

The Assembly met at 10 a.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Hon. Mr. Maxwell:** — Thank you very much, Mr. Speaker. It's my pleasure to introduce to you, and through you on behalf of my colleague, the member for Kindersley, the Minister of Justice, a group of 15 grade 8 students from Eaton.

These students are seated here, sir, in your gallery, and they're here courtesy of the Eaton Lions Club who have sponsored the tour. They sponsor this annually.

As a Lions Club member myself I know many of the things the Lions Club do. They are accompanied Miss Thorburn, Don Punter, Tim Schul, and Rob Assmus. And as an added bonus I'm going to try and arrange a visit to Mosaic for you later this afternoon. I'll let you know later this morning if we can work it out. Please welcome these students to the Assembly.

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

### ORAL QUESTIONS

#### Closure of PCS Mine

**Mr. Mitchell:** — Thank you, Mr. Speaker. My question is to the minister responsible for the Potash Corporation of Saskatchewan. Mr. Minister, your buddy, Paul Schoenhals, has been talking to the press again, and yesterday what he told the press is that while the board of directors of PCS (Potash Corporation of Saskatchewan) did not approve the decision to shut Cory until its latest meeting, that decision had been made by management a long time ago, as he said, last year. That proves the point that I think was made yesterday that while you sat in this House making statements about how your potash resource Bill would save the industry in this province, your management people at PCS were already planning to close down the Cory mine.

Now, Minister, how do you explain this state of affairs; how do you explain the obvious hypocrisy that exists in this case?

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

**Hon. Mr. Lane:** — I'm sure that the hon. member, Mr. Speaker, is referring to, I believe, a front article in the *Star-Phoenix*: "The Cory lay-off plan started last year . . ." At the end of that: "Lane raps *Star-Phoenix* — A-10," in the back pages, Mr. Speaker. It tells you something about the particular newspaper and its ability to cover this story.

Having said that, Mr. Speaker — and I'm more than pleased to pursue questions along the lines of the operations of that newspaper any time you want to ask — having said that, Mr. Speaker, I think the hon. member, as a lawyer, knows full well that major decisions, such as this certainly is and was, have to be made ultimately by

the board. And management certainly had recommendations.

I mean, there are all sorts of options being considered, whether we shut down Lanigan because of the nearly four million tonnes of annual productive over-capacity that exists in the potash corporation, so I think major decisions . . . and the hon. member knows in corporate law, acting for the Bank of Nova Scotia, that major decisions of this nature would in fact be made ultimately by the board.

**Mr. Mitchell:** — Supplementary, Mr. Speaker. Mr. Minister, senior management, obviously from your own admission and from the statement of Mr. Schoenhals, had made the decision a long time before, certainly last year. And yet last year all of you people stood in the House and debated on the potash resources Bill. All of you people told us that the purpose of that Bill was to protect jobs. And yet at that same time your senior management, your Mr. Childers and all of his henchmen, had in fact made the decision, made the decision, Mr. Schoenhals says that the mine would be closed.

Now that's the hypocrisy I'm getting at. Why didn't you tell us about this last fall? Why didn't you come clean with us, and the Saskatchewan people, and most especially the workers at the Cory mine?

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

**Hon. Mr. Lane:** — Mr. Speaker, the problem stemming from the decision made in 1979 to expand the Lanigan potash division of the Potash Corporation of Saskatchewan, so that on annual basis we, the potash corporation, has the ability to produce four million more tonnes of potash than it can possibly sell in its best years, had led to long-term reviews as to how does the corporation itself deal with this huge over-capacity to produce potash. And all sorts of options were being looked at. To argue that a decision of this magnitude is made glibly or without a great deal of study, I think the hon. member wouldn't ascribe that to any corporation.

But the ultimate decision of the major decisions of a corporation are made by the board, and I think the article, although it's buried, and I believe deliberately, by the *Star-Phoenix* in its efforts to create some political responses, Mr. Speaker, I think is the accurate statement. I know the hon. member with some understanding of corporate law would recognize the ultimate decision making powers of a board of directors.

**Mr. Mitchell:** — Mr. Speaker, Mr. Minister, you're a master of the red herring. We're not talking here about decisions in 1979; we're not talking here about the editorial policy of the *Star-Phoenix*; we're here trying to find out why you didn't come clean on this question of the Cory mine in 1987, this last fall, when your potash resources Bill was being debated in this legislature.

A new question, Mr. Minister. There is the strange coincidence, Mr. Minister, of the complete change, the almost complete change in the board of directors of the potash corporation, between the time these events rose last fall in connection with The Potash Resources Act, and

this decision to now close the Cory mine.

And my question is simply this: was the dismissal of the old board because it balked at approving your management's decision to shut down the Cory mine, and that your new found board is nothing more than a rubber stamp for the decision made last fall to shut down the Cory mine?

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

**Hon. Mr. Lane:** — Well I think that the hon. member is being somewhat unfair in his personal attacks on the boards. I think that the hon. member's research staff would be able to tell him that there were changes to several of the boards, including SaskTel and other Crown corporations in the last, I believe since roughly December, January. And there's been many changes on boards, and many of the board members of several Crown corporations had been in place for four, five, six years, and it's appropriate to make those changes.

**Mr. Romanow:** — Mr. Speaker, I've a question for either the minister in charge or perhaps, in this instance, the Premier would be kind enough to answer the question for us in the light of the questions and the answers offered by the Minister of Finance a moment ago.

Is the Premier prepared to confirm to the House that all the while that The Potash Resources Act was being introduced and defended in this legislature as being the instrument for the equitable and fair control of supply and prices so that all Saskatchewan producers would be fairly, in effect, treated, but all the while, while the government was drafting this legislation, introducing it, debating it at length last fall, passing it but not proclaiming it, that all the while, that the purpose of that Bill being fairness and equity, PCS was planning, the management was planning to shut down significant portions of its own operations in the face of that government-stated policy? And is it your position that your minister, as the minister in charge of PCS, did not know of management plans, that it all of a sudden was sprung on them? Is that your point of view?

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

**Hon. Mr. Lane:** — Mr. Speaker, why does the Leader of the Opposition and the *Star-Phoenix* conveniently bury and hide the fact that Cominco has just laid off a higher percentage of its staff than did the potash corporation, Mr. Speaker? I suggest to the hon. member that if the legislation had not been passed last year, prices of potash today would be in the 45 to \$48 a tonne; there would still be the tremendous over-capacity in Saskatchewan ability to produce potash, and in the world, Mr. Speaker.

I think that, Mr. Speaker, the legislation, the legislation can't solve the problem of fundamental over-capacity of the industry generally, and the potash corporation in particular, where it has the ability to over-produce 4 million tonnes a year more than it can possibly sell. The legislation can't rectify that, Mr. Speaker.

But I suggest, Mr. Speaker, if the legislation had not been passed, potash prices would have been \$48 a tonne today

— dramatic losses for the people of this province and taxpayers of this province, Mr. Speaker.

**Mr. Romanow:** — Mr. Speaker, a new question to . . . I wish the Premier would answer this, but if he refuses to answer it I have to direct it, I guess, to the Minister of Finance.

How can the Premier or the Minister of Finance stand behind that justification when it is an acknowledged fact that The Potash Resources Act has not been proclaimed; there is no potash resources board controlling pricing or supply; that the price was set by the price leader, PCS (Potash Corporation of Saskatchewan) itself — you voluntarily increased the price by increasing it domestically and internationally by the corporation — that in fact the reduction of supply control was set by yourself and is being set by yourself by virtue of these cut-backs? How in the world can the minister or the Premier stand behind The Potash Resources Act in the face of those incontrovertible facts?

The Bill is not proclaimed. Anything that is being taken in this regard is being taken by PCS exclusively, and that means that PCS families and workers are the doormats of the industry to benefit the United States. Won't you admit that to be the case?

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

**Hon. Mr. Lane:** — Mr. Speaker, I suppose one of the difficulties here is dealing with a former minister responsible for both the Potash Corporation of Saskatchewan and minister responsible for the government take-over of the potash industry.

And I'm going to repeat to the hon. member what I said yesterday, Mr. Speaker, that in the United States, in the United States, Mr. Speaker, in 1985 the Potash Corporation of Saskatchewan's North American market share was 28 per cent. This increased to 30.4 per cent in 1986, and increased another . . . to 30.5 per cent in 1987. At the end of April, for the first four months of the current year, PCS's share of sales to North America by Saskatchewan producers stood at 30.5, Mr. Speaker.

I have to repeat and repeat and repeat that we have been increasing sales into the United States, Mr. Speaker, not giving up market share. We have been increasing our sales by the potash corporation into the United States. We have been increasing our sales world-wide, Mr. Speaker. We sold, last year, a record number of tonnes of potash, Mr. Speaker. Our sales are going up.

Notwithstanding the tremendous efforts to increase sales and increase price so that it's up 100 per cent over a year ago, Mr. Speaker, we still have the fundamental difficult problem that in 1979 that member and his government and his party made the decision to have a dramatic expansion in potash production capabilities, so that Saskatchewan potash corporation today produces 4 million tonnes a year more than it can sell.

**Mr. Romanow:** — Mr. Speaker, I have one final question for the Premier. I give up on the Premier, because he obviously will not address himself to this very important

question, although he made a very dramatic speech at the time that The Potash Resources Act was being introduced. We heard all about that.

I say to the minister opposite, I ask the minister opposite in a new question, Mr. Speaker, the following: in the light of the fact that you refuse to answer the question, namely, how it is that all of this has been effected without The Potash Resources Act being implemented? — in view of the fact, the incontrovertible fact, that your own management at PCS admitted, from Mr. Schoenhals down, has been planning a major shut-down at Cory; in view of the fact that everybody who knows how government operates knows that you and the Premier must have known that — management doesn't act in a vacuum; they inform you. It's true that the board of directors makes the final decision, but you must have known that in the fall — isn't the reality of the situation that The Potash Resources Act was a smoke-screen to cover up the fact that you had the true intent, which was in effect to dismantle PCS, harm Saskatchewan families, and putting it bluntly, mislead the people of the province of Saskatchewan. Shame on your for doing that.

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

**Hon. Mr. Lane:** — Mr. Speaker, those that understand potash know full well that the passing of the legislation last year had a dramatic effect in stability to world-wide potash market and pricing, Mr. Speaker.

Secondly, we have known, Mr. Speaker, for some time that the decision in 1979, made by that member in his capacity as minister responsible for the government take-over of potash, and as minister responsible then for potash corporation to have a dramatic expansion in productive capacity in Saskatchewan, has led to a very, very serious problem.

We have wrestled with different ways to do it. We've known about the problem, Mr. Speaker. I'm not sitting here and saying we didn't. What I say, Mr. Speaker, is he knew about the problem. He knew about the problem, Mr. Speaker, because he caused the problem. He knew about the problem when he personally in 1982, Mr. Speaker, said the Potash Corporation of Saskatchewan can run at full capacity, because there was an election, Mr. Speaker. That's where the problems come, Mr. Speaker. They have been there for a while. We've known about them.

Dealing with them, Mr. Speaker, is difficult — it's very difficult, Mr. Speaker. But we're trying to do it in the interest, not only of the corporation and the industry, but all of the people of this province, Mr. Speaker. And it's not easy to solve a problem caused by that member.

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

### Study of Water Supplies for Power Project

**Mr. Lyons:** — My questions today, Mr. Speaker, are to the minister responsible to the Saskatchewan Water Corporation.

Mr. Minister, several weeks ago your department

suspended Mr. Stephen Kendall from quoting from a document dealing with the South Saskatchewan River Basin. I wonder, sir, would you be so kind as to table that document here in the House today?

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

**Hon. Mr. Swan:** — Mr. Speaker, the questions and answers on the Kendall affair have been answered very well over a period of time, but maybe the member opposite didn't understand or didn't listen.

The document that Mr. Kendall quoted from was a research study that a group that he is heading is undertaking at this time, and the report will not be made available to the water corporation until at least late 1989 or early 1990. I cannot table a document which has not been presented to the water corporation at this time, and the suspension of Mr. Kendall dealt with a number of things, not just his quoting from that document, but rather a wide range of things.

**Mr. Lyons:** — Supplementary. Mr. Speaker, will the minister confirm that the water corporation, contrary to what he just said, has that document in his possession, given that the document, entitled the South Saskatchewan River Basin Study, was dated March 13, 1987, and it carries the logo about the Saskatchewan Water Corporation and Environment Canada. That document exists. You have it, contrary to what you said, sir. Will you table it for the House now?

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

**Hon. Mr. Swan:** — Mr. Speaker, the documents that the member is quoting, if he has some document maybe he'll have to table it; I don't have it and my department doesn't have it and the water corporation doesn't have it.

**Mr. Speaker:** — Order. Order. Order.

**Mr. Lyons:** — New question, Mr. Speaker, to the same minister.

Mr. Minister, the ability to remember whether or not you and your government has documents is well known by the people of this province. On May 5 in this House, Mr. Minister, you said:

But as a corporation, i.e. the Saskatchewan Water Corporation, we're not considering diverting water out of the South Saskatchewan into the Souris, or anything like that.

I want to refer you to page 3.7 of the report that you have in your possession, wherein it states:

Presently under active consideration is the Rafferty Dam and reservoir project. If implemented, this project would rely on local runoff for its water supply. However, the available draft in the Souris River is not sufficient for projected long-term requirements. The future development of the Qu'Appelle River to Souris River Diversion, therefore, appears to be a viable source of supply.

Mr. Minister, the credibility of yourself and your government is well known. Come clean. Table that document in the House so that the people of Saskatchewan can debate the future of water resources, something that is most precious to them. Stop playing politics with water. Put that item on the Table so that we can all take a look at what your real plans are.

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

**Hon. Mr. Swan:** — Well, Mr. Speaker, I enjoy the excitement the hon. member seems to get into when he gets up to speak, but I'd like to advise him that most of the information that he's quoting from is a document that comes back . . .

**Mr. Speaker:** — Order. Order. Order. The minister is having difficulty answering because apparently some other members wish to answer. I think he's been asked to answer; let us allow him to answer.

**Hon. Mr. Swan:** — The document that the member is quoting from is a document that was done in a research project back in 1973 when his government was in power, and that particular document made some wild recommendations. Our government is not prepared to follow that direction, and I advised him before that we were not going to do it, and we're still not going to.

**Mr. Lyons:** — Well, Mr. Minister, what you've said is contrary to the facts of what your own document says. Your credibility, however, is well known in terms of environmental circuits. We don't have to deal with that question.

A new question to you, sir, is this: is the reason that you do not have sufficient data on water availability in the Souris River and in the Moose Mountain Creek the real reason why the federal government is refusing to grant a licence to your precious Rafferty-Alameda boondoggle?

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

**Hon. Mr. Swan:** — The federal government has a process that it undertakes before it grants approvals. The minister responsible for Saskatchewan Power Corporation has advised the hon. member that in his meetings in Ottawa he was advised that he would soon have approval for that project. Any talks that I've had with the ministers in Ottawa would indicate that to me as well, that very soon we will see an approval. And I guess the best thing that you and I can do is to wait until the federal process is complete and the approval is granted. We'll see who is right.

### Cancellation of Two-Price Wheat

**Mr. Goodale:** — Thank you, Mr. Speaker. My question is for the Premier in his capacity as Minister of Agriculture, and it has to do with the now official cancellation of the two-price program for wheat sales that will come into effect, we are now told, this week. It will come into effect on August 1 this year, that is the cancellation of that program in the wake of the free trade agreement.

I'm interested, Mr. Premier, in the substitute program that has been promised to compensate for the loss of two-price wheat. And I wonder if you can indicate to me, how much money specifically, in compensation for two-price wheat, will be coming to Saskatchewan farmers; what's Saskatchewan's share of that package? When will it be coming? What is the method of payment that is going to be used? And does the federal commitment extend beyond just one crop year, because it would appear from the comments of the federal Minister of Agriculture that he is talking about one year of compensation only?

Could you provide us with those details since it has now been eight months since it was rumoured that that program was going to be cancelled?

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. The compensation for the first year is \$227 million, and 80.5 per cent of that will come to the prairie provinces, and about 19.5 per cent will be going to central Canadian . . . primarily Ontario.

I'm not sure that I have our share of the prairie provinces, but it would be over half, or about half of the 80.5. So we would get about half, or pretty close to over \$200 million. So the lion's share of the benefit of the \$227 million will come to Saskatchewan. We'll get the lion's share of that, and the lion's share of the residual goes to the West — 200 million, approximately, to the West, out of 227. That's the first year.

The second year they're picking it up with respect to both deficiency payments and western grains stabilization program, and they will be paying directly to farmers, as this payment will be.

Third, with respect to the question of how the payments will be made, I'm not sure that I have the answer to that, other than direct cheques. I mean that they send it to the farmer based on his acreage and his contribution and his records in the past.

I will say to the hon. member that what we had found increasingly was that Ontario was starting to grow more and more spring wheat because all of it was domestic. So everything that they grew, they got \$7 a bushel. And so much of this money was going right into Ontario, and it was an incentive for them to grow spring wheat or durum wheat because it was all domestic and they were picking up \$7 a bushel. I believe about 20 to 25 per cent of the total payments were going to 4 per cent of the farmers in the country. We've got to change that. Clearly it's a good idea for us to have comparable compensation here to our farmers, but to make sure that Ontario doesn't take the place of the spring wheat producers here in the country.

**Mr. Goodale:** — Supplementary to the Premier on the same point. Mr. Premier, it's still not clear from your answer what kind of compensation package for the two-price wheat program will exist beyond this next crop year. It seems to me you're suggesting that it will be just rolled into other programs. I wonder if you could clarify that point in terms of what specific compensation will continue for the long term past the forthcoming crop year? And secondly, what are the guarantees for

Canadian consumers that the cancellation of this program will in fact be reflected in lower bread prices as has been one of the rationales for cancelling the program?

**Hon. Mr. Devine:** — Well dealing with that last point first, I'm sure that Canadian consumers are going to watch bread prices pretty closely because they know with the elimination of two-price wheat that a certain percentage of the costs are now no longer going to be taken into account by the bakers and the millers. And so we'll have a pretty good record of what bread prices were prior to the removal of the two-price wheat, and then we'll be able to review it in the legislature and other places after the removal of two-priced wheat.

So I would suspect, just because we can all watch it and it is public, that we will find out whether the price of wheat went down or went up at a less quick or less fast rate — in other words, the benefit to the consumers.

Guarantees: I mean, we watch the market-place, and we will say, let's see what happens as a result of your costs going down. Your cost going down; why doesn't the price of bread go down? And we will be able to monitor that.

With respect to the amount of compensation, if the federal government tops-up western grain stabilization or tops-up the deficiency payments to the extent that it benefits farmers here like two-price wheat, that's precisely what you would like to have as opposed to the benefit going to Ontario. So what I have asked them, and we will be watching along with you, and I'm sure lots of farmers across the West, that they indeed put the corresponding money there to make sure, given market prices and the costs, that money comes out through to farmers in the programs that we have now that are seen to be pretty fair in terms of the allocation of money across the piece in western Canada.

## INTRODUCTION OF BILLS

### **Bill No. 73 — An Act respecting Wages, Hours of Work, Vacations, Parental Leave, and other Employment Benefits**

**Hon. Mr. Schmidt:** — Mr. Speaker, I move first reading of a Bill respecting Wages Hours of Work, Vacations, Parental Leave, and other Employment Benefits.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

### **Bill No. 74 — An Act respecting the Production, Supply, Distribution and Sale of Milk**

**Hon. Mr. Berntson:** — Mr. Speaker, I move first reading of a Bill respecting the Production, Supply, Distribution and Sale of Milk.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

## TABLING OF DOCUMENT

**Mr. Lyons:** — Thank you, Mr. Speaker. Before orders of the day I'd like to table with the House the document that

I referred to in question period; as well, a copy of the *Hansard* of May 5 in which the minister made the statement referred to in question period. Thank you.

**Hon. Mr. Swan:** — Mr. Speaker, before orders of the day I ask for leave to introduce guests.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Swan:** — Mr. Speaker, I would like to introduce to the Assembly today 39 grades 7 and 8 students from the Kyle Composite School. They are seated in the west gallery and are here visiting in Regina. I'd like to welcome the students and their teachers and their chaperon — Wendy Turner, Wayne Darohl and Barb Moore. I'll be meeting with the students at about 11 o'clock on the lawn outside. I look forward to that opportunity to meet with the students and to answer any questions that they may have.

I would ask the Assembly to welcome these students here today.

Hon. Members: Hear, hear!

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

### ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Berntson that Bill No. 38 — **An Act to amend The Residential Tenancies Act** be now read a second time.

**Mr. Koenker:** — Thank you, Mr. Speaker. The first think I want to say this morning, Mr. Speaker, is that renters aren't aware of what is contained in this Bill 38, An Act to amend The Residential Tenancies Act. They aren't aware, obviously so, because if they were they would be up in arms against this PC government, because this legislation is against renters and tenants. This legislation affects people who rent apartments or trailer space or the like, in a very, very fundamental way. I'm certain that these people aren't aware of the implications of this legislation at the present time and that's why I'm very pleased to be able to speak to this Bill this afternoon.

The issue, the fundamental issue with this legislation is rental protection. Protection for renters has gone the way of the dodo bird with this legislation. It simply no longer will exist after this legislation is passed, if it is passed.

Last night on the television news, many Saskatchewan people will have seen a report on an investigation conducted by the Office of the Rentalsman, an investigation into a problem where a man had moved into an apartment and found out that the apartment needed subsequent repair work. He approached the landlord and the landlord refused to do that repair work.

At that point, the renter went to the Office of the Rentalsman and requested an investigation. And the Office of the Rentalsman, as it is presently constituted, initiated an investigation to ascertain what the facts of the matter really were, whether the apartment needed the repairs or not; determined that in fact the apartment was in need of repairs, and placed an order to the landlord that the repairs should be done.

Mr. Speaker, this will no longer happen in Saskatchewan if this legislation is passed. It simply will not happen that way any more because the Office of the Rentalsman will no longer launch investigations on behalf of tenants. And this is a fundamental difference with respect to the system of rental protection that we now have in place.

So I say to the renters of Saskatchewan that the central issue, the heart of the issue with respect to this Bill 38, is an uncaring government that betrays Saskatchewan people. And we have seen this again and again and again from this government opposite.

When it comes to disclosure of the cost of credit, for example — another piece of legislation introduced this session — there's no effort to effect actual disclosure of the cost of credit to protect borrowers. No, no, quite the opposite. The legislation introduced is advanced to protect the interests of lenders, and not borrowers or consumers.

And so in a similar fashion, with this legislation, we have legislation that is introduced expressly to protect the interests of landlords and not the interests of tenants. And I say that is typical vintage PC legislation that assists the wealthy and ignores those on low income — totally ignores them and abandons them to their own resources. And this is fundamentally unfair.

I note, Mr. Speaker, that one of my colleagues would like to introduce some students, and so I will give leave.

### INTRODUCTION OF GUESTS

**Hon. Mrs. Smith:** — Mr. Speaker, it's my pleasure today to welcome to the Assembly, 43 grade 4 students that are seated in the Speaker's gallery. They are from Swift Current, an elementary school called Central School. It is one of our oldest and our heritage school in our city.

They are accompanied by their teachers, Dallas Kolb and Donna Stinson, and I believe they have a chaperon with them in the name of Brenna Stolhandske. I would ask all members to welcome these students, and I will look forward to meeting with them at 11:30. Thank you.

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

### ADJOURNED DEBATES

### SECOND READINGS

### Bill No. 38 (continued)

**Mr. Koenker:** — Thank you, Mr. Speaker. As I was saying before the introductions that just took place, this legislation is vintage PC legislation that protects the

wealthy and ignores those on low or moderate incomes, abandons them to their own resources, which are negligible to begin with. They compare not in the smallest degree to the kind of resources that landlords have.

Most landlords are not renters themselves. Most landlords in this province are people who own property, who own their own home to begin with, and then, because they have surplus income, can afford to invest in rental property and rent it out. These are people who don't need to be protected, who have the resources to provide for themselves and to protect themselves. But renters aren't in the same boat. But this government ignores renters. Renters now live in a Never Land of protection with this legislation.

We saw the beginnings of this trajectory back in 1984, Mr. Speaker, with the introduction of the Rent Appeal Commission to replace rent control. At that time, renters were abandoned and put progressively more onto the reliance of their own meagre resources. Typical Progressive Conservative legislation to progressively abandon people to their own resources when those resources are minuscule or non-existent.

We saw it with the introduction of rent control in 1984, the preference for the landlord. The landlord could now go ahead with the abandonment of rent control and raise rental rates and only have them reviewed if and when a majority of the tenants got together and, as a group, filed their own grievances with the Rent Appeal Commission. Prior to that an individual tenant could approach the rent review commission and effect satisfaction if they had a grievance. The process was made ever so much more difficult for renters back in 1984.

Well now we see, in 1988, an extension of this same trajectory, abandoning renters. And now all pretence of impartiality is abandoned with this particular piece of legislation.

First of all, Mr. Speaker, as I've indicated, this legislation effectively does away with any form of enforcement with respect to the Office of the Rentalsman. What it really does is say that the Office of the Rentalsman is there as a nice sort of adjudicatory body, but it's not really going to enforce any legislation or any regulations unless circumstances are pushed very, very vigorously by renters. We'll simply let the landlords take control of the situation and assume and trust that they will act in the best interests of their renters. Typical PC philosophy. Typical PC philosophy to trust those in places of power and privilege, and not to protect those who are of moderate means or low income.

Mr. Speaker, not only is enforcement abandoned effectively, so that landlords can do very much as they now please with respect to tenants, but we now also find, lo and behold, that the Office of the Rentalsman no longer will even conduct investigations. If an investigation is to be had, it must come at the initiation of the individual renter.

Now this is quite a change because previous to this, an individual renter who had a problem with respect to his landlord could approach the Rent Appeal Commission . . .

the Office of the Rentalsman. And the Office of the Rentalsman, on behalf of the renter, as a result of that particular filing of a complaint or a problem, the Office of the Rentalsman itself would go and conduct an investigation. They would have the time and the resources, fiscally and otherwise.

(1045)

They would have the appropriate experience and knowledge and understanding of legal process to go ahead and act on behalf of renters to determine very quickly and easily, given the resources at their disposal, whether in fact an investigation was warranted in the first instance or, if it was warranted, what the facts of the matter really were. And that's a very simply, transparent, efficient sort of system with respect to adjudicating landlord and tenant disputes.

But that system no longer exists, Mr. Speaker, with this legislation. What happens now is an individual tenant must go out and conduct their own investigation, marshal their own information, check out their own legal rights and responsibilities, produce the evidence and the documentation, request an investigation, and pay a fee for the investigation as well.

Now was there any fee in the previous system that I've just described? No there wasn't, Mr. Speaker. There was not a fee because that system was fair to people who are renting. And this system is not fair to renters. What is required is not only that they go out and marshal their own documentation and launch an investigation, but now they must reach into their own pocket-book and pay a fee to pay for an investigation that they themselves are conducting.

Typical PC preference for those in positions of power and privilege and an abandonment of the poor and those of moderate means.

How many renters, Mr. Speaker — and you know this yourself from some of your constituents who rent — can afford that kind of luxury? They have enough trouble coming up with the money to pay the rent in the first place, and then to pay a damage deposit. And then if they want to get the damage deposit back, they have to pay a fee. It's patently unfair.

Not only that, Mr. Speaker, but if that investigation does not arrive at a settlement that's suitable to the renter, and the renter would like to appeal it, the renter has an option under this legislation to take it to court.

Now how many people of low and moderate means can afford to take a rental dispute to Court of Queen's Bench? I ask you that. How many people can afford to take a rental dispute for \$250 damage deposit or maybe 4 or \$500 worth of rent, how many people can afford to take that kind of case into the court system? It simply isn't an option of appeal for most Saskatchewan people who are presently renting.

A court case on even a small, simple, trivial matter nowadays can cost a minimum of \$1,000, up to \$2,000. And this is for a very trivial matter. If the matter is of any

substance or consequence, the court fees and the legal fees can easily run between 5,000 and \$10,000. Mr. Speaker, hardly the kind of option that is realistic for people on low or moderate incomes, but precisely the kind of option that is put forth in this legislation by the Progressive Conservative government — progressively penalizing people on low and moderate incomes, adding insult to injury, abolishing the rent control program, substituting, in 1984, the Rent Appeal Commission, and now doing away with the Rent Appeal Commission, abandoning those on low and middle incomes to their own meagre means. Typical Progressive Conservative philosophy. And asking them to pay a fee to conduct their own investigation. How wonderful this is!

Well it's not any different from the operative philosophy of this Progressive Conservative government with respect to other fees. For example, driver's licences increased by 33 per cent; registration fees for personal vehicles increased 92 per cent; trailer, the licence fees to register a trailer increased by 73 per cent this spring; surcharges for accidents, first accident, increased from \$50 to \$100; replacement driver's licence — you lose your driver's licence — it used to be \$5 you'd have to pay for that, now you pay \$10; you lose the little sticker off your licence plate on your car — it happens to fall off or whatever — that doubles in cost now from \$5 to \$10.

This isn't nickel and diming, not for people in low incomes. It isn't nickel and diming, Mr. Speaker, it's taking dollars out of their pockets, hard-earned dollars, few dollars that they have to spare. Taking those dollars, again I say, with this legislation, from renters, as they have from average Saskatchewan people time after time after time again.

And as has been noted before in this House, Mr. Speaker, this progressive government, yes, progressively has introduced even a \$25 application for admission fee to technical institutes in Saskatchewan. Even to change your name in the province of Saskatchewan has now gone up from \$25 to \$75 — a 300 per cent increase in fees, one of 220 increases in fees for services by this Saskatchewan government, this Progressive Conservative government; and now we have fee number 221.

Well this is bad enough, Mr. Speaker, but when it comes to handling of damage deposits, this legislation also introduces changes. Very, very few tenants historically, without some form of intervention by their provincial governments, have been able to secure their damage deposits back from landlords. Historically, before the intervention of the Office of the Rentalsman, damage deposits have been a gravy train for landlords; and the more unscrupulous the landlord in this regard, the bigger the gravy train.

Individual tenants usually find it very, very difficult to effect the return of a damage deposit that's to be paid after they leave their place of occupancy. They find it very difficult to collect this fee when they've moved out, not only of the particular apartment but, in many instances, outside of the community or even outside of the province. And landlords know that. They know that they can hold onto the fee for damage deposit unless there is some sort of framework put into the legislation whereby renters

have some advocacy on their behalf by a public agency such as the Office of the Rentalsman.

And with the Office of the Rentalsman, historically there has been provision — although not as adequate as I would like to see — there has been provision for renters to effect return of their damage deposit. This legislation changes all of that, and makes it more difficult for tenants to get their damage deposit back, and far easier for landowners to sit on it. And this is expressly in keeping with what I've said about other aspects or dimensions of this legislation, that it's patently preferential to the interests of the landlords, and against the interests of tenants.

And I say, Mr. Speaker, if Saskatchewan renters knew about this proposed legislation, this progressive rip-off legislation by this government, they would be up in arms, they would be up in arms against the unfairness of this legislation.

Now I ask myself, and people in Saskatchewan might well ask themselves: why then do we find amendments to The Residential Tenancies Act? Why would this government want to do such a thing as to abandon renters and to take side with the interests of landlords? It certainly doesn't make sense in terms of a positive role for any government to protect the interests of ordinary people, especially people on low and moderate means. So why would the provincial government want to introduce such legislation if it had the consequences that I've just outlined for Saskatchewan tenants?

I think, Mr. Speaker, the answer is very simple. It's part of a larger trajectory or perspective that says, this is hands-off government; we are going to rely on the forces of the market-place to effect a certain equilibrium with respect to landlord-tenant relationships, and we'll trust that things will work themselves out in some fashion such that the interests of tenants will be looked after in some fashion, and we really don't care in what kind of fashion just as long as we don't have to deal with it.

This, Mr. Speaker, this sort of deregulation is part of a larger perspective that says we are going to privatize public services. And what better way to privatize functions of the Office of the Rentalsman, for example, than to abandon the Rent Appeal Commission and to abandon renters to their own means. We'll just simply privatize those functions historically done by the Office of the Rentalsman and the Rent Appeal Commission. We'll privatize those and put those matters into the hands of the folks who are poor and of moderate means, and we'll just see what happens.

Well, Mr. Speaker, New Democrats know what's going to happen with this legislation. New Democrats know that tenants are going to be ripped off by this legislation, and it's not going to be landlords that are ripping them off, it's this government that's ripping them off with this legislation that's proposed here today.

Mr. Speaker, Saskatchewan people are gradually awakening to what privatization and deregulation is all about. Privatization and deregulation is really a progressive preference on the part of the provincial government for those in positions of power and wealth in

our province, progressively abandoning the interests of low and moderate income people, and progressively favouring those in positions of relative wealth and privilege.

The average renter scarcely has the means to launch investigations. That's why we've had a Rent Appeal Commission and the Office of the Rentalsman who has conducted those kinds of investigations. This Progressive Conservative legislation is regressive if we look at the interest of low and moderate income people.

(1100)

In fact if we look at the interests of average Saskatchewan people, I think that average Saskatchewan people want a government that is prepared to provide a basic framework of stability and fairness for everyone in the province, and to not show preference for those in positions of power or wealth or privilege.

This legislation is really part of what I would call the backwards plague that has affected the province of Saskatchewan since 1982. It reflects typical PC preference for those in positions of power. It's a throw-back to the days of rugged individualism and the selfish ethic of the strong, which I call the jungle morality. Let the strong survive, let the landlords thrive. And if they want to rip off renters in the process, we'll be partners to them, this Progressive Conservative government — we'll be partners to that kind of rip-off. In fact we'll even grease the skids for it; we'll facilitate it with this Bill 38, a Bill to amend The Residential Tenancies Act.

We aren't going to enforce residential tenancies legislation. No, far from it. The Office of the Rentalsman won't have anything to do with that any more. Landlords can do anything they want. We aren't going to conduct investigations any more. Far from it. Far be it from us, the Progressive Conservative government, to do that kind of advocacy on behalf of average Saskatchewan people. They can do that for themselves. Thieves!

Far be it from us to staff a complement of investigatory staff in the Office of the Rentalsman. Individual Saskatchewan people can do that for themselves. In fact they'd better do that for themselves because we don't care about them. We're a Progressive Conservative government. We care about the wealthy and the rich and those in positions of power and privilege, like landlords and huge real estate corporations and holding companies that will rip off renters and do whatever they want. We'll look after the interests of the slum lords, and we'll abandon the tenants of their own means. We'll charge them fees for their actions.

We don't care about people having to pay damage deposits and not getting them back. All the more for the rich and wealthy and the powerful and the privileged. All the more for landlords. Some sort of protection of Saskatchewan people! This is a backwards plague. This legislation is an abomination. It really is sickening.

And I say again, Mr. Speaker, if Saskatchewan tenants become aware of this legislation, if the cat is let out of the bag, they will be up in arms with this Progressive



Conservative government. And I can certainly say that on this side of the House we intend to make Saskatchewan renters aware of the implications of this legislation, which is no less different or no less important to them than the abolition of rent control back in 1984.

One final note, Mr. Speaker. No mention has been made by myself yet about what is going to happen to the staff of the Office of the Rentalsman. What's going to happen to the investigatory staff in the Rent Appeal Commission who presently have been conducting investigations if, in fact, Saskatchewan tenants are going to be doing the investigations themselves? In effect, they aren't going to be doing them; they don't have the means to do them.

**An Hon. Member:** — The staff will be working for welfare.

**Mr. Koenker:** — My colleague says that the staff might well be working for welfare. Currently it's my understanding that there are some four people, investigatory staff, in the Regina office of the Office of the Rentalsman; there are apparently some six staff in the Saskatoon office; and in the Prince Albert office one staff person, for, as far as I've been able to determine, a total of 11 investigatory staff at the present time.

Does this legislation mean that these staff people presently conducting investigations are going to be privatized and put back into the market-place to find new jobs? I think so, Mr. Speaker. I think with this legislation we are going to see the elimination of another 11 jobs in the province of Saskatchewan. So it's not just an abandoning of Saskatchewan tenants, it's an abandoning of public employees to their own means. This government doesn't care about their livelihood or their career as public servants. It doesn't really care for that any more than it cares for the interests of tenants and renters. This government is quite content to see to it that these people find other work, even if it has to be work for welfare.

And I for one, and I think, I — I know I speak for other members on this side of the House — say that New Democrats appreciate the professional work of a committed public service. People who have a wealth of experience and understanding, for example, in the Office of the Rentalsman, ought not to be privatized. They, in fact, ought to have the opportunity to act on behalf of Saskatchewan renters to conduct investigations on their behalf and to provide a public service which most Saskatchewan people are ill prepared or equipped, in terms of their education or their financial circumstances, to provide for themselves. And that is precisely the rationale for a professional public service, paid for from the public purse, to do more efficiently and effectively, in cost terms as well, what individual Saskatchewan people cannot ordinarily do for themselves.

And so, Mr. Speaker, there are a number of fundamental issues with respect to this particular legislation to amend The Residential Tenancies Act. There are fundamental issues of fairness of the role of the provincial government with respect to protecting those who are on low and moderate incomes.

There are questions regarding the deregulation of various public services. There are questions of employment as well. And I think that given the kinds of arguments that I've advanced here this morning, that there is no way that our side of the House can support this particular legislation to amend The Residential Tenancies Act.

This is bad legislation for the interests of ordinary Saskatchewan citizens; it's preferential, and we have no option but to oppose it. What it really does, Mr. Speaker, is to let rental protection go the way of the dodo bird, all in the name of Progressive Conservative philosophy.

Thank you very much, Mr. Speaker.

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

**Ms. Smart:** — Thank you, Mr. Speaker. Mr. Speaker, this piece of legislation regarding The Residential Tenancies Act is being brought in by the Minister of Consumer and Commercial Affairs, the member for Saskatoon Mayfair. And it's a deep disappointment to me that a member from Saskatoon would be prepared to bring in legislation that would so hurt so many of the people who live in the largest city in Saskatchewan. And as the MLA for Saskatoon Centre constituency, where 70 per cent of the people approximately are renters, I want to have a fair bit to say about this piece of legislation that's before us.

Now I recognize that probably one of the reasons for this piece of legislation to abolish the Rent Appeal Commission is because over the last couple of years the numbers of appeals that have come before this commission have decreased. And it's no wonder that they've decreased, because people have had such a very hard time putting an appeal forward and getting any resolution in favour of their concerns as tenants. So it's no wonder that this is coming forward from that perspective, but there's a lot of reasons why this legislation upholding a rent appeal commission should be kept in place, and I want to refer to those points as I speak to you.

The files that the Minister of Consumer and Commercial Affairs, the member from Saskatoon Mayfair, inherited from the former minister for Consumer and Commercial Affairs, contain a great many numbers of letters expressing concerns from constituents in Saskatoon Centre. And I'm very disappointed the minister didn't take the time to read those letters and to look at the conditions that people are fighting against in Saskatoon when they're tenants in the apartments, particularly in the downtown area that I represent.

Instead, as part of the PC team, as part of this Tory government which is attacking average people and low income people in all sorts of ways, the Minister of Consumer and Commercial Affairs, the member from Saskatoon Mayfair, has agreed to go along with this backward step into a philosophy that comes straight from 100 years ago, from the 1890s.

It's a philosophy where the rich are right and the rest are worthless. It's a philosophy that I, as a New Democrat, am very pleased to oppose in every way I can. It's a philosophy that hurts so many of the people in our province; it's a philosophy that doesn't deserve one

ounce of credibility; it's a philosophy that allows a government to bring in this kind of attack on tenants, which my colleague, the member from Saskatoon Sutherland, has so eloquently described.

But it's not surprising that this government opposite brings in this kind of legislation, as they are favouring the rich, seeing the rich are right and the rest are worthless, as I've said earlier. They have little awareness of other people's realities even though they stand up in this House and constantly talk to us about the need to come to terms with reality. I wish they would just take one minute to come to terms with reality, the reality of the lives of the people in this province. I wish they would put the people first in this province — the people on average incomes, the people on low incomes, the people that are hurting so badly under all the attacks from this government.

And I just wish for one minute the member for Saskatoon Mayfair had looked in his files, had read the letters from people in this province regarding the rent issues and the power of landlords. And I wish that he at least had taken some consideration into account on behalf of the people.

Instead of that, we have a government that thinks that everybody can afford to buy their own home and should be in their own home. I'm sure that's part of their philosophy, because how could the Minister of Social Services say that people who are hungry should be planting a garden? To have a garden you have to have a home; you have to have earth around your home in order to be able to do something like that. And here we have people living in the cities, particularly, who have access to very small rooms, many of them on top of stores in the downtown area of Saskatoon, and they're being told by this government to go plant a garden if they're hungry. Go plant a garden.

The other day we had another example of it when we complained of the fact that the Minister of Social Services had taken away the transportation allowance for people on social assistance. And this is all part of the same philosophy, Mr. Speaker. The Minister of Social Services said, oh they can pay their taxi fares to go to the doctor and then they can submit a receipt to Social Services. But oh, they can't submit a small receipt; they have to wait until it piles up, then they submit a receipt for \$20 and get the money back. And he said they don't want to pile up a number of small receipts like 75 cents or \$2. And I was horrified when I heard him say that, because he's referring to taxi fares . . . to people who are sick, who have to get to medical attention. And there's no place in Saskatchewan where you could take a taxi for 75 cents for the last 30 years, I'm sure. Certainly now you can't.

(1115)

And I want to get on to the issue of The Residential Tenancies Act. The government opposite, the Deputy Premier, is saying, get on to the issue of this legislation. He's completely incapable of seeing the connections between the items that I'm talking about, the concerns of people on low income and the need for support from this government opposite for people on average and low incomes in this province, and the need for the government to put people at the heart of government.

And if he can't see the analogies that I'm making, that's just part of the problem.

They want to divide everybody up in little issues, into little boxes that have no connection with anything else. And this piece of legislation has connection to all the issues that this government is putting forward — to the privatization, to the deregulation, and to the attack on people. That's what we're addressing on this side of the House. That's what we're concerned about. And if they can't see the analogies, it's just because they either haven't learned from the realities of other people's lives, if not their own, or perhaps they're too dumb.

Now, Mr. Speaker, I've said that this issue is a big concern in Saskatoon Centre. I've told you that 70 per cent, approximately, of the people who live in Saskatoon Centre live in rented accommodation, as they do in many other areas of this province.

They do that for two reasons, one of two reasons: either they can't afford to buy a home, and the cost of housing is going up constantly, or they have chosen to live in rented apartments because they've no longer got the physical strength and the resources needed to maintain themselves in their own homes.

In Saskatoon Centre a great number of people who have moved into the downtown area are senior citizens or over the age of 60, and they have chosen to move into the downtown area of the city for the amenities that are downtown, for the resources that are there to help them in their older age to provide them with a reasonably good life. And I have had so many constituents who have been so hurt by rent increases over these last years.

With the failure of the rent control system, the overturn of the rent control system in 1984, many, many people, older people, have been badly hurt. And when I first was nominated as a candidate in 1985, before the election I received all sorts of submissions from older people in the downtown area where their apartment rents were going up and going up and going up. And they were in a panic, some of them even with heart conditions, older people, in a panic. What were they going to do?

They had to move out — they had to move out. They had to move away from the downtown area of the city where they could walk to the public library, where they could be in a park, where they could walk to the stores. And they had to go to apartments on the outside of the city where the rent was cheaper, and where they could sit and live in loneliness and isolation on the outskirts of the city where the bus transportation is poor and the costs of living are higher. But just in order to pay for a roof over their head, an essential service in Canada, an essential, basic need — housing — just to pay for housing, they had to go to the outskirts of the city because the rents are going up. I've had many, many constituents with that problem.

Another problem that they had, and the Minister for Consumer and Commercial Affairs, the member for Saskatoon Mayfair, should be aware of this in his files — problems of the landlords increasing the rents for all sorts of reasons which tenants have a right . . . have had a right to appeal to the Rent Appeal Commission.

They get their carpets, their worn-out carpets in their apartment buildings replaced, and the landlord calls it an improvement. They get the plumbing system replaced when it's not providing hot and cold running water any more, has to be replaced — the landlord calls that a major improvement. And The Office of the Rentalsman has allowed the increase, based on repairing something like a plumbing system or a heating system.

In one apartment building, in a tornado, the railing blew down into the street. The tenant's rent went up to replace that railing, and the landlord said he had to replace it with a safe one, a safe railing.

Now in the first place, he shouldn't have an apartment building with unsafe railing five storeys up that came flying down on people's cars, and luckily didn't hurt anybody. But this piece of equipment that had to be replaced was considered an improvement, and the rents went up. And there were many tenants in those apartment buildings who were very concerned, who made an appeal to the Office of the Rentalsman. Their appeal was rejected because the rent review system is very weak already. But they could at least have taken it to the Rent Appeal Commission. Now they don't have that. Now they don't have that with this new legislation.

Many of them have to face evictions when they question these increases in rents and the reasons for the increases in rents. If you complain if your roof is leaking, the landlord says, get out; go find another place — instead of repairing, instead of making basic repairs.

And I say that people who are paying the high rents that we have in Saskatoon and other parts of the province deserve to have places where the stove works, the fridge works, the carpets are in repair, the plumbing works, the heating works. Those are all services that we take for granted in our country and in our cities here and in our province. And those are services that people should be provided with.

Now the tenants have always found it very difficult to lobby as a group. They form tenants' associations, but people move; the tenants' associations are not strong.

The association of the landlords, on the other hand, is particularly strong, and I'm sure the association of the landlords have put pressure on the government opposite to bring in this kind of legislation which so favours the landlord and puts everything away from any government protection for the tenants.

That is a very unfortunate development, but it's part of an ongoing development, as I've already pointed out. The landlords have been favoured by this government opposite since they came into power. And let me tell you who some of those landlords are in Saskatoon Centre. Those landlords are not the nice guy down the street who happens to have a house and own an apartment block, three-storey apartment block.

**An Hon. Member:** — They're probably all Tories.

**Ms. Smart:** — Pardon. They're all Tories. These landlords that we're dealing with in the centre of Saskatoon are big

holding companies, big speculators. These buildings change hands over and over again. They're managed by companies in Saskatoon who sometimes will not even release the name of the landlord or the owner, themselves. So the tenants have a very hard time finding out who they're dealing with, and likely as not they're dealing with a management company that's very indifferent to their concerns. They don't care if people have to pack up and move; they don't care if people get evicted.

They say the rates are relatively low in Saskatoon; people are always looking for accommodation. As the population ages there are going to be more and more people looking for rental accommodation, feeling that they must move out of their homes; they can't maintain their homes any longer. More and more people will have to be renting. More and more people will be needing protection.

They can't be left to the whims of the landlords because we've seen what's happened there. The landlords will gouge people for every penny they can get unless they are controlled by the government. I don't say this just as my own whim. I don't say this as my own opinion.

Look at the facts. Look what's happened in Saskatchewan in the past. Look what's happened all over North America and Europe in the past, before government legislation was brought in to protect ordinary people. The people with wealth and power always took everything they could get. People had to work long hours before there was legislation brought in for an eight-hour day, and people had to put up with wretched living conditions, and they have done that in the past in Saskatchewan.

And one of the reasons why the New Democrats brought in rent controls was with the development particularly of the high-rise apartments, built especially for exploitation — for what you might call profit — exploitation on the basis of people's need for housing. People were being gouged. We needed to have a balance. We needed to have a rent control system. We need a Rent Appeal Commission. We need these and we need them to be strong. We need them to be well staffed.

The idea of people who are 75 years old having to get together to do their own investigation of the landlord and of the issues, and to have to then take it to the Rentalsman and pay a fee on top of it in order to be heard, and then if they're not satisfied with the decision, to look at having to go to litigation and civil court — that's ridiculous. You shouldn't even put that in the legislation. I don't know who that would protect. It costs thousands of dollars to do that.

It just gives you a kind of front so you can say, oh well, we've provided them with an alternative. Good heavens! That's not an alternative. That's not a choice. But it's like so many of the choices that you people put forward. It's got no substance at all for the people in the constituency that I represent. There's absolutely no protection at all for people.

There's far more issues. There's issue of the damage deposit which has always been taken by the landlords as

a means of getting a little more money out of people. The rent every month is supposed to cover the wear and tear on a building, but now the landlords have always taken damage deposits on top of that, and have always kept them, under some excuse or other. Even for the tenants, even for the older women who live in Saskatoon Centre who are so very gentle and careful with the accommodation that they rent, even those people are being told they've done damage to the point where they can't get their deposits back.

And I'm not surprised that the government opposite doesn't hear the kinds of points that I'm making because I have been appalled over and over again to hear how little they trust the people of the province. Somehow the people, whether they're tenants or whether they're workers, talking about what Paul Schoenhals has said to them in terms of confronting them with the lay-offs at the Cory mine, and the chairman of the potash corporation says something to them.

This government doesn't believe what they say. It doesn't trust the welfare recipients to be giving the truth and to be having a struggle to live on — what? — \$300 a month. Nobody can live on that. And yet you hound them with RCMP-type investigations because you don't trust them. And you don't trust the tenants to have been telling you the truth if they're having problems with the landlords. Instead you trust the landlords. And you bring in legislation that even makes it more difficult for tenants.

It's just such a clear example of the difference between the philosophy of the New Democrats and the philosophy of the PCs. The Tory government is favouring, as I've said, the rich. The rich are right; the rest are worthless. The rest have no dignity, they have no respect, they have no consideration.

You should have been strengthening the rent controls, especially as a member for Saskatoon Mayfair where some of your constituents are renting. You don't have the same number of high-rises as I have, but you have a number of people on low income and a number of people renting. You should be supporting them, not bringing in legislation that makes it more difficult.

Now I know you're going to argue that this is just a housekeeping issue; that's nobody's using the Rent Appeal Commission any more; decrease in the number of concerns that go before it. Remember what I've told you. Remember the way the Office of the Rentalsman has not listened to the concerns of the tenants.

And many, many issues that should have been resolved on behalf of the tenants, have favoured the landlord already, because your Office of the Rentalsman and other places have been staffed by patronage partly, staffed by people who support your philosophy whole-heartedly and don't mind beating up on the poor people. People in Saskatoon Centre have the lowest per capita income of any of the constituencies in this city.

But your system has already worked so hard against the tenants. Why did you bring in another piece of legislation to do the same? It's just part of your continual failure to recognize the realities of the lives of people in this

province and in our cities, particularly, where there is more rental accommodation than in the rural areas. It's all part of that failure to recognize reality.

And when I hear members opposite stand up and tell us that we don't know about reality, I say to them, come for a walk with me in downtown Saskatoon. Come and talk to the tenants who are renting in these big apartments. Read the files, Mr. Minister, with the letters that have come from the constituents in Saskatoon and Regina, Moose Jaw, Prince Albert, and other areas where the rent issue is an ongoing sore, a running sore for anybody who needs to pay someone else rent in order to have some accommodation.

(1130)

The issue of rents and rent controls, the power of landlords, the failure of the appeals commission, the failure of this government to protect people, to step and to regulate and to put in force provisions that would help people who are already without power and without the strength that comes when you've got lots of money, the role of the government should be to put people at the heart of their legislation, to be concerned always that the people with the lowest incomes have at least some protection and some care and some compassion.

And, Mr. Minister, I'm really sad and shocked that you have seen fit not to do this, not to care, not to express compassion. You continually, as PCs, want to say that you care, and then you do things like this that demonstrate that you don't at all. It's by your actions that you're judged, not by your words.

You can have all sorts of rhetoric. You can have all sorts of hot air. You can talk on and on about the wonderful things you're doing, but it's the actions, it's actions like this legislation that show exactly where you're at, exactly who you support, exactly who you don't care for and who you have no compassion for.

It's just this kind of legislation that attacks consumers and tenants, that demonstrates so clearly the difference between us as New Democrats and you as PCs; why I'm proud as a New Democrat to represent Saskatoon Centre constituency, to raise these issues on behalf my constituents, to raise it on behalf of all the other people in Saskatchewan who are renting and who have experienced the anxieties and the pain of having their rents go up, their costs go up in all sorts of other ways, and they haven't got the money to cover it. They move or they suffer.

But housing is a crucial essential need for all of us. It's one area where we must have strong legislation to protect those who are so vulnerable. And nothing shows that need more, and the difference more between our party that are prepared to fight for these things, and your party that would let this kind of legislation go forward and people get hurt.

I am opposing this legislation, as my colleagues are. I'm expressing very grave concerns about what's happening to people in the area of their housing needs, in the area of their rents, in the area of their access to some appeal

process that would have some teeth to it, that would give them some support, that would help them to bring their case forward in a way that would be heard and understood by people who care, instead of the kind of jungle living that now is being forced on people.

As my colleague from Saskatoon Sutherland so very eloquently expressed, it is a jungle mentality. It is a mentality from the 1890s. It's not going forward to any sort of progressive 21st century. It's going right, right back — right back to the days when people with money had lots of power, still have lots of power, and they certainly don't need any more power given them by the legislation of this government.

Mr. Minister, I am opposing, as the member for Saskatoon Centre, this kind of legislation coming down on people in our city, a city you and I both represent. I am opposing it on behalf of all the people in Saskatchewan who are tenants. I think it's a bad piece of legislation. It's just another move in the direction of deregulation. It's just another move of saying the rich are right and the rest are worthless.

I know my colleague from Regina Centre has a lot to say on this issue as well. I'm very pleased to sit down now, in opposition to this legislation, and turn the debate over to him.

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

**Mr. Shillington:** — Thank you very much. When I spoke in this debate earlier, before adjourning it, Mr. Speaker, the member from Souris-Cannington seems to have missed those pearls of wisdom that I dropped earlier.

Mr. Speaker, I spoke for a few minutes, indicated I had some concerns about the legislation, and then adjourned it. Having given the legislation some scrutiny and having had a chance to look at it, I may say my worst fears are confirmed.

Mr. Justice Oliver Wendell Holmes once said that equal laws applied to unequal people is in itself a form of discrimination. Deregulation applied to parties which are not equal is a form of oppression. This is a form of deregulation. I want to associate myself with the remarks of the two members from Saskatoon.

This is deregulation among parties which are not equal. There is no pretence here that tenants are in an equal position with landlords. I have no special brief for tenants and no special axe to grind with landlords, but I do believe that this legislation is going to make it much, much more difficult for tenants to enforce their rights.

Previous to this legislation being brought in in the early 1970s it was . . . (inaudible interjection) . . . Well I'm glad the member is agreeing because I want to take a few moments to tell him why he's agreeing. He may be . . . (inaudible interjection) . . . The member from Souris-Cannington may be in some doubt as to why he is agreeing. I'm going to take some time to assist him so he'll know why he thinks the way he does.

I think the member from Souris-Cannington is just blindly

agreeing with everything I say, and I want the member to think this thing through without just that sort of blind obedience.

Mr. Speaker, previous to this legislation being brought in, in 1972 I believe, there really was no effective means by which a tenant could redress complaints. Tenants in urban areas virtually lived at the will of the landlords.

I'm afraid, Mr. Deputy Speaker, that this is taking us back to that day. This is going to make it so difficult for tenants to enforce their rights that I think we'll have no effective means of doing it and we'll be back to the day when tenants took whatever landlords dished out, and if they didn't like it, they moved. The vast majority of tenants did move quite frequently. Once every two or three months everybody moved, and eventually after half a dozen moves you'd get tired of that and you'd buy a house.

This legislation, when it was brought in, did redress the balance. It gave tenants an effective and I think a fair means of enforcing their rights.

Mr. Speaker, no one pretends, except perhaps the minister who introduced the legislation, no one pretends that tenants and landlords have any sort of equality. Landlords inevitably enjoy a higher income, almost inevitably enjoy a higher income than tenants. Tenants are often . . . they're often young.

Two kinds of people make up the vast majority of tenants: the very young and the very old. There are some people between the ages of 25 and 60 who are tenants, but they are largely fairly high income people. The vast majority of tenants are the young and the old. Their incomes are modest and they are in a very poor position, partially because of their youth and because of their age, to enforce their rights.

Mr. Speaker, in addition, tenants have the difficulty in going through the process. The landlord is going to have the suite, he's going to have the block, he's going to be there. The tenants are, without the assistance of the legislation which is being repealed, the tenants are in the position where they have to go invest a great deal of time in a process which they don't understand, with uncertain results. Landlords face perhaps the same uncertainty of results, but they understand the process because they've been through it many times.

Mr. Deputy Speaker, that's my general comments, that this legislation is predicated on the assumption that landlords and tenants are equal. They are not equal either in income or in their awareness or knowledge or understanding of the system. The landlords are both wealthier and well informed. By and large, tenants are neither.

Specifically, Mr. Speaker, with respect to deposits, the legislation was intended to redress a problem that had existed as long as security deposits had been in existence. The vast majority of security deposits went into the landlord's pocket when the tenant rented the suite, and never came out again, whatever the equity. And if the tenant complained, the landlord could usually find a scrape or scratch somewhere that he would claim

justified keeping the deposit. This was intended to redress that, and I think largely did. The landlord was required to keep the deposit in a separate account, in a trust account, so-called. It didn't go into his pocket and therefore it didn't get spent and was therefore available to be repaid.

One of the practical problems, without having a trust account, is that the landlord often doesn't have the money. It is gone and spent. Was required to pay interest on it — I think that provision to a large extent was ignored. The sums with respect to \$150 deposit were fairly small unless the tenancy carried on for a long period of time.

The most important provision, however, was the provision that the landlord had to give notice to the tenant within 10 days of the termination of the lease. If he intended to keep the damage deposit, he had to notify the tenant of that fact and notify him as to why. If he didn't give the notice, he couldn't keep the deposit whatever damage was done to the suite. If the two . . . if we'd been dealing with two equal parties, that would have sounded a little harsh, but of course we're not.

Landlords . . . it's their business. As you, Mr. Speaker, know the vagaries of farming, as I understand the calling of the practice of law, so landlords understood their business. It was their business. They understood that; tenants rarely did. Any more than my clients understand the law, or the people who buy bread in the grocery store understand the problems in farming, nor did most tenants understand the business with respect to rental accommodation.

Now this has been changed in two important respects. One is that the landlord no longer automatically loses the damage deposit if he doesn't give notice. We've provided one more hurdle, and I think a fairly high hurdle, for the tenants to climb over. They first of all have to find out from the landlord why he kept the damage deposit. That can be a fair chore with a landlord who wants to avoid a tenant.

Secondly, the tenant can no longer pick up the phone and say to the Rentalsman, I'm sorry, but my deposit was not returned, and I didn't get any notice. They generally won't say that. They'll generally say, I never got my damage deposit back, and I don't think there's any damage to the suite. They can no longer do that. They're now going to get a response from the other end of the phone saying, well if you feel that way, then you have to come down and fill out an application form; there is a deposit fee to be paid, and we see in the legislation provision for charging a fee.

I'm not sure what sort of a fee is going to be charged with respect to a damage deposit of \$150 or so, but whatever it is, it'll be a fair discouragement. The tenants will be intimidated by the process of having to come down and fill out an application form. They'll be intimidated by the sheer process of knowing there's going to be a hearing. They'd have to go to the hearing; the onus is on them to prove they didn't get the deposit back. And if they got notice, they've got to prove that the reasons given by the landlord weren't valid. I think, Mr. Deputy Speaker, very, very few will try.

The provision which is more obnoxious, however, is the

new section 35 which provides with respect to enforcement of rights. I think the member from Saskatoon Centre and the member from Saskatoon Sutherland have described this legislation accurately. I think there is now no enforcement and no investigation.

(1145)

In form, what the government has done is to do away with the Rent Appeal Commission. In substance, what I think they've done is to do away with the Office of the Rentalsman. Members will understand that there was an Office of the Rentalsman which dealt directly with tenants, assisted them in enforcing their rights. The Office of the Rentalsman . . .

**An Hon. Member:** — Question.

**Mr. Shillington:** — I see the member from Souris-Cannington is wanting to call a question. I am not convinced, and I say to the member from Rosetown, I am not convinced that the member from Souris-Cannington understands why he's agreeing with me. And I want to make very sure that he knows why he's agreeing with me because I think he's just doing it out of blind loyalty.

**An Hon. Member:** — This is the worst speech I've ever heard.

**Mr. Shillington:** — Is it? Well that's interesting because I wasn't aware the member from Kelvington was listening to what I was saying. It comes as news to me that you were listening. You certainly weren't acting like it.

Mr. Speaker, with respect to enforcement of rights, in form, what they've done is do away with the Rent Appeal Commission. In substance, what they've done is do away with the Office of the Rentalsman. The legislation does away with the Rent Appeal Commission and then restructures the Office of the Rentalsman beneath that, and in fact turns it into a Rent Appeal Commission.

Thus the tenants are now in the position of having no Office of the Rentalsman to go to. What they have is a commission to go to if they have any complaints, whether it be peeling paint, no heat in winter, a broken window that they won't fix, locks that can't be fixed. If there are any of those complaints, it can no longer go to the Office of the Rentalsman. They have to go down and fill out an application form. They've got to go prove it.

Mr. Speaker, I want to associate myself with a comment that was made by the member from Saskatoon Centre. She suggested to members opposite that they ought to take some time and go through some of the suites in the inner city. They really should be done. For anyone who has not done that, it is a telling experience.

The vast majority of landlords are honest business men who give fair value for the dollar, but for some reason or other which escapes me, the business of rental accommodation attracts some unsavoury people. It is a business which, I'm not sure why, but it attracts some unsavoury people who want to make a fast buck. They take accommodation in which, Mr. Speaker, I don't think you'd leave a dog. It does indeed attract some unsavoury

people. I'm reminded of that when I have to stand here and look at members opposite. Mr. Speaker, the business attracts unsavoury people.

I can take members on a tour of my riding. I can show them accommodation which is neither sanitary nor safe. I can show them accommodation in which, quite frankly, you wouldn't put livestock. It is just not fit for man or beast, but people live in it because it's better than a park bench, and that's the only alternative.

This, Mr. Speaker, is going to exacerbate that problem. It's going to make it much, much more difficult for the tenants to enforce their rights, to get locks put on the doors, to get heat in winter, to get windows put back in which are broken, to get walls painted, to get cracks filled in, and to get places cleaned up. It's going to make it much more difficult for tenants to do all of those things.

This, Mr. Speaker, is deregulation at its very worst — deregulating an industry which is notoriously prone to an inequality of a bargaining position. Ever since there have been rental accommodation, certainly in North America, we've had problems with slum landlords, to use the phrase. We have them in Saskatchewan, and this, Mr. Speaker, is going to make their operation much, much more viable and much, much easier to carry on.

For all of those reasons, Mr. Speaker, I will be voting against this legislation, and I urge all members opposite to do the same.

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

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

## SECOND READINGS

### Bill No. 62 — An Act respecting Securities in Saskatchewan

**Hon. Mr. Berntson:** — The financial sector of our economy has become international in scope, Mr. Speaker. Companies raise capital not only locally but nationally and internationally. This trend has put pressure on the securities regulators in western world countries to allow that flow of international capital to proceed, and yet maintain enough control on the market that it proceeds in keeping with the basic principles of securities regulation.

While the law has evolved in Canada to meet with these new pressures on the capital markets, it is the goal of securities regulators to protect the members of the public who invest in securities, and hence, through a legislative framework, create a market-place in which the public has confidence.

The goals of protection of the public and confidence in the market-place are achieved throughout by four main principles of regulation: (1) only honest and knowledgeable people can sell securities; (2) when initial purchases or securities are offered to the public, potential investors should have access to be able to rely on a

truthful, complete, and understandable document; (3) buyers and sellers on the secondary markets should have equal access to information, and hence have equal opportunities to be well informed; and (4) persons taking undue advantage of the investing public should be held to account.

In keeping with these principles, Mr. Speaker, The Securities Act, 1988 provides for the registration of persons and business to ensure that they are honest and of good repute and well informed; (2) they provide for review of selling documents for securities issued to the public to ensure full, true, and plain disclosure is made, and that there is a basic fairness to the sale; (3) they provide for requirements to file financial information on an ongoing basis, plus special information for special events as they occur throughout the business year; and (4) they provide for deterrents to fraudulent practices.

With the passing of The Securities Act, 1998, this Act will represent the most current thinking in securities regulation in Canada. It represents the compilation of advances made in securities regulation in other major jurisdictions in Canada.

With the passage of this new Act, four major objectives will be accomplished: (1) we will become uniform with the capital markets in other jurisdictions. Uniformity of legislation assists issuers who wish to raise capital on a national scale by ensuring that rules of each jurisdiction are the same. Saskatchewan issuers are then able to compete on a national scale for capital markets, and as they mature and grow, they can do so, having to deal with the same rules as everyone else. In addition, Saskatchewan investors are given the same remedies and degree of protection that investors in other provinces have been given.

(2) The new Act will promote efficiency in the capital markets by streamlining the procedures involved in issuing securities across Canada. It strives to eliminate the inconsistencies and problems found in the existing Act.

The third objective is to provide Saskatchewan small business with flexibility in raising capital. There are a number of exemptions to the basic registration and prospectus requirements that allow small businesses in Saskatchewan to raise start-up capital without having to meet the full requirements of the Act.

The Act has compensating safeguards in place to protect investors, such as reviewed offering memoranda and limits on the number of purchasers. But it does afford the Saskatchewan business man an opportunity of entering the market.

And (4) the goal of securities regulation is to protect investors who acquire securities through a public distribution. This Act enhances investor protection; in particular, the legislation focuses on small investors who don't have the resources to protect themselves in capital markets.

The new Act expands the protection to investors into the secondary market because of the requirements for more and continued disclosure of financial information. As a

result, all holders and issuers of securities, and all potential purchasers of those securities should have adequate information to make a reasoned investment decision.

As you can appreciate, looking at the size of the Bill before this House, the legislation respecting securities is complex and technical. Let me deal briefly with the concepts that are introduced in this legislation.

With our aim of providing enhanced investor protection to investors in Saskatchewan, the new Act introduces the closed system. Under the closed system, not only are the initial distributions of securities regulated but the subsequent trades in the secondary market are also regulated. The existing Act does not control secondary trades; therefore, an issuer may have found an exemption in the existing Act, and the purchasers of those securities could resell them without any restrictions under the Act.

The new Act corrects that situation. As part of the introduction of the closed system, a broader range of exemptions are introduced. Also, for the sake of uniformity, most of the exemptions compare to exemptions available in other jurisdictions. These exemptions give issuers greater opportunity to bypass the prospectus and registration requirements to purchasers who the commission considers have resources to look after themselves . . . (inaudible interjection) . . . And I know that the member for Regina Centre is learning a great deal by sitting there and absorbing all that's being said here today.

In addition to those exemptions, Saskatchewan businesses are provided with exemptions to reduce regulation and make the acquisition of capital easier. Exemptions such as the incorporators exemption, the seed capital exemption, government incentive exemption, and close business associates exemption are examples of these. These exemptions would allow Saskatchewan businesses some access to the capital markets without having to file a full prospectus.

Reporting issuer is a key term that is used throughout the Act. Basically, reporting issuers are a class of issuers who have distributed securities to the public and who are under a statutory requirement to provide continuous timely disclosure of information about their activities and financial status to the public.

This class includes all Saskatchewan corporations which have filed a prospectus with the commission. The status of a reporting issuer is important under the closed system for determining whether first-rate provisions of the Act need to be applied to a particular security. There's also an advantage for an issuer to become a reporting issuer in order to create a broader market for its securities, and also to facilitate a quicker entry into the market once that status has been reached.

The new Act upgrades and modernizes the continuous disclosure requirement placed on issuers. These provisions ensure that the market-place professionals and investors have all the current information available about an issuer.

Reporting issuers are required to file annual, audited financial statements and interim quarterly statements. A new major provision provides for timely disclosure of a material change in affairs of a reporting issuer. When a material change occurs, a reporting issuer is required to issue a press release explaining the material change, and to file a copy of that press release with the commission. In the event that the commission believes that the change is not adequately disseminated, the commission can take steps it considers necessary to give adequate publicity to the change.

Mr. Speaker, despite the size and number of mutual funds and peculiar issues associated with them, mutual funds are not recognized by the 1967 Act. The new Act, however, does introduce a distinct set of rules to govern mutual funds and to provide protection to investors in their securities.

Because of the nature of the investment, business of a mutual fund, conflicts of interest, and problems in self-dealing may arise, involving the mutual fund's management company, its portfolio manager, and its distribution company. Other provinces have developed a uniform set of legislative rules to regulate mutual funds, and the new Act adopts these rules. Requirements for filing regular information, rules to control self-dealing by mutual fund management companies, and other similar remedies are provided under the Act.

The principles behind the major changes to the take-over bid rules are that all holders of the same class of securities be treated equally, and that adequate relevant information be made available on a timely basis to all security holders to whom the offer is made. These changes conform to the uniform scheme in place in Canada, including any recent amendments to the Ontario legislation which has been brought about by experience they have had with take-overs.

(1200)

Mr. Speaker, the principle behind insider trading rules is that no one with knowledge of information that is not public should benefit because of that information. The new Act significantly broadens the scope of who is an insider. It is expanded to include directors and senior officers of subsidiaries, and also includes professional advisers who have access to confidential information. The penalties are significantly increased for those who do not comply with this requirement.

Significant liabilities have been created for contravention of insider trading and self-dealing rules for mutual funds, but the Act also provides for greater penalties for contravention of the Act. The Act specifies greater monetary fines and prison penalties for contravention of the Act.

Other important remedies are expanded in the new Act. The right of withdrawal after purchase of securities has now been extended to an offering memorandum in addition to a prospectus. Rights of rescission or the opportunity to rescind a contract are significantly increased for misrepresentation of a material fact. In fact, the Act gives the right for damages or rescission for



misrepresentation now against even more people than the previous Act and also extends the limitation period for rescission action — in eastern Canada is the provision that gives a purchaser of securities, under prospectus or an offering memorandum, the right to rescission or damages against the seller if there has been a misrepresentation in the sale's literature.

In conclusion, Mr. Speaker, securities commissions in Canada and Saskatchewan have always had the responsibility of seeking a balance between the business community's need to have relatively easy access to capital against the need to protect the interest of the investor. This legislation seeks that balance. It recognizes that financial markets are national and international in scope, and there are people in the market who have the resources to protect themselves, but it also recognizes that there are investors who need the protection that this legislation affords.

Timely and adequate disclosure enhance civil remedies and increase penalties on contravention; assure that special investor needs are protected. The investor who wishes to enter the market does so being able to determine through adequate information what his best investment should be.

I'm sure the member for Regina Centre is much more enlightened than he was only a few brief moments ago and I, therefore, Mr. Speaker, move second reading of The (Saskatchewan) Securities Act, 1988.

**Mr. Shillington:** — Thank you very much. I want to make a few comments, then I'm going to adjourn the debate on this Bill.

This Bill, Mr. Deputy Speaker, is a difficult Bill. It's long, the subject matter is esoteric in nature, it is understood by only a few people in its detail, but the importance of this Bill, I think, cannot be over-emphasized.

I think I might have had trouble, Mr. Speaker, making that point five years ago. The last five years, however, in Canada, and in Saskatchewan in particular, witnessed some major problems with respect to the sale and regulation of the securities business.

Mr. Speaker, the administration of this legislation leaves a good deal to be desired. This government, and the member from Maple Creek in particular, for reasons that I suppose we'll never know, fired a very competent chairman of the securities commission, Ken Stevenson. Since that time, Mr. Speaker, and I think partially as a result of that, we have had nothing but difficulty with respect to the area of securities.

Mr. Speaker, we have witnessed any number of abuses, the most recent of which is Principal Trust. A mediocre administration of the securities business should have prevented that. Any company which is unable, as we now know, unable to provide audited financial statements for over two years, should not be selling securities in the province of Saskatchewan, and that's what was happening. Principal Trust was unable to get an unqualified financial statement for the 1985 year, and they didn't file any statements, Mr. Speaker, and nobody

asked them to, and they continued to sell securities in this province for over two years.

While I hold no brief for the province of Ontario, whose populace has suffered under a Liberal and Conservative regime for some decades, one can at least say, with respect to the province of Ontario, the security commission in Ontario didn't let them sell, and nobody in Ontario got hurt when Principal Trust collapsed.

And if our legislation had been properly administered and properly enforced, nobody in Saskatchewan would have got hurt. But what happened, it wasn't being administered, it wasn't being enforced. Companies didn't file financial statements and nobody seemed to care, and the company went broke and an awful lot of people got badly hurt.

Mr. Speaker, this is not a trifling problem. When something happens in the securities business, tens of thousands of people lose tens of thousands of dollars. This is — as I heard a senator on the Detroit channel say, with respect to a different issue — Mr. Speaker, this is a tall cotton. The securities business is tall cotton. There is an enormous amount involved, and to this date it's been very badly handled.

Mr. Speaker, we witnessed Pioneer Trust; a whole lot of mistakes were made with respect to Pioneer Trust, and I don't intend to go through them all now, but one of the mistakes that was made with respect to Pioneer Trust was the securities business was not vigilant in enforcing and regulating the sale and conduct of that business. Neither was the Consumer Affairs department. And of course more than one cabinet minister got into the act and made the problems much, much worse than they would have been.

But I am convinced, Mr. Speaker, that if the member from Maple Creek had left Ken Stevenson as chairman of the Securities Commission, had she given him the encouragement and support he needed to do the job, I am convinced that we might have avoided the problems with Pioneer Trust, and I'm darned sure we would have avoided the problems with Principal Trust.

Mr. Speaker, I know that this particular piece of legislation does not cause rioting on Albert Street. No one in Indian Head starts throwing bricks at the member from Indian Head over this issue. They'll do it over a number of other issues, but not perhaps over this particular one. But, Mr. Speaker, that doesn't . . . the fact that the public don't understand this business doesn't mean it's not important. It is important.

While they don't understand the regulation of the business, the vast majority of them invest their life savings. And they invest their life savings assuming that they are going to look after it. Who's they? They's us. We are the people whom they trust to ensure that the securities business is safe, sound, and there's no fraud involved, and that their life savings are secure. And I say to members opposite, we haven't been doing that in the last five years. In the last five years we've been negligent, the people have gotten badly hurt.

Mr. Speaker, that's happened elsewhere as well. We just witnessed the brokerage firm in Ontario, Osler, who went bankrupt. Indirectly, a number of Saskatchewan people are going to feel it because the major loser was the co-operative credit society, central bank of the credit unions. And indirectly credit union members in Saskatchewan are going to feel that. Now that's outside the jurisdiction of the Saskatchewan Securities Commission because so far as I know they were not conducting business in this province. But again it underscores the importance to the average citizen, the regulation of the securities business.

Mr. Speaker, there's no question but what the old Act needed to be revised. Much of that Act has long since passed into history. Indeed the former member from Elphinstone, the former leader of the opposition, played a major role in drafting that legislation when he was chairman of the Securities Commission back in the early '50s, and it had undergone very few changes since that date.

Some of the comments made by the member from Souris-Cannington when he read the speech that . . . I'm not sure if it ever went through the mind of the person who wrote it, but I know it was given in this Assembly without ever having gone through the mind of the member from Souris-Cannington. It was obvious he did not have any idea of what he was talking about when he was reading that speech. However, the speech was written by officials in the department, I'm quite sure, and I don't take issue with much of what that speech said, actually.

There were many problems with the former legislation. It has long since been a requirement of the Toronto Stock Exchange and all the other stock exchanges to provide shareholders with quarterly reports. Those standards are among the highest in the world. Now that was not reflected in our legislation. Our legislation talked about . . . (inaudible interjection) . . . I'm missing the pearls of wisdom being dropped by the member from Wilkie. I know that I'm much the poorer for it, but he's not speaking plainly enough for me to hear him.

Mr. Speaker, one of the problems with the old Act was that the Act only called for an interim report after six months. It's now become common practice for two decades because of the requirements of the Toronto Stock Exchange to provide them quarterly. That should be in the legislation. The member from Souris-Cannington mentioned mutual funds; that wasn't mentioned either. The whole problem, Mr. Speaker, something not mentioned by the member from Souris-Cannington, the whole problem of insider trading and use of inside knowledge which has become such a serious problem in recent years, was not mentioned in the Act at all.

So those are some of the things the Act is dealing with. Mr. Speaker, I've gone through the Act. There will be a number of questions which, I may say, I'll have in committee of the whole. Unless I misunderstand it, some of the drafting in this new Bill is very poor, but we'll see. Perhaps I misunderstand it.

It is, however, a long Bill. That speech, so eloquently and

thoughtfully given by the member from Souris-Cannington with such emotion, deserves to be considered. I want to consider that in the light of the Bill. I therefore, Mr. Speaker, beg leave to adjourn the debate on this legislation.

Debate adjourned.

### **Bill No. 55 — An Act to establish the Public Participation Program**

**Hon. Mr. Taylor:** — Thank you, Mr. Speaker. I rise today to move second reading of The Public Participation Act. In a straightforward way, Mr. Speaker, this Bill sets out the purpose of public participation, the role of the Department of Public Participation, protection offered employees of the Government of Saskatchewan, and the protection of the public interest.

Mr. Speaker, this is a co-ordinating Bill for specific government-wide purpose — to build this province and allow for increased participation by Saskatchewan men and women.

Mr. Speaker, this Bill does not override any other legislation; it is complementary legislation. All existing legislative authority remains in the legislation. Mr. Speaker, this government has created a watch-dog with protections to ensure the public participation process is fair and is open.

Many specific initiatives will be brought before this Assembly for public debate. Where share offerings are made in Crown corporations, approval legislation will be passed. The SMDC (Saskatchewan Mining Development Corporation) Bill is before the Assembly at this present time. And Saskoil, as you know, previously came before this Assembly. We will continue this open tradition. Documents will be tabled under the public participation program for all to see.

(1215)

Mr. Speaker, my powers as the Minister of Public Participation are those of facilitating the government process — developing, protecting, co-ordinating, promoting, reporting, and consulting. Existing statutory authorities remain and will be used to build and allow participation to happen.

Mr. Speaker, the purpose of the public participation is to stimulate economic growth in Saskatchewan, create new investment and jobs, and allow for increased participation by the public and employees. This will be achieved by providing a set of new opportunities and new challenges to all Saskatchewan men and women.

Mr. Speaker, more than ever before, Saskatchewan is becoming a place where individuals can invest in their own province and participate directly in its growth. In Saskatchewan we have a proud pioneering heritage, and by building upon this reputation, public participation will utilize our resources more effectively toward the growth and development of our province.

Mr. Speaker, public participation will provide new

opportunities for public employees to buy into a service now provided by the government and deliver it as an owner of the operation. Becoming involved in the ownership, as well as the delivery of public services, will allow employees to advance their talents and expertise without restriction towards expanding their careers and improving the quality of service provided to the people of Saskatchewan.

Mr. Speaker, public participation will provide new opportunities for all Saskatchewan men and women to acquire real ownership rights in the Crown corporations, and invest directly in the future economic growth of Saskatchewan through widespread bond and share offerings. We have the skills, the people, and the savings in Saskatchewan. Let's form a partnership and build this province. That's the Saskatchewan way.

Mr. Speaker, public participation will provide new opportunities for Saskatchewan businesses and industry to expand and grow through the contracting of government services.

Finally, Mr. Speaker, public participation will provide new opportunities for our province to further develop government resources through the attraction of new investment and resources into Saskatchewan.

In speaking of the many opportunities public participation presents to Saskatchewan men and women, I should mention what public participation has already done for our province.

Firstly, Mr. Speaker, I would like to mention some of the new investment that public participation has brought to Saskatchewan. Mr. Speaker, in coming to Saskatchewan, Weyerhaeuser Canada Ltd. injected \$250 million of new investment directly into Saskatchewan that was put toward the construction of a new paper mill. Now our province is positioned as a major player in the forest industry with one of the most technologically advanced facilities of its kind in the world, Mr. Speaker, right here in Saskatchewan.

Mr. Speaker, another example was the recent sale of the Saskatchewan Minerals corporation. Its purchase by two respected private sector companies brought \$15.9 million of new investment directly into our province. And Premier Saskatchewan Incorporated, the new company now located at Carrot River, plans to invest an additional \$2.5 million to expand and to modernize that facility. Premier Saskatchewan Incorporated also announced their plans to fund a three-year, \$500,000 product research project at the University of Saskatchewan.

Mr. Speaker, it is through new investments such as this that new jobs and new opportunities are created for Saskatchewan men and women. And new jobs, Mr. Speaker, is another thing public participation has brought to the province of Saskatchewan. The newly formed WESTBRIDGE Computer Corporation, resulting from the merger of SaskCOMP, a portion of SaskTel, and two private sector companies, has already in the last two months created 50 new jobs and is expected to create 200 more, the majority of them in the province of Saskatchewan.

This new computer company has already received \$6 million in out-of-province contracts that would not have been possible if it had stayed a Crown corporation. Weyerhaeuser has also created new jobs. As of March 16, 1988, 692 people were working on the construction site of the new paper mill. And when complete, Mr. Speaker, it is estimated that over 150 permanent positions will be created to operate that mill in Prince Albert.

**An Hon. Member:** — Shellbrook-Torch River.

**Hon. Mr. Taylor:** — Shellbrook-Torch River, that's right. Many of the people in that area will benefit from this initiative.

Mr. Speaker, guided by the principles of protecting employee rights, protecting the public interest, protecting our standard and quality of service, and protecting the proper role of government, public participation will build a stronger Saskatchewan. It will diversify our economy. It will create new investment, new jobs, and new growth for Saskatchewan people, for Saskatchewan business and for Saskatchewan industry.

Mr. Speaker, the Department of Public Participation has been established to develop and co-ordinate the government's public participation program. Our mandate is to ensure that the interests of the people and the Government of Saskatchewan are fully protected. In carrying out this forth, the department will closely evaluate all public participation initiatives provided by criteria and guide-lines. All initiatives will be brought forward for government approval.

Mr. Speaker, as I said before, central to public participation is the protection of employees, the public, and the government. Developed as a job creation initiative, this Bill contains specific legislative protection for government employees who may be affected by public participation initiatives.

It should be noted first and foremost that this Bill recognizes the rights afforded employees in The Trade Union Act and their collective bargaining agreement. This Bill not only does not take any of these away, but rather it enhances employer rights, provides various protection, continuation of pensions and benefits, and provides them with preferences to encourage employee buy-ins to service.

Mr. Speaker, it should also be noted that unionized employees who do not wish to partake in opportunities that exist shall have the protection I have set out, solely as an option provision is made for early retirement on the same terms and conditions previously given.

Mr. Speaker, for the first time in our province the public participation initiative will provide Saskatchewan men and women with the opportunity to acquire real ownership in the Crown corporation. Encouraging Saskatchewan people to invest in our economy through bond and shares and debenture sales will build Saskatchewan using our own resources.

Mr. Speaker, I ask my legislative colleagues, why should

Saskatchewan men and women be forced to invest outside the province and contribute to the growth of areas in other parts of the country? And as a government, why should we always borrow money from the big banks in the East, in New York and in Europe and in Japan?

Mr. Speaker, we intend to increase the availability of bonds and debentures, and there will be . . . continue the development of large, Saskatchewan publicly trading companies which will encourage widespread Saskatchewan participation and ownership. This will facilitate increased direct ownership by the people of Saskatchewan in our Crown assets.

Mr. Speaker, the benefits to Saskatchewan men and women from this are twofold. Firstly, Saskatchewan people will be permitted to have direct real ownership and participation in the Crowns that will allow them to share in the growth of our province. And secondly, this will develop a much needed capital market in Saskatchewan, thereby creating the investment necessary to provide the growth and jobs we all desire.

Public participation will create employment, business, and investment opportunities, from Crown services, facilities, and assets. Mr. Speaker, public participation will ensure that the standards and the practices of new forms of service delivery, through contracting of services, will meet or exceed acceptable levels. Mr. Speaker, this department will evaluate initiatives, keeping in mind that it is the protection of employees, Saskatchewan residents, and the public interest that is paramount.

Employment, business, and investment opportunities will diversify and build the Saskatchewan economy. Our dollars can work more directly toward the growth and development of Saskatchewan and create new jobs at home, and that's good public policy.

Mr. Speaker, governments throughout the world have sought ways of achieving improved service at lower costs. Countries as diverse as China and Australia, Great Britain and France, Sweden, New Zealand, have all closely reviewed their options to deliver a public service and the need for government to own and directly manage its Crown assets.

In Saskatchewan we have a tradition of leadership and innovation in government. We also have a unique history and special circumstances. This Bill creates a department that will develop these emerging global directions and public policy to meet our own special needs and circumstances.

Mr. Speaker, you well know when people co-operate they participate in building things, big or small, and we all share in the benefits. And, Mr. Minister, that's the Saskatchewan way.

Mr. Speaker, I'm proud to move second reading of Bill 55, The Public Participation Act.

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

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I want to respond this afternoon and then adjourn the debate. I

want to respond to the comments made by the minister of privatization in Saskatchewan.

The fact, Mr. Speaker, is that there is and there has been no public participation in anything that this minister or this government has introduced or done under that misnomer. What we are considering here today is a right-wing privatization Bill.

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

**Mr. Tchorzewski:** — And I think anyone who will have watched or heard the minister will have noted a number of things. But one thing that they will have noted I think, in particular, is that in all of the time that he took to speak on it, he said nothing about the Bill itself. He spent all of his time with the usual Tory rhetoric about what they call public participation without addressing what the Bill is all about. So on his behalf, Mr. Speaker, this afternoon for a while, I want to do that because I think it's clear, it's important that the public knows what this Bill is all about.

Let me begin, Mr. Speaker, by saying this. This government's privatization Bill is clearly one of the most insidious and alarming Bills ever introduced in this legislature.

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

**Mr. Tchorzewski:** — The minister's attempt at soothing and reassuring and comforting, as he attempted to justify this Conservative privatization policy and this privatization Bill is almost laughable. But his attempt at soothing words could not mask the sinister nature of this ominous omnibus Bill.

With this privatization Bill, Mr. Speaker, the government is seeking to give to itself broad sweeping powers to do anything it wants, whenever it want to do it, however it wants to do it, behind secret and closed cabinet doors without any public accountability, and that's wrong. And that's wrong, Mr. Speaker.

Now let's just address some of the things that the minister said. He tried to talk about the purpose of the Bill. But the purpose of the Bill is simply one, and that is to sell out Saskatchewan. That's the purpose of this Bill.

He mentioned the rhetoric in rhetoric terms, the role of this Bill. Well I want to say to you, Mr. Speaker, it's becoming more and more evident with the operation of this government in this House, that the role of this Bill is to hide what the government is doing.

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

**Mr. Tchorzewski:** — The role of this Bill is to hide what the government is doing and turn over unnecessary and dangerous power into the hands of the cabinet — power that should be vested and always has been vested in this Legislative Assembly with the representatives of the people to deal with it.

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

(1230)

**Mr. Tchorzewski:** — We heard those words of allowing increased public participation. And I simply ask, give me one example, Mr. Minister. You have been into this privatization scheme of yours for some two years now, and you started before 1986 to some extent, and yet there has been no example of the so-called public participation — not one.

**An Hon. Member:** — WESTBRIDGE?

**Mr. Tchorzewski:** — Is WESTBRIDGE public participation? No, it was a cushy deal. It was a cushy deal between some Conservative cabinet ministers and some of their Conservative friends. And there is a list that goes on. There has been no public participation.

I heard the minister talk about, the Bill will require the tabling of documents. Well, Mr. Speaker, we've had a lot of experience with this government's tabling of documents. They don't table the documents even though the documents are required by law to be tabled. They wouldn't table the Public Accounts for months. They refused to provide to the Provincial Auditor information that he must have to do his Provincial Auditor's report.

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

**Mr. Tchorzewski:** — That's not coming from me, Mr. Speaker, that is coming from the Provincial Auditor who says he can't get his job done because this government is hiding information, and refuses to give it to him because they think it's politically dangerous.

We've had experience about the tabling of documents by this government. There are two Crown corporation's reports, the Saskatchewan Government Insurance, or is it the SPC — I think it's government insurance — and Crown investments corporation, that were not tabled by the time that the law said they ought to be tabled. And to this day we still don't have the Crown Management Board annual report, although it ought to have been tabled many, many weeks ago. That's the experience with the tabling of reports.

But let's consider it from another perspective. The minister says they will be tabling the annual reports. But that will not provide an opportunity for the public or this legislature to consider the act of doing a certain privatization that the government is doing. All it's going to do is after the fact, a year or two years later, when all of the damage is done, give them an annual report and say, here is what we've done.

Now that's irresponsible. That is a government that's hiding behind this legislation because it knows that it has to sneak these things through because the public is no longer accepting even their rhetoric.

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

**Mr. Tchorzewski:** — The minister said the other day, yesterday in the press conference, he said, well we've been doing it anyway. Well if they're doing it anyway, Mr. Minister, if he is really being honest — and I question

that — if he's really being honest about the government being able to do this anyway, then why this Bill, unless there is some sinister purpose behind it? And the sinister purpose, as that minister is so capable of carrying out, is simply to hide what they want to do from the public and taxpayers of Saskatchewan.

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

**Mr. Tchorzewski:** — Well the minister is getting a little sensitive about this because he doesn't like to hear the truth. He'd rather talk about the untruth that this government talks about.

I heard the minister talk about growth. Well isn't that a joke, isn't that a joke. This privatization scheme of theirs is supposed to create growth. I ask you, was there growth in SED Systems when it was privatized? That's one example. No. Seventy families were left without any income because 70 people in SED Systems were laid off.

Was there growth, Mr. Speaker, in management opportunities in Saskatchewan because of that privatization? Absolutely not. Because the management of that company, that important high-tech company is now in the city of Toronto and no longer in the city of Saskatoon. Now this is the minister's definition of growth.

Now that's strange kind of language in the English language that only Conservative cabinet ministers can possibly understand.

**An Hon. Member:** — Doublespeak.

**Mr. Tchorzewski:** — As my colleagues say, it's nothing less than doublespeak.

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

**Mr. Tchorzewski:** — And you know, they talked about growth when they privatized Saskoil. It was going to do wonderful things. And immediately after the privatization of Saskoil, 25 per cent of the staff in Saskatchewan lost their jobs. That's their definition of growth.

Now I heard the minister say this: why should Saskatchewan people have to invest outside Saskatchewan? Well then what happened when you privatized Saskoil, Mr. Minister? Why is it now doing all of its investment outside of Saskatchewan and Alberta?

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

**Mr. Tchorzewski:** — Now what kind of nonsense is that unless it is meant only to do exactly what this Bill is intended to do, and that's to mislead and to hide and to misinform.

Now I ask the minister about one more example. Where is the growth in the privatization of the dental plan — the children's dental plan? Is his perverted definition of growth the firing of over 300, some 400 dental nurses, dental therapists in Saskatchewan? Is that his definition of growth? People who worked hard on the promise of a great future, dedicated people who went and became professionals because of this future, and in one fell

swoop, because in the name of privatization this government wiped out the profession when they wiped out the program that was so important to those children in Saskatchewan, tens of thousands of whom will never see a dentist until it's too late. That's the result of wild, wide, ideological charge into privatization.

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

**Mr. Tchorzewski:** — And the evidence is there everywhere to see. It's there everywhere to see, and that's why now, in spite of the fact that the minister has said they don't need this Bill, they are bringing it in, because they know they can no longer do it openly, where the public will be able to be the judge. And they want to sneak it in in the dark of the night, behind closed doors of the cabinet room, so it's implemented, and the public will be able to do nothing about it.

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

**Mr. Tchorzewski:** — It was almost . . . (inaudible interjection) . . . While the member, the fresh new introducer, is now sitting in his seat and talking, I hope he gets up in this debate and answers some of these questions. He will have his opportunity. He does not need to speak from his seat, Mr. Chairman . . . Mr. Speaker . . . (inaudible interjection) . . . I will like to have him get up, as my leader says, and stand up in this House and explain why they had to bring in the expert from Great Britain to tell them how to do this, when the people of Saskatchewan, historically and ever since the beginning of this province, were quite able to build one of the best provinces in Canada by using their own hands, their initiative, their expertise, and their determination to build this province.

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

**Mr. Tchorzewski:** — Now instead of using that initiative and that commitment, what do they do, this member from Wascana who's still speaking from his seat? They have to go over to good old England and ask Margaret Thatcher to send her professional adviser to advise them how to institute the British system on Saskatchewan.

Mr. Speaker, it doesn't work. It doesn't carry over and translate just like that, because we are different. We are, in many ways, better, because we started in a new era. And what this government is doing is deliberately undermining it and destroying it, and it's wrong.

If they were so proud of it, if they were so proud of this, and if they thought that it was publicly acceptable, they wouldn't need this Bill. They would be able to come into this Legislative Assembly and introduce the program or the legislation for each individual initiative of theirs, have it publicly debated, and proceed.

But if they do it that way, they know that it will be rejected so they've got to do it this way. They've got to do it in secrecy.

Now it was almost painful — it was painful — to listen to the minister talk about the great new investment that's going come from this. Well, Mr. Minister, you should do

some of your own research and stop only reading from the speech that somebody in the Premier's office wrote for you.

Mr. Speaker, where is the new investment?

**An Hon. Member:** — Well open your eyes.

**Mr. Tchorzewski:** — Under . . . okay, let me tell you this. Mr. Minister, and Mr. Speaker, since . . . in the last two years, in the last three years there are 2,000 fewer manufacturing jobs in Saskatchewan today than there was three years ago. Now that's new investment? The minister can't argue about that. Over three years we've lost over 2,000 manufacturing jobs because of their open business and privatization policies. And they say what a wonderful thing it's going to be.

I ask the minister, before he speaks again, if this is so great: what has happened to the people who used to work for the post cutting operation in northern Saskatchewan which was shut down by this government this week? That's privatization. What happened to the 70 employees of SED Systems who no longer have a job because of this privatization policy that was going to bring about all of this investment?

If there is going to be all of this investment, what happened to the investment by Saskoil which is now in Alberta? What happened to the 25 per cent of the employees who were fired — who were fired — by this government when it privatized Saskoil?

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

**Mr. Tchorzewski:** — I am a representative in the city of Regina, Mr. Speaker . . . (inaudible interjection) . . . Isn't it interesting? Isn't it interesting?

**Mr. Speaker:** — Order, order. Order.

**Mr. Tchorzewski:** — Thank you. If I may make a personal comment, Mr. Speaker, I happen to be a member, one of the members, from the city of Regina. In this city, as in all across Saskatchewan, there have been some very painful examples. There have been some very . . . Mr. Chairman, do you mind calling them to order so that we can proceed?

Mr. Speaker, this privatization policies of this government has shut down the only meat processing plant of any larger significance . . .

**Mr. Speaker:** — Order. Order. Order. Order. Obviously this Bill is going to generate a great deal of interest, and there will be many members who will wish to speak on it. However, you'll have your opportunity in due course, and at this time I would like to allow the member for North East to continue.

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

**Mr. Tchorzewski:** — Thank you. You know, Mr. Speaker, it is rather interesting to note the way the members react opposite, the government, Conservative members, when they've been caught in their own dishonesty.

They have this interesting reaction when the truth is being told. When they're caught in telling . . . in not being honest with the public of Saskatchewan, they try to do what they do with advocacy groups. They try to do what they do with professional public servants who provide recommendations saying what's right and what's wrong and they should make a judgement on them. They try to intimidate and not give them the platform to speech. Now that's very interesting, Mr. Speaker.

Now in the city of Regina, as I was saying because . . . before I was so rudely interrupted by the minister in charge of privatization and the member from Morse and the member from Wascana, the Intercontinental meat processing plant was shut down after this government was elected because of their glamorous and tremendous privatization policies. We have hundreds of families in this city of Regina who have been without work because of the firing of the dental nurses and other people involved.

Now . . . (inaudible interjection) . . . here goes the minister again. And they've talked about: well, what about the upgrader in Regina? Well you know, Mr. Speaker, isn't it interesting that while they argue in favour of this privatization scheme of theirs, the oil upgrader in Regina was built by public money.

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

**Mr. Tchorzewski:** — Now, Mr. Speaker, it was built by public money. It was built by money backed by the taxpayers of Saskatchewan, and that's the Saskatchewan way, the involvement of the co-operative sector, the public sector and the private sector and not putting all of your eggs into the Oliver Letwin basket and hope that somehow it'll work.

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

**Mr. Tchorzewski:** — Now, Mr. Speaker, I am surprised — maybe I shouldn't be surprised because I know the attitude and the nature of this government — but I am somewhat amazed that the minister would not have addressed some of these things in a more detailed way, because he wants . . . and I suggest it is because he wants to treat this Bill in the same way as this Bill is intended to allow the government to treat all of the rest of what's going to happen in Saskatchewan — secretly, quietly, and hiding it behind certain powers that they have.

(1245)

They don't want the public to know. Today is the 52nd day of this legislature. It's the whole strategy of the government, the whole mentality that's over there. Today is the 52nd day. For 52 days this legislature has been sitting, and on the 50th day of the sitting, two days ago, the government finally thought that maybe they should introduce this Bill, as a lot of other legislation, all in keeping with their sneaking up on people with their secret approach so that there is no public debates. They think that by introducing it on June 1, that somehow the public is not going to become aware of what they're trying to do, and I say to you, Mr. Speaker, it won't work.

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

**Mr. Tchorzewski:** — It won't work because we won't let it work.

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

**Mr. Tchorzewski:** — It won't work because the people of Saskatchewan have caught on to their ways. And the by-election in Saskatoon Eastview and the by-election in Elphinstone was solid proof of that, and they still haven't listened. They still haven't listened.

Now there are some questions here that the people of Saskatchewan are entirely justified in asking. What are they trying to hide? Why is it that the government's afraid of public debate? Why is it afraid of public scrutiny? Why does this government want these broad, sweeping powers to enable it to implement its privatization policy in private and in secret? What secret agendas do they have which they have discussed in their cabinet room and in their caucus?

**An Hon. Member:** — Stay tuned.

**Mr. Tchorzewski:** — Well, you know, the member from Wascana confirms what I'm saying when he says, stay tuned. He says, stay tuned. He is saying, yes, there is a sinister plot here; yes, there is a secret agenda here; and stay tuned, and a year after we do it we'll give you an annual report and we'll tell you what we've done. You know, Mr. Speaker, Saskatchewan people have already seen just how much hardship this government can impose.

**Mr. Speaker:** — Order. Order. Why is the member on his feet?

**Hon. Mr. Taylor:** — Mr. Speaker, with the indulgence of the House, I'd like to ask for leave to introduce some students that are in the gallery.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Taylor:** — Mr. Speaker, it gives me pleasure to introduce eight students from Broadview that are here with us this afternoon. They're accompanied by their teacher Karen Reed, and their chaperon Wanda Chester. And it's indeed a pleasure to see Wanda here as she was once a student of mine in Wolseley.

So I want everyone here to welcome all the students here in the traditional manner, and I'll meet you outside on the lawn once we finish what's going on in here.

Hon. Members: Hear, hear!

**Mr. Lyons:** — Thank you, Mr. Speaker. I too would like to welcome the students here from Broadview. I'd like to say to the students that the debate that they are witnessing is an historic debate in this legislature, one which will have ramifications throughout history in terms of their future and the future and the history of this province. I hope they

listen attentively, and I hope in fact that it will be an instructive and an interesting time for them all. Thank you.

Hon. Members: Hear, hear!

## SECOND READINGS

### Bill No 55 (continued)

Mr. Tchorzewski Thank you, Mr. Speaker. Welcome to the visitors as well.

When I took my seat I was just beginning to say how the people of Saskatchewan, they have already witnessed the hardships that this government has and continues to impose on them, how many families have been seriously hurt. And all of this when the government gives itself sweeping powers to act in secret.

I'm sure that every member in this House will remember, and many people in Saskatchewan will remember, the government's sinister and secretive Bill 5 which was introduced in December of 1986, I believe it was. This Bill gave this government unprecedented powers to act in secret. And what has been the result, what has been the result?

Well, here is some — this is just a small amount. As I mentioned earlier, 400 dental plan workers were fired and the children's dental plan was wrecked because the government gave itself that power. And they did this without a sitting of the legislature or without accounting to this Assembly. They did it by calling these people in by surprise into a room and telling them: you're fired; you're fired. One hundred and fifty technical institute instructors have been fired because of this new great powers that the government gave itself under Bill 5.

We have seen reduced government services, and we have seen higher taxes, and we have seen crushing debt and our deficit growing every month and every week. We have seen an attack on medicare, and the privatization of medicare that has resulted in at least 11,000 people waiting to get into the hospital beds of Saskatoon alone. That's what they've been able to do with these new powers they've given unto themselves.

It is a betrayal of Saskatchewan people that they have imposed. Now they come to this House, after those devastating experiences, and they ask this legislature to pass this new Bill which will give exactly the same powers with respect to government services and Crown corporations when they want to privatize them.

Now the experience is very clear that this power in their hands or any government's hands is too much power and causes grief and pain and suffering and a destruction of the Saskatchewan economy, because if any one of those members can stand up and show us how the Saskatchewan economy has been growing in the last few years, I think there will be a lot of people who want to listen.

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

**Mr. Tchorzewski:** — Those were the consequences of this government's last attempt to give itself broad and sweeping powers to act in secret behind closed cabinet doors.

Now the minister of privatization proposes to go even further. He wants to be able to sell off major Saskatchewan public assets and services. He wants to do it without public tendering, without public discussion or debate, without accountability to the people of Saskatchewan.

Now, Mr. Speaker, when the Saskatchewan public, the men and women and families of our province, examine this Conservative privatization record, they see one consistent pattern, one consistent pattern up to date — every single privatization deal has meant either lost jobs, lost revenues and assets, reduced public services, or lost control of our destiny to outside corporations and investors, or all of them together. That is what has been the result of all of their privatization efforts. Their record is a sorry, sorry record. It's a record of failure.

And I invite those members who want to get into this debate from their seats, I invite those members opposite to enter this debate, and I ask them to try and justify the government's privatization of things like the children's dental plan and those kinds of other losses that we've had.

I invite them to explain why it is the PC policy, carried much farther even in this Bill, that the big beneficiaries, the winners, should be the big corporations of eastern Canada and south of the border in the United States, outside investors and Tory hacks and friends of Conservative Party cabinet ministers, instead of the people of Saskatchewan. I wish they would get up and explain that.

Now, Mr. Speaker, this Bill is an ominous and sinister Bill. It is rewriting the very parliamentary process which the people of this country and people before them in other countries have built up. It is an attack of that democratic parliamentary process. It is a transferring of power from the legislature and the people into the hands of some politically motivated, greedy cabinet ministers who want to line the pockets of their friends.

That's wrong, and that's why, Mr. Speaker, this Bill is going to be riding on some very rough water in this House.

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

**Mr. Tchorzewski:** — And this Bill will not be accepted by the public of Saskatchewan. And that's why, Mr. Speaker, we're going to oppose, in every way available to us, this legislation, and that's why there are many other members of this opposition, the New Democratic Party, who want to speak on this Bill. And that's why I now adjourn debate.

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

Debate adjourned.

The Assembly adjourned at 12:55 p.m.