

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

May 15, 1984

The Assembly met at 2 p.m.

**Clerk:** — I'd like to advise the Assembly that Mr. Speaker will not be present today to open this sitting.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Hon. Mr. Blakeney:** — Mr. Speaker, I am pleased to introduce to you, and to all members of the House, a group of guests from the Regina Open Door Society. They're 14 in number, I believe. They're here with their program co-ordinator, Mary Helen Miller. They are, for the most part, persons who are new to our country and are acquainting themselves with the political institutions by which we govern ourselves.

They will be in the Chamber for the questions period, will be on a tour of the building, and at 3 o'clock I look forward to meeting them for pictures and later for drinks in the members' dining room.

I'm introducing them on behalf of my colleague, the member for Regina Centre, Mr. Shillington, who is unavoidably absent because of a family funeral. I know he would wish to be here. I know he would wish to join with me, and with all of you, in welcoming them in the legislature.

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

## ORAL QUESTIONS

### Emergency Drought Relief Program

**Mr. Engel:** — Mr. Premier, I will direct this question to you in the absence of the Minister of Agriculture. My question has to do with drought conditions that exist in many parts of the province, obviously worsened by the winds of the last couple of days. Have you initiated any discussions with Ottawa, and your counterpart in Ottawa, to initiate an emergency drought relief program? The weather may solve the problem. It's not too late to get some rain. But yesterday I was informed that yard lights were coming on because of the extreme dusty conditions in the southern part of the province. The farmers are contacting me. They want to know if there's any kind of preparations being made to jointly fund, or jointly administrate, some kind of a relief program. What preparations are under way in the event of such a serious situation?

**Hon. Mr. Devine:** — It's my understanding, Mr. Deputy Speaker, that there are discussions going on, not only with Ottawa, but I believe with neighbouring jurisdictions, about the possibilities of joint feed supply in the event that the weather conditions or the wind conditions were sustained and got worse.

I understand that there was rainfall in some areas, particularly Maple Creek, and others that were all looking forward to, and particularly in the southern part of the province. So my understanding in some discussions with the Minister of Agriculture that he's looking at the whole feed supply regionally, as well as discussing possibilities with various people in Ottawa.

**Mr. Engel:** — New question, Mr. Deputy Speaker. There's some business . . . The actual supply of seed isn't a real serious problem. The problem is funds to purchase the seed — both feed and seed. If the reseedling program needs to be taking place, and a person has already put his crop in,

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and the seed is in the neighbour's land, there's a possibility of reseeded. And the most serious aspect in the southern part of my riding is the feed grain assistance type of thing.

Are you looking at any area where some additional funding might be available, or where farmers could qualify for some kind of funding to purchase the needed, or the additional commodities they might need during the drought?

**Hon. Mr. Devine:** — Well, Mr. Deputy Speaker, I can't elaborate on additional specific programs. Certainly, as I mentioned, if high winds were to sustain themselves or to keep on for not only days but perhaps weeks, and it became to the point where seed was blowing out of the ground in large areas . . . Well sure, it happens on my farm in selected areas. It's a matter of not one day's wind; it's a matter of the consequences of it being a sustained bad climatic condition. If that prevails, obviously there will be more consequences to take into consideration. We are reviewing it with our neighbours and with Ottawa, and obviously monitoring the wind hourly.

**Mr. Engel:** — A question, Mr. Premier, regarding operating loans and loan operating guarantee type of thing. Are you considering expanding that tiny little program, that \$4 million loan program . . . (inaudible) . . . I think the minister told us yesterday 130 farmers have qualified under that.

In light of the fact that there's 6-7,000 farmers in serious debt positions that can't qualify under that program for some reason or other, are you considering expanding that program?

**Hon. Mr. Devine:** — Mr. Speaker, I understand that the program is working relatively well, and that farmers that are coming forward to talk to the other farmers that are administering are satisfied that they're getting a just hearing. I haven't talked to the director recently, but I understand that that's the case, that it is relatively successful. If the need is such that . . . if you've got severe weather conditions coming down and they're not normal, or it's an act of God, or it is a sustained drought, then we'll obviously look at other measures, but to date we are watching the weather. We are watching this program to see if it works and, from what I understand, they appreciate the opportunity to speak to fellow farmers about their problems, to see if they are unique, or if it's just due to some particular individual problem. And it's working. So we will continue to watch that.

**Mr. Engel:** — Mr. Premier, just one more question regarding your idea that's working. It's maybe like the minister said yesterday, that nobody was complaining and he wasn't giving me a chance to ask questions.

I have an example where a person phoned me this morning, Mr. Minister. He applied the day after the program was announced, right in the middle part of April. He applied for a loan. He has \$180,000 worth of assets, \$50,000 worth of debts, and he was turned down before it even got to the committee. He was turned down because his debt equity ratio was too small. His debts weren't large enough is what he was told.

And if you think that program's working when only 130 people qualify, when I and you both know that there are more than 6,000 people in trouble, why aren't you checking and monitoring this thing and deciding, well, if we've got to make that kind of constringencies on this program because you only have \$4 million, maybe you should open it up and say, there's farmers . . . This farmer can't put in his crop; this farmer can't put in his crop. And he's contacted your office or the office of the Minister of Agriculture this morning, saying, "What should I do? Where should I go?" He can't borrow more money at the banks; they won't give him any more. And yet he won't get a loan guarantee program because he was told, he was told . . .

**Mr. Deputy Speaker:** — Order. Does the member have a question?

**Mr. Engel:** — I was asking the question. Is your program . . . You say your program's working;

I'm saying it's not working. Are you planning on beefing it up so it will work for people like that?

**Hon. Mr. Devine:** — Just a point of clarification for the hon. member. You say that the man was turned down because his debt equity ratio was too small, so he had too small a debt. So if he's got too small a debt, that means that he must have a relatively small debt compared to his equity. If that's the case, I would be surprised if he couldn't get money to put his crop in, if he has that low a debt.

Now if he has a very high debt equity ratio, that's the kind of people that we tend to talk to, that can't deal with the credit union or the financial institutions that are here. But if he has a sound financial picture, then we don't want to get into the banking business for people who have a very low debt equity ratio. And if he's got, say, 3 or \$400,000 net assets, and he's quite comfortable, but he's got a debt, I'm sure, from my farming experience, he could get money to put the crop in the ground. So we have to draw it somewhere, or else we would be providing financial assistance to people who are very well off, and we don't want to get into that.

**Mr. Engel:** — Just one supplementary, Mr. Premier. His net worth's . . . His assets are \$180,000, his debts 50,000. None of the three banks in Yorkton that he saw this morning would give him any more money.

He's at the end of his rope, and yet your office advised him, your program advised him — and I can give you the name privately afterwards — but your office advised him — or you can call upstairs to Mr. Young — and your office advised him that his debt was too low as far as they were concerned.

The banks didn't think so. On \$180,000 worth of assets, he wasn't big enough to make a go of it, is what the real argument was, and is one of these small farmers that your government considered isn't a viable unit. That's the problem.

**Hon. Mr. Devine:** — Well, I mean, we can always pick . . . We have thousands and thousands of individuals. We can pick, and an example: did the member check with the local credit union? Did he check with each bank? And did you . . . And I know I can't answer your question, but do you know why the banks may turn him down if he has, what would it be, 130,000 net equity, or 150,000 net in the bank solid? Why wouldn't they give him seed money? I don't under . . .

Mr. Deputy Speaker, they are asking the question of me, why the government won't lend money to somebody who has a very good debt/equity ratio. And I don't know many financial institutions or credit unions that wouldn't lend money to somebody who has that kind of money. Now you'll have to tell me more about the details. What's your point? . . . (inaudible interjection) . . . No, but do you believe it should work . . .

Mr. Speaker . . . Mr. Deputy Speaker, if this is an illustration, if this is an illustration of what they think should be done, then I would like them to provide me with a great deal of information if that's where they think we should put public funds — into farmer's operations that have a very, very solid financial base, to replace the credit unions or the financial institutions.

### Loans of 8 Per Cent Interest to Farmers

**Mr. Lingenfelter:** — Mr. Speaker, a question to the Premier in the absence of the Minister of Agriculture. I find it interesting that the Premier would say that groups in our society do not need help when they are in good, sound financial shape. I find it interesting that you would choose to put \$150 million into the hands of oil companies who are daily announcing record profits.

My question to you, Mr. Premier, is whether or not you have considered the possibility of implementing your election promise of 8 per cent money — \$350,000 for each farmer in the province — which would help farmers and avoid getting into the crisis situation that many are

facing today, if you would implement that promise. Mr. Minister, or Mr. Premier, are you considering implementing that promise at this time, given the severe drought situation and other problems farmers are facing?

**Hon. Mr. Devine:** — Mr. Speaker, Deputy Speaker, I don't think the member from Shaunavon should mislead the public of this House or anybody else by implying that there was going to be 8 per cent money for every farmer for anything he wanted to do.

**An Hon. Member:** — That's what you said in Shaunavon.

**Hon. Mr. Devine:** — No, it wasn't. Mr. Speaker, I want to make it very clear that if the member opposite wants to imply that, he's misleading the House, and misleading the whole public, because I've asked him.

Mr. Deputy Speaker, the 8 per cent program is for young people buying the farms — buying farms — and it is implemented as we said it would be implemented. People know that it's implemented as we said it would be. Nobody — even the members opposite — never have said to anybody that they were going to refinance the entire farm debt in the province of Saskatchewan. There isn't enough money in the country.

Mr. Speaker, I want to make it very clear, I want to make it very clear to the member opposite, to the Assembly, to the public, to everybody else, that if the member opposite is saying that — he's misleading the people of Saskatchewan, and he knows better.

**Mr. Lingenfelter:** — Mr. Speaker, I would like to get the Premier on record how he establishes that oil companies, who are getting record profits, should get \$150 million in tax holidays, while at the same time the farmers of the province get a \$4 million program. How is it, Mr. Premier, that the oil companies of this province deserve 87 times more than the farmers of this province, the farmers who are the backbone of the province?

**Hon. Mr. Devine:** — Mr. Deputy Speaker, the member opposite continues to mislead the House and the public of Saskatchewan and everybody that knows the hon. member would understand that. He knows himself that the province of Saskatchewan picked up an extra 175 million net in our pockets in this province as a result of royalty holidays to get people back to work. He knows that, but he would hate to admit it. If he goes into the riding, Mr. Speaker, if he goes into the riding of Shaunavon, if he goes into it and looks at it, and I'm sure he does — I'll walk door to door to door talking about economic activity related to the oil patch or agriculture.

If we're looking at agriculture, Mr. Deputy Speaker, let's talk about the tax breaks that go to agriculture in Saskatchewan and compare them to anybody else that we want to look at, Mr. Deputy Speaker, let's go down the list. First . . . (inaudible interjections) . . . Well add it up, add it up. Let's start. Let's go down the list.

**Mr. Deputy Speaker:** — Order! The member from Shaunavon asked a question, and allow the Premier to answer it.

**Hon. Mr. Devine:** — Mr. Deputy Speaker, I think it's time that I got into my gas tax debate. Let's go . . . (inaudible interjections) . . . Let's . . . The public likes to hear about this. You might not, but I love it, and so do they. Could I have their attention? They're asking about breaks to farmers, Mr. Deputy Speaker. I'd like to talk about it. May I talk about it?

\$100 million a year gas tax removal — that's half of it goes to rural Saskatchewan; half of it goes urban. The population is 50 per cent rural; 50 per cent urban. That's 50 . . . Mr. Deputy Speaker, that's \$50 million that goes into rural Saskatchewan that they didn't have before. They didn't have it before. Every single solitary year . . .

**Mr. Deputy Speaker:** — Order. Allow the Premier to answer.

**Hon. Mr. Devine:** — Mr. Deputy Speaker, \$50 million a year to rural Saskatchewan in gas tax alone — 50 million that wasn't there. It wasn't there.

Second, \$11 million on property tax — education tax on the home quarter — 11 million. 11 million. That is more than any other gas rebate that they've ever had. If you add on to that, the rural gas distribution program that can save them thousands of dollars a year, that's adding up to \$350 million in rural Saskatchewan.

If you take the tax breaks that are going to the livestock industry, they can amount to 15 or 20 to 2,500 to 3,500 to \$5,000 a year for a farmer that participates in any one of those. When we look at the programs that have been initiated in this province, it adds up to \$11 million annually that's going to rural Saskatchewan that wasn't going before.

So I will gladly compare, Mr. Deputy Speaker, our agricultural programs, our agricultural success, to any other jurisdiction across Canada or, in fact, the United States.

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

### **Provincial Employees Seeking Federal Conservative Nominations**

**Mr. Sveinson:** — Mr. Speaker, Mr. Deputy Speaker, in the past weeks and months, by way of information, there have been several employees of this provincial government who have been seeking federal nominations around Saskatchewan. Some of these employees, and some of them are very local in Regina — Regina east and Regina west — the general counsel of CIC, for instance, who in 1984 will earn in excess of \$100,000 on the public payroll . . .

I would like to ask the Premier of Saskatchewan how he can explain that it's in the public interest that these people travel around at public expense, in luxury automobiles, on open-ended expense accounts, seeking the nomination of the federal Conservative Party of Canada.

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

**Hon. Mr. Devine:** — Mr. Deputy Speaker . . .

**Mr. Deputy Speaker:** — Order, order. There's been a question asked, and allow the Premier to answer.

**Hon. Mr. Devine:** — Mr. Speaker, two examples that I'm very familiar with is: one is mine because I was a public employee while I sought the nomination. In fact, even when I ran in the election of 1978, I worked for the government as a professor at the university.

Secondly, I can recall a fellow that I ran against . . .

**An Hon. Member:** — You didn't work for the government, let me tell you that.

**Hon. Mr. Devine:** — I do now. I do now!

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

**Hon. Mr. Devine:** — The second example that I can think of is a man who worked for Sask Power who ran against me, and I believe he sought the NDP nomination, and he was a member of the government. And, in fact, he won that. He won and he went on to become an MLA. He ran again, and somebody else beat him — I believe I won that time — and he's back working in power. He is now a government employee again.

So there's an example for the hon. member where public employees working, say, at a university, or as a teacher, or as anybody else for that matter, or somebody elected to City Hall downtown, or anybody else who has ran because they have a right to run; if they win, then they resign. Or I believe the rules go if you . . . the day the write is dropped, federally, then if you're a public employees, you have to step down.

So people have the democratic right to seek elected office in Canada if they work for the provincial government, federal government, if they're a teacher, if they're a professor. I don't think you're against people participating in the democratic process. Maybe you are, but . . .

**Mr. Sveinson:** — Mr. Deputy Speaker, I appreciate the answer the Premier's given me. The examples that I quote are political appointments of this . . .

**Mr. Deputy Speaker:** — Order. A supplementary question does not allow preamble. Does the member have a question?

**Mr. Sveinson:** — I have a new question, Mr. Deputy Speaker, and accordingly I think that I deserve a preamble to my new question. I am not debating with the Premier that they don't have the democratic right to be active in Saskatchewan politics. I think that's available to us all, and several members of the caucus were working for government. I wasn't when I was elected, but I am saying that the political appointees of this government . . .

**Mr. Deputy Speaker:** — Order. Does the member have a question?

**Mr. Sveinson:** — I have a new question, Mr. Speaker. And my new question to the Premier is: how much has presently or, in fact, in the last few months has been spent by members of your Executive Council and members of employees of your cabinet in seeking election as Progressive Conservative candidates federally?

**Hon. Mr. Devine:** — Mr. Deputy Speaker, they have spent no . . . They spend no public funds. They spend their own funds., I mean, as an example, I think it's true . . . I think it's true, Mr. Deputy Speaker, that one Patty Atkinson was just nominated, just nominated to seek the . . . And as the candidate for Saskatoon, or has won the nomination, and she works for the provincial government. She works for the rental appeals board.

And there are other people that may even run for your party, or somebody else that may run for another party. They're entitled to do that. But they can't . . . I assume Patty Atkinson doesn't spend public funds, and I assume anybody else doesn't spend public funds. I didn't spend public funds when I was seeking a nomination, working for the university. I don't believe that Jack Chapman did when he was running in Estevan, and I don't believe other public employees do.

**Mr. Sveinson:** — New question, Mr. Speaker. With respect to the general counsel of the Crown Investment Corporation, who toddles about the city and runs a campaign for several months at public expense — longer coffee breaks, longer lunch hours, afternoons off working on his campaign — I think you'll acknowledge that, Mr. Premier. All I'm asking for . . . I don't want to know exactly how many tens of thousands of dollars have been spent by these people, I would like to know . . . I would just like to have your acknowledgement that public funds have been expended on behalf of members of your cabinet staff and your Executive Council staff in seeking the nominations of the federal Conservative party.

**Hon. Mr. Devine:** — I can understand, Mr. Deputy Speaker, why the hon. member might be upset because he didn't win the nomination. I told him he wouldn't win to start with.

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

**Hon. Mr. Devine:** — And in my humble judgement, he won't win anything from now on.

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

**Hon. Mr. Devine:** — So, Mr. Deputy Speaker, they spend no public funds.

### **Sales of Department of Highways Equipment**

**Mr. Lusney:** — Thank you, Mr. Deputy Speaker. I have a question to the Minister of Supply and Services. Mr. Minister, this has to do with a letter I sent you on February 20th, regarding the some 450 units from the Department of Highways that are up for sale this week.

Now, Mr. Minister, I made a reasonable request, and that request was: would you provide me with a complete list of every piece of equipment sold?

**Mr. Deputy Speaker:** — Order, order! The member from Regina North West is being very rowdy and we can't hear the question. I would ask him to be quiet.

**Mr. Lusney:** — Thank you, Mr. Deputy Speaker. Mr. Minister, would you provide this House with a complete list of each piece of equipment sold, the amount of the successful bid in each case, and the name and address of each purchaser? I think this is a very reasonable request, and it's one that I'm sure the public of Saskatchewan would like to know, as to what they will receive for their equipment.

**Hon. Mr. McLeod:** — Well, Mr. Deputy Speaker, there's no problem whatever with that request and, as I indicated to the hon. member — I'm not sure it was that hon. member, but at least to one of his colleagues during the estimates of Supply and Services — once the sale is over, once the market value has been established by that sale, and all of the details are sorted out, certainly that will be public knowledge, and I'll be very pleased to provide that information to the member.

**Mr. Lusney:** — Mr. Minister, at the same time as you have indicated that you will be supplying us with all the information I asked for, would you also provide us with what the cost was to the taxpayers for their auctioneer's services?

**Hon. Mr. McLeod:** — Now I have said to the hon. member that I would offer all of the information that is obviously public knowledge, afterwards — the price that was received for all of the various items in the sale, and so on, and that will be provided after the sale. I won't give an exact date right after, but it will be very soon after the sale is completed and all of the book work is done.

### **STATEMENTS**

#### **Ruling on a Point of Order**

**Mr. Deputy Speaker:** — Before orders of the day, I have a statement on ruling of a point of order.

Yesterday after the oral question period, the hon. member for Shaunavon raised a point of order. He stated the Deputy Premier was answering a question that he had not taken notice of on a previous day. I deferred my ruling at that time.

I have reviewed the verbatim record for May 11, 19084 and May 14, 1984. It is the usual practice of this Assembly that when a minister is asked an oral question, he may answer it directly or take notice of the question and bring back the answer at a later day.

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When a minister rises on a later day to reply to a question he has taken notice of, the Chair cannot be held responsible for knowing whether the minister did take notice of a question on an earlier day. The House has to rely on the undertaking of a minister that he is replying to a previous question.

With regard to the specific point raised by the member for Shaunavon, I find that the minister was responding to a matter which had been raised on May 11, 1984, but I also find that the minister had not taken notice of the question. It appears to me that the minister was attempting to clarify an answer which he gave on May 11, which is not permitted during the oral question period.

When a minister rises to answer a question which he has taken notice of, I urge him to ensure that he is responding to that question. Later clarifications of previous answers cannot be permitted.

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

### **ORDERS OF THE DAY**

#### **MOTION UNDER RULE 16**

**Mr. Yew:** — Mr. Deputy Speaker, I enter this debate as both a native person and a native Northerner to condemn, to condemn the effect of the Devine government's economic and social policies upon our people in Saskatchewan and upon my region of this province, the Cumberland constituency.

The Devine government, Mr. Deputy Speaker, came to office two years ago, promising, among other things, a new vision for the North. The Conservative vision has turned out to be a nightmare for the people of the North. The numbers speak for themselves. I want to spend some time reviewing those numbers, Deputy Speaker, and then move on to discuss their impact on the people in northern Saskatchewan, on my constituency, and the people of this province.

The Devine government came to power promising new jobs and opportunities for northern people. But what is the result, Mr. Deputy Speaker? What is the result? In over two years the number of people registered as unemployed at the Canada Employment Centre in La Ronge has jumped from 1,627 to more than 2,000 people. That's an increase, Mr. Deputy Speaker, of 23 per cent in the number of officially unemployed in just that one region. And that is, Mr. Deputy Speaker, just a tip of the iceberg because thousands more have given up hope and no longer register with the Canada Employment Centres.

In many northern communities, unemployment runs between 80 and 95 per cent. In two short years, the number of families on welfare in the North has sky-rocketed from just over 1,300 to more than 2,100, an increase of 62 per cent in the welfare case-load in northern Saskatchewan.

Why has this happened, Deputy Speaker? Why has the economy of northern Saskatchewan all but ground to a halt? Mr. Deputy Speaker, because this government gave up on the North and its people, because this government abandoned the North. It abandoned all social and economic programming and services.

The Devine government claims that the private sector will help to develop the North. The Devine government claims that investors and corporations from outside our province will some day come in and provide the economic growth and prosperity that Northerners so desperately need.

Mr. Deputy Speaker, Northerners don't need, pardon me, Northerners don't need jobs some day. They need them today; they need them now. And the private sector is never going to move into



the North in a meaningful way unless the provincial government in Regina shows faith in the future of the North.

But that's not what the private sector has been shown these past two years, Mr. Deputy Speaker. Instead they have been shown a government tripping over its own feet in its haste to dismantle northern programs and services. They have been shown a government whose chief policy is to abandon the North, and the people in northern Saskatchewan — to leave them to have them fend for themselves.

And so, the major infrastructure work which must be completed, if the private sector is ever to move into the North, has come to a screeching halt under the Conservative government. Mr. Deputy Speaker, northern highways, northern housing, northern schools and health-care facilities, northern municipal services, northern job-training options and opportunities have come to a halt.

In every key area the Devine government has slashed and cut and phased out assistance, encouragement, and support. The result has been higher unemployment, increased welfare reliance, increased welfare roles, less private sector investment, and fewer job opportunities for people living in northern Saskatchewan.

And even the work which has taken place in the North has taken place with Northerners as the main beneficiaries, Mr. Deputy Speaker. For example, the Nipawin hydro project under way today in northern Saskatchewan employs some 1,400 people, but most of them are from outside Saskatchewan — most of them are from outside Saskatchewan. The parking lot at that construction site is filled with Alberta and British Columbia licence plates.

But how many native Northerners are working there, Deputy Speaker? How many of that 1,400 total work-force come from the nearby communities of northern Saskatchewan? Communities like Cumberland House, Sturgeon Landing, Sandy Bay, Pelican Narrows, or even Wollaston Lake — remote, isolated communities that need jobs. Mr. Deputy Speaker, there are only seven out of that total work-force of 1,400 — only seven people are employed in that Nipawin hydro project.

Another example of northern development not creating northern jobs is the Key Lake Mine. Total employment at the mine site is 480. According to a recent letter from the minister of northern Saskatchewan, of that total only 135 northern residents of Indian ancestry, even though the Key Lake service lease agreement calls for 60 per cent of the work-force to be native Northerners. That was an agreement arrived at between the province and the provincial government, throughout public inquiries that were held into the industry.

The Devine government explains this shortfall by saying that there are not enough native Northerners trained to do the skilled jobs at Key Lake. But at the same time, Mr. Deputy Speaker, the Devine government has slashed spending on training for Northerners in this year's budget. It just doesn't make sense, Mr. Deputy Speaker; it doesn't make sense.

Native Northerners do not want hand-outs. They do not ask or want special treatment. All they want is a fair chance. They want to be a part of the solution, not a part of the problem. All they want is to be given the opportunity to help themselves. And that's a fact, Mr. Deputy Speaker.

But this government won't do that, won't listen; it won't accept that. It refuses to provide native Northerners with a helping hand, with some recognition, with some encouragement and support on their own aspirations.

Even worse, when native Northerners prove willing to do things for themselves, this government kicks them right in the teeth.

A prime example, Mr. Deputy Speaker, is what has happened recently at the Gabriel Dumont Institute. Here were a group of native students willing to make the effort to train themselves for

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meaningful and permanent jobs. The Devine government has offered them student bursaries, had offered them student bursaries, to help them finance their training because many of them were single parents. The government promised these students that this financial assistance would remain constant throughout their training period, which was two years.

But half-way through their course, Mr. Deputy Speaker, the Devine government, the Conservatives, changed the rules. Last month the government cut back the assistance to many of these native students.

Many now face the possibility of having to leave school, of having to drop out, of having to give up their hope for a secure economic future because of a lack of financial help, because of a lack of support, encouragement, and commitment by the Conservative government of today.

It just doesn't make sense, Mr. Deputy Speaker. The Devine government, the Conservative government of today, talks about training and the many jobs available if people would just apply themselves and train themselves for new opportunities. But then when it finds native students willing to do that, they kick the rug right from under them.

This is not a government with a long-term economic plan, Mr. Deputy Speaker. This is not a government committed to the North and its people. That's a government whose only economic policy is to stand aside and hope that the private sector will come in from the outside, will come in from outside our province and get the job done.

This means, Mr. Deputy Speaker, that they have no vision, no economic strategy, no commitment. This is government by default. And the latest PC budget confirms that, Mr. Deputy Speaker — that policy of ignoring the North and abandoning the people of northern Saskatchewan.

The Devine government talks about the need for economic development in the North, but grants for northern economic development projects were slashed in the budget from 1.4 million down to 200,000.

The Devine government talks about the need by Saskatchewan, but then it turns around and awards major tree-planting contracts to firms from outside of the province, to firms from British Columbia, at the expense of Saskatchewan-owned businesses and Saskatchewan jobs.

Just the other day, Mr. Deputy Speaker, I attended . . . Just yesterday, pardon me, I attended the grand opening at Hall Lake of a school that was long looked forward to by the community. And at that meeting, at that opening, I had occasion to talk with the band, with their chief, with their elders, and they expressed to me their disappointment with this Conservative government with respect to the awarding of contracts to out-of-province firms, the province I just mentioned recently.

The tenders, the contracts, should have went to the immediate communities affected by reforestation areas of the region.

In conclusion, Mr. Speaker, Mr. Deputy Speaker, I warn the government to reverse its economic and social policies in the North. If the government fails to do this, the situation in the North will come increasingly volatile. Each time that I return to my constituency, I find an increased level of both disgust and desperation with respect to the provincial government, with respect to the Conservative government.

Northerners are feeling more and more distant from the government in Regina, the government that just doesn't care about them or their problems. They truly are feeling abandoned. These kinds of feelings, coupled with a desperate economic situation, breed confrontation rather than co-operation and trust. I urge the Devine government to realize that, and to act to prevent that

before it is too late, which is why my colleagues and I rise in this debate today with . . .

**Mr. Deputy Speaker:** — Order. The member's had his 15 minutes of opening with Rule 16. I would ask the member to move his motion immediately.

**Mr. Yew:** — Thank you, Mr. Deputy Speaker. I move:

That this Assembly regrets that the Government of Saskatchewan continues to pursue economic policies which are increasing the number of victims of the Saskatchewan recession, the number forced into unemployment and on to social assistance, particularly young people and northerners, and further, that this Assembly urges the Government of Saskatchewan to cease its attack on the victims of recession and to begin implementing concrete, positive, social and economic policies.

I so move, seconded by my colleague from Athabasca.

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

**Mr. Thompson:** — Thank you, Mr. Deputy Speaker. It gives me a great deal of pleasure today to rise in this legislature to second the motion by my colleague from Cumberland who indicated in his remarks that there was a serious problem in Saskatchewan, a serious unemployment problem, and in his closing remarks the member from Cumberland indicated:

That this Assembly regrets that the Government of Saskatchewan continues to pursue economic policies which are increasing the number of victims of Saskatchewan recession, . . .

The Saskatchewan recession, Mr. Deputy Speaker, that the Devine government continually speaks about in this House, the recession that they are not taking part in, and I want to indicate to you, Mr. Deputy Speaker, that while the members across continue to indicate that they're not taking part in this recession, if they were to get out into the real world — and it don't matter what part of Saskatchewan you come from — will find out that the recession is in Saskatchewan, and the recession is very real. And in some areas of this province, Mr. Deputy Speaker, it's no longer recession. We have reached depression proportions.

Why this Assembly? This Assembly is in session or not, Mr. Deputy Speaker, I am in constant contact with people in the Athabasca constituency, and I'm talking to my constituents by telephone, or face-to-face in their homes. And I find one overriding emotion, Mr. Deputy Speaker, and that's desperation — desperation with this government and this government's policies; a sense of desperation about their economic future; a sense of desperation for work, any work, to help them provide for themselves and their families. This mood of despair is growing worse on almost a daily basis.

The mood has really changed in northern Saskatchewan since this government took office two years ago, Mr. Deputy Speaker. Prior to the election of this Conservative government, many of my constituents were looking to their economic future with a sense of hope, a sense of excitement about new training and job opportunities for northern people, but that has all changed. With the election of a Conservative government, all their hopes and all their dreams have gone out the window. We now have massive unemployment and massive unrest in northern Saskatchewan and, I might add, in the rest of this province.

Today, far too many people in my constituency feel that the provincial government has abandoned them and their families. Too many people feel remote from the government in Regina and see no way to communicate with that government in a meaningful way. Worst of all, it doesn't have to be this way, Mr. Deputy Speaker.

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There are many things that the provincial government could do, and should be doing to provide new opportunities and new hope for the North and its people. That's what I want to spend my time on this afternoon, Mr. Deputy Speaker. My colleague from Cumberland has talked about the failure of the Conservative government in the North. I want to move beyond that and talk about the opportunities which are there, starting this government in the face, opportunities which, if acted upon, would create thousands of new jobs and opportunities for the people of the North, and make Northerners feel, once again, that they are an important part of our province.

Reforestation. Both to create jobs today and protect jobs in the forest industry for tomorrow. An expanded improved silviculture program. If the Conservative government would approach our northern forests as a major renewable resource, they would greatly improve and expand upon our management techniques. They would not be looking at the aerial spray, Mr. Deputy Speaker, with the silviculture program that we have in this province of planting trees and reforestation and the thinning out of our forests so that they can grow better.

We see the government opposite, when we have high unemployment rates in the province, and especially with our young people — young people who are finishing grade 12, young people who are out of university and looking for work. And what does this government do? It takes 500 acres and they want to thin it out. And instead of creating jobs, they are going to spray 500 acres of our forest land with 2,4-D, a toxic chemical.

Mr. Deputy Speaker, this is something that should not take place, and I sincerely hope that this government will take a look at the program and reimplement the 2,4-D spraying with a job creation program for the young people who are looking for work — young students who have just graduated out of grade 12, young university students who are out of university and are looking for work — who could go into that 500-acre plot of northern Saskatchewan forest, clean out the bush that has to be cleaned out without the use of toxic chemicals, without the danger to the wildlife and to the water and to the human beings that are in that area.

I say that this government has to take a serious look at that spraying of them forests, and to replace it with a program that would create much needed jobs.

Infrastructure to provide development for the private sector. The private sector will never develop the North unless the government provides modern, adequate infrastructure. The North desperately needs more schools, hospitals, highways, nursing homes, recreational facilities. An expanded program of construction of these badly needed facilities would create hundreds of jobs in the North and encourage more private sector investment in the North.

Housing is another area in northern Saskatchewan that should be expanded, improved upon, and would create many jobs for northern residents. Modern housing of all types is needed throughout the North.

There are just a few of the missed opportunities which the Devine government has passed over totally, ignored during the first two years in office. What has it done instead? The Devine government seems to have done everything possible to put Northerners out of work.

We know what's going to happen this coming Wednesday when the Department of Highways decided that they would take away the jobs from the public sector in the Department of Highways, and they are going to auction off \$40 million worth of highway equipment — \$40 million that this Conservative government expects to get from the highway equipment that was creating 440 jobs, Mr. Deputy Speaker — 440 families were making a living. And what does this government do? It fires 440 people. It takes away all hope from them, and places it in the private sector. And this is just not taking place, Mr. Deputy Speaker. One just has to take a look at the statistics of the jobless trades people in this province. And there's 2,406 heavy-duty equipment operators who are unemployed today in this province, and a lot of them were working for

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Highways. They are sacrificing 451 pieces of machinery for what they consider to be worth \$40 million. And I say that they are taking \$40 million to improve their cash flow, and have destroyed over 400 families.

Mr. Deputy Speaker, if this government, in that auction sale on Wednesday and Thursday, do not get the \$40 million that they say that equipment is worth, then I say that it's a disgrace for the jobs that have been destroyed, and the families that have been destroyed for less than the \$40 million that they say that that equipment is worth.

And I say that there is unemployed highway people all over this province, and they are among the 2,406 heavy-duty construction operators who are unemployed today in this province. And they are not being picked up by the private sector.

The Devine government has taken two years to review the programs that was just a convenient cover for a decision to cut off funding for northern housing construction. We had a northern housing program in northern Saskatchewan which employed over 500 people. Today that no longer exists. There is no northern housing program in northern Saskatchewan. It's being tendered out to the private sector, and you can go into any community you want in northern Saskatchewan, and some of the contracts are giving out — maybe six houses, from a contractor, with no conditions that he has to hire Northerners. And that is taking place. Most communities have no construction taking place at all, no repairs to the houses, and as a result all these individuals who were working as carpenters no longer have jobs. And they add to the list of carpenters, Mr. Deputy Speaker, who are unemployed in this province. And there's 55 per cent; 8,922 unemployed Saskatchewan construction workers, and this includes 2,513 carpenters in this province — in this province that the Conservative government claims is moving ahead.

**Mr. Deputy Speaker:** — Order.

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

**Hon. Mr. Hodgins:** — Thank you, Mr. Deputy Speaker. It gives me a great deal of pleasure to rise here this afternoon and enter this debate under Rule 16.

The subject of economic policies and social policies are certainly very, very worthy of discussion, and I am very, very pleased that the member for Cumberland has decided to bring this topic forth for debate this afternoon. In fact, I commend the member opposite for his choice of topics.

But I do want to very, very firmly emphasize my total disagreement with the suggestions made by his motion, and I want to inform the Assembly that I will be moving an amendment to that motion at the conclusion of my remarks.

Mr. Speaker, or Mr. Deputy Speaker, pardon me . . . Admittedly, we are certainly in a recessionary period and, indeed, the whole of Canada is suffering from the effects of this recession. But I would like this afternoon to demonstrate to the Assembly how the Government of Saskatchewan has adopted policies, and adopted programs that will shield the citizens of our province from the effects of this recession.

In fact, Mr. Deputy Speaker, the Progressive Conservative government has taken a number of measures to develop an economy that is as strong and as viable as is possible during a period of time when the whole of Canada is suffering from a recession — in a period of time when world prices for agricultural and resource products are declining.

Mr. Speaker, our government has done a fine job, and I want to demonstrate that to you this afternoon. We have undertaken a number of initiatives that have minimized the effects and the impacts of recession on Saskatchewan residents.

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We have undertaken many initiatives that have stimulated the economy and will create a large number of jobs. And the result of these programs and policies, Mr. Speaker, is the fact that today in our province we have the lowest unemployment rate in the whole of Canada.

And I believe that that . . . that we should certainly spend a little bit of time discussing the employment rate. There are the preachers of doom and gloom in the opposite benches who suggest, in their remarks by the member from Athabasca a few moments ago, suggested that we have massive unemployment.

Well, Mr. Deputy Speaker, nothing could be farther from the truth. The employment rate . . . I'd like to dwell in the employment rate, the people who are productive in our society today, who have jobs, who are working from nine to five, or whatever their shift allows. The employment rate in this province today, Mr. Speaker, is 91.7 per cent. Just about 92 per cent of the people in our province have jobs. They get up in the morning, Mr. Speaker, and they have a job to go to.

Now the preachers of doom and gloom speak of our massive unemployment rate of 8.3 per cent. Mr. Speaker, the rate is the lowest in Canada. It is a rate that I'm sure all members on this side of the House are very, very proud of, and the people of Saskatchewan are proud of.

I think it bears suggesting that perhaps an independent view of the employment rate in our province would serve well to be brought up here today, Mr. Speaker, and I would like to quote from The Conference Board of Canada, who I'm sure is well respected throughout this country and others, as being very, very independent. A title in their recent edition suggests:

Saskatchewan's unemployment rate lowest in Canada.

In 1983, while Canada suffered a national unemployment rate of 11.1 per cent, Saskatchewan consistently had the lowest rate of unemployment in the whole nation, at 6.1 per cent, reflecting the stability of the provincial economy. The Conference Board of Canada has predicted that economic growth in Saskatchewan will again this year outstrip the rest of Canada.

And I want to emphasize that, Mr. Speaker. The Conference Board of Canada, a very, very independent board, has suggested that, once again, Saskatchewan will lead the nation, and I reflect on the Premier's words, who many, many times has said that we are going to be number one. Well, Mr. Speaker, I want to emphasize that we are number one when it comes to employment rates in this country.

We are a leader in job creation, Mr. Speaker. In 1983 Saskatchewan was ahead of the rest of Canada with job creation, with the exception of Prince Edward Island. Once again a leader, Mr. Speaker, number one. I quote from a very, very well-known financial institution, Midland Doherty Limited from Toronto, their Saskatchewan budget report for 1984-1985. The quote says:

Saskatchewan was among those least affected by the recession.

Now members opposite can pick out certain instances and certain areas and find there are certainly people who have been affected by the recession, but overall, province-wide, Saskatchewan was among those least affected by the recession. One reason for Saskatchewan's relative prosperity is Premier Devine's campaign to attract investment, and here again, Mr. Speaker, I feel that we have done an excellent job.

Mr. Speaker, I would like to review with the Assembly some of the programs and policies adopted by our government, and I would firstly like to start with one that the members opposite very much like to criticize, and very much like to scoff at, and it was brought up in question period today. Mr. Speaker, that was the reduction of the gas tax, or removal of the gas tax, Mr. Speaker, and I would suggest that the reason why the members scoff at it is because they don't

like to hear it. They don't like to hear about income tax cuts, or tax cuts of any kind, because while they were in government I do not recall in my years seeing any reduction in any tax whatsoever. It was always increases in taxation.

Mr. Speaker, the gas tax — and I will bring it up today, and I do not want to be redundant about that, Mr. Speaker, or Mr. Deputy Speaker, but the fact remains that that tax was not removed for one year, or for two years. It has been removed for as long a period of time as we will be government. So, therefore, I believe it's relevant to bring that point up here again today. And we will bring it up again next month, and next year, and for many, many years following, Mr. Speaker . . . (inaudible interjections) . . . You bet they love it. And, Mr. Speaker, once again that was the largest single tax cut in the history of Saskatchewan, giving each individual approximately two hundred more dollars per year in their pockets, and we're talking about disposable income, Mr. Speaker.

I'd like to talk about the mortgage interest reduction program, Mr. Speaker, and here again I . . . the members opposite will say we're being redundant, and they don't want to hear about it. The reason they don't want to hear about it, Mr. Speaker, is interest rates are on the rise; and today, Mr. Speaker, is a time when our government is once again going to look after the people, keep them away from the dirty effects of recession and inflation.

Another program, Mr. Speaker — and I could go on and on, and we have programs brought forth in our budget, programs that have eliminated sales tax on power bills, and they don't like that one either, Mr. Speaker. They get sensitive about programs that are very, very well received by the people of our province. They don't like to hear about the elimination of the school tax for farmers because that one bites them, and it helps the farmer. They don't like to hear about many of our programs, Mr. Speaker, because they understand that they are good programs that are helping the people of our province.

The new initiatives taken on by our government, Mr. Speaker, to attract investors to our province, and here's programs that will create jobs, and they don't like to hear about that program. Programs such as the new youth employment entry programs; programs such as the venture capital tax program. They don't like to hear those, Mr. Speaker, because they are good for business. They are good for creating jobs. The only thing that those programs are not good for is the members opposite.

Mr. Speaker, I am indeed very, very pleased about the performance of our government, and I do believe when you compare our government to the rest of Canada, we have a record that is undeniably one of the best in the whole country; the lowest unemployment rate, Mr. Speaker; one of the best job-creating programs ever initiated by any government.

Mr. Speaker, I, as mentioned before, will be moving an amendment to the motion. And I would like at this time to give you that amendment. And the amendment would be as follows. We will delete all words following "Assembly" in the first line, and we will add thereafter:

Commends the Government of Saskatchewan for its economic policies which have resulted in Saskatchewan having the lowest rate of unemployment in Canada, and its compassion in increasing overall spending on welfare clients, including assistance, training and jobs, and setting assistance for families, the highest in Canada.

And this amendment, Mr. Deputy Speaker, will be seconded by my colleague, and my bench mate, Keith Parker, member for Regina North — Moose Jaw North, pardon me.

**Mr. Parker:** — Thank you very much, Mr. Deputy Speaker. It's a pleasure for me to join in this debate this afternoon on the motion under rule 16.

I think it's because of motions like this that we're continually reminded just how short some

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memories can be. And let's take a look at the motion, and let's look at it in detail.

If we look at the first part of the motion we see that it deals with — the Assembly regrets that the government continues to pursue economic policies, increasing the number of victims of recession, forcing people onto unemployment and social assistance, particularly young people and Northerners. Well, Mr. Deputy Speaker, this motion probably would have passed unquestionably if it had of been put forth at the right time. That time would have been about 10 years ago. And I suspect that's probably where the member from Cumberland got the motion from, is off the books, about 10 years ago, because it certainly would have been applicable then.

I ask the people of Saskatchewan to just pause and reflect for a moment and think about what it would have been like, or what it could be like, if we were still under the system of the NDP right now. Now talk about economic policies; talk about policies that increase victims of recession and cause unemployment. What about the flip-flop, the recent flip-flop, and obviously the two members from northern Saskatchewan — and I can't believe that of all the members of the party opposite, these two would be the ones that would be putting forth this motion, because obviously, they weren't at the last NDP convention in Saskatoon. At that time it was decided by a majority that the \$600 million, over half of our Heritage Fund that they had spent and squandered, according to them now, on uranium development in northern Saskatchewan, providing jobs for young people and providing jobs for Northerners, all of a sudden wasn't necessary any more.

They started to tell people they wanted to spend money, spend the taxpayers' money on resource development in the province of Saskatchewan, money to create jobs for Saskatchewan people. Then they decide on one glorious weekend that that's not really what they wanted to do after all. Let's close the mines. And I would really be interested to know how the two members involved in this debate voted at that particular conference.

Can you imagine how the young Northerners in this province must have felt when they got the word that at the conference in Saskatoon the NDP voted unanimously to close the mines if they ever got a chance to form government again? And can you imagine, Mr. Deputy Speaker, the kinds of programs that this government could have implemented with our philosophy had we had that \$500 million to dispose of in the positive fashion in which we like to implement programs? Can you imagine the number of schools and hospitals that could have been built? The jobs that could have been created? The tax cuts that could have been implemented? The road, the recreation and culture facilities?

And before I talk about tax breaks, let's look at another investment that the NDP like to get involved in. Several years ago they weren't satisfied with owning 30 per cent of the Prince Albert pulp mill. No, they decided that rather than let a private investor come in and maybe provide the other 70 per cent of the funds necessary to operate the mill, create the same number of jobs, no — they thought it would be good to spend another \$130 million of the taxpayers' money so that they could own the entire mill themselves. Of course, the result is well known to everyone in the province of Saskatchewan. We've had absolutely no return on that investment on their part.

Now if we look at what that \$130 million could have done and compare it with the type of philosophy that our party puts forth, they could have easily removed the gas tax. If they'd have been concerned about the average person in Saskatchewan, and if they'd have been concerned about what they talk about in this motion — effects of recession, unemployment, putting people on social assistance — there's an opportunity that they had. They had the money. They could have turned around and removed the gas tax. That would have hit everybody in every corner of the province, Mr. Deputy Speaker. People in Shaunavon, people in Quill Lakes, people from all over the province could have felt the benefits of a move like that.

So I caution people to recall just what it would have been like, and what it could be like if the NDP were, in fact, back in office. First of all the mines would be closed. Thousands of young



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people, and particularly Northerners, would be out of jobs. They'd be on unemployment. They'd be on social assistance. And every time you gas your car up, you'd be paying an extra 20 per cent at the pumps.

And, of course, the reason that the members opposite cringe and get so excited when we talk about the gas tax removal is simply because of the fact that it's still there, and it's going to be there forever, as long as we're in power. And that 20 per cent amounts to more money each year of a saving, a direct saving to each and every person throughout the province.

Now when we look at the issue of unemployment, if you look at a government, and you look at their economic policies, they serve as a barometer in terms of job creation. The amount of job creation is reflected by the economic policies of a government. I think we all accept that.

So I'd like to go back and look at what the record was of the previous government. Once again, it's very easy to forget, Mr. Deputy Speaker. Now I won't go back all the way back to 1973 or '72, because it was worse then. For the benefit of the members opposite, I'll only go back to 1978.

And I remind you that in 1978 the rate of job creation for the country was over 50 per cent higher than in the province of Saskatchewan. So what does that tell us? That this government we had in 1978 wasn't capable with their economic policies of keeping pace with the rest of Canada in terms of job creation.

Well, did it get better? It certainly did not. In fact, our rate of job creation was lower than Prince Edward Island, it was lower than Newfoundland, and, if you can believe it, it was even lower than Manitoba. In fact, it was lower than any other province in the country with the exception of Quebec, and we were neck-and-neck for last with Quebec.

This trend continued in '79, in 1980, and again in 1981. Finally the people of Saskatchewan decided to make a change. Enough was enough. So when the Devine government went around the province and asked people to contribute, and asked people for some input in fashioning our economic policies, it's no surprise to anyone that they were certainly prepared and eager to come forth and assist us, and as a result of that we all know what happened in April 1982.

And it was obvious, Mr. Speaker, that the results were going to be positive, almost immediately. The people of Saskatchewan went from a tie for last place in job creation to number one. That was the priority of the Devine government in 1982, and it still stands as our number one priority in 1984.

I find it very difficult to understand the reason for the second portion of the member from Cumberland's motion when you consider that the sole thrust behind the policies of the government of the day was to promote the growth of government at the expense of the private sector.

And before I elaborate on some of the imaginative progressive policies for promoting social and economic policies of this government, let's remember what we found when we took office — a huge, growing bureaucracy increased by 10,000 people in a decade; high taxes; Crown corporations losing fortunes. Sask Power alone, had a billion dollar debt. The interest on that debt, by the way, for the benefit of the Leader of the Opposition who can't work things out other than in hourly figures, is \$15,868 an hour.

I think it's important that we remember, Mr. Deputy Speaker, that during that time when we weren't getting any tax benefits from the party opposite, things were going up; at the same time world markets were buoyant. The demand for potash was high, oil prices were high, farmers were selling their wheat, and the government was also enjoying huge profits from the energy industry; so where did the money go?

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Now getting back to job creation, Mr. Deputy Speaker, I think it's important that we note some of the positive steps that this government has taken since coming into office and, more particularly, policies that we're now putting into place in our current budget year. Youth employment programs providing \$2.50 an hour wage subsidy, which will result in the creation of approximately \$11,000 new jobs here in the province of Saskatchewan; a summer employment scholarship program, a \$4.25 an hour wage subsidy that will create another 130 jobs this summer.

Opportunities '84 continues once again, and this year it will create another minimum 2,600 new jobs. The Saskatchewan Employment Development Program, another \$4.25 an hour subsidy will create another 1,500 jobs; careers opportunity, on-the-job training for provincial people, \$4.25 an hour subsidy, another 200 jobs; senior home repair program, \$1,000 grant minimum, another 1,600 jobs, Mr. Deputy Speaker.

The rental incentive program will create in excess of another 585 jobs; the Venture Capital Tax Credits, and this is where we really notice the difference, Mr. Deputy Speaker. The innovations and the imagine that this government can put forth, that the taxpayers out there can participate in, and enjoy the benefits from, as opposed to the same system year after year, the same imagination which amounted to . . .

**Mr. Deputy Speaker:** — Order. I have to advise the member that his time has expired.

**Hon. Mr. Blakeney:** — Mr. Acting Speaker, I very much want to take part in this debate, and I want to make a couple of points. I don't know whether the member for Moose Jaw North was deploring the fact that the power corporation and other corporations had a debt when this office came to power, this government came to power, but if, in fact, he was deploring it, they have acted very strangely, since, in the last year, from 1982 to 1983, the debt of Crown corporations has gone up by more that \$600 million, more than \$600 million, in one single year, in one single year, by this government.

Now that, Mr. Speaker, is a very, very substantial sum of money, and presumably it was well spent. But if it was well spent, I wonder why members opposite deplore the fact that previous governments had built power stations at Poplar River and at Estevan.

But I want to talk about where this government has led this province, because we are in a recession. Members opposite try to say that we're not in a recession, but the hard facts belie what they say. Saskatchewan is participating in the recession, and participating fully.

Let's just ask a couple of questions: are we doing better than the rest of Canada? And in fact, we are not. Real economic growth was lower in Saskatchewan than the Canadian average in 1982. Real economic growth was lower in Saskatchewan than for the average of Canada in 1983. And these are facts, and they cannot be talked away.

The PC government persists in their delusion — or, I think, perhaps misrepresentation — that somehow the Saskatchewan economy is booming. But it is not, and the evidence is out there. It is known to most families in Saskatchewan. It is known to virtually every community in Saskatchewan that we are, in fact, participating in the recession.

Well, what is this evidence? Well, how about 600 business bankruptcies since these Tories took office? Six hundred business bankruptcies since the PC's took office. Or housing starts. They did reasonably well when both the federal and provincial grant program was on, but now that it's off and how are things going?

Well, housing starts in the first quarter of this year are down by close to 70 per cent. That's how they're going. Or how about the real value of total investment? In 1982 it was lower than 1981; in 1983 it was lower than 1981, and they're still talking about prosperity. It is not there. How about . . . and they will say perhaps we weren't building a pipeline or something of that nature. How about manufacturing shipments? That's a pretty good indication of how things are going. Well, they were less in 1982 than they were in 1981; they were less in 1983 than they were in 1981, and that means recession.

Or how about employment? And they used to talk about employment. But they stopped talking about employment because the figures do not support what they say. The total non-agricultural employment in this province has gone down — actually gone down, even though the work-force has grown. But the number of jobs off the farm have gone down since 1981, and they've gone down by 8,000.

The unemployed in this province have gone up from 28,000 two years ago, two years ago in April, to 39,000 this April. And that's recession. There's no point in calling it anything else; that's recession. And members opposite say, "Who is doing best in Canada?" Well, I invite them to look at the figures for the last year and see which province is best at creating jobs. Are we number one or number two or number three? No, Mr. Acting Speaker, we are number seven — number seven, that's where we are.

And how about an absolute key statistic: how many employable people are getting social assistance? They have gone up remarkably. In two years the number of people who are able-bodied, who want to work, but can't get a job, has gone up by 84 per cent. Now those are impressive figures by any language, and we have not had two years like this for many decades; two years when we have been stalled; two years when we have been becalmed; two years when the economy has stopped, and has been propelled only by windy speeches from the Premier, and they have ceased to cause any movement in the economy. And they are, indeed, ceasing to cause any ripple of interest in the public. They liked them, for the first . . . liked it, I should say, the speech, for the six months, but after that, when they saw that there were no jobs; they saw the factories weren't working as much as they did before; they saw when investment was down; they asked for performance rather than speeches — and they have not received it.

My colleagues from Athabasca and Cumberland have made clear what's happened in northern Saskatchewan, and I can't paint the picture any more vividly than they have painted it. But it is a sad story. It is never an easy task — never an easy task — to create employment in an area which does not have any factories or urban bases for employment. It is never easy, particularly when there is a fast-growing population. But efforts were made, efforts which have now been abandoned by this government, and not only have the efforts been abandoned, but the people of northern Saskatchewan have been abandoned.

And who else is doing poorly; ask who else is doing poorly; ask what the figures are for young people. Youth unemployment is higher than it's been for many years, and I don't have to give the statistics. I go around to the high schools, and I've detected a subtle change in responses to question which I ask.

I asked a grade 12 student, "What do you have in mind next year"? And they used to say, "Well I may go to university," or "I may go out and work for a year and then go back to university," or "I'm thinking of going out and getting a job here and there . . . getting a job in the highway sector or wherever . . ." Those were the sorts of things I used to hear.

Now I am hearing, "Well, if I get a job, I think I'll . . . If I get a job." And this new word has crept into their vocabulary. I'm not sure they're conscious of the change because after all they weren't in grade 12 two years ago. But I am very conscious of the change in their attitude, the change in their expectations. They no longer take it for granted that our society can provide them with a

job, an opportunity to use their talents and education.

They now wonder whether this government and our society can offer them an opportunity to take their full place in society. And we're failing. We're failing, and the figures indicate it. But as I say, hundreds of parents can tell you that. Small-business people can tell you they're not able to take more people on; they'd like to hire young people, but they do not have that opportunity because they are not making the profits they used to make.

And if, Mr. Acting Speaker, you feel that my rhetoric is not supported by figures, I invite you and all members of the House to take the budget address of the Hon. Mr. Andrew, and to turn to the financial statistics and economic statistics on page 36 and 37 and following pages, and all that I have said is confirmed by the Minister of Finance; that the value of manufacturing shipments is down; our per capita production is down — this is all from page 36; the public and private investment is down; and the telling one, the unemployment rate is moving up and up and up. The unemployed labour force in 1979 was 18,000; in 1980, 19,000; 1981, 21,000 — small increases. In 1982, 28,000; 1983, 35,000. That's what the Minister of Finance is telling us, and those figures speak for themselves. They are chilling figures.

Look at the graph on page 37, and it will show you that in 1980 we did better than the rest of Canada, in real annual growth. In 1981 we did better. In 1982 we did worse. In 1983 we did worse. And the graph is here. I invite all . . . I invite members to look at it, look at it.

**Mr. Deputy Speaker:** — Order, your 10 minutes is up.

**Hon. Mr. Blakeney:** — Thank you, Mr. Deputy Speaker.

**Mr. Young:** — Thank you, Mr. Deputy Speaker. Certainly we've had one of numerous tales of doom and gloom from the Leader of the Opposition, a continual saga of speeches, one not differing much from the other. I would like to point out to the Leader of the Opposition that the increase that he pointed out in his speech, Mr. Deputy Speaker, of a \$600 million debt in the Crowns, just so happens to equate exactly with the cost of the Nipawin hydro project, i.e., \$600 million.

Now I would think, Mr. Speaker, that the NDP opposite really have their gall in bringing forward the emergency motion on rule 16, and if you read it, it basically is attempting to — it says it regrets the economic policies resulting in the increased numbers of unemployed in Saskatchewan.

But who, I ask, Mr. Deputy Speaker, in Canada has the lowest rate of unemployment? It's Saskatchewan, Mr. Deputy Speaker, and I think that this is directly a result of the programs of this government that we sit in the best position in Canada with respect to unemployment. I would think that the members opposite would have been much more in line to talk about the weather when it comes to an emergency, as opposed to attempting to regret that we have the lowest rate of unemployment in Canada. There are a number of programs, employment programs, that we've brought into effect, Mr. Deputy Speaker, which put us in that number one position. I could go through with you, just for your benefit, the headings, without getting into any details, Mr. Deputy Speaker, of what the programs are — but just the headings and possibly the departments responsible for them.

First of all: Access Youth, from Advanced Education and Manpower, Mr. Speaker, 1,000 jobs already; budget, \$3 million; program length, 24 to 30 weeks; targeted, Mr. Deputy Speaker, at youth between the ages of 15 to 24 years. It involves a wage subsidy, and this year includes municipalities and farmers, which is an expansion, Mr. Deputy Speaker, of the program over previous years.

I would also like to point out, when making reference to the Leader of the Opposition's speech,

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Mr. Deputy Speaker, that when you look at the youth unemployed, back in the boom years of 1978 where we were all experiencing an expanding economy, the NDP had 15,000 youth unemployed out of 28,000. Today, when the whole country and the whole free world is in so much of a recession, we only have 18,000 unemployed youth, and that figure is going down, Mr. Deputy Speaker.

And I would suggest that when the impact of the various programs that were announced in our most recent budget take effect — the summer jobs programs and the other programs available to the social assistance clients — that that figure could very well dwindle to the 15,000 figure. And accordingly, we would have today, in this economy, the same number of unemployed youth, having regard to the fact we have a much larger population, etc., than we had then, and a much larger work-force that the NDP had in the boom year of '78 with definitely an expanding economy.

Now I would just like to put, Mr. Deputy Speaker, the Saskatchewan unemployment figures in perspective. And in that regard I would like to make reference, if I may, to the unemployment rates in our other western Canadian provinces.

Canada, as a whole, Mr. Deputy Speaker, is 12.1 per cent. And as I've mentioned earlier, Saskatchewan is down to 8.3 per cent unemployed. Alberta has 12.1 per cent; British Columbia, 15.7 per cent; and Manitoba, 8.5 per cent. Now I think, Mr. Deputy Speaker, that we're all aware of the fact that for a short period of time Manitoba had a somewhat lesser unemployment rate than Saskatchewan. That is not the case today, and I would submit to you, Mr. Deputy Speaker, that that's directly a result of Lloyd Axworthy and the federal Liberal government injecting \$80 million into Manitoba, and specifically into Winnipeg, for their own political ends.

At the same time, Mr. Deputy Speaker, that Manitoba got 80 million in job creation, Saskatchewan — not the great friends of the federal Liberal government — got a mere \$20 million. And accordingly, over a short period of time, Mr. Deputy Speaker, Manitoba enjoyed a lesser rate of unemployment due specifically, I would suggest, to them receiving 80 million from the feds and us only 20, for a short period of time.

It's very interesting to note, Mr. Deputy Speaker, that the average length of employment in that period where they were getting the boost of demerol in the arm, Mr. Speaker, the average job lasted for 13 days in Manitoba. That is the way that the Government of Manitoba elected to use \$80 million of found federal patronage money to do their job creation. They elected to use it for a short-term fix. And the proof is in the pudding, Mr. Speaker. The average length of a job, as regards the Axworthy \$80 million, was 13 days. Certainly, Mr. Deputy Speaker, our job programs are certainly going to have a heck of a lot longer time span than 13 days for average employment.

If I might point out some other facts, Mr. Deputy Speaker, our labour force is up by 2,000. The employed people are up by 3,000. And I would suggest again, Mr. Deputy Speaker, that we have not yet felt the effects of our Opportunities '84 program, or our Access Youth Employment program. When the effects of those programs are felt, Mr. Deputy Speaker, we are very much going to outstretch any province, I would suggest, in the unemployment situation, and we'll be years ahead of them in that regard.

Now I have read to you, Mr. Deputy Speaker, some of the programs. There's the Opportunities '84 program through Advanced Education and Manpower. There's the BASE (business administration, science and engineering) student program for industry — that's from the Saskatchewan Research Council and, again, that program is from April '84 to March 31 of 1985. As well, we have for Saskatchewan the Saskatchewan employment program, through Social Services, estimated 1,500 jobs, budget's 9 million. We have New Careers Corporation from Parks and Renewable Resources. Again, it's a three-year program, Mr. Deputy Speaker, 3 million in money, and that is one of our new programs.

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We have as well, Mr. Deputy Speaker, Saskatchewan skills development program, again through Advanced Education and Manpower, 3,500 jobs over two years, budget of \$5 million. We have the Industrial Incentives Program, which we're all quite familiar with, Mr. Deputy Speaker, through Economic Development and Trade, and that is the \$7,500 for new businesses, manufacturing and processing businesses, that have a capital expansion. We have, as well, through the Department of Social Services, Mr. Deputy Speaker, our new Breakthrough program, budget \$800,000.

Those, Mr. Deputy Speaker, those various programs, besides all of the jobs that have been created in the oil patch, are some of the reasons why we have the lowest rate of unemployment in Canada. And I think that, Mr. Deputy Speaker, our government must be commended on its initiatives with respect to employment. I'd also like to point out, Mr. Deputy Speaker, that with respect to young folks attempting to go to universities, that Saskatchewan has the best record, since we took office, of any province in that regard.

Overall funding for universities, Mr. Deputy Speaker — British Columbia went down 5 per cent; Alberta, zero per cent; Manitoba went up 2.1 per cent; and Saskatchewan is up 5 per cent. So we have the largest increase of funding for universities of any western province. Tuition fees, Mr. Deputy Speaker — British Columbia, 30 per cent increase; Alberta, 30 per cent increase; Manitoba, 10 per cent increase; and in Saskatchewan here, Saskatoon is up 8 per cent and Regina 9.3. Again, the lowest tuition increases in western Canada.

With respect to funding, Mr. Deputy Speaker, the NDP in their last year of office . . .

**Mr. Deputy Speaker:** — Order! The member's 10 minutes is up. The member from Shaunavon.

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

**Mr. Lingenfelter:** — Thank you very much, Mr. Deputy Speaker. I appreciate the opportunity to say a few words on the rule 16 motion that was introduced into the Assembly by the member for Cumberland and seconded by the member for Athabasca, which basically expresses the regret that the government of Saskatchewan continues to pursue economic policies that increase the number of victims as a result of the recession that they have created.

Mr. Deputy Speaker, I find it interesting that the changes that have occurred so quickly in the province, in a short two years, were more or less predicted at the first throne speech that was delivered in this House when the Leader of the Opposition rose in his place and talked about how wrong-headed the policy of this government was.

Mr. Deputy Speaker, I say that the actions of this government in attempting to build and to recover from the recession they have created, by going out of province and demanding that large companies come in to assist in solving the problem, has not worked.

Mr. Deputy Speaker, I say that the policies of this government have not worked, and we are in a similar position to what we were the last time that we had a Conservative government in this province. It's interesting, as well, that many people in the province are saying how history repeats itself, how the simple fact is that the wrong-headed policies of Conservative governments, whether it's in the period from 1929 to 1934, or the period from 1982 to 1985, that very clearly the policy of appealing to large business to solve the problems of Saskatchewan has not worked in the past, and will not work now.

Very clearly, Mr. Deputy Speaker, the policies that have worked in Saskatchewan, which have been tried and proven, is a belief that Saskatchewan people — small business people, farmers, working people — together can create the employment and the atmosphere needed for employment to develop.

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We need only look at the statistics of the government of the day to find out that in areas of industry, area after area, where this government has failed, and where employment has, in fact, dropped over the past two years.

When we look in the area of construction, we find that rather than 22,000 that were employed in 1982, we now have 21,000. In the area of construction, in manufacturing, for example, the number has gone from 27,000 to 22,000 and the list goes on. For example, in the area of trade the number has gone from 81,000 down to 75,000.

Mr. Deputy Speaker, the only area where we see a significant increase, and I say that this is not an accurate number, is in the area of agriculture because, very clearly, the deputy premier of this province stood in the House during estimates, during agricultural estimates last year, and indicated that the number of farmers in the province under their administration had dropped by 2,000.

I believe the people of the province have to ask: why then has the number of people shown on their statistics risen from 77,000 to 91,000? Would the people of the province believe that 14,000 more people are working on farms, shown up as employed on farms? Or are these the young people who have come home to Saskatchewan, or gone home from the cities because they then have a place to stay and food to eat? I say that that is the case, and that many of these 14,000 are shown as employed on the farms but, in fact, are on the welfare rolls of this province.

Mr. Deputy Speaker, the simple fact that a large number of people are on the welfare rolls as a result of this government's inaction in creating employment is evidenced by their own statistics that show that a full 62,000 people and dependants are on welfare in the province of Saskatchewan, up from 47,000 when they took office.

Mr. Deputy Speaker, I think the actions of this government stand in clear contrast to what took place under the administration from 1971 to 1982, a time which is unprecedented in growth and development in this province. And the member for Moose Jaw talked about the job creation programs in 1976. Well I can tell you that job creation was not necessary when the unemployment rate was below 4 per cent.

It's not hard to believe that the employment created at that time on a year-to-year basis did not have to increase drastically when you have an unemployment rate of 4 per cent. And, Mr. Deputy Speaker, a rate of 4 per cent, if we were to have that at the present time, I'm sure would be called full employment when the number of people who are unable to work, the number of people who are handicapped either physically or mentally are taken into consideration.

But I believe the part of this resolution which I would like to address just for a few moments is the vicious attack that has come upon those who find themselves in the predicament of not being able to find employment in the province of Saskatchewan at the present time. And of course, I talk about the people who are unfortunate enough — many of them young people, many of them below the age of 25, many of them from northern Saskatchewan, many of them native people — who find themselves without employment as a result of this government's wrong-headed approach to the development of this province.

What we saw earlier on in this session was an announcement by the Minister of Social Services that he was going to reform the welfare system of Saskatchewan. And when it was announced, people thought: well, reform of the welfare system — we will wait and see what happens, and possibly that minister, being new, with some new ideas, will come forward with some policies that would mean reform of the welfare system.

Well I want to tell you that every article that I have read in the press and by members of the groups in the province who deal with people who are unemployed and on welfare would not

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indicate that this is reform, but that it is an attack on those least able to defend themselves.

I think it's important to note that, at a time when oil companies are announcing record profits, each and everyone of them throughout the province, and many of them foreign-dominated companies, are announcing record profits, that this government would choose to take money out of the pockets of those on welfare, blind, people who are using walkers to get around, would take money out of their pockets and hand it over to the oil companies.

I have here an article from the *Leader-Post* which gives Tories F for failing to understand the welfare program. Another article: "More churches attack the welfare reform," and this is from the *Prairie Messenger*, Mr. Deputy Speaker. It's from the *Prairie Messenger*, and I would like to take a quote from this to indicate how the churches of this province believe the reform is working. It says:

The Regina and district Lutheran ministerial and the church and society committee of the Saskatchewan Conference of the United Church of Canada have added their voices to those opposing recent welfare reforms in the province.

They say that what we are trying to do here in the province, what the government is doing, is attacking the people who cannot help themselves. And I quote again:

To speak of creating temporary jobs and providing retraining seems almost ludicrous when unemployment in the country is at an all-time high, and our schools of higher learning are bursting to the seams.

The situation, Mr. Deputy Speaker, I believe, has gone to the absurd when dealing with the people who find themselves on welfare in the province. I have here a letter, and I would like to quote from it as well, dealing with a volunteer who drives a courtesy car in Saskatoon, and her experience in dealing with a resident who is on welfare. She writes to me, and she says, in part:

I first met this lady while driving for a cancer patient this winter. Over many days of driving she began to talk of her Devine straits. Her husband is a resident at the Sherbrooke nursing home. All was well until the fees for nursing homes were raised, then she found her dollars were disappearing, so I took it upon myself to contact the Canada Pension.

It goes on to say that:

The social service excuse, the computer error, is garbage. If you don't cry, or have tears wiped, you don't have your tears wiped away. Now the beauty — she is near blind, cataracts, but she wears very thick glasses. She is a diabetic. a VON comes in from day to day to administer insulin as her sight does not allow her the luxury of administering her own insulin. She has a weakened heart; she walks with the aid of a walking cane and has cancer.

Now this person had had her cheque cut by \$80 a month. Mr. Deputy Speaker, I say that a government who would go on an attack on people like this should not be returned for a second term. And I believe the people of the province today, the people of the province today are doing a report card on the Devine government, are doing a report card on the Devine government, and they are getting failing marks in every area, whether it's economic development, or social program, or dealing with people.

I have one other letter here, and this is from a social worker, a person who works in the department. It is dated May 5, 1984, and it says:

Dear Sir: I am a government employee, I have been for several years. Never has . . .



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**Mr. Deputy Speaker:** — Order, order! Order! The member's 10 minutes is up.

**Mr. Birkbeck:** — Mr. Deputy Speaker, I just have time enough to say that I listened to debate from both sides of the House on this motion introduced by the member for Athabasca, or Cumberland, sorry. And I have concluded after listening to both sides, and in all fairness, that the members of the government's side's arguments have certainly made a lot more sense to me, and subsequently I would think that . . .

**Mr. Deputy Speaker:** — Order! The 75-minute debate has concluded.

## **PRIVATE BILLS**

### **COMMITTEE OF THE WHOLE**

#### **Bill No. 01 — An Act to incorporate the St. Paul's Cathedral Foundation**

**Mr. Weiman:** — Thank you, Mr. Chairman. Saskatoon Fairview. I move, Mr. Chairman, that the committee report the bill.

Clauses 1 to 20 inclusive agreed to.

The committee agreed to report the bill.

#### **Bill No. 03 — An Act respecting Crown Trust Company and Central Trust Company**

Clauses 1 to 9 inclusive agreed to.

The committee agreed to report the bill.

The committee reported progress.

## **THIRD READINGS**

#### **Bill No. 01 — An Act to incorporate the St. Paul's Cathedral Foundation**

**Mr. Weiman:** — Thank you, Mr. Chairman. Mr. Chairman, I move that Bill No. 01 — An Act to incorporate the St. Paul's Cathedral Foundation be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

#### **Bill No. 03 — An Act respecting Crown Trust Company and Central Trust Company**

**Mr. Glauser:** — Mr. Deputy Speaker, I so move that Bill No. 03 — An Act respecting Crown Trust Company and Central Trust Company be now read the third time and passed under its title.

Motion agreed to and bill read a third time.

## **MOTIONS**

### **Resolution No. 14 — Role of Crown Corporations**

**Mr. Koskie:** — Thank you, Mr. Deputy Speaker, for the recognition of where I came from.

Mr. Deputy Speaker, I will be moving at the conclusion of my words to the Assembly a resolution

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which I believe is of utmost importance to the people of this province in light of the happenings which I will be expounding on. That motion indicates:

That this Assembly urges that the Government of Saskatchewan acknowledge the important role which Saskatchewan Crown corporations can play in (the) provincial economic development, and that it fully use the positive potential of these Crown corporations to increase growth and stability and employment opportunities throughout the Saskatchewan economy.

I want to indicate at the outset, Mr. Deputy Speaker, that the Crown corporations are a very important and vital part of the economic development of this province. I say that there are three essential reasons why Crown corporations are vitally important to Saskatchewan and I will elaborate in detail on those reasons.

First of all, Crown corporations, and particularly in the resource development, provide to the government, provides to the people of this province, a window on the industry. Secondly, the Crown corporations have been established in Saskatchewan. What they do is to develop an expertise among our own people, and they bring to the province head offices and employment opportunities. And thirdly, I say that the Crown corporations have clearly demonstrated that they bring extra revenues to the people of this province.

I want to talk, first of all, about the window to the industry. And the other night I mentioned the fact that if one is developing the resources of this province . . . Take the potash development. Many were opposed to the government being involved or the public investment into the potash corporation. But the history clearly indicates the value of the public investment on behalf of the people of this province.

At the time when we were negotiating the royalty regime with the potash corporations, many of you will know that that royalty regime was rejected by the private sector. They said they could not, in fact, pay those royalties and operate in development of the resources. Our government said that the royalty structure was fair and equitable, and we urged them to pay, pay their fair share, to the people of this province. And the potash, the private multinational corporations, some from Europe, they banded together and they said, "No way. We can't possibly pay that amount of royalties."

Well, I want to tell you, we then purchased about 40 per cent control of the potash corporation for the people of this province. And I want to tell the people that the public sector of the potash corporation started to develop about 40 per cent of the resource, and they, in fact, paid to the province the exact royalty regime that the private corporations said that they could not, and would not pay to the province.

The public sector potash corporations did more than that. In the last year of our office, that same potash corporation paid exactly the same royalty structure that the private corporations said they could not, and would not pay. And over and above that, they provided a profit of \$141 million that stayed in this province for the people of this province.

And you ask: what if we had been just developing it through the private sector? Well, there's some obvious conclusions. One is, if you didn't have the option of public involvement in the development, they would have been tabled to sustain their argument that, in fact, they could not pay that amount of royalty, and you would have no way of bargaining with them, because you are totally dependent upon that development. So Crown corporations have, in fact, been a very important window on the industry, and it's the same in respect to the oil industry.

The second thing that it does — Crown corporations, and why we think it's vital — is that it helps to establish an expertise among our people, and to bring to the province, head offices which otherwise, if it was a private multinational corporation, would be in New York or Toronto

or Houston, Texas or Dallas, some even in Europe.

And I want to use the example of the Saskatchewan Government Insurance. The Saskatchewan Government Insurance was established by the forerunner to the New Democratic Party back in, I believe, 1946. And it handled about 80 per cent of all the insurances in this province. And what it was able to do, Mr. Deputy Speaker, is to set up throughout the province, businessmen. In every community throughout this province, we have SGI agents serving the people of this province. And all of that money that was generated by SGI: one, created jobs; and, secondly, it didn't go rushing out of the province and down to the head office in Toronto.

This is of vital importance, and today you see the right-wing governments across Canada, and indeed I predict that this government here in office, if elected again, will do the same thing that is happening in British Columbia today. The general insurance part of SGI counterpart in British Columbia is being sold today — sold to the private investors. And that's what's going to happen here in this province.

The second thing that I think that the Crown corporations have clearly demonstrated is that they bring extra revenues to the province. And I give you the example: the potash corporation, in 1981, paying exactly the same royalties as the private sector, had a net profit of \$141 million. That stayed in Saskatchewan.

I ask the members opposite, the free enterprisers: where did the profit of the private sector multinational corporations go? Well, they're in the potash industry, they're in the potash industry. Maybe they're over in Jordan, developing. Having made the profit in Canada, take it out of Canada, go and develop it in Jordan or East Germany, or wherever, in order to perpetuate their profit.

And so what I'm saying, the Crown corporations are vital to the economic development of this province. As I say, they provide a window to the industry which I think is in the interests of the people of this province that they be informed, and to be in a negotiable position to deal with multinational corporations. They establish an expertise in the business community as a result of it, and they provide extra revenues.

I say this is an important resolution. But what makes it so vitally important is when you look at the attitude of the government opposite. First of all, what they did was to establish the Wolfgang commission to look into the operation and the future of Crown corporations here in this province. However, so bent on destroying Crown corporations they were, that they didn't even wait for their own commissioned report before destroying a couple of Crown corporations.

The first two that they destroyed was the Saskatchewan fur marketing service which had a very solid success to the people of Saskatchewan, a success for more than 35 years. They didn't do a review.

The second one is that they scrapped the Saskmedia. And what we find is the continuous erosion by this government opposite of the strength and the vitality and the continuing growth of Crown corporations in the resource industry.

If we take a look at the Potash Corporation of Saskatchewan, it has been forced now to become a member of Canpotex, that cartel that was really effectively working for the multinational corporations. And what it has, in fact, done is to reduce the share, reduce the share of the offshore market of potash corporation from 60 to 45 per cent. I want to say that under the Tories the potash corporation has raised the prices when no other company did. And the result is that the PCS share of the North American market has dropped from close to 30 per cent to under 25 per cent.

We have seen other actions by this government. We had in place a development and expansion

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of the potash mine in Lanigan division. And what did this government do? They delayed, delayed the expansion of the potash corporation division at Lanigan. And the result of it is that it cost the taxpayers millions of extra dollars in interest charges, and will forfeit their opportunity of seizing markets when the markets turn around.

I want to say that the other very disturbing feature of the government's action opposite is that what they have done is to name to the boards of the various Crown corporations some of their highest profile members of their party, many of whom have expressed throughout this province their opposition to the existence of Crown corporations.

And I want to give you an example of a few. You have Mr. Harold Lane, who used to be a former member of the Tory party, in opposition, has gone to the Crown Management Board. George Hill, the former president of the Tory party, is chairman of the board of the Saskatchewan Power Corporation. You have Dr. Staff Barootes, the bagman for the Tory party, a head — just imagine — sitting on the board of the Saskatchewan Mining Development Corporation. And then what you have to look at — what have they put into SGI? Al Wagar, closely associated member of the Tory party. When he went to the SGI board, he said, "I'll go there if I can, in fact, get rid of it."

And then we come to the prime member of this here new Crown corporation management — Mr. Herb Pinder. He is now the chairman of Saskoil. And let us take a look at what Mr. Pinder, who is supposed to be the chairman of the board, working for the development of the corporation, and he goes to a chamber of commerce meeting, and what does he say? The chamber wants those Crown corporations sold off.

Predictably (it says in this article), the chamber unanimously passed a resolution calling for the provincial government to divest itself of all Crown corporations, except those providing essential public services.

Stressing that he was here as a private businessman, Pinder said the chamber should strongly recommend that the provincial government should be more aggressive in privatizing Crowns. Pinder, who was appointed chairman of the Saskoil board about six months ago, added, "The government should start privatizing crowns that are competing with the private sector."

Pinder then supported an amended resolution (and this is the chairman of Saskoil) — Pinder then supported an amended resolution urging the government to adopt a deliberate policy of divesting itself of all Crown corporations except those providing essential services.

Earlier in the discussion he remarked, "There was a frightening lack of concern about the impact of Crowns on the provincial economy."

Well, I want to say that I agree with part of that statement that Mr. Pinder has indicated, that the Crown sectors have had an impact on the development of the economic development of this province, and a very positive one. It was very positive until who got hold of the management of the Crown corporations?

Do you know what? In 1981, CIC had a net profit to the people of this province of \$115 million. New government, new faces, new philosophy. Do you know what the Crown corporation, the CIC had the first year under the Tory administration? \$126 million in the hole. Now that is mismanagement at its best.

And I want to indicate that there are very, very many other disturbing factors that are going on. It's not only Mr. Pinder that is concerned. I can understand Mr. Pinder. I can't understand him

being appointed to a chairman of the board of directors, but I might understand his position. But then, in respect to the future role of the Crown corporations in this province, there have been various statements made by various influential members on the government side. And I want to go through a couple of the statements, just to clarify for the people of Saskatchewan.

First of all, the chairman of the Saskoil, Mr. Pinder, has made his position very clear. Mr. Devine, the Premier of this province, he indicated, after Mr. Pinder had made this statement, what was his position? Well, he says, "We're prepared to sell Crown corporations if there is a better place to use the money. Must be prepared to sell Crowns if the opportunity comes up," he said.

And the Minister of Energy and Mines, he says, "It isn't government policy to sell Crowns, but it is a long-standing part of the Conservative philosophy to sell off Crowns. We are considering many options, and down the road privatization of Saskoil may be very viable. At this time there is no particular plan to privatize Saskoil."

And then you get a statement from the member from Kindersley, the Minister of Finance, Mr. Andrew, and he said, "There is no holus-bolus sale of Crown corporations."

And then there is the Deputy Premier. He was asked, and what did he do? He denied that the government planned to adopt any deliberate policy of divesting itself of a Crown corporation.

So clearly what you can see, Mr. Deputy Chairman, is that here we have a group of individuals supporting a philosophy that Crown corporations, no matter how valuable they are to the economic development of this province, that they are determined, as soon as the opportunity affords itself, to scuttle any of the Crown corporations in this province which have, over the years, been producing massive amounts of income and revenue for the people of this province.

I want to say, Mr. Deputy Speaker, that we, on this side, believe that in any development of the Saskatchewan economy, that there is a role to be played by the private sector; that there is a role to be played by the co-operative movement; there's a role to be played by public ownership; there's a role to be played in joint venture.

We, on this side, are concerned that the government opposite have, in fact, sold them out — sold themselves out — and, as a consequence, what will happen is the privatization of all Crowns, regardless of the value to the people of Saskatchewan, merely to fulfil the promises and the commitments for those who so handsomely supported their campaign during the last campaign.

I want to conclude then, Mr. Deputy Speaker, in moving a resolution:

That this Assembly urges that the Government of Saskatchewan acknowledge the important role which Saskatchewan Crown corporations can play in provincial economic development, and that it fully use the positive potential of these Crown corporations to increase growth and stability in employment opportunities throughout the Saskatchewan economy.

I so move, seconded by my colleague and leader, Mr. Allan Blakeney, member from Elphinstone. I so move.

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

**Hon. Mr. Blakeney:** — Mr. Deputy Speaker, I want to make a few remarks before I adjourn the debate. I understand that the House has agreed that there will be some debate on a subsequent motion.

I want to talk about this motion in terms which I hope all hon. members will accept. The motion

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calls for the recognition of the role that Crown corporations can play, their potential to increase the growth and stability of employment opportunities in the Saskatchewan economy.

And I think perhaps the best way to illustrate that is to refer to what has taken place because of activities by Crown corporations, and what we believe can take place again. There is no particular magic in Crown corporations. They have performed a role in Saskatchewan. And by and large, in western Canada, governments have acted to provide that the people of Saskatchewan, or the people of Alberta, or the people of British Columbia, and I could say the people of Quebec, might have some greater control over their own affairs than would be the case if there were not Crown corporations, and if these large economic units were controlled in the private sector and then almost necessarily controlled outside the province and outside the region.

And we are certainly not the only government in Canada that have used Crown corporations extensively. Indeed, the Crown corporations of Saskatchewan are tiny compared with the Crown corporations in British Columbia, where they own railways and ferries and buses — as well, of course, as power companies and the like. And they have a pulp mill in British Columbia. And Alberta, as we know, is in the course of privatizing an airline, Pacific Western Airlines, that they own.

They have an interesting network of either Crown corporations or joint ventures which have grown out of Alberta gas trunk and all of the corporations surrounding that early effort at public ownership by the Government of Alberta which, of course, owns a railway, the Northern Alberta railroad. And I could instance the Government of Quebec, which has also been very active.

Well, we ask ourselves, why have governments done this? Certainly, the Social Credit government of Alberta was not directed by its doctrine to get into Crown corporations. Far from it. And similarly the governments in British Columbia — Mr. W.A.C. Bennett declared that he was not socialistically inclined. It just happened that he was going to take over the ferries, and going to take over the bus lines, and going to take over B.C. Power.

And he did. And he did for very solid reasons, solid reasons based upon his belief that the people of British Columbia could have greater control over their own destiny if these major economic units were controlled in British Columbia.

And I think that W.A.C. Bennett was right, and successive premiers of Alberta have been right, and successive governments in Saskatchewan have been right in making those judgements.

Now this doesn't mean that we must always look to the Crown corporation model. Far from it. There is a major role for co-ops in the private sector, and latterly we have been attempting to get out-of-province major companies involved, but still give some control to Saskatchewan citizens through the joint venture method.

And I'd like hon. members to consider the fruits of some of those efforts in the past, and they're not all efforts by the government that has the same political stripe as mine. The Saskatchewan government telephones, now Sask Tel, was not set up by any CCF or NDP government, nor indeed was the Saskatchewan power commission.

I look at Canada, and some of the major Crown corporations in Canada were set up by Conservative governments. The CBC, trans Canada airlines (now Air Canada) — these were set up, as was the Bank of Canada, as was the Canadian Wheat Board, all by a Conservative federal government, all by a Conservative government. And so we understand that they are . . . this idea that there is a role for Crown corporations is by no means confined to left-of-centre governments. We have the Canadian National Railways which was set up by a right-of-centre government. We have Eldorado Nuclear which was set up by a Liberal government and had a different name then, but it was still Eldorado. All of those have been set up by right-of-centre

governments for good, solid reasons — for good, solid reasons.

And let's consider a little bit about what has happened in Saskatchewan. We set up more than 30 years ago a company called Saskatchewan Minerals, to develop sodium sulphate. And it has developed sodium sulphate side by side with the private sector, who have been operating. Virtually all of the product is sold outside of Saskatchewan and outside of Canada — not all, but the great bulk outside of Canada, and virtually all of it sold outside Saskatchewan. Indeed, up until the pulp mill came on-stream in the 1960s, every tonne of it was sold outside Saskatchewan.

Now let's look at those companies and see which has done the most research, which has developed new products, which has developed new processes, and you will find that Saskatchewan Minerals has been the leader. They have developed new processes. They put the new plant in at Ingebrigt, and in the course of so doing, developed a whole new market for Saskatchewan sodium sulphate in the detergent industry, and they have been a leader. And I don't think anyone can deny that. They have been the leader in research. They have done this job. And they have made a good profit on an investment of a small number of millions, 3 or 4 millions. They have returned to the treasury of Saskatchewan over those 30 years more than \$30 million, and they have assets which are worth 10, 20, 25 — I don't know. But they're very substantial assets.

It is not the asset that I want to emphasize but the fact that they have been leaders in research, they have set up new processes, created new jobs when the private sector did not. Now this is . . . (inaudible interjection) . . . They are obviously in some other sectors. The private sector is the leader. No one is suggesting that Crown corporations are always at the cutting edge, but nor should anyone suggest that they're never at the cutting edge. Because certainly with respect to Saskatchewan Minerals, they have been at the cutting edge and they have done a good job. So there was a reason for Saskatchewan Minerals.

Let's take Sask Tel. Sask Tel was set up by a Liberal government back in Walter Scott's . . . Premier Walter Scott's government, and I emphasize what Sask Tel was able to do with respect to Northern Telecom.

Sask Tel, because it was interested not only in delivering telephone communications which it ought to be interested in, but also in the industrial development of Saskatchewan, took a bit of a gamble, entered into an arrangement with Northern Telecom for the establishment in Saskatchewan of a fibre optics plant. I don't think we know yet whether that was a good gamble or a bad gamble. We know it wasn't a disaster, but whether or not it will prove to be a sound investment depends upon whether or not appropriate uses, and full uses, can be found for the fibre optic network. But it is certainly at least a marginal investment for Sask Tel, and I think it's going to be a better one than that.

And at the same time, we have a very significant industry established in Saskatoon at a time when we were trying to, and when we . . . I think everybody in Saskatchewan was trying to bunch our shot, was trying to see if we could get some sort of an electronics industry operating in Saskatoon, along with SED Systems and some of the other companies which were already there. Now that is a sensible use of Crown corporations.

One can argue that it was a gamble which shouldn't have been taken. I think it should have been taken. It may or may not prove to be successful. I think it will be successful, and certainly it's not going to be a disaster. Only time will tell. But that is an imaginative use of a Crown entity in developing industry for our province. We are not able always to attract industry to Saskatchewan because of our distance from market and our small market here in the prairie basin.

It is not natural in one sense of the word, that there should be a fibre optics plant in Saskatchewan which is producing fibre optics for Canada. But fibre optics is a material which has

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a relatively high value for weight, and therefore its location is not of primary importance, and therefore you can use various devices to attract it.

And I know that we're all proud of the fact that the Minister of — I believe it was Industry — but one of the ministers was able to announce, not long ago, a very substantial order for fibre optics to be delivered to telephone companies to be used in the New York-Washington corridor. And this is of the order of \$100 million — this is not a small order. And we are proud that, to that extent, the industry is prospering, and to the extent that it was able to be brought about by the fact that Sask Tel gave the initial order which made the establishment of the plant possible.

Now that is an imaginative use of the Crown corporation. It may have been able to be worked out with a private sector company — who knows. But we happened to be in the front of the line there, and we made it happen — “we” meaning Sask Tel. They have a very able and competent management. They have had it in the past; they have it now; and I suspect they will have it in the future.

I look at PCS, the potash corporation, and I invite hon. members to compare the research effort of PCS with the research effort of other private sector potash corporations in Saskatchewan. It's not that the private sector potash corporations aren't doing research. Of course they are. But in the perfectly natural way, they are doing research at their head office, just as PCS is doing research in and about its head office.

There is a very strong tendency of companies to do their research near their head office location because that's where their key technical people are. That's where the people who interact with the researchers are, and that's where the research gets done.

Research usually starts small, and somebody in the technical field has an idea, and he goes down the street and finds a researcher who he can talk to, and they get their ideas going. He goes down the street wherever he is. If the head office is in Chicago, he goes down the street in Chicago. If the head office is in Saskatoon, he goes down the street in Saskatoon. And there are good researchers in both of those cities. And it just happens that PCS is doing its research in Saskatoon, and other private sector potash corporations are doing their research elsewhere . . . (inaudible interjection) . . . And that may well change. One would hope that we would be able to cause private sector companies to do some of their research in Saskatchewan.

But the facts are that heretofore and up to now, virtually all of the research that has been done at the corporate level in Saskatchewan on potash, has been done by PCS in Saskatchewan because they're here — just because they're here. There's nothing magic or fancy about it — just because they're here.

The same tendency of corporations to do their research close to their head office is one of the major reasons why Canada spends less money on research and development than some other countries which have more head offices or major corporations than do we. Our economy is characterized by having subsidiary companies of corporations whose head office is elsewhere, and because of that, our economy is characterized by low expenditure on R and D, which the government has constantly to have to stimulate by major tax concessions.

R and D — perhaps I should not use that abbreviation, but research and development is what I am taking about, and research and development is what every economy needs, because the technology in almost every sphere is changing rapidly. And in order to be abreast of new developments, research and development, on a constant basis and on an increasing scale, is necessary. And those countries which have been in the forefront of research and development are forging ahead in the competitive race, world-wide, and those areas which have emphasized research and development are forging ahead in the smaller competitive race.

Let's think of some other area where Crown corporations have been found useful. I know the



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member for Souris-Cannington, the Deputy Premier, has indicated that he feels that Agdevco (agricultural development corporation) is doing a good job. Well, Agdevco is not a commercial Crown corporation in the ordinary sense of the word. It is the use of a Crown corporations as a way to stimulate trade and to get around a fair number of the problems which beset an independent businessman when he wants to sell something in, let us say, Bulgaria or Chile, or wherever.

I'll talk about Bulgaria because that country has been used, and we have sold some goods there. And similarly, Agdevco has sold cattle in Japan. I've seen those cattle out on the farms in Japan. And there's no question that Agdevco can solve some of the problems facing the businessman, some of the problems of foreign exchange, of countervailing trade, of a fair number of other problems which beset a private businessman who ought not to be expected to wrestle with all of those problems. His job is to produce a product, find someone who needs that product, and find someone who, subject to getting through the maze of red tape, is prepared to pay for that product. Now that's what the businessman does.

Somehow we have got to facilitate that. And as we have small farm implement manufacturers and now, in Saskatchewan, beginning to sell their products all over the world and extensively in some areas, the need to have assistance with many trade barriers is heightened. And Agdevco, our little corporation, can do a job. And that is a use of a Crown corporation to stimulate economic development, as the member for Souris-Cannington I'm sure would agree, and as the facts will show.

And I look at something like the water supply board. Now that's a corporation which has been around for not quite 20 years, set up by the Thatcher government, not noticeably left-of-centre. And yet it said, "Here is a job to be done. We've got some new potash mines. They need a water supply. They are having difficulty getting a water supply. We can bring water from Diefenbaker Lake to serve them, but it doesn't make sense for any one of those potash mines to spend many tens of millions of dollars setting up a water transportation system."

"What we need is a water utility," says Mr. Thatcher and his government. And he was right. And he turned to the Crown corporation model and says, "We'll set up a water utility." And that's what he did, and that makes all the sense in the world. And it was a support system, basically, for potash mines at Allan, and Lanigan, and Colonsay, and Floral. And here's another sensible use of a Crown corporation by Mr. Thatcher's government.

For a good number of years in this province we had been making loans to private business people — since 1947 (indeed the legislation was first passed) — and I think the first loan was made the year after, or thereabouts. It started off as the industrial development fund, and in the '60s became Sedco.

How do governments assist small business people to get going? Well there are a good number of ways, but one has been to provide capital when ordinary capital markets are not sensitive to the needs. And there was a time in Saskatchewan when the ordinary financial institutions were not very confident about the ability of people in Saskatchewan to establish industry here.

When I think of this, I think of a time when I was the provincial treasurer in this province and was going about visiting trust companies and bankers. And I remember visiting a trust company, the president of a trust company in eastern Canada, and saying that they should interest themselves — this was 1961 — interest themselves in what needed to be done in Saskatchewan because this was a developing area. He was very polite and indicated that he thought he might go out to Saskatchewan some time. He hadn't been out to Saskatchewan since the 1930s, and he perhaps should go out again. You can imagine what the president of that trust company would have in his mind as to the investment prospects of Saskatchewan if he hadn't been here since the 1930s.

On the basis of that experience and our realization that that was, in part, true with respect to

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other financial leaders in Canada, it was arranged that when the Squaw Rapids Dam was opened, we had a fair little festival or party at which we invited as many of the financial heads of institutions in Canada as we could, and it was in high summer, in June. It was a great summer, and they saw a prospering Saskatchewan which they obviously had not realized existed.

Now you may well think that that couldn't be true, but it was true, and, to some extent, our job of needing to sell ourselves to other parts of Canada, and particularly to financial organizations in other parts of Canada, continues to this day.

So with that climate successive governments have decided that they needed to lend the money to private business, and on occasion to take equity interests in private business. And they have used Sedco, a Crown corporation, to do that job and, by and large, that's worked pretty well. And I don't know any way it could have been done better than to use this Crown corporation as a way to create the growth and stability and employment opportunities throughout the Saskatchewan economy.

Now, Mr. Deputy Speaker, I want to mention some other corporations and, clearly, some other ways in which our corporations in the past, and I suggest in the future, can assist in the growth of our economy. I am not suggesting that they are the be-all and end-all — far from it. I'm not suggesting that there is not a major role for the private sector. I am suggesting that, for Saskatchewan, we have to use all our cards, everything that's available to us, and one of the things we can use, have used in the past, like Mr. Thatcher's government and other governments, and will use in the future, will be Crown corporations.

I want to touch on a few other things later, Mr. Deputy Speaker, and accordingly I beg leave to adjourn the debate.

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

**Hon. Mr. Blakeney:** — Mr. Deputy Speaker, with leave, I will withdraw my motion about begging leave to adjourn the debate.

**Mr. Morin:** — Thank you, Mr. Deputy Speaker. It's a pleasure to be able to speak in the Assembly today on resolution No. 14, quite ably presented by the member for Quill Lakes, I might add. I'd like to begin, before I move an amendment to that resolution, by making a few comments on things said by the Leader of the Opposition in this House. In his speech to the Assembly today he commented that one of the reasons, one of the arguments for having a Crown corporation sector was so that you could have a head office growth in the province, and that head office growth then led to research and development.

And I would agree with that. I would say that that's accurate. But, along with that research and development, or the outcrop of that research and development, is in fact the innovation of new technology and new expertise. But hand in hand, going with those two things, Mr. Speaker, you have to have the encouragement of entrepreneurship. And I would say that in the past number of years in this province the encouragement of that entrepreneurship, which was in tandem or in a symbiotic relationship with the creation of that innovation, has not been here.

In addition, Mr. Speaker, I'd like to add that the Leader of the Opposition commented briefly on what he found in the early '60s when he went around the country, and he wanted people to come and invest in Saskatchewan, and they hadn't been here for a long time. And I would suggest that that, too, is true, and that, too, was true during the decade of the '70s.

But, Mr. Speaker, that didn't just happen. There was a reason for that, and the reason for that was that it wasn't an attractive place to be. And the reason that it wasn't an attractive place to develop in Saskatchewan was because of the political climate, Mr. Speaker, not the economic climate.

But I don't want to get into a combative framework with the opposition members because clearly I think that there is a place for the Crown sector in this province, and I'd like to deal with that.

But I would like to move an amendment to this resolution. And the amendment would read, following the motion, moved by myself and seconded by the member for Cut Knife-Lloydminster:

That the following words be added after "Saskatchewan economy":

and this Assembly does commend the provincial government for its actions to this end.

Mr. Speaker, there's a good argument for Crown involvements in the economy. The key question, the reason where people asked is this involvement appropriate, this not to suggest that there is only one appropriate purpose for a Crown involvement. I would like to add that this government, like it or not, is tied to many Crown corporations that have been developed by a former government which believed in state ownership, government controlled, and expressed their lack of faith in the people of Saskatchewan by usurping their opportunities — and in fact, their right to run their own lives.

The Crown corporations of this government should be viewed in four forms. They should be viewed as service Crowns, development Crowns, commercial Crowns, and transitional Crowns. To define these forms I would say that the service Crowns consist of such Crown corporations as Sask Tel, Sask Power, and possibly Saskatchewan Transportation Corporation. This type of corporation falls into the area of providing service to the people of the province in Saskatchewan. They recognize the uniqueness of the province, and should have as their corporation goal to provide essential service to the people of Saskatchewan on a break-even basis. They should not be used as umbrellas under which to hide pet projects or the development of new and expanding technology. In short, Mr. Speaker, they provide utility service at the lowest dollar cost to the people of this province without risking the people's dollars on questionable ventures. In short, they should be soundly managed. Any rate increases should be justified by need, and they should not have a profit motive.

In the area of what I have called development Crowns, I would suggest that the development Crowns is one which the government uses to assist and encourage development of the province in an area where there is a potential, but where development is not taking place. Sedco might be a tool used in this regard.

Commercial Crowns are Crown corporations engaging in the market-place in their own right, and with the express goal of obtaining a profit. This type of Crown has the government as its lone shareholder and, at least in theory, competes shoulder to shoulder with similar industries in the private sector. I suggest, Mr. Speaker, that under the former administration there were altogether too many of these Crown corporations.

Finally, Mr. Speaker, there is the transitional Crown. This description refers to that type of operation which, when it was initiated, may in fact have had a good and valuable purpose, but which, over time, has seen that purpose change or disappear. We are currently in possession of a number of these Crowns and, in fact, a former Crown corporation, the Saskatchewan fur marketing commission, is the perfect example of such a Crown corporation.

Mr. Speaker, having defined what I will be speaking about, I would now like to offer some comparisons, within these areas, of the difference in approach between our government and the former government.

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When we look at the service Crowns, the NDP government used companies like Sask Tel to hide development of new technologies like fibre optics. Fibre optics now stands to represent a loss of \$100 million to the people of Saskatchewan, and this money was paid for by telephone rates.

Our position regarding the service Crowns, such as Sask Tel, Sask Power, have been to offer an early retirement program which was generous to the employees and relatively inexpensive to the Crown, which allowed for a realignment of the corporations and a decrease in the cost of operation, which reduces the need for rate increases.

We have initiated a rural gas distribution program to provide a lower-cost natural gas to many residents of our province and increase the demand for natural gas. This increase in demand will create a market for Saskatchewan produced gas which is lower priced than Alberta gas, and which the former government preferred to buy, and which, as an additional benefit, creates jobs for the people of Saskatchewan. This will lead to stability in rates and increased revenues to the provincial treasury through royalties and taxes.

In addition, the utility areas — we introduced the Public Utilities Review Commission which forces Crown utilities to justify their rate increases and in public forum for the people of the province.

When we look at the Crowns that could be classified as developmental corporations under the former government, possibly the only corporation to fit in this category would be Sedco. Sedco had a mandate to assist in the creation of new business ventures in this province through equity funds, conventional financing, and lease purchase facilities and other areas. It had the potential to be a great catalyst for development. Unfortunately, it's record is very dismal.

Crowns that the opposition might argue belong in this category could be PCS (Potash Corporation of Saskatchewan), Saskatchewan mining and development company, and Saskoil. they did not fit in this category under their administration because of the potash take-over. No new jobs were created, and it's . . . (inaudible) . . . to the industry was, "Don't develop in Saskatchewan." Saskatchewan mining and development corporation had the right to force its participation into mining, which retarded private development and forced Gulf Minerals out of the province.

Saskoil, as a player in the oil industry, used such a heavy hand that, in conjunction with other Crown activities, they frightened investment out of the province.

Our administration said that Saskatchewan Mining Development Corporation could no longer have the right of compulsory participation, but it may become a partner by mutual agreement. This fills the developmental role as the possibility of a co-operative involvement may open the door to developments of the type we've never seen before in the province.

Under the former government, Saskatchewan Oil and Gas, Saskatchewan Mining Development Company, and the Potash Corporation of Saskatchewan were clearly commercial corporations. Their goal, although seldom realized, was to compete and make a profit. The argument for commercial Crowns is usually to provide government with a window on the industry. That may be a valid argument, but it seldom works if the player in the industry and the rulemaker are one and the same. All the rules — royalty, taxation, credit terms — all have to be the same for the Crown and private ventures if the government is going to get a true picture of what's happening in the industry. This seldom happens, because Crown corporations are royalty and tax-exempt.

This whole issue raises another questions and that is: why take control . . . why, when you control the rules, would you want to be a player in the game and take all the risks? As a government you can set the tax rates at whatever level you would like. So you can tax the industry to the point of shut-down and get all of the surplus money or the economic rent that there is to be had without investing any money or taking any chances.

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Finally, in the area of transitional Crowns, I can only say that the Progressive Conservative view is that if there was a need for a Crown, there should be a Crown to fill that need. If the need disappears, so should the Crown.

The NDP view of transition, and transition on the way to more and broader control, Mr. Speaker, we inherited a plethora of Crown corporations. The people of the province demanded to know what the facts were about how they were run. In order to face that demand we struck the Wolff commission on June 9, 1982. The commission's mandate was to examine the administrative and financial structures linking the Crown and the government.

I want to remind the members that the Crown corporations of this province control nearly \$4 billion worth of assets. What did the Wolff commission find as it wound its way through ... (inaudible) ... of Crown corporations? On page 6 of the Wolff report, they found that the commission frequently found that the documented objectives of the Crown corporations to be inappropriately defined.

Mr. Speaker, I'd like to move my amendment:

that this Assembly does commend the provincial government for its actions to this end.

be added on to the end of the amendment following the words "Saskatchewan economy," or on to the motion.

**Hon. Mr. McLeod:** — Mr. Deputy Speaker, I know there are a number of members on this side of the House, and I'm one of them, who has a good deal to say about the amendment, now that it has made some sense of the motion, so I would beg leave to adjourn the debate on this.

Debate adjourned.

The Assembly adjourned at 5:01 p.m.