

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

ORAL QUESTIONS

Financial Situation of the Province

Hon Mr. Blakeney: — Mr. Speaker, thank you for recognising me. My question is to the Premier.

Yesterday in question period, sir, you confirmed that you receive regular status reports from the Department of Finance which show how the government is doing with respect to revenue and expenditure and deficit forecasts made in the annual budget address. Those reports would show conclusively whether or not you gave accurate information to the people of Saskatchewan about the size of the budget deficit during the last fall's election campaign.

My question therefore is to you as follows: will you table in this House, either today or within the next day or two of sitting days, the status reports which you received in your capacity as premier and would you cover the period from, let us say, March 1986 — the time of the budget — to December 31 last year.

Hon Mr. Devine: — Well, Mr. Speaker, it's highly unlikely that the Premier or the cabinet, when they receive estimates from various departments, whether it's Finance or Intergovernmental Affairs or my own planning secretariat or Revenue, that they were going . . . that we're going table cabinet documents that come in to me for providing estimates.

The hon. member says that the conclusive estimates . . . Well an estimate is an estimate. And as I said yesterday, we can have estimates based on all kinds of assumptions. If you assume you don't change anything, you can have one estimate. If you assume that you're going to increase taxes or decrease expenditures, you'll have another estimate. They're all based on parameters.

So I receive an awful lot of them, and I sue them with my best judgement, as does the cabinet, and we will continue to use the best guesses, the best estimates of people in our departments, whether it's Finance or Agriculture or other departments.

Hon Mr. Blakeney: — Supplementary, Mr. Speaker. I'm afraid I didn't make myself clear. I wasn't talking about estimates. I wasn't talking about projections. I wasn't talking about economic forecasts. I was talking about financial status reports — dollars and cents status reports which I am sure are provided by your Minister of Finance to you.

There's nothing confidential about them in the sense that they simply represent the money that has been received and a running total of whether or not the budget targets are likely to be met. I am sure you received them. I trust you still are preparing them.

My question to you simply is, and now I'm dealing with the status reports from the Department of Finance: will you table them? Will you tell the public the basis of the financial comments you made during the campaign? You may well say that they might well be modified by future tax increases. That's not what I'm asking. I'm asking: will you table the financial status reports which you received on a periodic basis from the Department of Finance?

Hon Mr. Devine: — Mr. Speaker, the hon. member says that the status reports aren't estimates, they're targets. Well, what's a target if it isn't an estimate of expenditures. I'm just using his words, Mr. Speaker. He says they're targets or they're estimates, and I'm saying I've received information from several departments with respect to targets, if he likes, estimates of what revenue will be, estimates of expenditures, estimates of economic conditions, forecasts on interest rates. I receive them all.

But it's not the practice of this Assembly, and I don't recall it where information coming to the Premier on estimates and targets and forecasts from his officials are going to be turned over to the legislature. Now I can't recall in previous experiences where if you were receiving estimates from people and targets to cabinet and yourself that you would turn them over. I don't know that any premier does. We receive the estimates, we look at the information, and they're just that. They're targets.

Hon Mr. Blakeney: — Supplementary, Mr. Speaker. I'm sorry again I didn't make myself clear. I'm not talking about estimates. I'm not talking about targets. Sir, please read the *Hansard*. I asked for a status report, not a projection of what was going to happen, but where you were on the end of September; where you were in collecting the taxes and in spending the money which you estimated in March. Your Department of Finance prepares those on a regular basis. I trust they go to you. I trust you look at them now and then.

I ask: will you table the status reports which you received, because they will tell us at least what hard factual information you had in your mind when you were speaking in October?

Some Hon. Members: — Hear, hear!

Hon Mr. Devine: — I believe, Mr. Speaker, that the Leader of the Opposition is not accurate when he says the status report is going to tell you what the deficit is at the end of the year. That's not correct. It doesn't say that at all.

Mr. Speaker: — Order. Order, please. Order. Order.

Hon Mr. Devine: — Mr. Speaker, a status report — and the hon. member just says, is this is what it is to date, but he says it doesn't forecast what it'll be at the end of the year.

All right. What I'm saying at the end of the year looks like we'd have half a billion dollar deficit. That's the end of the year, based on estimates of what's going on, not the status report alone, not this report alone, and not that one. You have to make a guess because you're looking into the

future.

A status report in July . . .

Mr. Speaker: — Order, Order, please. Order, please. The member is having difficulty answering the question with a little bit too much noise.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — It's difficult to answer a question when one is being constantly interrupted, so I ask hon. members to please give the Premier the opportunity to finish his answer.

Hon Mr. Blakeney: — Supplementary, Mr. Speaker, I am attempting to give him the opportunity to answer the question. I want then to make it . . . ask the same question, but perhaps in another way, since obviously I'm not reaching the Premier.

An estimate of the future consists of an assessment of the facts together with how you think they will change from here on into the future. What I'm asking you know is: don't bother telling us how you arrived at this projection for March, just tell us where we were financially, at the end of September, based upon the information which you will have received from your Minister of Finance.

Will you table the periodic status reports on tax collections and expenditures which you undoubtedly have prepared, and to which the Premier undoubtedly has access? Will you file that material which does not involve any estimates, any target, any projection — just hard financial facts?

Some Hon. Members: — Hear, hear!

Hon Mr. Devine: — Mr. Speaker, I can only repeat that hard financial facts for July or for August have to be . . . or September, have to be extrapolated into the future to get the deficit for the end of the year. And if you forecast it into the future, you have to guess and forecast revenue from interest rates, from prices; of oil, from the price of wheat, from stabilisation . . .

Mr. Speaker: — Order, please. Order, please. Once more the member's unfortunately being interrupted, and I would beg the indulgence of members to please allow the individual answering the question to answer the question.

Pay Increases for Out-of-Scope Employees at SGI

Mr. Trew: — Thank you, Mr. Speaker. My question today is to the minister responsible for SGI. Yesterday, Madam Minister, you confirmed outside of this House what you refused to tell us in here — that is, that out-of-scope management at SGI got a pay increase in the order of 7.6 per cent, April 1 this year, retroactive to January 1. You confirmed that outside of the House. My question is: will the minister come clean today and tell us when was the pay increase approved, and who approved it?

Hon Mrs. Duncan: — Mr. Speaker, what the hon. member asked yesterday — or alleged yesterday — was

that out-of-scope employees at SGI had received approval for an increase after the March 5 statement by the Minister of Finance which called for a two-year freeze on wages.

I confirmed to the member yesterday that there were no increases to out-of-scope employees at SGI after the March 5 statement. SGI out-of-scope employees — their raises are based on performance of the corporation, performance of the employees, and are done at the end of the fiscal year.

I might add, Mr. Speaker, that the in-scope employees receive the raises October 1, 1986, which will expire the end of September of this year, at which time the two-year zero and zero freezing in their wages will kick in, as will the zero and zero for out-of-scope people.

Mr. Trew: — Thank you, Mr. Speaker. Perhaps the minister did not hear the question. I asked: when was the increase approved? Give us the date. Was it at the March 18 board meeting of SGI? Or was it the January 29 meeting of SGI? Give us a date and table the document. When was the increase approved?

Some Hon. Members: — Hear, hear!

Hon Mrs. Duncan: — Mr. Speaker, I can assure the member that the increase was approved by the board prior to March 5. If he wants details of that statement or the meeting, he'll have to wait for Crown Corporations Committee meetings.

Mr. Trew: — Madam Minister, clearly yesterday you were unprepared to come clean with this House. Today you are showing the same contempt for this institution, and I am asking you: when was that increase approved? When? Give us a date. Give us the date; you surely have the information, or do you not? Are you not in charge of SGI? Come clean and give us a date.

Some Hon. Members: — Hear, hear!

Hon Mrs. Duncan: — Mr. Speaker, the member opposite alleges contempt in my answers yesterday. I answered his question forthright yesterday without contempt. He asked if they had received raises after the March 5 statement of the Minister of Finance. I told him unequivocally, no, and that answer stands.

Mr. Trew: — Mr. Speaker, Madam Minister, you claim that the salary increases were approved prior to March 5, but they were not implemented, clearly not implemented until April 1 — April 1, three weeks after the freeze took place. A full three weeks after the freeze, and as soon as the freeze was announced, your government withdrew a formal contract offer to SGI . . . Pardon me, a formal contract offer to SaskTel employees. Why was that decision to backtrack on a formal offer made, but at the same time you decide to proceed with this salary hike for management staff at SGI (Saskatchewan Government Insurance)? Why the double standard?

Some Hon. Members: — Hear, hear!

Hon Mrs. Duncan: — Mr. Speaker, there is no double

standard in SGI. In-scope employees receive their pay increases plus their normal increments as agreed to through bargaining. Out-of-scope employees do not receive automatic increases as do in-scope increases. Out-of-scope people in SGI, performance pay, is based on pure merit.

The performance of the corporation . . . I might add, Mr. Speaker, the management of SGI got a zero per cent increase in 1984. I think they received a 4 per cent increase in their ranges, but no cash, in 1985. The increase that was approved by the board was based on the performance for 1986. So I would say, Mr. Speaker, there is no double standard there at all.

Hon Mr. Blakeney: — Supplementary, Mr. Speaker. I understand and the minister can confirm this or rebut it if I'm wrong, that all of the . . . or virtually all of the out-of-scope employees got the same increase, approximately 7.6 per cent. Are you asserting that they all displayed the precisely same amount of pure merit that led to their increase?

Some Hon. Members: — Hear, hear!

Hon Mrs. Duncan: — Mr. Speaker, I think it is absolutely ridiculous for a Leader of the Opposition to demean himself that way. When we say merit, we mean merit, and employees who have not showed particular good judgement during the year do not get merit pay. Merit pay means exactly that — merit pay. And though I don't have the precise figures, Mr. Speaker, I can assure the Leader of the Opposition, not all out-of-scope employees at the management level received a merit increase.

Hon Mr. Blakeney: — Supplementary, Mr. Speaker, and Madam Minister. I just wanted to establish what you said earlier with respect to information on this matter being available at Crown Corporations Committee meeting.

I just want to establish this because I think we've established that this was all happening in 1987. And I'm happy to pursue this. But I don't want to hear the minister say in Crown Corporations that this isn't in the year under review, which it obviously will not be.

Now, Madam Minister, are you saying that when we come to SGI and Crown Corporations, you will answer all questions dealing with this issue, even though the matters may be in 1987? Or are you saying in the House that we should ask in Crown Corporations Committee, and when we get in crown Corporations Committee you will say it's not in the year under review?

Some Hon. Members: — Hear, hear!

Hon Mrs. Duncan: — Mr. Speaker, when SGI appears before Crown Corporations Committee, the normal rules will apply.

Mr. Speaker: — Order, order, please. Final supplementary to the member from Regina North.

Mr. Trew: — I'm delighted to hear the minister saying that the 7.6 per cent increase for management staff was based on pure merit. It's interesting when I note that SGI had a

total loss of more than \$3 million this past year. My question is simply to the minister what would the pay increase have been had SGI actually made some money this year?

Hon Mrs. Duncan: — Mr. Speaker, obviously the member has not read the annual report of SGI for 1986. SGI recorded its first profit since 1984 — a profit of \$3 point some million. Not a loss of 3 million, Mr. Speaker, a profit of 3 million.

Youth Unemployment

Mr. Lyons: — Thank you, Mr. Speaker. Mr. Speaker, my question today is to the fourth most powerful politician in Saskatchewan, the minister from "Maidenform" from Melville, the Minister of Human Resources, Labour and Employment.

Mr. Minister, in the last several days — in the last week, in fact — thousands of Saskatchewan high school students have entered the job market with anticipation that they'll be employed this summer so that they can continue post-secondary education in the province. They're entering a job market, Mr. Minister, where youth unemployment is at 14 per cent — and this is prior to their entry onto the market — and where there are officially 16,000 young people who are officially listed as unemployed.

In light of these facts can you, sir, explain to Saskatchewan's young people why you have drastically cut those programs which will lead to youth employment in this province?

Some Hon. Members: — Hear, hear!

Hon Mr. Schmidt: — Well I'm pleased that the member opposite realises that thousands of students have entered the job market in the last month or two. And we have maintained job programs and gone a long way towards creating employment in this province. We have put an emphasis on jobs in business and agriculture. These are permanent-type jobs rather than temporary summer jobs. These are the kind of jobs where the jobs are built and will be there next year and the following year.

And we are quite pleased with the results this year with respect to the youth unemployment statistics. If you will look back when your leader, the Leader of the Opposition, was Premier and felt that we were close to full employment, but youth unemployment was running about one to one and one-half per cent lower than it is now, in the 12 to twelve and one-half per cent range . . . So youth unemployment in summer and throughout the year has not changed very much in good economic times and difficult economic times. The difference runs from about 12 per cent to about 13 and one-half per cent. So overall we are doing quite well under the circumstances.

Mr. Lyons: — Supplementary, Mr. Speaker. I'm shocked to hear what the minister said. What he said, Mr. Speaker, is a falsehood and is not true — is not true!

First of all, sir, you have not maintained the youth

employment moneys normally accruing to it. Do you deny, Mr. Minister, do you deny that you have cut the budget for the student employment program from 10.5 million last year to 4 million this year — a cut of 62 per cent. Do you deny also that the Access youth . . .

Mr. Speaker: — Order, order. Order. Order, order. Please get to your question. You can quote from figures all morning. Please get to your question.

Mr. Lyons: — Do you deny, Mr. Minister, that the Access youth employment program for Saskatchewan unemployed youth was cut from 3 million last year to \$200,000 this year — a cut of 94 per cent? How can you stand here and say that your government has maintained youth employment programs and moneys for youth employment programs in this province. How can you stand here and deliberately mislead this legislature in that way?

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order. Order, please. I would like to once more remind the hon. member, members, we do not refer to other members in this House as having deliberately misled anybody. That's a phrase that we purged from our vocabulary in reference to other members, and I would like to once more remind hon. members to please refrain from using those kinds of terms.

Hon Mr. Schmidt: — Thank you, Mr. Speaker. I believed you were talking about summer employment, or with respect to the Access youth employment program, you're incorrect. It was not cut; it was terminated. And the reason . . .

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order. Order, please. Order, please. Order, please. Order. Order.

Hon Mr. Schmidt: — Thank you, Mr. Speaker. The reason that the budget shows \$200,000 or \$300,000 is for wind-down money for commitments that are outstanding on existing contracts that go beyond the year end. And there is a clear reason for why this program was terminated in that it was a program to buy jobs for youth, and we felt that the home program was a better alternative for creating youth employment, and has done a lot to do that.

And from time to time programs have to be adjusted. I recall that the members on your side of the House criticised it when we started it, and I am pleased that you will now understand that there have to be changes from time to time.

Mr. Lyons: — Mr. Minister, once again, once again we see "hoof-in-mouth" disease rampant in this legislature. We have a program that wasn't "cut," it was "terminated." And if you can tell me, sir, the difference between the two, I think that you and Daniel Webster and every other lexicographer in this country — in the world in fact — will be certainly glad to share in your wisdom.

My question, Mr. Minister, is this: I have a letter, I have a letter here which was sent to all members of the Legislative Assembly on June 4, three weeks ago, advising us that all funds under the Saskatchewan Opportunities '87 program had been committed and that no further applications would be accepted.

In other words, Saskatchewan's thousands of high school students haven't even completed their classes yet, and the money that they were supposed to get in order to provide jobs was gone.

How can you tell young people . . . How can you even dare to stand on your feet and try to defend your record as minister of employment before the young people of this province? How have you got the gall to do it?

Some Hon. Members: — Hear, hear!

Hon Mr. Schmidt: — The member opposite is confusing two separate programs. The Opportunities '87 program is a summer program for summer jobs. The youth access program was a year-round type program which was replaced with the things like the home program. And the fact is that with respect to summer employment, it took until June 4 before the money was allocated.

With respect to the agricultural sector, we were able to fill virtually all of the requests that came in a reasonable period of time. With respect to business, we had to allocate some so that some of the larger businesses did not get the same number of students they had other years and had to dip into their corporate pockets for them, and we had a limit of two per business. So it took a month or more to allocate this money, and the uptake was quite good, and there are many thousands of students employed this summer.

Mr. Lyons: — Final supplementary, Mr. Speaker. I wonder, would the minister care to give us a figure as to how many thousands of students have been employed by the Saskatchewan home program? Would you tell us exactly how many students, that is people who are registered in post-secondary institutions in this province or in high schools in this province, have been gotten jobs, or have got jobs through this program?

Hon Mr. Schmidt: — Well as the member opposite knows, summer is not over, and we won't have the statistics until summer is ended, and then we'll have a determination as to how many students were employed and how many weren't.

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 11 — *An Act to amend The Farm Security Act* — be now read a second time.

Mr. Upshall: — Thank you, Mr. speaker. As a New Democrat it is a real honour for me to speak on the subject of The Farm Security Act, which is one of the first statutes passed by the CCF (Co-operative Commonwealth Federation) government of Tommy Douglas after taking office in 1944, and was very timely at the time. Along with the cancellation of the seed debt and along with rural electrification, this Act was immensely popular with the people of Saskatchewan, Saskatchewan farm families.

In fact, Mr. Speaker, people came to refer to The Farm Security Act as the home quarter protection Act. As you can see from reading section 7, subsections 1 and 3, the original Act denies the banks the right to foreclose on a homestead. A homestead is defined as a quarter section where the residence and buildings are located. That was a good provision.

But the problem is that the lenders have over the years learned how to get around the Act. They routinely ask farmers buying land for an exemption from the Provincial Mediation Board. This really defeats the purpose of the Act.

I would have liked to see as part of this Bill an amendment which removes these exemptions. But of course, as we all know, the Tories are not likely to be doing anything to tramp on the toes of the banks who contribute annually approximately \$50,000 each to the PC war chest.

The other provisions of this Act were certainly worthwhile and should remain in place — protection of the farmer who is a tenant in the event of a crop failure; allowing the postponement of payments and providing the farmer with the wherewithal to take a crop off.

The Farm Security Act has, Mr. Speaker, certainly stood the test of time. It is a good piece of legislation and has for years functioned as a safety net for many family farms. I will be supporting the Bill.

Some Hon. Members: — Hear, hear!

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Environment and Public Safety Ordinary Expenditure — Vote 9

Item 1 (continued)

Mr. Lyons: — Thank you very much, Mr. Chairman. Mr. Chairman, we've seen in these estimates process so far where . . . as one item after another has been brought forward in regards to the assessment process which have been going on, we've seen, let's just say, an irregular application of the law — an irregular application of The Environmental Assessment Act in regards to the different projects and developments that have been announced.

I want today to begin by asking the Minister for

Environment and for Public Safety and question him regarding a press release which was issued by Executive Council — Executive Council news release 86-089, released on February 12, 1986. And the release is entitled “\$500 million power plant announced — Rafferty and Alameda dams proposed.” And it goes on to say:

Premier Grant Devine today announced that Saskatchewan Power Corporation will construct a \$500 million electrical generating station at Shand, 10 kilometres south-east of Estevan, that will be fully operational in 1991.

My question to the minister is: had the Saskatchewan Power Corporation submitted an environmental impact statement, or had the minister responsible for the Environment demanded an environmental impact statement prior to this announcement?

Hon. Mr. Swan: — I'm advised that we would not have been contacted at that time, but any major development like that is always subject to an environmental impact study. And as you are aware, that study has been undertaken, though it's still being worked through our department.

Mr. Lyons: — Mr. Minister, I'm referring here not to Rafferty and Alameda — I'm not referring to Rafferty and Alameda. I'm referring here to specifically to the Shand power plant. The Shand power plant construction was announced by the Premier on February 12. He said on that date:

Premier Grant Devine today announced that Saskatchewan Power Corporation will construct a \$500 million electrical generating station at Shand, 10 kilometres south-east of Estevan, that will be fully operational in 1991.

In this press release there are no conditions, there are no subject to environmental review, there is no subject to the assessment process whatsoever. It was a definitive statement made by the Premier that the power plant will be built come hell or high water.

Hon. Mr. Swan: — The member is reading from press releases, but it doesn't matter what the press release says, the Department of Environment assessment Act demands that that type of development have an environmental impact statement filed. That statement has been filed, though it is still being worked on within our department, and I advised the member of that.

Mr. Lyons: — Mr. Minister, I wonder in regard to Shand, which sections of the Act were used in determining whether the Shand power plant was a development, given that your department or that your predecessor, the former minister of the Environment, determined that Peter Pocklington was in development, his plant in North Battleford, and given the fact that in Waden Bay, Dave Longpré and other Tory notables, their development wasn't termed a development. What makes it a development in the case of Shand? And how was it different from the “porklington” affair?

Hon. Mr. Swan: — I'm advised that sections (iv) and (vi)

of section 2(d) of the Act would apply.

Mr. Lyons: — So sections (iv) and section (vi) of the Act. This is 2(d)(iv) and 2(d)(vi), is that correct?

Hon. Mr. Swan: — That's what I advised the member.

Mr. Lyons: — Mr. Minister, in regards to section 2(d)(vi), 2(d)(vi) says, for the people of the province who haven't got the Act in hand:

“development” means any project, operation or activity or any alteration or expansion of any project, operation activity which is likely to . . .

And going to (vi):

have a significant impact on the environment or necessitate a further development which is likely to have a significant impact on the environment.

I think it's obvious to anybody in their right mind that a power plant like Shand will have a significant impact on the environment. As well, in regards to section (iv), that there will be a general widespread public concern because of a potential environmental danger.

How can you apply a criteria to the Shand power plant and not apply the same criteria to the Peter Pocklington plant when in fact there was substantial . . . We have substantial proof that there was damage to the environment and an alteration to the environment and, in fact, the use of certain chemicals and the emission of certain effluence and substances from the plant caused that environmental alteration, and that there has been widespread public concern. How can you say at this point in time that the Pocklington plant in North Battleford is not a development and the Shand plant is?

Hon. Mr. Swan: — I advised the member yesterday of the reasons for the decision with regard to the Gainers plant, and I have advised you today of the reasons for the decision that the Shand development would need an environmental impact statement. I think both cases are very clearly given to you, and I have no further response to your question.

Mr. Lyons: — Mr. Minister, I think that the evidence is obvious in terms of that there's problems in the way that yourself and your predecessor have, in fact, interpreted this Act. And I think that we've brought these problems to your attention in a manner that is making the points rather well.

In regards to Shand, you're quoted as saying that you don't believe that public hearings are necessary, given the fact that other power plants in the province have been built. Do you hold that same view, sir?

Hon. Mr. Swan: — Yes, I do.

Mr. Lyons: — Well, I wonder if you would explain to the people of this province why it is that you don't believe that they should have an opportunity to comment upon the construction and the operation of the Shand power plant.

Hon. Mr. Swan: — During the review period under any environmental impact assessment process, the public have the opportunity to be heard, and that will be the case under the Shand condition the same as any other development.

Mr. Lyons: — You say that the public will have an opportunity to put forward their views on the matter. Will you be holding public hearings then as part of the environmental hearings on the Shand power plant project?

Hon. Mr. Swan: — No, there will not be public hearings at that time. The environmental impact statement is there for public comment, and the public have that opportunity. It will be placed in the usual library locations around the province so that the public will have ready access.

Mr. Lyons: — I wonder if you would explain this rather strange decision of yours in regards to not holding public hearings on Shand and not having the public being able to participate fully and being able to put forward questions to people involved in the project. I wonder if you'd tell the people of Saskatchewan why it is that you made that decision.

Hon. Mr. Swan: — That's a normal decision in most of these cases. The opportunity is there for the public to come forward during the public review process. If at that time there is enough outcry that there appears to be need, that's the time that the decision is normally made to go to public hearings.

Mr. Lyons: — . . . (inaudible interjection) . . . Mr. Minister, my colleague from Prince Albert -Duck Lake asked a very good question, and I'll ask it for him directly on the floor here. How much public outcry do you need to hold public hearings on Shand? What criteria will you use?

Hon. Mr. Swan: — I don't think there is any definitive measure that a person can use, but it will be determined whether there's enough outcry and enough concern in the public on this one, at the time of the public review period, to make that decision.

Mr. Lyons: — Mr. Premier, I'm glad to listen to that response. I'm glad to hear that response, because one of the things we have been saying time after time in these estimates is that decisions in the Department of the Environment are made by the minister purely for political reasons.

You've just admitted that; that when there's no stink, you're not going to look. When there is enough public stink, then you will begrudgingly look. And when there is enough public stink, even when there is that public concern, you'll try to use things like the Department of Justice to get your big, rich friends off the hook, the same way that your predecessor or yourself did in regards to Peter “Porklington.”

Some Hon. Members: — Hear, hear!

Mr. Lyons: — You've just admitted that, sir. You've just

admitted that statement yourself — that we need public outcry in this province in order for the Minister of the Environment to come to the defence of the environment. Not the merits of the case; not the merits of the development. Your own words condemn you, that that in fact is the attitude.

That was the accusation I made in my opening statement, and I'm glad you've confirmed that — what you originally termed a wild accusation, because it's come true, every dot and iota of it. You make your decisions strictly for political purposes.

I am raising an outcry. I am requesting that you hold Shand hearings, public hearings on the Shand power plant, on behalf of the people of the province. And I am one voice. I want to know is, how many other voices — what quantitative measure will you determine? Is it just purely a question of political heat, or do you in fact think that there are some merits for public input in regards to the Shand power plant?

Hon. Mr. Swan: — The member likes to stand and wave his hands and make a lot of commotion and make a lot of statements with very little background. I have made no different statement to you than I've made to the public and I've been making continuous.

The Act really determines the process. If the hon. member would like to read the Act, you will find that what I have outlined to you, and the process of the public review, and then after that public hearings if there is need; that's exactly the way the Act was written, and that's the way it is being followed.

It's not a political move. It's a straight following of the legislation that's before you, and I would ask the member to read it.

(1045)

Mr. Lyons: — Mr. Minister, you're not believable when you say that. You're not believable when you say that, because we have seen in the first three or four instances that we begin to discuss in this legislature in these estimates, a totally uneven and a totally inconsistent method of applying the Act. And there's reasons for that inconsistency. You've just admitted yourself what those reasons were. It depends upon the level of public concern and how much heat is turned on your ministry.

I want to say, Mr. Minister, there is a great deal of public concern on Shand and the whole developments that are taking place in south-east Saskatchewan. There is a great deal of public concern, particularly in regards to Shand, and also particularly in regards to Rafferty and Alameda.

Given that you've already said here that one of the reasons today why you demanded an environmental impact statement be prepared was section 4 of the Act itself, which says "... because it may cause widespread public concern because of potential environmental changes" — given that you've already admitted that that was one of the reasons that you demanded an environmental impact statement, will you give widespread public concern a forum in which to express

itself, and hold public hearings on the Shand power plant? It's a logical outcome of the reasoning that you gave for demanding an environmental impact statement.

Hon. Mr. Swan: — The Act outlines the methods that you use to determine what a development is. And if the member is having difficulty, I can read it back to you. I've read it before; I can read it again. But I would ask you to read all of the six points under section 2(d) to determine what a development is. And that's the exact process that's used in all cases to determine whether or not an environmental impact assessment is needed.

Under Shand and Rafferty and Alameda, we have determined that yes, they do all require that they go ahead and do the environmental impact assessment. And as soon as we say that, you say, oh it's political. You've made the decision on a political basis. That's not the case. We've made the decision because the Act requires that that is the process that be followed. And it's true that some things that government Crown corporations do are very close to government. You can't avoid that.

And I think, if the hon. member will recall, that the Coronach development was built when the opposition member ... the opposition leader was the premier of this province. They went through exactly the same process, of an environmental impact statement and then the public review process.

That's what we're going to do under the Shand situation. It's the proper process. We're adhering to it exactly and giving the public a 30-day review period. I think it's important that the public have that opportunity, and we look forward to their comments at that time.

Mr. Lyons: — Mr. Minister, I'm glad that you mentioned the fact that the former government built power plants in the southern part of the province. And at Poplar River, I can remember very well — very well — that they had public hearings. They had ... Very well. They had public hearings in order to allow the people in that area, and people from across the province, to express their concern.

Your government has made a major, major commitment of public funds at the Shand power plant, somewhere in the vicinity — although given the cookbook recipe method of the Minister of Finance, nobody really knows for sure how much it's going to cost — but using your own figures, somewhere around \$600 million.

Your government intends to put \$600 million of taxpayers' money into this particular project. Don't you think, sir, that the public has a right to, in fact, meet face to face with those who are going to spend their money, and meet face to face, and pose questions to them, and ask them to address the concerns that they may have, given the amount of expenditures. Six hundred million dollars is a lot of bucks. And I think the people of this province have the right to be able to voice their opinion on this matter.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — As the hon. member must realise, it's

not the Department of Environment that will spend any \$600 million. What we do is review the process through an environmental impact assessment, and after that process goes through our department, then it goes out for public review, and I've advised the hon. member of that, and that's the normal process.

If after the public review period there seems to be a need of public hearings, that's the time when the decision is made, is at the end of the public review process.

Mr. Lyons: — Mr. Minister, you're not quite telling the truth on this. This is not necessarily the normal process. The normal process . . . the process in developing the environmental review is laid out in the Act, and that includes sections like section 14 of the Act, which I may want to remind you of, and advise you to read, sir, entitled, "Inquiries." Section 14 says:

At any time prior to making his decision, whether to approve a development, the minister may appoint persons to conduct an inquiry or inquiries with respect to all, or any aspect of, the development, and shall set the terms of reference for the inquiry.

(2) The persons appointed under subsection (1) have all the powers of commissioners under *The Public Inquiries Act* and may engage the services of any professional or other advisors, experts, assistants or employees that they consider necessary.

In other words, sir, you've got the power to conduct the public inquiry, with using the powers of The Public Inquiry Act, in order to allow — in order to assess the concerns, or address the concerns of the people of this province. And that's just one avenue. And that's considered normal. And I tell you what, right now, that this side of the House would consider that normal if we were constructing the Shand power plant, because we think the people of this province have the right to have input on projects which spend \$600 million of their money.

And that's also part of the normal process. Hiding things from the people in this province and trying to use the provisions of the Act is not normal for an Environment minister and, let me tell you, will not be normal after you guys are gone — will not be normal at all. We think the people of this province have the right to that information and have the right to be heard directly on these kinds of projects. I'm asking you again, given that section 14 is also part of the normal process, will you call for public hearings and a public inquiry into the Shand power plant project in southern Saskatchewan?

Hon. Mr. Swan: — The member says that I'm not following the process. And I'm going to read very carefully for the hon. member, from the Act. And if the member has the Act, turn to section 9.

The proponent of a development shall, in accordance with regulations:

- (a) conduct an environmental impact assessment of the development; and
- (b) prepare and submit to the minister an environmental impact statement relating to the development.

The proponent shall bear all costs incurred in carrying out an assessment and in the preparation and submission of a statement.

Section 10

When the minister becomes aware that an assessment is about to be conducted, he shall immediately give notice of the assessment in any manner that may be prescribed in the regulations.

Section 11

The minister shall cause a review to be prepared of each statement that he receives.

When the review mentioned in subsection (1) is completed, the minister shall:

make the statement and review available for public inspection; and

give notice in the manner prescribed in the regulations, of the locations at which the statement and the review may be inspected, and may prescribe any conditions relating to the inspection that he considers appropriate.

And then if you go on to section 14, it applies, but it follows after those items have taken place. That's exactly the process that we're going to use. We're going to go through all of those steps, then if there's need for public hearings, they will be arranged following that time.

Mr. Lyons: — Mr. Chairman, I want to advise the minister that it was very interesting that he didn't go on and read past where he did. Because it says, starting at section 13:

At any time prior . . .

At any time . . . we don't have to go through, you don't have to make your decisions following the release of the document in making available public libraries. You don't have to make your decision then and only then. You can make your decision prior to that. The section 12, pardon me, section 13 says:

At any time prior to making his decision whether to approve a development, the minister may:

cause an information meeting to be conducted relating to the development; and

direct the proponent to make experts available to attend that meeting.

And that's what section 13 says. I'm asking you: will you invoke sections 13 and 14 of the Act and cause public hearings to be held in regards to the Shand power project?

Will you, in fact, make a commitment to the people of the province that they will have the opportunity to direct . . . to go to public meetings and question those experts from SPC on Shand?

Hon. Mr. Swan: — I advised the member several times that we're following the exact process after the public review period is complete. If there is need, then we can order the public hearings, but it won't happen until that time.

Mr. Lyons: — Well, Mr. Minister, you have seen by your own statements to have precluded that. In fact, one can't trust what you're saying in this regards because prior to these estimates you're on record as saying that you didn't think that public hearings were necessary, that you've already precluded the fact of holding public hearings. So how can you stand here and say that public hearings may be held if it is necessary, when you've already told the people of the province that you're not interested in public hearings?

Hon. Mr. Swan: — You're entitled to your opinion. What I said was that, because there have been a number of power developments in the same general area, and the people are familiar with those plants and with the development of power plants and the effect they have, that I didn't feel that there would likely be the same need for public hearings in that area. I've told you that we're going to follow exactly the process of the legislation that determines how you go about it.

You don't make the decision now, but rather you make the decision after the public review period. And if it appears necessary after that public review period that there are a lot of unanswered questions that the public want to discuss, then we'll make the decision whether or not the hearings are required.

Mr. Prebble: — Thank you, Mr. Chairman. Mr. Minister, you know full well that there is a long tradition in this province of ministers of the Environment announcing public hearings before the environmental impact assessment is completed, and before the materials associated with the environmental impact assessment are made public.

You know, Mr. Minister, that we had, under the former New Democratic Party government in this province, a long tradition of holding public hearings whenever there was a large scale project being undertaken with a significant impact on the environment, whether it be the Poplar River plant at Coronach with the associated risk of acid rain pollution, and water pollution, that resulted in public hearings being held there in the 1970s; whether it be the Cluff Lake board of inquiry hearings on the Cluff Lake project, which were announced well in advance of the environmental impact assessment becoming public; or the Key Lake board of inquiry hearings, also held by the NDP government in the early 1980s; or the decision that a public inquiry would be held with respect to the uranium refinery at Warman, a decision that was announced long before an environmental impact assessment on that project was ever begun; the decision to hold public hearings with respect to the Churchill River development, public hearings that

eventually led to that development proposal being rejected; and once again a decision to hold public hearings before the environmental impact assessment was completed.

It has been standard practice in this province, Mr. Minister, that where there's obvious public concern about a project, or where it's clear that the project is of a large scale and will obviously have a significant impact to the environment, it's been a long-standing tradition in this province, prior to your government coming to office, that public hearings were announced in advance of the environmental impact assessment being completed. That was common practice.

And I ask you now, Mr. Minister, what's your justification for violating that long tradition? Why won't you announce a public hearing on this project now? It's obviously a large-scale project. It obviously has very significant and a potentially detrimental impact on the environment. Over and above that, it's in the Premier's riding, in what happens to be obviously a politically sensitive area for you. I suggest that's the reason why we're not seeing public hearings.

So why don't you give us the justification now why you're in fact violating the tradition that's been laid down in this province over many years prior to your government taking office. what's your justification?

Hon. Mr. Swan: — Let me simply tell the hon. member that there are many traditions that the NDP followed that I would not want to follow. So I don't have to follow traditions; I follow legislation.

And it just so happens that when that government were in power, that this legislation was drafted. They must have thought it was the right process or they wouldn't have drafted it in this form. And this legislation is what we will follow. If, after the public review period, there appears to be a need of public hearings, that's the time that they will be ordered — not now.

Mr. Prebble: — Mr. Minister, as one of the two or three people who were involved in drafting that legislation, I knew exactly what it meant, and it meant what it says. And it says that the minister is free to announce a public hearing at any time. You are perfectly free, at any time you want, to announce a public hearing on Shand.

And my question to you is: is the reason that you're not announcing a public hearing not directly related to the fact that this project is in the Premier's riding; that the Premier is anxious to push the project through; the Premier knows that there is already mounting opposition to it; and that that's the reason why you're not holding public hearings, and not for any other reason?

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — No. I'd feel a lot more political pressure if it were in Rosetown-Elrose; I wish it were. But no, that's not the case at all.

The hon. member has said that the minister is free to order the public hearings at any stage that he wishes, and I

guess that's the case, and I have indicated to you what my wishes were. You said I was free to make that decision; I'm going to make it that way. Thank you very much for telling me I'm free.

Mr. Prebble: — I didn't suggest to you that you were . . . certainly you're free to make a decision on public hearings whenever you wish. What I'm suggesting to you is that you have been arguing that if you follow your legislation, you don't make a decision on whether or not to hold a public hearing until the environmental impact assessment is completed and until all the public comments are in. I'm telling you that that's not what the Act says at all.

You, as minister, are entitled to make a decision about holding a public hearing on a project at any time that you see fit, prior to the environmental impact assessment being completed.

And my question to you again is: why aren't you prepared to make a decision on that now? And isn't the reason you're not prepared to make a decision on it now because the project is going ahead in a highly politically sensitive area of the province, a project that's already ridden with parsonage, a project that's being constructed very likely on land held by members of the PC Party? Isn't that the reason why there is no public hearing on this project?

Hon. Mr. Swan: — I give the member the simple answer — no.

Mr. Shillington: — Mr. Minister, I witness your . . . For four and half years, I witnessed your term as speaker. Among the qualities which you exhibited was the highest integrity, and I am therefore very surprised to see the way you've handled this things, because this does not exhibit the highest integrity.

It is patently obvious to all concerned that the Premier is in the hip pocket of a development interest, and he's got you on a short leash, and that explains the decision. That explains the decision.

Mr. Minister, any piece of legislation depends upon the political will of a government to enforce it. And that's the same with this legislation. There's nothing in any piece of legislation which says a government minister shall be hung, drawn and quartered if he doesn't carry out the spirit of the Act. It depends upon the political will of the government. And this government is gutless and spineless when it comes to environmental legislation, and nowhere has that been exhibited in a rawer form than at Shand, where you are flooding a valley, some of the finest ranch land in southern Saskatchewan. You are flooding a recreation area. You are building a plant which has the capacity to cause a good deal of air pollution. All kinds of concern has been expressed.

I am not closely connected either with the riding or with agriculture. And I bet you I've met on a dozen different occasions with groups from that area who are concerned about it — the farmers, those who use the Mainprize Park, I think is the name of the park, and those who are concerned that the creek itself simply won't handle this size of project. All of those people have expressed

concern. And you stand here today, sir, and say, I don't think there's sufficient public interest. I don't think you're that deaf, Mr. Minister. I think you just haven't got the political will to carry out this legislation.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — I wonder if the hon. member realises what Shand is. You know, Shand is a power development. It has nothing to do with the environmental impact study that deals with Rafferty and Alameda, and I've already announced that there will be public hearings on Rafferty and Alameda which are the ones concerned with Mainprize Park and those things. I'm amazed that the member who tells me he even has a practice in Coronach and goes down to that part of the province every once in a while, that he hasn't realised there is difference in the two.

Mr. Shillington: — Of course there's a difference, but they are connected. They are part of a single developmental project. And there ought to be hearings on the entire project and not that portion of the project which you think isn't going to do you any political damage. It's the entire project which has concerned people, and the public hearings ought to be on the whole project.

I can just envision your chairman holding hearings, if and when it ever comes, on the Rafferty and so on, and the Alameda dam. I can just envision someone coming forward and wanting to make a submission with respect to an integral part of the development which is Shand, and the chairman saying I'm sorry, it's not our mandate. Sir, I will read for you our mandate if you want it. That's what's going to happen.

People are rationally and logically wanting to talk about the whole scheme, and you, sir, have narrowed the discussion to that area where you think it's not detrimental to your political interests. We wish, sir, that you had some concern for the environment of this province and a little less concern for your environmental interest.

Hon. Mr. Swan: — The Shand proposal came to us as a separate proposal, a separate environmental impact study. It's being reviewed. It's been in the review process since, I believe, late March.

Rafferty-Alameda came as a different study, completely separate, and it came in June. We're dealing with them in that fashion. That's the way they are brought forward to us as a department. We don't make the choices of what constitutes one development, what constitutes two, those are made at other levels. But that's the way they came to us; they'll be dealt with in that manner.

Mr. Shillington: — Mr. Minister, it is of no interest to this Assembly, or to the public of Saskatchewan, in what order the paper crosses your desk. What is of concern to the public of Saskatchewan is the projects, what effect they have, and their connection — and these projects are intimately connected, have been from the very beginning. And it's irrational not to have public hearings on the whole project.

If you think that it makes sense with respect to Rafferty and Alameda, and I may say that if those hearings ever come off, I think they'll be the first that your government has instituted since you've come into office. If that happens — it's still an if — if that happens, I wonder if you'd tell why you think it makes sense to discuss one portion of the project and not the entire project?

Hon. Mr. Swan: — I guess you would have to ask the power corporation why they've decided to do what they have done, and that is to bring the environmental impact studies in as two different developments. That's the decision that was made.

I might tell the hon. member that Rafferty and Alameda are a very broad project. It's not just for power, it covers irrigation and it covers recreation; it's a mullet-purpose project. So I believe that they have the right to come in the way they are. Likely the Shand environmental impact statement will go out for public review ahead of this one because it came in a long time ahead; it's just natural that it should follow that way. So we will be dealing with them separately. The public will have plenty of opportunity to discuss each one.

Mr. Shillington: — Mr. Minister, I'd be delighted to ask the SPC these questions, but I don't think the SPC got elected in any riding in Saskatchewan. They're not part of this Assembly. The process is, sir, that you got elected, you're the minister, and you have the responsibility with respect to these reports, not SPC.

SPC's responsibility is to deliver power. Your responsibility, as Minister of the Environment, is to ensure that they do it in conformance with acceptable environmental standards. And part of that process is that the public have an opportunity to speak on the matter. And you, sir, have, you say — although I say it's a first if it actually happens — you say they're going to have a right to speak on Rafferty and Alameda. This is a part of that larger project, and I suggest to you, sir, it's irrational to limit the discussion at the hearings to one portion of the project and out of all the hearings should be with respect to the whole project. That's what the public are going to expect when they come there, and that's what they should expect. And I suggest, if you're not prepared to make that commitment, then, Mr. Minister, you're not prepared to execute your responsibility to put the environment of this province ahead of your narrow political interests, because that's patently what you're doing.

Hon. Mr. Swan: — The member says that I'm elected and Saskatchewan Power Corporation isn't. That's true. But there is a minister responsible for Saskatchewan Power Corporation who sits in this House, who is elected and is quite capable of answering questions. And that's what I'm telling you.

As far as the public hearings, I've given a commitment to the public that there will be public hearings on the Rafferty and Alameda projects. I've outlined to you today, and I've outlined before in the news, the process that would be followed with the Shand. And after that public review process is complete, that's the time we'll make the decision whether or not public hearings are required.

Mr. Shillington: — Is the difference, Mr. Minister, that Alameda and Rafferty are not key to the power development project; Shand is, and that's why you don't want to put Shand up to the light of day because you don't want to jeopardise it? You, Mr. Minister, and the Premier, are not satisfied that that project can stand a public examination, and that's why you haven't announced a hearing. And that's why you have with respect to Rafferty and Alameda, because they aren't essential.

Mr. Minister, you're not prepared to do anything. I suggest, Mr. Minister, you're not prepared to do anything which jeopardises this power project, notwithstanding that there are other alternatives available at a good deal less cost. This is in the Premier's riding. He somehow or other feels that the pollution of the air in his riding is essential to his election and you're not prepared to do anything, Mr. Minister, which will jeopardise this project. And that's why you haven't announced any hearings, because this is sacrosanct. Is that not the case, Mr. Minister?

Hon. Mr. Swan: — The Department of the Environment is not responsible to make the decision of whether or not a project is financially a viable project. That is not within our purview. Our purview is really to review it, to safeguard the environment, to give the people the opportunity to speak. And we're doing that. And I believe that we've done a good job of it up to this point. And as you see the process go forward, I'm sure that the people in the area will also be satisfied.

(1115)

Mr. Shillington: — Mr. Minister, all rational objections to this project have been bulldozed aside. I want to spend a moment going over the history of this whole project because I think that you're part . . . your department is part of the rational objections which have simply been bulldozed aside because the Premier has a fixation on this power project. The power was available from Coronach at a lesser cost. That was admitted. But that isn't in the Premier's riding. Indeed, at the time the decision was made, it was in an NDP riding. Now it's in a Liberal riding so it isn't attractive to you, notwithstanding the fact that it's a few hundred million dollars cheaper.

Those considerations of the fiscal integrity of SPC in this province was just swept aside because the Premier has a fixation on this project for some reason or other.

Mr. Minister, the same thing has happened to your department. Your department has not been permitted to carry out its legitimate function because of the Premier's obsession with this power project. It is patently obvious that there ought to be public hearings on this. There hasn't been a major development in this province which has been as controversial, in environmental terms, for a fair length of time.

As I stand here, I have difficulty thinking of another project in Saskatchewan which has evoked as much controversy, because of environmental issues, as this whole project. It has been nothing but a public storm since it was first announced. Some of the concerns have

been financial, but a goodly number of them have been environmental.

If there was one project, Mr. Minister, which ought to have been held up to the light of day for a thorough examination, it's this one. You're not prepared to do it because the Premier isn't prepared to let you, because this project stands on holy ground, and nothing, but nothing is going to come between the Premier and this lamentable power project.

I say, Mr. Minister, that if you were doing your job, if you only had one thorough, honest, and complete set of public hearings, it's be on this whole project. You haven't done it because, as I say, with the Premier, this project stands on holy ground, and nothing touches it.

Hon. Mr. Swan: — The hon. member was part of a cabinet of a former government. And maybe when he was in cabinet, that's the way things were done. But I can tell the hon. member that's not the way things are done at this time. There's a different government in power.

The decisions with regard to the environmental impact assessment and the public hearings, and decisions of that nature with relation to the Rafferty and Alameda and relation to the Shand, will be made by the Minister of Environment, not by the Premier, not under coercion by the Premier, or any other way, but strictly . . . The job was turned over to my department; it's my job to make those decisions, and I'll make them when the time comes.

Mr. Shillington: — Who set . . . Mr. Minister, who sets the terms for the environmental impact assessments? Who sets those terms?

Hon. Mr. Swan: — I wish you would sort of tell me what you mean by "who sets terms?" What do you mean by "terms"?

Mr. Shillington: — Who sets . . . For the benefit of the minister, who's seeming to have trouble with the English language, let me be as simple and precise as I can. Who sets the terms of reference for the environmental impact? Who does that?

I'm amazed you have to ask somebody, Mr. Minister. It's you. It's your responsibility.

Hon. Mr. Swan: — We develop the guide-lines that must be followed to prepare the environmental impact assessment. And after we receive the document, if there's any other information we require, we call for that as well.

Mr. Shillington: — That simple and obvious statement, Mr. Minister, was the only admission I wanted.

Your earlier justification for dealing with these things separately was that the environmental impact statements had come forth separately, and you were dealing with them as you got them.

Mr. Minister, you set them. And if you have different statements coming at different times, that's because that's the way you organised it. It's all the same proponent; it's SPC in all cases. You set it, Mr. Minister. You have clearly

divided up this project because you believe it to be in your own public interest. I say, Mr. Minister, you could have combined these into a single statement. That clearly should have been done. If your best justification for not having done it is that the statements came forth in a different order, then I say you're damned by your own inability to provide a more rational explanation. Because if that's the best explanation you've got, it's obvious that raw political interests are superseding your responsibility as an environmental minister.

Hon. Mr. Swan: — The hon. member is again trying to throw out a few slurs, and maybe that makes you feel good, I don't know. It doesn't bother me a lot. I can tell you, sir, that we were requested to provide guide-lines for an environmental impact assessment for Shand, and we did that. And that particular impact study went ahead, and it came back to the department and is being worked through the department. Separately we were asked to provide the same kind of terms of reference for Rafferty and Alameda, and that was done.

Now I don't believe that you would expect the Department of Environment to be telling the proponents which projects they must tie together and which projects they do separately. That's their decision; that's not ours. We don't have that authority; we don't take that authority, but we do demand that the job to be done well once we tell them to go ahead and do the study.

Mr. Shillington: — Mr. Minister, the proponent in all three cases is the same body. It's a Crown corporation; it's SPC. You admitted that there's a member of this Assembly who's responsible for them. And the government, being the only shareholder, has some ability to control the efforts and the activities of the Saskatchewan Power Corporation, Mr. Minister, you could have asked the Saskatchewan Power Corporation — the cabinet could have asked the power corporation to do this in a more rational fashion, but you didn't.

But I really want to deal with your statement that you wouldn't expect us to tell the proponents how to organise this. Indeed I would, . Indeed I would expect the department to ensure that the environmental impact assessment or assessment, as the case may be, comes forth in a manner which provides for a logical analysis if the project and provides for the most fruitful and effective public input. And I would not expect you to permit SPC to organise this in such a fashion that it's very difficult for the public to provide an input.

Indeed, Mr. Minister, if you read that Act which you're so fond of reading. I think you will find it is the responsibility of the Department of Environment to ensure that environmental impact assessments are done in as effective and efficient a manner as possible.

Hon. Mr. Swan: — Maybe the hon. member is not aware that there are two different groups involved. Saskatchewan Power Corporation is developing the Shand project. The Souris Basin Development Authority is the developing body that is involved with the Rafferty and Alameda project. It's not the same company. It's two separate groups entirely. That's the way that it came forward, and that's the way it will stay. They are different

people.

Mr. Prebble: — Thank you, Mr. Chairman. Mr. Minister, you know that these are not two separate projects. I just want to give you an example of why they're not two separate projects.

One of your announced reasons for the Rafferty dam being constructed is that the Rafferty dam and the reservoir that will be created is going to water-cool the generators at Shand. So the two projects are obviously integrally connected.

And my question to you is: do you not acknowledge that connection? And therefore in light of that connection, why will you not allow the public to comment by way of public hearings on the two projects together? Because obviously if Shand's not going to be water-cooled but, for instance, air-cooled instead, then you don't need Rafferty at all. My question to you is: do you acknowledge the connection between these two projects, this very integral connection?

Hon. Mr. Swan: — There will be some use made of the water by the Shand development. You know, if I followed your logic to its ultimate end, then every project in the city of North Battleford that connects to the North Battleford public sewage system are connected projects, you know, if you want to go that route. But I don't agree with you that we have to deal with these two as one.

Mr. Prebble: — Let me ask you this question, Mr. Minister: would you build the Rafferty dam at all; would your government go ahead with Rafferty if it wasn't for Shand? What's your justification for pursuing Rafferty in the absence of the Shand power project?

Hon. Mr. Swan: — I think the minister responsible would be the one to ask that question. I don't think it's part of the Environment.

Mr. Prebble: — You know, Mr. Minister, that there would be no justification for that project. These are two integrally connected projects.

I'd like to ask you another question. In the term that your government has been in, from 1982 to the present time, have you ever held a public hearing, vis-a-vis an environmental assessment, on any project that's come before your government? Has there been a single public hearing?

Hon. Mr. Swan: — No, there hasn't been.

Mr. Prebble: — Doesn't that fact speak for itself. There were at least half a dozen public hearings in the years 1976 to 1981. There has been no public hearings from 1982 to 1987. What's your justification for not holding a single public hearing on a single project that's come before you? What's your justification?

Hon. Mr. Swan: — I would have to say to the hon. member that I had very little input into whether or not they were holding public hearings, as you are well aware, during that period. I sat in the Speaker's chair and was basically cut off from the decision making authority at

that time.

I have made public on different occasions that there will be public hearings on the Rafferty-Alameda projects, and the member has heard that. He knows the project will have those hearings. So I think he can be quite comfortable that, now that I'm Minister of Environment, there will be at least one public hearing.

Mr. Prebble: — Well at least there'll be one, Mr. Minister. But your record with respect to public hearings, and your government's record, has been abysmal.

You went ahead, for instance, and allowed the development of the Collins Bay B zone uranium mine right on the edge of Wollaston Lake, within a hundred metres of the lake, Mr. Minister, and your government didn't have a public hearing on that. And we've seen other developments being undertaken in this province, that should have been subject to public hearings, that weren't.

And now we're seeing the case of a classic cover-up at Shand, in the Premier's riding, with a major 600 million development that I say, Mr. Minister, is even questionable about whether it's needed. In light of the fact that there are all kinds of alternatives that need to be examined by the public, alternatives such as: would an investment of \$600 million in energy conservation not have netted you a lot more benefits in terms of energy than a \$600 million investment in that power plant; or would it not have been cheaper to go purchase power from Manitoba than it would have been to go ahead with Shand; or would it not have been cheaper to build at Coronach than it would have to go ahead at Shand? And would those other options that I've just outlined not have been more environmentally beneficial than going ahead with Shand? Those are some of the questions, Mr. Minister, that are posed by this development.

And over and above that, there are the obvious impacts that this project is going to have in terms of acid rain emissions, in terms of water pollution emissions. There is the obvious question that this project could potentially be air-cooled instead of water-cooled, and therefore Rafferty would be unnecessary, which is my view, Mr. Minister, that Rafferty is a completely unnecessary project.

But I say to you, Mr. Minister, this is clearly a political project. This project is going ahead because it's in the Premier's riding, because the Premier wants to push it ahead, irregardless of all the potential objections, in time to have it fully constructed and in operation before the next election.

(1130)

And, Mr. Minister, my question to you is: what's your justification for separating Rafferty from Shand, and are you not simply following on in the tradition that your government's established in the last five years of refusing to hold environmental impact assessments on damaging projects by refusing to hold one on the Shand power project?

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — Well, the minister . . . or the member makes a broad-ranging speech, and very little of it really applies to the Department of Environment. So I'm going to not follow your example; I'm going to stay on the subject issue that we're dealing with today, and that's strictly the relationship that this department has with the two projects.

We don't make the decision of which projects are combined; that's made by the proponents, the two different proponents. They make the decision. We have demanded that each one do the environmental impact assessment, and we have given the guide-lines that must be followed.

We're dealing with each one of these environmental impact assessments in the department at this time. As soon as they're complete, they will go out for public review. Both of them will have a 30-day public review period. Then there will be public hearing opportunities on the Rafferty Alameda. And I have told the hon. members that if there is a necessity of public hearings on the Shand, they may also be called, but that decision will be made at the end of the public review period.

Mr. Lyons: — Thank you, Mr. Chairman. I've been listen in with interest to my other colleagues' questioning, Mr. Chairman, of the minister, and I find that the minister, in fact, is not telling the truth. He is not telling the truth in regards to the linkage between the problems . . . Between the projects, pardon me. And he's not telling the truth, and he darn well knows he's not telling the truth in this regard.

I want to refer, Mr. Chairman, to a letter . . .

Mr. Chairman: — I'd just like to remind the hon. member that terms like that are not acceptable in this House, about not telling the truth.

Mr. Lyons: — Mr. Chairman, there is nothing, I would submit, in any parliamentary rules of order that says that you are not allowed to say somebody is not telling the truth. You are not allowed to use other words, and I ask you to check your *Beauchesne's* on that.

Mr. Chairman: — I am informed that this is the Chair's discretion, and my interpretation is that these are unparliamentary words. And I ask you to rephrase the question, please.

Mr. Lyons: — Mr. Chairman, the Deputy Premier has written a letter which says that the Minister of the Environment is not telling the truth. And let me illustrate what I mean by that.

In the *Leader-Post* on March 10 of '86, there appeared a letter by Eric Berntson, the Deputy Premier and also minister in charge of Saskatchewan corporation . . . the Saskatchewan Power Corporation. In this letter to the *Leader-Post*, Mr. Chairman, Mr. Berntson points out precisely the linkage between Alameda Rafferty on the one hand and Shand on the other.

And I want to quote. It says he's talking about, or replying

to a letter from a gentleman named Murray Rousay, who happens to be the mayor of Coronach. And I'll get into Mr. Rousay's comments in just a few minutes, Mr. Berntson says:

Mr. Rousay was also critical of the use of the Rafferty and Alameda dams to provide water for power generation, irrigation, recreation and industrial and municipal water supplies, as well as downstream flood control. The \$120 million required for the two dams will be shared by the United States government (\$57 million) and by Saskatchewan Power (\$14 million).

Saskatchewan Power — \$14 million.

Saskatchewan Power, as the minister admitted, is one of the proponents involved in the Shand power plant; in fact, it is the proponent involved in the Shand power plant. Saskatchewan Power is also one of the proponents involved in the . . . through the Souris Basin Development Authority, is also one of the proponents involved in the Rafferty and Alameda projects.

For the minister to try to stand here and deny that there is any linkage means that the minister is not telling the truth. The Deputy Premier of this province says that there is a linkage and that that linkage is a cash linkage of \$14 million, and that was in . . . (inaudible) . . . prices. And that, sir, is the truth. That, sir, is the truth.

And when the minister stands here and says that the minister is engaged in a political, total political manipulation of the Department of the Environment in regards to the Shand project, my colleague from Regina Centre is also telling the truth, because that's precisely what you're up to, Mr. Minister. You are trying to sneak around the issues of Shand, the issues raised as to the propriety of first of all of building the plant; secondly, the environmental damage that it may or may not have in terms of southern Saskatchewan or across the border. And I'll refer to some of the comments of Governor Sinner in regards to acid rain a little bit later.

You're trying to sneak around and hide behind . . . use, once again, the Act to try to hide from the people of this province their right to question the Department of the Environment; their right to question Saskatchewan Power Corporation as proponents of Shand and also as proponents of Rafferty; their right to question the linkage between the two and, in fact, the necessity of spending \$600 million for Shand and \$120 million for Rafferty-Alameda, projects which both happen to appear in the Premier's own constituency.

This is nothing more than a political boondoggle. Let me tell you, and let me tell you, the people of Saskatchewan, this is nothing but a political boondoggle. They ask Saskatchewan people to restrain themselves; they're asking Saskatchewan people to tighten their belts; they're asking Saskatchewan people to watch where the pennies go. They're pleading poverty. They're saying, we've got to cut the dental plan; they're saying that we've got to cut the drug plan; they're saying that we've got to cut education facilities in this province. On and on and on.

Money to transition houses, they're cutting; money to the Voice of the Handicapped, they're cutting. One after the other they're cutting money, and what are they doing? They're going behind the backs of the people of this province, spending \$600 million at Shand and not allowing a public hearing; \$120 million at Rafferty — \$120 million at Rafferty, but try to split the two and saying . . . now they're trying to split the two, the minister is, and saying that there is no connection.

What I want to know from you, Mr. Minister, is this: are you now saying that Rafferty and Alameda — because that information will be part of the environmental impact statement, or should be part of the environmental impact statement — that the flow of water from Rafferty and Alameda will no longer be going to Shand, and in fact that the Shand power plant can be used for . . . cooled by purposes other than water. Is that what you're now telling the people of this province, that there is no linkage, that there doesn't need to be a linkage?

Hon. Mr. Swan: — The member goes off onto another long diatribe that has very little backbone and very little strength from any source.

I have told the member that the Shand project would draw water from the Rafferty-Alameda project. I said that quite plainly here, and you can read *Hansard* and you will see it. But I also told you that the proponent for the Rafferty-Alameda project is the Souris Basin Development Authority, and that's the only one that we as a department deal with on that project. And so they will be dealt with separately.

They came to the department separately. We have no choice but to deal with them separately. They're going to be dealt with that way; the public will have opportunities, through the public review process — as I've told you many, many times. The big statement that you make that we're hiding it from the public, there's no truth in that at all. The public will have plenty of access. All the access that the public wants will be available to them. So for the member to stand and make some of these wild statements, I don't think do him much credit, and they certainly are not factual.

Mr. Lyons: — Mr. Minister, as to the wildness of the statement, I think the people of the province will judge that, and I think they'll get an opportunity if your government screws up the courage and calls a by-election in Eastview. We'll see who makes the wild statements or not, in that regard.

Some Hon. Members: — Hear, hear!

Mr. Lyons: — Now, as to whether the content of that statement was wild — as to the content whether that was a wild statement. Let's look and see what you're saying. You're saying that we have the Souris Basin Development Authority over here, as one proponent — and that's what you said — and we've got Sask Power over here as another proponent. Now would the minister be so kind as to enlighten the House as to who happens to be the chairperson of the Souris valley Development Authority, and who happens to be, also, the president of Sask. Power?

Hon. Mr. Swan: — I don't think that that has really any place in my estimates, but I believe the member knows the answer to his question.

Mr. Lyons: — Well now as proponents, in fact, once again, I think the people of the province are seeing the slippery and sliding nature of the kind of answers that you're giving in regards to this program.

Let's put it . . . as the Minister of the Environment, and I mentioned that these were proponents, we had two different organisations that were proponents of the developments, and that's using your logic. Okay? On the one hand, we have the Souris Basin Development Authority, who as a proponent for the Shand . . . for Rafferty and Alameda Dam projects . . . Who is the president or who is the chairperson of the Souris Basin Development Authority?

Hon. Mr. Swan: — I think the member knows who the chairman is, and it is a man by the name of George Hill.

I think what you have to also realise, that the Souris Basin Development Authority has a number of people on the board, and they represent different interest groups. They are funded separately, entirely. If Sask. Power puts money into the project, the money that they put in will go through to that development authority, and it will be paid for in that manner. So I don't think that the fact that one member from Sask. Power is on the board has all that much significance; certainly he's a high-powered person, he's a very capable person, and he's been involved with the negotiations with the Americans and all of those things, and I think he's doing a good job.

Mr. Lyons: — Mr. Minister, that's good. We have George Hill as the chairman of the Souris Basin Development Authority. And over here — that's one proponent; and over here we have another proponent — because you're trying to split them apart — we have Saskatchewan Power Corporation.

Now I understand, and I think that you understand, that the president of Saskatchewan Power Corporation is a person named George Hill. Is that not correct? And is it the same George Hill which is the former president of the provincial Progressive Conservative Party of Saskatchewan?

Hon. Mr. Swan: — The member is making a lot of allegations, and I think he probably knows some of the answers. whether or not he is a former member of the Progressive Conservative Party, or whether he is still a member, has very little to do with the estimates at hand.

Mr. Lyons: — In other words, that you're admitting that the same person who is the leading light of the proponent for the Shand project is also the same person who is the leading light for the . . . as the proponent of Rafferty-Alameda is the same person who is the former president of the Progressive Conservative Party, who is the same person who got his political plum in that position by being appointed to his \$210,000-a-year job at Saskatchewan Power, that's the same George Hill? And you're trying to stand here and tell this House that this

isn't political? You're trying to stand here and say that that isn't political?

Hon. Mr. Swan: — I don't think that we're involved in paying anybody any amount of salary. If the member has questions as it relates to the projects at hand, I'd be pleased to deal with those question.

Mr. Lyons: — Well, Mr. Minister, we're asking a few questions, and they're turning out to be somewhat politically embarrassing for yourself and for your government, given the fact that it's a political boondoggle and that there's not a person in this province who doesn't believe it's a political boondoggle. Even that small group of greedy little business people in Estevan who are the Tory backbone — the McClellands and the Hills and the Dennis Balls and all that little ilk — the people that you've appointed to feed at the public trough, even though they will admit that it's a political boondoggle.

What we've been trying to say, Mr. Minister, to you, is that in order to put this political boondoggle that you were promoting on behalf of your government, will you hold public hearings in regards to Shand, given that you were going to hold public hearings for Rafferty and Alameda? And that they are all integrally connected, that there is no splitting despite whatever kind of splitting you want to make in your own mind, that in reality, and from the words of the Deputy Premier, that the projects themselves are totally intertwined?

Hon. Mr. Swan: — I've answered that question to the hon. member several times, and the same answer still applies.

Mr. Lyons: — That's right, you're not, Mr. Minister. You've answered that despite the best evidence in the world that you . . . that the reason for making that decision doesn't hold water. You said to the people of Saskatchewan that you're not going to hold public hearings into Shand because it's not connected with Rafferty.

(1145)

Let's ask this way . . . yes you did, sir. In all respect, you shake your head now, that's the reason you gave. You said that . . . to the member from Regina Centre you kept saying, well you've got to split them, that they're two distinct projects. Won't you now admit, won't you admit that in fact Rafferty, Alameda, and Shand, as envisioned by your government, and as will be stated when the environmental impact statements are made public, that in fact there is a connection between the two and they're all part of the same development? All part of the same development in that area of southern Saskatchewan, and from the point of view of the proponents they cannot be separated one from the other.

Hon. Mr. Swan: — No, I won't make that statement. I have told you several times that, yes, Shand will draw some water from that Rafferty dam when it's complete. There will be other users who will also draw water from that project. There will be a lot of recreation develop along the project, a lot of irrigation opportunities. So that is a multi-purpose development that's going ahead. There

are two separate proponents that came to our department to make requests for developments. Sask. Power came for the Shand project, to make a request for a development. The Souris Basin Development Authority came for the other one.

Mr. Lyons: — Mr. Minister, your answers are not holding any water. Let's return back to The Environmental Assessment Act. Once again, let's go back to The Environmental Assessment Act. We all know that the project itself is not going to hold any water because the United States government has refused to provide the \$41.1 million of appropriation. So if we're to believe George Hill, and his assertion that we need the 41 million, the project will never go ahead.

We find out that, in fact, the project may never go ahead, given that the United States is even now saying, we don't think that this project may be the best interest for their side of the border.

But returning to the environmental impact, An Act respecting the Assessment of the Impact on the Environment of New Developments. Section 2(d)(ii) of the Act says:

“development” means any project, operation or activity or any alteration or expansion of any project, operation or activity which is likely to:

substantially utilise any provincial resource and in so doing pre-empt the use, or potential use, of that resource for any other purpose;

We have Shand power plant, which by your own admission and which by the admission of the government is going to utilise the resource, provincial resource, i.e., the waters of the Souris river. We have Rafferty and Alameda which is going to be constructed so as that provincial resources, i.e. the waters from the Souris river and from Moose Mountain creek are going to be utilised, and that that resource is going to be taken from those two constructs and used at Shand. And you've said that by your own admission and by statement after statement of your own government.

Don't you agree, that in light of what the Act says as to what constitutes a development, that the pre-empting of the use of the provincial resource, i.e. the waters of Moose Mountain creek and of the Souris river by the Shand power plant, makes the whole operation one development? Doesn't the Act guide you in this matter, Mr. Minister? And won't you admit that, in fact, that it's all part of the same development and that your responsibility, as the Minister of Environment, is to look at it as one development and not to try to split it up into two separate little parts so you can hide, you can hide from the people of the province?

Hon. Mr. Swan: — We have demanded environmental impact studies from both groups. And the member knows that; I've told him many times. But if you follow the extreme logic that you're using now, then if irrigation draws water out of the same reservoir, then it would be classified as the same development and would have had to come in under the same environmental impact

assessment. You know, that just doesn't hold water. It's not the way the Act works. And the way that it is going ahead now is proper under the legislation we have.

Mr. Lyons: — Mr. Minister, that, sir, in plain English is a bunch of hogwash. In fact, if one were to draw irrigation from the dam — in fact you've said that there is going to be irrigation from the dam — surely your department is going to look at things like the salinity levels and the effect of salinity in the area.

We have Shand building the power plant; we have Rafferty which is going to take water from the Souris River and put it to Shand. And that's the only rationale that you have from your own admission. We have irrigation, and you've said there's going to be irrigation. Surely, sir, that you are going to look upon this whole thing as a same development in terms of affecting the environment of the area upon which this development impacts.

For you to stand here and say that these things are not connected shows you have a total lack of understanding of the eco-systems. You're supposed to be the Environment minister. Eco-system implies in fact a relationship, a symbiotic relationship, between what you do at A will affect what you do at B, which will have an effect at C, which will impact at D. And for you to try to draw mental constructs . . . If you try to derive mental constructs that A does not affect B, shows you're either lacking in the sort of, the very rudimentary knowledge needed to carry out your job, or shows you're trying to undertake a political operation.

And I'd prefer it in fact, sir, with all due respect, to consider that you're undertaking the latter. Because I think you know very well from your own experience as a farmer, that when you do certain things to the land, that wheat crop, the yield of wheat crops, will be affected, and that A does have an impact on B. I don't think you have to look beyond the end of your nose to figure that one out, with all due respect.

won't you admit and don't you think that, as the Minister of Environment, when you see two things that are going on, two activities that are going on, and the people who are undertaking those activities say yes, there's a connection between the two, don't you think that in fact there is a connection between the two? And when you can see with your own eyes that A will affect B in this instance — that Shand will affect Rafferty, Rafferty will affect Shand, the irrigation in the area will be affected by or will be developed by it — don't you think that the whole thing forms part of one development. And don't you think the Act, in fact section 2(d)(ii) of the Act, gives you that latitude as a Minister?

If you're interested in protecting the environment, if you're interested in looking at the eco-system of that area, if you're interested in fact of standing up for the environment in that south-east part of the province, that if you're interested in that, don't you think that these things are connected, and that you demand from the proponents one developmental plan for that part of the basin?

Hon. Mr. Swan: — The environmental impact statements are in the department now, and they deal with both of

those projects. The public review process will be followed, as I advised the hon. member.

Later on, after the public review process is complete on the Shand project, we'll make a decision at that time whether or not to go ahead with public hearings, and I've advised you of that. I have advised the public generally that we will go ahead with public hearings on the Rafferty-Alameda, and I've advised you of that.

When we come to the point after all of that process is complete, then it comes the times that I must make the decision whether or not we give the project the go-ahead. And at that time, if there's need to consider the relationship in any way, it can be done at that time.

But there are many things that have to take place under the Act; they are proceeding in the normal fashion. People will be given plenty of opportunities to review and react. And I believe that the member is trying to build a problem that really isn't a problem.

There's nobody has given approval to go ahead and develop either the Shand project or the Rafferty-Alameda at this time. They have to go through the review process and at the end of that process is when the decision is made. So I'd ask the member to please stick to those as guide-lines when he things about it.

Mr. Lyons: — Well, Mr. Minister, it's obvious to everybody in this province except, I guess, yourself, that in fact that these projects are interrelated. And for you to stand here and say to the Assembly and to the people of Saskatchewan that maybe some time down the road, maybe some time in the future, we'll look to see if these projects are interrelated, are total hog-wash. I mean, you can pick up any newspaper, any newspaper article in this province that deals with Shand or Rafferty or Alameda — it connect them.

I want to refer you, for example to the *Leader-Post*, December 10, 1986:

"Group says dam would destroy park, farmland." A group opposing construction of the Rafferty Dam said Tuesday that 21,000 acres of agriculture land will become unusable and a regional park flooded if the project goes ahead as planned.

And here's the important part in this regard:

The dam, to be built on the Souris River north-west of Estevan as part of the \$500-million Shand power project, is to be jointly financed by the Saskatchewan Power Corp. and civic, state and federal levels of government in the United States.

That's one newspaper story. We look again. November 19, 1986: "Report on dam effects expected in January." Regina — this is the *Leader-Post* again, or pardon me, the *Star-Phoenix*.

An environmental impact statement for the proposed Rafferty and Alameda dams is expected to be complete by the end of January. "I would guess we're looking at a thickness of seven inches

of paper.” said Gordon Mills, director of public affairs for the Souris Basin Development Authority. “It’s no light matter. The two proposed dams and reservoirs, the Shand on the Souris River and the Alameda on Moose Mountain Creek, are part of a \$500 million Saskatchewan Power Corporation, coal-fired generation project planned for the south-east of Estevan.”

Just two of the many newspaper articles.

The reporters in this province know that, in fact, these projects are linked together. You government says time in and time again that these projects are linked together. Why won’t you admit to the people of the province that in fact these are linked together, and that there should be public hearings held on the project as a whole, that there should be public hearings so that the people of the province have the opportunity . . .

Why won’t you do that? Is it because you’re out there to cover the Premier’s behind in this matter? That you’re out there to protect the Premier and the Deputy Premier — who happens to be the minister in charge of Saskatchewan Power Corporation — from the kind of probing and from the kind of questioning as to the efficacy of development of Shand, Rafferty and Alameda?

Isn’t that the real reason? That you’re using your department as nothing more than a narrow partisan political weapon; that you’re not interested in the environment of that part of the province; and that you’re interested in one thing and one thing only, and that is to act as the political cover man for the Premier and the Deputy Premier when it comes to Shand, Rafferty and Alameda. I think the facts think for themselves. And I think that the people of the province deserve to know the answer to that question.

Hon. Mr. Swan: — The hon. member again is making some very wild accusations. When I look at the Deputy Premier, I don’t think that he really needs me to protect him. He’s quite capable of protecting himself. He’s done a pretty fair job of it up to this point in history, and I think he’ll continue. The Premier, again, is very capable of protecting himself. He doesn’t have to have me doing that.

So the job that I have to do is a different job, and that is to see that the environment of the province is protected. That’s the job of this department. That’s the job that we take very seriously and will continue to do that. I believe the hon. member, when all is through the mill, will realise how effectively the department has worked to protect the environment of the province.

Mr. Lyons: — I wonder, Mr. Minister, given the fact that you accuse me of prone to making wild statements, whether the mayor of Coronach is prone to making the same wild statements?

Hon. Mr. Swan: — I haven’t talked to the mayor of Coronach, and I don’t think that it’s up to me to decide whether his statements are wild or not. But I’ve just been listening to yours and that’s the statement I make for yours.

(1200)

Mr. Lyons: — Mr. Minister, I refer here to a story in the *Leader-Post*, “Mayor blames politics for location of plant at Estevan, not Coronach.” And it says:

Mayor Murray Rousay says politics is the soul reason Sask. Power’s new \$500 million power plant is going to Estevan instead of his town of 1,000 that desperately needs the economic stimulus of such a project.

The story goes on to talk about the differing financial arrangements regarding the construction of a plant at Coronach versus the construction at Shand, or the other option which is available to the province, which is to purchase low-cost power from Manitoba.

I said before, and I say it now, and I’ll say it again: your credibility as a Minister of the Environment is at stake, sir. Your credibility before the people of this province is at stake unless you agree to hold public hearings into all aspects of that single development, that single development being Shand, Rafferty, and Alameda. Your own government has said it’s one development, and it’s linked. You yourself in a roundabout manner, have said that there’s a linkage between the two, and that one necessitates the other.

Will you allow public hearings so that the people of Saskatchewan can in fact expose this project for what it is, which is nothing more than a political boondoggle? A hundred and twenty million for the dams in the Premier’s constituency — \$720 million of taxpayers’ money gone into the Estevan constituency.

And here we have the Minister of the Environment acting as the shield, as the front man, trying to manipulate and distort and use every wiggly trick in the world in The Environmental Assessment Act so that you won’t allow public hearings on this project.

That sir, is what you’re doing. The mayor of Coronach realises that you’re plying politics with this issue and that it’s a political issue. Why won’t you admit to the people of the province that it’s a political issue and hold public hearings on all the project, the whole project?

Hon. Mr. Swan: — I don’t suppose it ever crossed the hon. member’s mind that maybe the mayor of Coronach was playing a little politics when he made his statement. You know, why was he concerned? He was concerned because he would like to see the project in the Coronach area to strengthen his own community.

You say that we’re playing politics, as though politics were a dirty word. Well in our book it isn’t. Politics is what governs our country, and I think it’s very important that politics be involved in many of the decisions. But when it comes to the environmental part of it, politics are not directly involved. That’s the time for the public to have input, the time for a true evaluation of whether or not the environment is going to be injured significantly or whether it’s within the purview of the department to give

it the go-ahead.

And we're dealing with it on that basis — to look at the environmental impacts, to see that the environment of our province is not harmed, and that we leave for the future generation a province with a good environment in which to live.

We're had two major power developments in the southern part of the province that are operating. The control of the environment, I think, has been good. There are some ash emissions and so on, but overall it's been good. The people of the area basically are quite satisfied, and I think you'll find the same when this project goes forward.

Mr. Lyons: — Mr. Minister, in fact we're making this issue and giving it such attention because the exact opposite, the exact opposite is the truth.

The people of this province are opposed. They're opposed to part of the development project, part of this one development project. They're opposed to Rafferty and Alameda in particular. And they're opposed for all of the environmental reasons which you have been notified of.

And you talk about openness and allowing public input. Well why is it, sir, that when a group representing over 50 per cent of the population of the province of Saskatchewan asks to meet with you on Rafferty and Alameda, when they ask to meet with you, that you have turned them down? And I refer here to the Friends of the Valley group, the coalition of people in Saskatchewan who are opposed to Rafferty and Alameda. Why have you turned them down and refused to meet with them?

Hon. Mr. Swan: — The Friends of the valley group have never been refused. What they were told is that, until the environmental impact statement is complete, we don't have the facts at our disposal to make the kind of decisions that are necessary. So we advised them that they should wait until after the public review and the public hearing process. If they still wish to meet, then my door is open.

I meet with many groups, and I'll meet with that group at any time. But I don't see a purpose, really, in meeting without having any of the facts that are going to come forward through this environmental impact assessment process. All of us would be flying a bit blind.

You know, if we followed your complete logic, we would never have had Lake Diefenbaker and the Gardiner dam. And it flooded an awful lot of land back through my own constituency. There were quite a number of people that were concerned at the time that that project was being developed.

I can tell you today that most of the people who had objections at the time are saying how thankful they are that that project went ahead and that we have Lake Diefenbaker to provide water. And perhaps when you take a drink of water here, you'll appreciate Lake Diefenbaker as well, because when you compare the water that we have today to what we had prior, it's quite

different.

The people likely, in the area of the Rafferty project, as the environmental impact statement is made available to them in the public review process, and as the ongoing negotiations occur that will give them a land value for the land that will be flooded, alternative lands that they can use because their present land is flooded . . . When you talk about the Mainprize Park, and it is going to be flooded, you know, I can tell you Palliser Park at Riverhurst was also flooded, but the new Palliser Park surpasses anything they had before, and the people there are entirely happy.

So it's very difficult to make the broad statement that the people in Saskatchewan are opposed to the Rafferty project. The people of Saskatchewan had an opportunity in an election, after those projects were announced, to publicly declare, to the world really, that they were not opposed to what the government was proposing. And I believe the people in Estevan and area there supported the Premier in his bid for re-election. If they were that concerned, they could have defeated him. They didn't choose to do that. So to make the statement the whole world is opposed is not quite right. Many of the people in the province feel that it's long overdue to make this move.

Mr. Lyons: — Mr. Chairman, the statement I made in regards to who's opposed and who's not opposed, I said 50 per cent of the people of this province are opposed to Rafferty-Alameda. I'll stick by that statement. And if the Minister wants to use the yardstick of the election as whether or not that's a true statement, I would ask him to check in fact the percentage of the vote of eligible electors in this province; the percentage of the vote received by his party as opposed to the percentage of the vote received by the other parties. And you will find, Mr. Minister, you will find that a majority of people — not a plurality but a majority of eligible electors in this province did not vote for you, did not vote for your party. and if that's the yardstick you want to use, then I think I'm quite happy to allow that yardstick.

The majority of the people in this province don't support you, don't support your government, and it's plain. And if you want to use polls, we'll look at the last poll. Fifty-six per cent of the people, eligible voters in the province, would support the party I represent. Only 26 per cent would support the party you represent.

And if we want to keep talking about Rafferty and if you want to stand there and defend Rafferty, let me tell you, sir, that the proportion of people who end up supporting our party will increase. Because I have listened very carefully to what you said. I listened very carefully to the words you said. And you said: after the valley is flooded. You used terms like that. After the valley is flooded, after Dr. Mainprize Park is gone, and so on and so forth, such will happen.

From your very words, isn't it true, isn't it true that you've already made the decision, and that you made the political decision to go ahead with Rafferty, and that you're standing here already defending it while your job as the Minister of Environment is to critically examine it, in fact, to take a negative view, you're standing in the House defending Rafferty.

That proves to us, that proves to the people of the province that you've already made that decision and that you've got no right to sit there as a Minister of Environment, to stand up and try to mouth phrase about protecting the environment because you've already made the decision to go ahead with Rafferty, and you're going to use The Environmental Assessment Act and you're going to use any other Act that's under your purview to go ahead and defend the political boondoggle which is Rafferty, and which is Alameda. You stand condemned by your own words. You stand condemned. For what you said, Mr. Minister, was that this was a *fait accompli*, and that in your mind, that Rafferty's already built.

And that's the way you're picturing it. And you're saying that it's going to have the same benefits and effects as the Gardiner dam. So how can you possibly try to stand here and say you're going to go through an impartial environmental process, you're going to allow input from the people of this province, when you've already made up your own mind, when you've already said that Rafferty's going to go ahead. Or let's refer, Mr. Minister, let's refer to it, if you haven't made up your mind.

I want to ask you this: has the Premier, as part of the environmental impact statement, put on record that in fact that he hasn't yet made a deal with Marubeni corporation of Japan in regards to the construction of a plant in Saskatoon for turbines for the Shand plant. Or when he said, in fact, that that project was under way, was he not telling the truth to the people of this province?

Hon. Mr. Swan: — Again, the hon. member is making some fairly wild statements. Many of them I don't think really even deserve a response. I have told you when the decision would be made whether or not Rafferty and Alameda will be built, and that's a ways down the line.

We have to go through the environmental impact assessment process. We go through public hearings, and when that's finished, then we'll make the decision. The decision has not been made.

What I was referring to the hon. member was the circumstances that surrounded Lake Diefenbaker and the objection that people had at the time, but the satisfaction that they now experience because the lake is there. And I refer you to the same thought that will likely be the case if Rafferty goes ahead, and that is, that when the lake is filled, when the people know all of the detail, when they have prices for land and alternative options, they will see it differently than they do today. But we haven't given authority for any projects. We won't give that authority till much later, after all of the hearings have been held.

Mr. Lyons: — well, Mr. Minister, how is it then that the Premier . . . how can you justify statements made by the Premier of this province, in regards to Shand and Rafferty and Alameda? In particular, how can you justify the statements that a deal has been signed with Marubeni corporation of Japan in order to construct the turbine corporation of Japan in order to construct the turbine generators at Shand if, in fact, a decision has not already been made? How can the Premier stand here and make those kinds of statements when, if as you say, a decision has not already been made? If a decision hasn't been

made, then how can the Premier order turbines for a project which doesn't have approval?

Hon. Mr. Swan: — I believe that whether or not the ordered turbines would not be something that would be under the purview of the Department of Environment. That would fall under the minister responsible for Sask. Power, and when his estimates come before the House, would likely be the proper time to deal with that subject.

(1215)

Mr. Lyons: — Well, Mr. Minister, you, as part of the Executive Council, and I assume also as Minister of the Environment, are concerned with the finances of the province. I mean your government has been talking about finances and setting up a scenario about how bad we're all doing, and so on and so forth. We have the Premier of the province who makes a statement that he signed an agreement with Marubeni corporation of Japan for the purchase of turbines. Have you told, as the Minister of the Environment, have you told the Premier that he'd better not make that order because your department may turn thumbs down on Shand? Have you advised the Premier that in fact that because he has an environmental impact statement, that that project is not a certainty? Have you, as Minister, done that?

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — I suppose maybe at one time, when the Leader of the Opposition was premier, there may have been need for his ministers to run to him and make that kind of statement, because he wasn't very observant. But the Premier we have today is very observant. He knows exactly what stage the environment impact assessment process is at, because the papers reported immediately that it came forward and that it went into the department.

So our Premier can make those deductions without me running to him and saying, look, Mr. Premier, you must do this. He's quite capable of making those decisions. I don't believe that the Premier went to Sask Power and told them to order turbines. I think Sask Power's board of directors make that kind of decision. And the member is kind of drawing a lot of false conclusions here that have little relevance to the subject at hand.

Mr. Lyons: — Well, Mr. Environment Minister, I suspect that they have a great deal of relevance, particularly in regards to this project. We have the Premier who says that turbines from Japan are on order, and that a plant will be constructed in Saskatoon. These aren't . . . these weren't put there with conditions. These statements weren't made with conditions. These were statements of fact. These were statements of fact, according to the Premier, that these things were a *fait accompli*.

We have the Premier of the province saying, we're going to go ahead with Shand, we're going to go ahead, let's build the Shand power plant. That's what he said: we're going to go ahead and build the Shand power plant. He didn't put any conditions on it.

I'm asking you, sir, I'm asking you, sir, that . . . We have

the position of . . . the situation where the Premier has gone ahead and set up the Saskatchewan . . . or the Souris Basin Development Authority in order to hide the activities, to hide from the people of the province the activities of Alameda and Rafferty. We have them setting this and spending money, and spending thousands and thousands of dollars to do a PR job to fly — not take around in the valley, but fly — reporters in this province around to try to sell reporters in this province on the idea that this is a viable project.

We have the Premier in your government, of which you are a member, spending literally thousands of dollars and committing hundreds and hundreds of millions of dollars, to projects which don't have an environmental approval. Have you told the Premier, and have you told Executive Council, that in fact they'd better keep their mouths shut about these projects, because they haven't been approved and because there's a possibility that your department will turn them down? Or is the reality different?

That, in fact, that it's a *fait accompli*; that you, as Environment minister, are nothing more than a shield behind to go through a number of little hoops; and that in fact these projects are already on-line, in the works, which you yourself admitted. You, yourself, previously admitted that Saskatchewan Power had these projects in the works and have committed funds.

Hon. Mr. Swan: — Sask. Power has not spend hundreds of millions of dollars at this time.

If you're going to go ahead with any development, you have to make certain decisions. And one of the decisions is that you're going to do an environmental impact assessment, and that's the stage that determines whether or not the development's going forward.

To do a statement like the one that Sask. Power has done on the Rafferty and Alameda and the Shand, when you do that kind of environmental impact assessments, you do spend quite a number of thousands of dollars, because that is very detailed work; it takes considerable amount of time. You hire consultants that have expertise in the area, and you pay them. So, yes, you spend some money.

I believe that any business man who's going to do any development spends some money, knowing full well that when he spends it that he may not get permission to go ahead and he may lose it. But it's the only way of finding out whether the project can go. So that's the process that we're at at this point.

Mr. Lyons: — Well, how is it, Mr. Minister, that the Premier can make statements that, in fact, a plant will be built in Saskatoon and that turbines will be purchased — not maybe — but will be purchased from Marubeni corporation, if the decision has not been made. If the decision has been made, then the thing's a *fait accompli*, and all you're doing with the supposed environmental assessment is a sham. If the decision hasn't been made, then the Premier of this province is not telling the truth about the Marubeni Corporation's contract, about buying turbines, about building a plant in Saskatoon, and about the dam.

You can't have it both ways. Either the decision has been made, or it hasn't been made. What I'm asking you, as the minister, because you're aware of these statements as well as everybody else in the province, that you, as minister, have you advised the Premier and other members of Executive Council not to sign any contracts to buy turbines, or to build plants, or to order up contracting firms, or to deal with consultants until the environmental impact study is done. Have you advised them of that fact?

Hon. Mr. Swan: — As I advised the hon. member before, the Premier of this province is well aware of the process of environmental impact assessments. He knows the stage that it's at. I don't have to run to him and give him that kind of advice. He's quite capable of making those deductions on his own, and he does that.

The member continually ties the Shand project to the Rafferty-Alameda. If the dams were not to go ahead for any reason, Shand would still likely be built, and it could be air-cooled, as you have said earlier. So it's not an absolute that the two must go together. One could go separately.

We're going to need generators in this province if we're going to supply power for the people, and if they want to order generators, Sask. Power is quite within their authority to order generators. So the project in Saskatoon is there; I think the people of Saskatoon are happy with it.

Mr. Lyons: — Well, Mr. Minister, your answers just aren't very convincing on this matter. The question I asked you was: as the Environment minister, have you taken the same trouble to advise the Premier of the province in regards to a \$720 million development in south-eastern Saskatchewan as you took with Paul Meagher and Mr. Boris Mamchur at Redberry Lake, in which you advised these proponents not to go ahead until an environmental impact study is done. Your own admission . . . by your own words, you said you met with these proponents many times and advised them many times not to go ahead with any of the developments. Have you followed the same procedure in dealing with the Premier of this province when he shoots his mouth off about spending hundreds and hundreds of millions of dollars of Saskatchewan taxpayers money at Shand, at Rafferty, and Alameda? Have you at least done that, followed that procedure?

Hon. Mr. Swan: — I think you're looking at two entirely different situations here. Paul Meagher and his company did not do an environmental impact assessment. Rafferty and Alameda have done an assessment. The Shand project has done an assessment. So you're looking at two entirely different situations.

And you know, and I have told you many, many times today, that there will be no approval for those developments to go ahead until the whole public review process is complete, and in the case of the Rafferty and Alameda the public hearings have taken place. So they are entirely different. The Premier is aware of the total process. I don't have to run to him and advise him.

Mr. Lyons: — Well, Mr. Minister, we have \$720 million

of taxpayers money at stake in this project. The Premier has made statements that certain things have been done which have committed money in terms of . . . and I would suspect that if a contract has been signed with a foreign corporation, there are certain financial guarantees attached to that contract. The question I'm asking you, sir, is: did you, as the Minister of Environment, advise the Premier as to the advisability of signing any long-term contracts or making any monetary commitments in regards to these two projects until the environmental assessment process has been gone through and ministerial approval has been approved for the project? Did you advise him of that or not?

Hon. Mr. Swan: — I have answered exactly that question several times and I answered it very straightforward. I told you that the Leader of the Opposition, when he were premier, maybe would have needed that kind of advice from the Minister of Environment. The Premier that we have today does not need that kind of advice. He is quite able to read. He knows the process, he knows where we're at. I see no need of making that kind of visit to his office to advise him of what he can and cannot do.

Mr. Lyons: — Am I correct in saying that you haven't advised the Premier of not making any long-term financial commitments in regards to these projects? Am I correct in saying that? Yes or no.

Hon. Mr. Swan: — Absolutely no. I don't need to go and give the Premier that kind of advice. I've told you that many times, and I'll stay with that. He's quite able to make that deduction on his own. And it is the power corporation who would make the decision to buy generators.

Mr. Lyons: — Mr. Minister, the question I'd asked you, and now you've given a double negative — the question I asked you: am I correct in saying that the minister, that you have not advised the Premier to not sign any long-term commitments until the environmental process is completed. you said to that, no. Then I'm to assume that in fact you have, that you have advised the Premier of that fact.

But the other part of your answer says, no you haven't. Now which is it? Which is it? When I say that you have not advised the Premier not to sign long-term contracts because the environmental assessment process hasn't been completed, am I correct in saying that?

Hon. Mr. Swan: — The member appears to be very hard of hearing. I've told you that I see no need of running down the hallway to the Premier's office and saying, you can't do this and you can't do that. The Premier is a very capable man. He reads and he understands. And he can make his own deductions. He knows exactly what process is required before those projects get the permission to go ahead. he knows that the environmental impact statements have been prepared and that they are filed. For me to run to him to make that kind of a statement would be absolutely foolish. The Premier doesn't need it. He can make those deductions without any difficulty.

Mr. Lyons: — Mr. Minister, it seems that the Premier isn't capable of doing that. The Premier of the province has

said, and has said it repeatedly, that there is going to be the construction of a plant in Saskatoon to produce turbines for the Shand power plant. The Premier of the province is under the impression that it's a *fait accompli*; that in fact it's something that's already been accomplished; that in fact Shand is there. His statements, time after time after time, reflect an attitude that that plant is as good as been built.

Surely you as Environment minister would take the time to caution him, (a) not to make that kind of commitment because your department may turn it down. Or you've made the political decision. And I suspect that this is the real case — that you've made the political decision to say that Shand is a *fait accompli*; that's going to go ahead. And yes, Mr. Premier, you can go ahead and make all the kind of public pronouncements that you want. And that that's the real reason that you won't hold public hearings.

(1230)

The real reason you won't hold public hearings into the Shand power plant development is because the Premier knows it's a *fait accompli* and that you're scared to allow the people of the province to put it under the light, in fact, because the province has already made financial commitments in regards to Shand, financial commitments which would prove financially embarrassing to the Premier and to yourself as Environment minister, and that you're not doing your job; that what you're saying is not true, in fact that it's just nothing more than a bunch of boloney to try to hoodwink the people of the province.

An Hon. Member: — These are the worst estimates I've ever heard in my life.

Mr. Lyons: — Mr. Minister, the member from Weyburn says it's the worst estimates he's heard in his life. I thank him very much for that compliment. We hear him and the Deputy Premier calling for progress in these estimates, and there's a reason for that. And I think it's because it's turning into somewhat of a political embarrassment to see how the Department of Environment, under your and your predecessor's reign, has turned into nothing more than a narrow political tool to be wielded by the Premier any time he says jump.

I want to ask you, Mr. Minister, about some of the proposed projects that you say are separate that we say are in fact not separate. First of all, certain statements have been made by proponents of the Rafferty dam that benefits will accrue to the people of this province through its construction. One of those statements concerns irrigation and the amount of irrigable land that will be put under irrigation with Rafferty. Could you tell us, as the Minister of Environment, what the proponents have told you in regards to the amount of land which will be irrigated by the Rafferty project?

Hon. Mr. Swan: — The information about the acreage that will be able to be irrigated from that project will be in the environmental impact statement when public review begins and the member can get it from that statement at that time.

Mr. Lyons: — What you're . . . so, Mr. Premier, what you're . . . or Mr. Minister, what you're saying to us is that anything in regards to Alameda and Rafferty are off limits for the estimates because the environmental impact assessment hasn't been submitted. Is that the reason why you put Environment up, the environmental estimates up first, so that we in the legislation can't go after you on these estimates? Is that the reason? Is the prince of darkness, the member for Qu'Appelle-Lumsden, is he behind this kind of political manoeuvre?

Hon. Mr. Swan: — If the member has any serious questions, I'd be glad to answer it. But if it's just going to be a long speech with no question at the end of it. It's very difficult to answer.

Mr. Lyons: — Mr. Chairman, I began the question . . . I began my statement with the interrogative and that was the word "is". And in normal English usage that interrogative forms the basis of a question. What I asked you was: when you began to do environmental estimates, was the prince of darkness, the member for Qu'Appelle-Lumsden, behind this as a political move? Is that what you're trying to hide it?

Hon. Mr. Swan: — I believe the decision to go into estimates is made by the government and the selection of which one goes first is normally done by the House Leader. And the reasons behind it, I don't believe are of any concern. Each department is going to do the same process. My department happens to be the first this time and I'll be pleased to answer questions if the member has any.

Mr. Lyons: — Let's go back to a few questions then, Mr. Minister.

Mr. Minister, is there a possibility, is there a possibility that the Shand power plant will not receive ministerial approval from your department?

Hon. Mr. Swan: — The possibility is there on any environmental impact assessment, that the project will not be given the go-ahead. So yes, there is every possibility that that could happen to Shand or it could happen to Rafferty and Alameda.

Mr. Lyons: — Mr. Minister, in the light of your statement that these projects may not receive the approval from your department, do you consider it prudent and wise of the Premier to go ahead and make long-term financial commitments on behalf of the people of this province in ordering, first of all, turbines and the construction of a turbine plant up in Saskatoon?

Hon. Mr. Swan: — I think that has no relevance really to the estimates that are before us. If the member would like to ask that question of the Premier, the Premier is here most days for question period. He'll be here for his estimates; you may ask him at that time.

Mr. Lyons: — Mr. Minister, I would submit it has every relevance to this process. You are the Minister of the Environment; you have the final approval over whether or not those projects are going ahead.

In the case of Mr. Mamchur and Mr. Meagher and

Redberry Lake, you in fact repeatedly intervened and had officials from your department repeatedly intervene, warning them — and this is from your own words — warning them that an environmental impact statement was necessary before they go ahead with any project. You have not said that there is the possibility that Shand will be turned down, that there is that possibility. Have you followed the same procedure in regards to the Premier of this province when there is \$720 million of taxpayers' money at stake?

Hon. Mr. Swan: — I answered the same question for the member before, and maybe he's got a short memory. The Redberry case with Mamchur and Meagher were advised that an environmental impact assessment was required. To date they have not filed an environmental impact statement.

With the Shand development, they have filed an environmental impact statement. With Rafferty and Alameda, they have filed a statement. The two have no relation one to the other.

So I think that the member should look at what he's asking. We have two major projects; they're done major environmental impact assessments. And as those assessments go through the review process, the people will have a chance to speak to them.

When Meagher and Mamchur do an environmental impact assessment, if they ever do, when they do and it comes forward, it will also have the opportunity for public review. So, you know, they're two entirely different problems that we face, and you cannot relate the two.

Mr. Lyons: — Well, Mr. Minister, I submit that you can relate the two. You're following, as you have repeatedly said time and time again in estimates, you're following the assessments or the procedures as laid out by The Environmental assessment Act. You're not. How can you say that when, on the one hand, you follow a certain procedure in regards to Redberry Lake and you advise them time after time, again, time after time not to go ahead with the project because they haven't got an environment impact statement, and at the same time, when you hear statements made by the Premier and other members of Executive Council that, in fact, these projects are going to go ahead, why haven't you, as the Minister of Environment — and I'll ask you this again until you give me a suitable answer — why haven't you, as the Minister of Environment, done your job and informed them?

I don't care whether it was by telephone, verbally, or in writing, to the Premier or other members of Executive Council. Why haven't you informed them that they had better not make any commitments in terms of these things going ahead until the environmental assessment process has been completed? Why haven't you done that?

Hon. Mr. Swan: — As I advised you, the Premier is very much aware of the requirements to go through the environmental impact assessment process. The two projects have come forward with very major environmental impact assessment statements. So I think that what you're talking about is entirely two different

problems.

Mamchur was advised, and Meagher was advised that they must do an environmental impact assessment. They didn't do it. So it is an entirely different problem.

The Premier knows that there is a possibility that any project can get turned down through the environmental impact assessment process. I don't need to tell him that. He's aware of it. He's aware of exactly the process that must be followed. For me to repeat that to him would be almost foolishness.

Mr. Lyons: — Mr. Minister, in June of 1984, the "Projects Specific Guide-lines for the Preparation of an Environmental Impact Statement" prepared by your department was released. I want to read to the House the title of this "Projects Specific Guide-lines." It says in the "Projects Specific Guide-lines for the Preparation of Environmental Impact Statement", "Saskatchewan Power Corporation Thermal Generating station at Estevan, Saskatchewan and Rafferty Dam and Reservoir."

You have stood in this House, and you have said that the environmental impact statements prepared by the proponents had to be two different and separate environmental impact statements because there were two different and separate developments.

In June of 1984, your department drew up "Projects Specific Guide-lines", and what they did was link them both together in the title; and also page after page of the guide-lines, as we go through them, outlines how these things relate together. Will you now admit that in 1984, the department of Environment said those two projects are one development, and demanded that "Projects Specific Guide-lines" be developed for them as one development? And will you now, then, also agree to hold public hearings on all three aspects of this same development?

Hon. Mr. Swan: — At the time that the initial request came forward, it came forward as one request in 1984. Later the decision was made that they would come forward as separate developments, and the Souris Basin Development Authority was stuck. The group then were given the responsibility for the Rafferty-Alameda project and the negotiations with the Americans and all of those things.

So the initial outline was prepared by the department as one project. Later they were prepared as separate guide-lines for the two projects. That's the stage we're at at this time, and that's the method that was used for the development of the environmental impact assessments.

Mr. Lyons: — We know, Mr. Minister, back in 1984, I believe, that the Department of the Environment prepared these project's specific guide-lines for that project because they understood, as everybody in Saskatchewan understands, that this whole project is one interrelated, one interrelated development — one interrelated development as defined by The Environmental Assessment Act, and that, in fact, was the interpretation placed on it by the Department of the Environment.

And I want to read for you, Mr. Minister, not the whole text of this project's specific guide-lines, but the headings, but the headings of the text. We have, first of all, the introduction, and it lays out . . . and I will read the introduction because it is very, very important in terms of the argument that we're having here today. In 1984 the project's specific guide-lines said:

These guide-lines have been prepared to assist Saskatchewan Power Corporation in preparing an environmental impact statement for the proposed new 600-megawatt thermal generating station at Estevan and Rafferty dam and reservoir on the Souris River. The proposed generating station is less than 5 kilometres north of the Canada-United States border. The associated dam and reservoir will be on a stream that flows first into the United States and then back into Canada and Manitoba. These guide-lines include the most important concerns in information which have been identified by Saskatchewan Environment, by the environmental assessment review panel, and by the governments of Canada and Manitoba, as being required by the environmental impact statement. However, these guide-lines should be regarded as neither exhaustive nor restrictive, as further concerns and daily requirements could arise during investigations associated with the environmental impact assessment. Saskatchewan Environment will provide advice and assistance throughout the EIA (environmental impact assessment) process. The trans-boundary implications require that Saskatchewan Power Corporation obtain an exception form or license pursuant to the International River Improvements Act prior to the beginning of power generation.

(1245)

And then we go on to different headings: "Wildlife, Fish and Habitat," "Agricultural Land Use," "Water Quality and Quantity," "Air Quality," "Archaeology," "Socio-economic Concerns," "Development and Operational Details," "Prediction Evaluation and Mitigation", all put together within one whole package which says that those developments are going to impact on the area as a whole in the areas outlined.

That was the opinion of Saskatchewan Environment back in 1984. What I want to know now from you, Mr. Minister, is: what changed the opinion of the officials in your department? Why, in fact, all of a sudden, different projects — specific guide-lines are drawn up to split the projects in two? What was it that in 1984 is different from today? Why, in 1984, did the people in Saskatchewan Environment see this as one project and in 1987 and 1986 see it as two separate projects?

What was it that changed their minds? What was the difference that made them change their minds?

Hon. Mr. Swan: — Well, I don't suppose there was any one thing that made them change their minds. When the original proposal came forward to the department, it was brought forward as one proposal.

Later, as the Power Corporation looked at the Shand project, the decision was made that there were too many ties if they were to tie it to the Rafferty-Alameda, because the negotiation with the Americans, and all of the delay process that could happen on that project may not make it possible to develop power early enough to meet the needs of the province. So they decided to separate, and that's what they're done. And they set up the Souris Basin Development Authority.

And as the hon. member realises, that on December 23, 1986, I sent a letter to him and outlined exactly that process. and the second paragraph of that letter, and I'll read it for you, says:

As you are probably aware, these two projects are now being assessed separately, by Saskatchewan Power Corporation in the case of Shand, and by the Souris Basin Development Authority in the case of Rafferty.

So I think the hon. member has been aware of the separation for some time. He wrote to me, concerned about it. I responded to the letter and gave you the detail. That hasn't changed.

When the developers come forward to the Department of Environment, the Saskatchewan Power Corporation came forward, and the proposal for Shand was the one that was on the table. Then the Souris Basin Development Authority came forward, and the proposal for the Rafferty Alameda was on the table.

So they are being treated in that respect, completely separate, because they were introduced to the department to go ahead as two separate developments. It's not our choice to decide which one should be tied to which one. That's the developer's choice.

Mr. Lyons: — No, Mr. Minister, it's not your choice if different proponents come forward with different proposals. I'll agree with that.

It is, however, your choice whether or not to view it as one development. The Act, in fact, specifically allows you to do that type of things. You don't have to be bound by the manipulations of the Deputy Premier in terms of trying to break up this project into politically manageable proportions, which is what's happened, which is what the Deputy Premier has done in this regard.

You do have that choice, but you have failed to exercise your authority, as minister, to look at the development as a whole, to look at the developments as a proponent, as originally outlined to your department in 1984.

What I want to know is, why is it that you will accept, as the minister, the definition of what constitutes those things to be looked at by proponents? What is it that makes you want to say that the proponents are the ones which will define what get looked at by your department and how it's looked at by your department, and not yourself? Why don't you exercise your ministerial authority and go ahead and admit something that everybody in the province knows, that it is one

development; that it's going to have impacts as one development; and that you're going to look at the environmental affects to the province as one development.

Hon. Mr. Swan: — We are reviewing the environmental impact statement separately. And each development must stand on its own as it relates to that environmental impact statement. We can, as we review it, look at the areas where there will be some overlap, and that can easily be done, and it can be done all the way through the process.

So the member is raising, I believe, concerns that are really not valid. The opportunities are there for the department to look at the projects. The department staff are not blind; they know that there will be some tie at the other end. But if only one project were to get the approval to go ahead, that project could go ahead without the other. So we must review them separately. That's what we're doing, and we're following exactly the authorities that are provided under the Act.

Mr. Lyons: — Okay, Mr. Minister, that doesn't explain to me the reason why you made that decision, although it goes part way to explain it. Is there the possibility, given what you've just said, that in fact Shand can go ahead without Rafferty and Alameda?

Hon. Mr. Swan: — The possibility has always been there.

Mr. Lyons: — So the statements, Mr. Minister, from the point of view of the government in this regards, is that Shand does not need Rafferty and Alameda, and that Shand goes, so that the rationale and the reasoning that you needed Rafferty to cool Shand, that you needed Rafferty to cool Shand, doesn't hold any water?

Hon. Mr. Swan: — I think that kind of a question should go to the minister responsible for Saskatchewan Power Corporation, not to me.

Mr. Lyons: — No, Mr. Minister, as someone who has had the opportunity to peruse both environmental impact statements from both proponents — and you've made the statement in the House that the possibility exists that A can go ahead without B, that Shand can go ahead with Rafferty — are you now saying that Rafferty, that the justification for building of Rafferty by this government, does not exist? That as Environmental minister you have access to information which says that we don't need to build Rafferty to build Shand?

Hon. Mr. Swan: — No, what I am telling you is that they were brought forward to the department as two separate developments. What I am telling you is I can give authority for one to go ahead and not the other. That authority is there under the Act. If necessary, we'll use it.

Mr. Lyons: — Well, Mr. Minister, this is interesting because judging from the line of questioning and the answers that you've been saying to us time again is, first of all, is that the government hasn't told the truth when it says it needs to build Rafferty, it needs to build Rafferty to cool Shand. That the government has not told the truth in that regard. And so that when it makes statements to that

effect, it's not telling the truth.

But secondly, and I'm getting the clear impression that, because the government has split Shand from Rafferty, that is now has the intention of going ahead with Shand, not going ahead with Rafferty and Alameda. And that the reason that you're not holding public hearings into this whole matter in regards to Shand is because the government has made that commitment already and has made that political decision. And that you, as the Environment Minister, are going along with the government's decision and not making waves for Shand because you know that in reality Alameda and Rafferty won't stand up on their own two legs, and that this whole thing is nothing more than sort of smoke and mirrors operation to ensure that the Shand plant gets built in the Premier's own constituency.

Once again, if in fact it was necessary to hold public hearings when the things were linked in your mind and in the mind of the department, won't you now admit that you can hold and go ahead and hold public hearings on Shand? And if you want to separate it, but that you hold the public hearings and that you treat it the same way that you're going to treat Rafferty and Alameda.

Hon. Mr. Swan: — I've told the hon. member many times today that we are going to go with the public review process for Shand. There's a 30 day public review process, and at the end of the process that's the time that I'll make the decision whether or not public hearings will be held. I've told you that many times; I haven't changed my mind; it's going to go that way, exactly that way.

Mr. Lyons: — What, Mr. Minister, will make you change your mind to go ahead and hold public hearings on Shand?

Hon. Mr. Swan: — It will only be after the public hearings are held and we see whether there is enough concern that there is a need.

The committee reported progress.

The Assembly adjourned at 1 p.m.