be doing, some of the actions that we're taking, some of the programs, some of the plans. Now I can elaborate much, much more on that and refer to the promotional service that we have: opportunity identification service, feasibility market study service, customized research and information service, facilitation service, special project services, financial market development service, entrepreneurship service, business guide service, community development service . . . And if that isn't good enough, I can really get in to the explanations of what I'm talking about.

I can also talk about how we're going to expand markets with the programs that we're undertaking to do that — the method, the blueprint, the direction we'll take — and if the member is anxious to hear it and wants a copy of it, I'd be happy to send him a copy of it. Perhaps then he might change his attitude about being negative and preaching doom and gloom all the time, and perhaps start joining the team of promoting this province and its opportunities. So I leave it to the hon. member to make his own decision as to what he wants. If he wants that, I'd be happy to stand here and give it to him for the next 20 minutes.

MR. KOSKIE: — Now, having you stand for five minutes is all I can take.

I want to refer the minister to a survey that has been conducted on behalf of small business. And here are a few of the eye-opening statistics based on replies from some 14,171 members. The respondents employ 42,479 . . . And here are some of the facts that is happening across Canada, and which you're going to have to address, Mr. Minister. Those who answered the survey, the respondents, employed 42,479 fewer people now than they did in January 1981. In addition, 29.5 per cent of the members who responded had reduced the average hours worked by their employees. More than 82 per cent of the members had imposed restraint measures of some sort during the current business recession. Members in British Columbia, Alberta, Prince Edward Island, and Newfoundland topped the list with 87 per cent or more of the businesses tightening up in their operations. And more than 67 per cent of the responding members reduced employee salary increases, and of these: 38 per cent awarded no increases. 18 per cent allowed freezes of less than 6 per cent, and about 6 per cent actually cut their salaries.

And there are a number of other revealing statistics in respect to the survey of small business community. And the reality that one has to face is that where the small business man has indeed cut back on staff, and that happens throughout the whole of Canada, many of those people which were previously employed will no longer be re-employed.

Now, what I'm getting at is that basically society is looking at a very difficult period ahead. And projection after projection indicate that with young people — hitting into the latter part of the 1980s and the early part of 1990s — up to 20 per cent of our young people will in fact be unemployed. And there is growing concern throughout

society. I have an article here indicating that traditional full employment, some are saying, is indeed a thing of the past.

Full employment is a thing of the past, science council chairman Stuart Smith said.

And it goes on:

The full horror of what is happening will hit us only when the economic has recovered. Mass unemployment will still remain. Mass unemployment will still remain and will continue on and on. Except by a miracle, such as a world-wide economic boom, full employment through the 1980s will almost certainly turn out to mean permanent 10 per cent unemployment. Among young people, the unemployment rate will be about 20 per cent, or one in five. As many as one in two may be underemployed in terms of their education and expectations. Our children could become a lost generation.

I want just to read one other paragraph here, and that is an optimistic view:

An unpublished, unofficial study by Statistics Canada shows that unemployment may reach 15 per cent by the late 1980s and go up to 20 per cent by the end of the century, even assuming reasonable economic growth.

And what I am asking you here, Mr. Minister . . . Addressing the future cannot be addressed merely by slogans, and I say, outdated philosophical solutions to the problems, which you seem to think is so easy to put in place. And that is — and it has been tried, and to some extent is the consequences of — and that is the free-enterprise, capitalist system.

And certainly there is concern. Leaders of the church group are concerned. I want to quote Bishop Remi De Roo . . . (inaudible interjection) . . . That's right. Bishop Remi De Roo of Victoria said Wednesday that:

Governments are wrong in expecting the private sector of the economic to lead the recovery because it values growth and profits more than the dignity of human labour.

He went on to say that a whole sector of our society may become technopeasants, new illiterates put aside by the technical revolution.

And what I'm saying to the minister here, that certainly we want to see advancement and development of this province and opportunities for our young people, but that is not going to be a simple solution. I am going to tell you tonight that it's going to take a log of management and no single, one way will solve all the problems.

And recently another Catholic bishop was in fact last night in Regina. If you aren't satisfied with Bishop Remi De Roo, I want to indicate what Bishop Adolphe Proulx had to say. And he went on to say, 'The tax laws . . . ' And he's not criticizing any government or any political party and he says that. 'A generation is being sacrificed.' This is what Bishop Adolphe Proulx said:

'A generation is being sacrificed.' That's how one of the authors of the

controversial Catholic bishops' statement on the economic economy describes the people — young, unemployed and often, despairing — bearing the brunt of this depression. 'Society itself doesn't seem to need them,' said Bishop Adolphe Proulx, of Hull and one of the authors of *Ethical Reflections on the Economic Crisis*. 'This is the reason that we as a church feel the need and the responsibility to ask questions.' . . .

But the bishop-authors also found that some economists were 'waiting' for the Church to make a statement. Politicians, depending on their party, were split (he indicates) with one cabinet minister — whom Proulx wouldn't name — writing a long letter saying Canada had a choice between Marxism and Capitalism.

And Bishop Proulx said:

I feel this is very, very narrow. And this is certainly not the intent, of course, of the bishops, to invent another form. But we know there are possibilities that should be exploited about the type of society that should be more respectful of the dignity of man.'

And I want one other quote from Bishop Proulx, and he says:

He added that this year's statement can be seen as Canada's 'translation' of Pope John Paul II's 1980 encyclical or statement on dignity of workers.

And he went on to say that it's very difficult to understand a society but not . . . He says:

Tax laws, for example, saw 740 Canadians earning more than \$100,000 annually pay no income tax in 1979. 'They're not criminals (he says). They follow the law in our system. We feel they should be attempting to correct the situation where the poor are getting poorer and the rich are getting richer.'

I want to say that the hon. members can heckle and they can laugh at a social encyclical put forward by the bishops, the Catholic bishops of Canada. They can laugh at the church when they take a moral issue in respect to disarmament, and that's fine because Tories are traditional in attacking the church. They did it in the '30s. Remember when they went into the churches . . . (inaudible interjection) . . . Of course they did.

MR. CHAIRMAN: — I think we're straying away from the topic. Order, order. Order, order. I think we're straying a little bit away from the topic of Economic Development and Trade, so could we get back on to the main function.

MR. KOSKIE: — And what I want to say, Mr. Minister: you can sit there and pretend that you're going to do wonders, but I think that you to date have done less for this province than any minister that has filled your position. And what is going to be your downfall is that you do not, in fact . . . you don't understand the magnitude of the problem. No simple solution can be found. There's going to be a change in the basic technology of society and if you read at all — and I doubt if you do, because you didn't even know about open for business in 1964 to '71 — but certainly, Mr. Minister, they are predicting that the technology will change so drastically in the early '90s. They are in fact developing now the fifth-generation computer, and this will in fact displace man from the work-field.

So what I am asking the minister here: do you in fact . . . In looking into the future, is your department addressing any of the questions of the effect of the increase in the technology? Have you looked into the future as to how you are going to address society on an economic base, having regard to the trends that many of the experts are predicting? I ask you if you have indeed taken a look at the direction that the Catholic bishops have indicated that society must look at, or whether you are merely going the free-enterprise capitalist system of the strong gain, and those who are not in the powerful position of economic development are stomped upon. I want to ask you whether you are addressing any of the situations looking into the future.

HON. MR. ROUSSEAU: — Well, Mr. Chairman, I'm certainly happy that the hon. member asked me that question. It gives me an opportunity to perhaps inform the member a little bit about what's going on. But I want to just comment a little bit about some of the things he said. He quotes Stuart Smith. Well I think that's probably the same Stuart Smith who happened to be the leader of the Liberal Party of Ontario at one time, and he wasn't too successful with that, and I don't know how successful he's going to be with this, or how accurate, or anything else. I believe that's the man he's referring to when he's talking about Stuart Smith.

A couple of the comments he made about problems of the young people, and unemployment, and management, and so on — I couldn't agree with him more. I couldn't agree with him more. I couldn't agree with him more. Of course there's going to be a problem, and we recognize that problem. Of course it's going to require good management to take care of that problem and that's why we're here and they're there, Mr. Chairman. The people of Saskatchewan recognized when they looked into the future . . . As the hon. member indicates, they recognized that in this future it was going to require good management to address those problems, and that's why they put us here. That's why they elected a Progressive Conservative government, and that's why they rejected their government and their form of government.

You asked: what are we doing to address the problem? Well, you may or may not recall my colleague, the Minister of Finance, announcing in his budget a program to assist small business. I believe called the small business employment program. If I recall, the exact figure was something like \$20 million targeted for that amount. Now if you want to talk about small business, I think you did those estimates last night or a couple of days ago. I'm not Small Business. That happens to be another department. It's called Small Business and Tourism or Tourism and Small Business — I can't recall the exact order.

You referred to a report that you were reading from. I don't happen to have that report but I believe it is the report from the Canadian Federation of Independent Business. I'm happy to note that you've pointed out it was for Canada, and nowhere in that report, I'm informed, does it indicate what Saskatchewan is. So you're talking in general terms. Fine, I'll accept that.

There's no question that if we were going to be competitive on the world market with our exports and our manufacturing, or any other exports that we may have, we are going to require the latest technology. Again you ask: what are we doing about it? Well, for the first time in I don't know how many years, we've announced again expansion of our trade schools, high schools, university. As a matter of fact, our government shows a dramatic increase in expenditures for the two departments — one, the Department of Education and two, the Department of Advanced Education and Manpower. And all you

have to do is refer to the *Estimates* where last year under your government it was 201,000. We've increased that now to just under 230,000. And under Education, the total amount in this year over last year is an increase of approximately \$40,000 . . . I'm sorry, \$40 million. And if I said thousands on it before, I meant millions. It's from \$201 million to \$230 million.

So yes, we are addressing that problem. Yes, we are recognizing that these young people are going to be difficult to employ in the future because of new technology. And that's why this government is looking at the new technology, is looking at being competitive, is making sure that we have the latest technology to make us competitive on world markets, which will in turn hire those young people that you were referring to.

Now, one last comment, and I'm really sorry that the hon. member stooped so low, stooped so low as to bring up religion in this Assembly, and referring particularly to the Catholic church. Now, Mr. Chairman, I want the hon. member to know that I'm a member of that church; that my seat-mate, the Attorney-General, is a member of that church; that the Premier of this province is a member of that church; that the member from Regina North is a member of that church, and I don't think any one of us will attack that church.

I really find that degrading and insulting and stooping to very low depths when they make those kinds of references. And I know I'm not supposed to be discussing that, Mr. Chairman. So I'll break off on that one and stick to Economic Development and Trade. And it's a point well taken, sir.

But this government will provide the good management required to see that these young people receive their rightful employment in this province. And we'll do that by the economic development that we propose. I might want to add, Mr. Chairman, that my department has done a 10-year projection. My department has done a 10-year projection on what is going to happen in the province of Saskatchewan. We're not referring to any specific project, because I do not intend to get into that. I'm not going to refer to the numbers, and there are many. And most of them are very possible, very probable, very capital-intensive projects that will require thousands of jobs, but will create in permanent jobs after being built, some — at least — 2,500 new jobs. Considering the new technology today, Mr. Chairman, I think it's very significant.

In addition to which, over and above the major projects that I'm referring to, again that on a smaller scale, the projects my department are working on, the total jobs anticipated — if we were to get them all and I don't expect to get them all, Mr. Chairman — but potential of another 3,200 jobs. Now that's just direct; that's just direct. Now, we consider the spin-offs — the multiplier effect — and those numbers increase dramatically, and very rapidly. So of course we're looking at what's going to happen and where the world is heading at, and the new technology reducing the work-force. Of course, those are problems that we're looking at. And we will continue to do that, and under this government we'll provide the proper management and the good management that will be required to resolve and solve those problems.

HON. MR. BLAKENEY: — I wonder if I might ask the minister just a couple of questions. I refer to the matter of total investment and manufacturing investment. And I'll take manufacturing investment because that must be very much part of the responsibilities of the minister.

I wonder if the minister would concede that manufacturing investment in the 10 years

preceding 1981 — the '72 to '81 figure — increased at about 25 per cent per year. And would he concede that in 1982 — and before he says so, I realize that he wasn't the minister during the entire part of 1982 — will he concede the point that in 1982, manufacturing investment declined by over 20 per cent? I'll just ask those two simple questions.

HON. MR. ROUSSEAU: — Mr. Chairman, my officials are looking up the actual figures, and without arguing the point, if the Leader of the Opposition is quoting from statistics that are accurate, of course I'll concede it — providing his information is accurate information.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I certainly believe it to be accurate information . . . (inaudible interjection) . . . No, the information comes from Statistics Canada, and one can always misread the statistics, but I think not under these circumstances, because . . .

Does the minister expect that manufacturing investment, corrected for inflation, will increase significantly in 1983 and subsequent years? Are you looking for . . . Can you see in the immediate horizon some significant increase in manufacturing investment? And I'm not asking for a great expression of enthusiasm, but a hard-nosed estimate.

HON. MR. ROUSSEAU: — Yes, I can be very enthusiastic about it, Mr. Chairman. The outlook is very bright. The projects that we have identified, and that we are going to be striving to attract and to locate in the province of Saskatchewan, the numbers run into billions. And as a matter of fact, I would be happy, I would be very happy, Mr. Chairman, to sit down with the Leader of the Opposition in his office or mine, and show him —with confidentiality being a condition — just exactly what the potential is and what the possibilities and probabilities are for the future. I'm looking at not just the future being the next 12 months, but taking a 10-year projection as to the probabilities, the possibilities. What we're looking at is what can happen with the resources that we have in Saskatchewan, what the opportunities that are here with the people that we know are anxious to see it happen. Yes, I can be very enthusiastic about the future and what the manufacturing opportunities and increases are going to be.

Just one point, I suppose, that could lead to your next question — I'd perhaps like to get it out at this point in time. One of the projections that was made by the officials of my department is that in 1983-84 new exports from Saskatchewan in manufactured goods, but based only on the department's activities, not considering other things that could happen, are expected to be an increase of \$60 million, minimum — but just from the activities of our department. Now if you apply the multiplier of three, which I believe you'll agree with, makes it about \$180 million of additional industry or business that will happen as a result of the activities of the department.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I'd like to ask the minister to direct his attention to the question I asked. I know he did that, but then he went off on manufacturing shipments, which is another matter. We can have an enormous increase in manufacturing shipments without having any increase in manufacturing investment, because we've got a whole lot of unused capacity out there. And, there's no doubt that, let's say, Ipsco could ship quite a bit without investing anything in new plant and equipment, and that is true of most of our manufacturing industries.

What I was focusing on is not whether or not there's going to be a turn-around or whether or not we're going to ship some more farm machinery or whatever, but

whether or not we expected any new investment. I take it that the minister would care to phrase his answer as he did in terms of enthusiasm and not put any figures on it. And, the question again, I'll ask is: does he expect that we will be back to levels of 1979 or that's what I'm asking, because we're well below those now . . . back to those levels in real terms, corrected for inflation, in 1983, for example? Do you expect that to happen?

HON. MR. ROUSSEAU: — Mr. Chairman, earlier the hon. member indicated an average increase over the last 10 years, 1971 to 1981, I can't recall, I believe you said 25 per cent.

Well, I was just handed the 1971 through 1982 amounts, and he's alluding to a decrease in 1982 of which they were government for one-third of that year. However, we will look at the historical statistics on investment. We note that in 1972, the first year they came to power, they had a decrease. I don't hear the hon. member or the Leader of the Opposition refer to that. That was the first year of their administration — showed a decrease in manufacturing investment in Saskatchewan. Then it went up in 1973, went up again in 1974, went up again in 1975 and 1976. Then in 1977 it took a dramatic decrease. They were in power at that time. And in 1978 another drastic or dramatic decrease. So two years in a row — it went from 56.5 million, down to 41.4, down to 36.1. Well, if you take the drop there, is 20 million on 56 million, we're talking 30 per cent. That's quite a decrease.

Then it went up in 1979 and went down in 1980; it took another \$13 million drop. And then in 1981, increased back to about the 1979 level and then in 1982, dropped again — and I say of which they were government for one-third of that year. So they can take one-third of the responsibility if they like.

Now to give him hard facts and hard statistics as to what my projections are, what the projections of my department are: no, I can give you, for example, those projects that I indicated earlier. The 106 that I referred to your colleague, the member from Quill Lakes, is just under \$500 million in investment. Now, not for one minute am I going to stand here and tell you that we're going to get it all. You know that and I know that. But we're going to work at getting a good portion of that.

And then, over and above those numbers, we have another projection — another 10-year projection of the major projects, numbering (as I indicated earlier again) over 50 of those identified. So to stand here and say to you that yes, we'll have X number of dollars in 1983, no, I'm not going to do that. I can tell you we're going to look for increases and we're going to look for increases every year, but as happened in your administration . . . I hope we do better, because in that period of time you had 1, 2, 3, 4, 5 decreases. So that's almost a 50-50 balance — a little better in the favour of increases — in 11 years. So, frankly, I hope we do better than that. I hope that the decreases, the last one that we had in 1982 — the last one we'll ever have — that it will be up from there. And I intend to pursue that, and I intend to ask my officials to direct their attention into seeing that that happens, that we continuously move upwards, and we don't go up and down as happened during your 11 years of administration.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I'm sure we all hope that you have success. The facts, however, are that the manufacturing industry in Saskatchewan is small enough so that one or two major plants constructed in a given year causes the index to rise sharply, and when the plant is finished, then the index goes

down the next year. We're not worrying about a single year. That's why I specifically used the 10-year average, and I invite the hon. minister to see whether or not he doesn't agree that the 10-year average increased at approximately 25 per cent per annum.

Admittedly, there is an inflation factor in that. No one denies that, but inflation is at levels no, in 1982, which are significantly above what they were in most of the '70s, and we all know that too, so that the inflation factor will work to produce your figures at a higher level than previously. The 25 per cent I used was the current dollars, but I invite you to . . . And I really acknowledge that, and you are busy using current dollars as well when you're comparing with previous years. You're not using real or deflated dollars either, and I think that point ought to be made. And as I say, we hope that you have the success you talk about, but I take it you're not willing to gamble on a statement of what you expect it to be.

Would the minister agree that in terms of building permits in Saskatchewan cities — and here I'm using the series which excludes Melfort because it was compiled before Melfort was included in the city list — would he agree that for the first 11 months, from May of '82 to March of '83, of his administration compared with the corresponding 11 months of May of '81 to March of '82, there's been a decrease in building permits of over 10 per cent, in fact 12 per cent?

HON. MR. ROUSSEAU: — You're talking about dollars, I take it, in building permits? We don't have that figure, but I can indicate to the hon. member that in housing starts . . . (inaudible interjection) . . . Well, I know you're not talking about housing starts. But in that it was considerably higher. But on the building permits, the only number that I have in my mind at this point is one of March over March of last year in the city of Saskatoon. I can give you that one because it was given to me, and I can get the other information for you. But the building permits in Saskatoon, in the month of March of 1983, was \$63 million versus \$30 million in 1982, when you were the government at the time.

I want to just take a minute and go back to the manufacturing investment that you referred to. And I'm glad you made it clear that those were current dollars that you were using. Because if you took the \$92 million of your high — and that was in 1980 or '81 — as compared to the \$18 million in 1971, it isn't a great deal of difference — certainly not 25 per cent a year. I appreciate the fact that you pointed that out and made that very clear.

But I will try to get the permit figure for you.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, it's really not very helpful for the minister to search for one month for one city . . . (inaudible interjection) . . . Well, I invite him to bring some statistics, and not only the ones that support his case.

I have all the cities here for each of the 11-month corresponding periods, and I suggest to him that the figure has dropped from 426 million to 377 million. But there were some references . . . These are — so the minister is not confused, or more confused than he otherwise might be — building permits for Saskatchewan cities. I'm not talking about housing starts, although they're obviously included. These are actually current-dollar runs, and accordingly, the difference would be even greater if they were adjusted. If the 377 million were deflated by 10 per cent and then compared with the 426 million, the showing would be much worse.

Reference has been made to the fact that in 1983 things were so much better. And it was those dark days in 1982 which was the problem. And more particularly, I think we

heard the minister say that the first three months of 1982 were very, very bad so far as housing starts were concerned. And he arrived at some figures to prove this . . . (inaudible interjection) . . . Well, it's bad or not. I invite hon. members to look at a publication put out by Genstar, and I hope that Genstar will not be thought to be an agent of the New Democratic Party. And they put out a publication called *Inform* and they publish it in Edmonton and they put out figures for housing starts. And they have given a comparison of housing starts for the first three months of 1983 compared with the first three months of 1982. And one would have thought . . . (inaudible interjection) . . . No, these are housing starts. I invite the hon. member to look at the document from which I'm reading. These are housing starts of all kinds, multi-family and single-family — all housing starts.

AN HON. MEMBER: — Did you get that from the *Leader-Post*?

HON. MR. BLAKENEY: — No, I got it from a magazine called *Inform* published bimonthly by Genstar Cement Ltd., at Box 25333 at Edmonton or I think probably 25555; the print is very small. And it is called 'Construction Activity in Western Canada.' I just invite hon. members to listen to the figures because they may not convey the impression which I think you sometimes seek to convey . . . (inaudible interjection) . . .

May I then quote you the first three months? And the first three months in 1982, the number of starts was 1,714. In the first three months of 1983, the starts were 1,626 — a modest decrease of 88. I'm not calling that a sharp decrease . . . (inaudible interjection) . . . No, this is Saskatchewan. This is Saskatchewan. The Alberta figures dropped from 4,800 to 3,500, a drop of 1,299. Someone asked for Manitoba. Manitoba's are much smaller but increased much more spectacularly. In Manitoba, now that you've asked, they've increased from 156 to 865. So they have increased some 700 per cent or thereabouts. But I'll not deal with that.

I'm now trying to deal with Saskatchewan and I'm trying to deal with the housing starts for the first three months. I invite hon. members to listen to the figures; there is no spectacular change. I am just saying that the story which is sometimes suggested, that there's been a great upsurge in housing starts in Saskatchewan in the first three months compared with the previous three months, does not correspond with the facts, at least the facts as put out by Genstar . . . (inaudible interjection) . . .

Well, it is put out bimonthly by Genstar. I do not have the date of the issue. But the executive editor is Mr. A.R. Laing; their address is Box 2555, Main Post Office, Edmonton, Alberta T5J 2T1, and you no doubt will be able to get that, and it's under the heading 'Construction Activity in Western Canada.'

I make the point that we are still not generating housing starts at the levels which we have at some previous times, and there's no reason why we should.

And everybody is busy wanting to offer their figures. I hope they will offer the source as I have done. And may I say that the magazine called *Inform* in their table housing starts, says: 'Source — Central Mortgage and Housing Corporation,' not StatsCan but CMHC. And they still call it Central Mortgage when I sometimes call it Canada Mortgage — I'll point that out before you correct me on that. So I just invite you to consider that point — that your optimistic figures are not supported by Genstar. I know that Genstar are not putting out these figures in order to denigrate the performance of the Saskatchewan government. That is not the purpose of Genstar.

I want to ask the minister a couple of questions. And these are questions for simple information. I'm asking him . . . (inaudible interjection) . . . No, nothing . . . Just about the relative roles of his high-tech expert, and I think Denzil Doyle is the name, and the Premier's high-tech expert, John Schaw. I'm not suggesting they overlap; I'm just asking just what role Mr. Doyle performs and, if the minister has the information, how does this dovetail with the role which Mr. Schaw performs, both of whom I understand it to be advisers on high technology.

HON. MR. ROUSSEAU: — Mr. Chairman, I want to just, before I give the answer to the question that the hon. member has asked, make this statement or respond in this manner. In my opinion I think he's getting about as bad as the member from Quill Lakes. He must have had his researchers search high and low for some time to come with those statistics that look bad. Now I don't accept the figures, very simply because the figures of Canada Mortgage and Housing Corporation, the housing statistics prairie region office, certainly do not indicate what you're telling me. I don't have January to March, but I do have March. I do have March. And the March figure for 1983 over 1982 is 793 versus 287. Now that is almost triple — almost triple. So, where he gets his figures, who knows? Now that's in the month of March. And again I take — and I don't know whether the hon. member was in the House when I quoted these figures earlier this evening — but in the total urban Saskatchewan, again . . . But now I have the May to March statistics in a comparison and it's 4,612 versus 5,243. It's an increase of 14 per cent in that period of time when we've been government versus the same period of time the year before.

Now, he delighted, I think — perhaps that's not fair to say that, but it sounded that way — in saying that building permits were down. Yes, they were as a matter of fact, and I don't have the figures he gave, but as I recall, something between 10 and 15 per cent decrease. Well frankly, I think that's pretty good, considering that the construction industry as a whole was on strike for the whole construction period of time last year — for the construction season. They were on strike, out of work. Taking that into consideration, Mr. Chairman, I think this province did remarkably well to come down by a mere 10 to 15 per cent in building permits in that period of time, considering that the whole industry was shut down because of a prolonged strike.

So when you want to indicate numbers like that, I say to the hon. member perhaps in an honest way you could indicate to the people of Saskatchewan the conditions under which the statistics came from. So your point is well taken, that it was down. But I would hope that you would consider that when the whole industry is out of work and not doing anything because of a labour strike — and you would have been the first one to criticize had we interfered with that strike because we, as you do, believe in the collective bargaining system — so considering that fact, and I don't know how many months, but certainly during the whole of the construction season, we dropped 10 or 15 per cent. I think that was remarkable. I believe that that was remarkable. I think you would agree.

Now, to answer your question on Mr. Doyle. Well, first of all, and I think you made that point as well that John Schaw is with the Executive Council and Mr. Doyle is with our department.

We will be announcing in June, at the Futurescan conference, full details of what his involvement will be. I've been advised that that information will be made available at that time.

I'll give you this much, that he is a former president of Digital Equipment of Canada, and Nabu Manufacturing Corporation. He's been hired as a consultant to help us turn research projects in our labs and universities into business ventures. He's indicated at the time a certain goal and target, and we have every confidence in his abilities. He certainly has the track record to support his credentials and to say any more than that at this time would be premature. I believe I will wait until the Futurescan '83 conference to announce in full the details of his contract.

HON. MR. BLAKENEY: — I don't want to get into a long dispute with the minister with respect to housing starts, but may I refer him to the Canada Mortgage and Housing Corporation monthly housing statistics for March of 1983? And may I refer him to table 3, and the dwelling starts on table 3; and may I refer him to the fact the number for the first three months of 1982 is 1,670 — and the first three months of 1983 is 1,626? And if he's in any doubt about these, I'd be . . . (inaudible interjection) . . . Pardon? Oh, just only modestly, and they are slightly different. For 1,626 I had exactly the same number for '83; and for 1982 I had a figure of 1,714; and this one is 1,670 and they're obviously slightly different series, but they're very, very close. And if anybody questions them, we're more than happy to send them the documents and I would invite the minister, similarly, to bring his documents and then we wouldn't waste so much time trading statistics and we would all know what we were talking about.

AN HON. MEMBER: — I don't think there's much danger of that.

HON. MR. BLAKENEY: — No, I suspect not. I suspect that the minister enjoys making speeches rather than giving facts.

Just one final question, and this has to do with the waterslide project that the minister was involved in announcing last year. I was wondering whether he could tell me whether or not there's any reason to believe that that would not go forward in the ordinary way. Will that project be going forward or not?

HON. MR. ROUSSEAU: — I was tempted to give you that answer, 'When the weather warms up.' I have no reason to believe that it won't proceed. I have been informed that there was apparently some problem at one point on finance, but it's been resolved as I understand it, and it's going ahead.

MR. KOSKIE: — I want to just come back to the economic strategy that you are putting forward, Mr. Minister, and I want to ask you: in developing your strategy, to what extent have you in fact involved the trade union movement in the discussions of the development of your open for business policy? I ask you that in view of the fact that the previous statement which I made, where it indicated that the business community is wanting the government to address The Trade Union Act, to reduce some of the basic powers of the union strength under the labour legislation in the province. What I'm asking you is that . . . There seems to be two factions; that is, the labour movement wanting to maintain its position — and hard-fought-for position — in society, and at the same time the business community and particularly the chamber of commerce — which is alluding to the fact that if you're going to get your policies, you know, going in legislation — so since you aren't going to particularly answer whether you're changing that legislation, I'm not asking you that. But I am asking you to what extent have you personally . . . And I'm not interested in . . . Since you're developing the economic strategy, I'd like to know the extent of your discussion with the trade union movement.

HON. MR. ROUSSEAU: — Well, Mr. Chairman, how soon they forget some of the answers and information that we provide.

First of all, I sit on the same board that I referred to earlier, the economic development board — of which the Premier is chairman — with two labour union leaders in this province who indicated we would have them involved in our strategy and development, and they . . . As I say, we have two members of the labour movement on the board, and I believe, two leaders from the labour movement, and so . . . I just want to add as well that the Minister of Labour, who is very anxious to see economic development in this province as well — as are all members of this government on this side of the House — and he's had numerous discussions with labour leaders.

As long as we have a Minister of Labour, the proper authority and the proper liaison and the public contact is with the Minister of Labour, certainly not with the Minister of Economic Development and Trade. I certainly do not intend to interfere in that. I'm about the only minister that recruits all other ministers to help in his department and to promote investment and to be involved in his department. But for me or other ministers to be involved in the Department of Labour would be counter-productive and certainly not our function.

So except for the fact that I sit on the board, the economic development board, with two labour union leaders . . . close and continuous discussion. We meet at least once a month and we have a very good relationship, working very closely together to see development in this province happen.

MR. KOSKIE: — I want to refer the Minister to a statement here in which one of the principles that had been put forward by the statement on the economy by the Roman Catholic bishops . . . And it's the fifth point and they indicate this as they see what should be the direction:

Fifth: Labour unions should be asked to play a more decisive and responsible role in developing strategies for economic recovery and employment. This requires the restoration of collective bargaining rights where they have been suspended, collaboration between unions and the unemployed and unorganized workers, and assurances that labour unions will have an effective role in developing economic policies.

I ask the Minister . . . This is, as I say, a point that has been put forward on the economic statement by the Catholic bishops, which really I think enunciates that the working people of this country have to be involved in the decision-making process. I ask you whether you essentially agree with that proposition as put forward by the Catholic bishops.

HON. MR. ROUSSEAU: — Well first of all, Mr. Chairman, I'm not aware that the collective bargaining system in Saskatchewan has been suspended. That's news to me if it has. I don't know where the member is quoting from and who he's referring to and what province or what country. Certainly it hasn't happened in the province of Saskatchewan.

And, yes, I would certainly welcome any time, as I've indicated already and demonstrated already, by having members of the labour union movement sitting on the economic development board. We welcome that; we've demonstrated that willingness. I personally would be very happy to sit down with members of the labour union

movement to discuss, not labour problems because that's not my role, but the economic development strategy or the future or the projects or anything else. I'll discuss it with them; I'll discuss it with opposition; I'll discuss it with anybody, and as I indicated earlier, recruit all the help that we can muster to get this job and to see this province developed the way we want to see the province of Saskatchewan developed.

MR. KOSKIE: — I want to further ask . . . The minister has indicated that a number of trade offices will be established in various parts of the world, at least that was your announcement after your trip to Europe. I would like to indicate whether any of those have been established, and in fact have you picked any of the locations as to where you'll be setting up the trade offices?

HON. MR. ROUSSEAU: — Well because of the reorganization of the department from the period of time that we refer to until very recently . . . As a matter of fact, the department was only proclaimed . . . The new name was proclaimed yesterday, as I understand, by the Lieutenant-Governor. The project or the establishing of foreign offices or trade offices had been temporarily put on the back burner, you might say. However, it's certainly going to be a priority for the near future.

I might indicate that we've already . . . We have one representative established in Milan, Italy, and we intend to look at the three cities, as I indicated some time ago, in Canada, some cities of the United States. One, the Premier has moved the potash office from Georgia to Chicago, where it makes more sense. That's another one that's been established. We have a London office; we will be putting a trade commissioner in there, as well, and to assist the agent-general. And we have other countries that we're looking at. The Premier himself has indicated that he would like to see something happen in Japan.

But I'm not prepared to announce any definite or near future cities or countries that we're going to name at this point in time, we'll just wait until that happens. But it is a priority and a project that the department is very interested in and actively pursuing.

MR. KOSKIE: — In respect to the trade office in Italy, can you indicate and provide me with the information as to the staff complement in respect to that office, who in fact you have there? I'd like the name of the individual. I'd like to know whether there are any other support staff, and I'd like to know whether you have a cost projection for the trade office that you have established in Italy for the term of the year.

HON. MR. ROUSSEAU: — Well, I think what I said, Mr. Chairman, if I said office then I'll correct that. What I said was a representative, and we have a representative on contract in Milan, Italy, and he works, I believe, from his home and we get a monthly report from him and things are moving along very well.

MR. KOSKIE: — In taking a look at your department, and we don't have a lot of subheadings here to look at, and in fact after you get through administration, there's investment development, trade development, communications, and then you run out of subvotes other than Aid to Trade program. I just want to ask a question in respect to subvote 2, and then we can probably let it roll. And that is the investment development: what is the specific intent and purpose in that area of the subvote?

HON. MR. ROUSSEAU: — It's exactly what it says: investment development — to attract investment, to attract industrial development, factories, business, processing, whatever it takes — that's what that department is.

MR. KOSKIE: — That's as general as most of your answers. I take it trade development is what trade development is — to develop trade — and you don't have any other specifics. I appreciate that you've only had this department for a short time and are essentially putting it into shape, and I think that we'll hopefully meet again in a year's time so that we can perhaps give you an opportunity to show whether or not what you have planned is working for the people of Saskatchewan, or whether it is again, as was from '64 to '71, a regrettable experience, and long to be remembered.

So I think other than that, I notice in respect to communications . . . Could you outline what really is entailed in the communications subvote? Who are you communicating with?

HON. MR. ROUSSEAU: — Mr. Chairman, it would take me 10 minutes to read it. Would you be happy if I send it to you? It's a complete explanation of the department, or the communications branch, and its objectives. I'd be happy to send you a copy of this so that you can peruse it at your pleasure.

MR. KOSKIE: — It would be excellent. And if you have similarly the objectives in respect to investment development in trade and development, that's satisfactory. Good. Let her roll.

Item 1 agreed to.

Items 2 to 5 inclusive agreed to.

Vote 19 agreed to.

SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE

INDUSTRY AND COMMERCE

Provincial Development Expenditure — Nil Vote

CONSOLIDATED FUND LOANS, ADVANCES AND INVESTMENTS

CROWN INVESTMENTS CORPORATION OF SASKATCHEWAN

Vote 65 — Statutory

CONSOLIDATED FUND LOANS, ADVANCES AND INVESTMENTS

SASKATCHEWAN ECONOMIC DEVELOPMENT CORPORATION

Vote 48 — Statutory

MR. KOSKIE: — I ask the minister, I understand that a new general manager has been appointed for Sedco, and I'd like you to provide the name, the qualifications, the salary and any other benefits that are paid to him. Can you provide that?

HON. MR. ROUSSEAU: — Yeah, I'd be happy to send it to you, but you have every opportunity of getting it as well in the Crown corporations. With the hour being five minutes after ten however, if you want it now, I'll send it over to you tomorrow or

whatever.

MR. KOSKIE: — In Crown corporations . . . I understand that it was a recent appointment. I'm not sure that it's under review in the Sedco report. And I thought that was an opportunity to get the current information. All right.

And I would also, if you would, provide what the present rate of interest is charged by Sedco, and in the past year I want to know the number of joint ventures that Sedco entered into, if any.

HON. MR. ROUSSEAU: — The present, current interest rate at Sedco is 14.75 per cent. We don't have the precise number of joint ventures, but I will get it for the hon. member and send it to him.

MR. CHAIRMAN: — I'd like to thank the minister and his officials.

HON. MR. ROUSSEAU: — Thank you, Mr. Chairman, and before I do, before we close we have that figure right now and I'll give it to you if you want to just take one second.

Seven. Seven joint ventures in 1982. And I agree. I'd like to, as well, express my appreciation to my officials for their help and assistance.

MR. KOSKIE: — Mr. Chairman, I want also, to thank the minister for his answers, as general as they were, and also his officials.

The committee reported progress.

The Assembly adjourned at 10:08 p.m.