

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Lautermilch: — Mr. Speaker, I would like to introduce to you, and to all members of the House, a group of 16 grade 5 students from St. Michael's School in Duck Lake. They are accompanied by their teacher, Lois Cameron, their chaperon, Mary Cameron, and their bus driver, Jim Laviolette. I ask all members to give them a warm welcome. We'll be meeting with refreshments this afternoon with them.

Hon. Members: Hear, hear!

Mr. Martens: — Thank you, Mr. Speaker. I want to introduce to you and to the members of the Assembly, four gentlemen seated in the west gallery. They are here today to visit with the Minister of Environment. They are Jim Parsons, Rob Wells, Gordon Beisel, and Reg Parsons, and they're going to be here looking at some water development in the south-west.

I just wanted to inform the Assembly that they, the four of them, represent 110 years of irrigation. I think that that's a credible kind of group of people, and I thank them for coming and taking the time to visit with me and the Minister of Environment. I'd like you to welcome them here today.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Privatization of PCS

Mr. Romanow: — Thank you very much, Mr. Speaker. The Minister of Urban Affairs says we have a peppy group because it's Monday. I tell the minister, this group is always peppy, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Romanow: — But I have a question for the minister in charge of Saskatchewan's privatization, Mr. Speaker, and it concerns the announced intentions of the government on Friday with respect to the Potash Corporation of Saskatchewan. My question to you, Mr. Minister in charge of privatization, is this: what percentage of shares does your government intend to retain in this corporation pursuant to this — how shall I describe it — adventure that you're embarked upon, and can you tell me what safeguards you will have in place to ensure that a voting block of shareholders doesn't force the corporation into steps which are detrimental to the interests of the people of this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Mr. Speaker, the amount retained by the Government of Saskatchewan will be forthcoming when the prospectus was filed. And secondly, Mr.

Speaker, in regards to safeguards on the voting, as my colleague the minister in charge of the potash corporation said on Friday, that there was a maximum of 25 per cent voting shares.

Mr. Romanow: — Mr. Speaker, I have a new question to the minister in charge of privatization on a related area, and that is this, Mr. Minister. Can you tell the House today what assets will not be included from PCS, for privatization, and will you also tell us what guarantees you will give that those assets that are retained, not subject to privatization, are not going to be independently and subsequently, or even currently, sold outright by your government to out-of-Canada or out-of-province interests?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Mr. Speaker, I think if the member opposite consults the Bill, he will see in the Bill where there's any substantial portion of the potash corporation will not be subject for sale or for leasing. Those things are explained in the Bill and will be debated when the Bill is brought to this House.

Mr. Romanow: — Mr. Speaker, I have a supplementary question to the minister in charge of privatization. I'm asking you a question precisely because I don't know the answer, and the public is asking. When you say a substantial portion, we want to know what you mean by a substantial portion. Surely you can tell this legislature and the people of the province of Saskatchewan what you mean about a substantial portion being retained or not being retained. Please stand up and give us the answer to this.

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — I think in a corporation as large as the Potash Corporation of Saskatchewan, most people would understand what a rather substantial portion of it is. Mr. Speaker, that's the very reason the Bill is in the House. The Bill will be debated in second reading on general principle and then clause by clause, at which time those questions would be best directed in that discussion of the Bill.

Mr. Romanow: — Well, Mr. Speaker, I have a new question to the minister in charge of privatization. What in the world, Mr. Minister, are we to make, what in the world are the people of the province of Saskatchewan to make, from a situation which is as follows: here we are, Monday, the day after you've introduced your Bill after a lot of hoopla and a lot of fanfare and publicity, and you are unable to tell this legislature and unable to tell the people of the province of Saskatchewan what shares are going to be retained within PCS, what is going to be transferred out for sale, and what is not going to be transferred out for sale.

You people have introduced the Bill, announced the big propaganda scheme in so doing it, and you don't have any of the details of this cock-eyed scheme? What's going on? How do you explain that?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Mr. Speaker, the member opposite knows full well that that is the type of discussion that takes place when the Bill is debated in the House, and we welcome that discussion. I've reiterated to him that no substantial portion of the potash corporation would be for sale or for lease, and the details regarding the amount retained by the Government of Saskatchewan will be forthcoming when the prospectus is issued, and not before.

Mr. Mitchell: — Mr. Speaker, I'd like to ask a question of the same minister in the hopes that this time we can get an answer.

Now one of our concerns, Mr. Minister, is that the assets of the potash corporation are going to be grossly undervalued, and every statement we've heard from the government side of the fence has been to the effect that these assets will be undervalued.

Now the undertaking that I'd like to get from you, if you'll give it to me, is: will you undertake to table in this House the valuations that you have of the assets of the Potash Corporation of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — As I've said previously on various aspects of public participation, when we've gone through the issue, when we've debated the Bill, when this is in place, there's nothing to hide. You saw me the other day table all the aspects of Kam-Kotia. We will do the same sort of things with whatever transactions take place in public participation.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — A new question, Mr. Speaker. We're not interested in the kind of valuations you've been tabling in this House to date, because the fact is that you haven't tabled any that are worth the paper they're written on.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — I want you to cast your mind back, Minister, to the recent past when we were having difficulty with the United States over anti-dumping charges. And we saw then a conclusion to that particular dispute which involved the Potash Corporation of Saskatchewan unilaterally raising the world price of potash, and we saw the entire industry fall in behind the lead of PSC.

Now under your privatized PCS, what clout is this government going to have with the privatized PCS in order to accomplish that sort of thing in the future?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — First of all, you're wrong in saying there was no tabling of evaluation. Just a few days ago I tabled the evaluation of Kam-Kotia — 9.6 to \$11.4 million. Maybe you missed it, but it was tabled in this House.

Secondly, what control would the Government of Saskatchewan have and Saskatchewan people? It was well explained by my colleague on Friday that the way the Bill is drawn up, and the intention of the operation, is that there will be a control, a majority control by the people of Saskatchewan. And by that I mean the Government of Saskatchewan, I mean employees of the potash corporation, and I mean people who buy shares in the potash corporation that are Saskatchewan residents.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — A new question, Mr. Speaker. I am surprised by that answer because on my reading of the Bill there is no provision in there guaranteeing that there be any shareholders in the province of Saskatchewan at all.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — When the Premier was on his Orient express he tried to sell this potash corporation to a number of countries, about five of them, I think. And he talked, when he got back, in terms of a tax break that he had discussed with them. Now we've looked in this Bill and we can't see any reference to taxes at all. Would you stand up, Mr. Minister, and tell this House just what those tax breaks are?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Again, if you would read the Bill, you would see the reference to any foreign ownership. The majority of any foreign ownership is 5 per cent, and that's what it states in the Bill.

Mr. Mitchell: — Mr. Speaker, I suggest that this minister read that Bill.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — I have a new question and a final question to this minister, and let's hope this time we can get a good, straight, logical answer. Can you tell this Assembly what safeguards you'll be putting in place to ensure that the main competitors of PCS do not buy into this privatized corporation for the sole purpose of attempting to undermine its market share and/or its competitiveness? What safeguards, Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Well, Mr. Speaker, once again I indicate to the member opposite that the maximum amount that any company or individual can hold is 5 per cent, or a combination. So, the other thing too, is that PCS could buy into some of those corporations if they so wished. Same thing is true.

Legislation to Assist Farmers and Small Businesses

Mr. Romanow: — Thank you very much, Mr. Speaker. My question is to the Deputy Premier, and my question to the Deputy Premier is this. Mr. Deputy Premier, this is day 27 of the legislature. Bill No. 1 was an Act for

privatization; Bill 20 is an Act for the privatization of the Potash Corporation of Saskatchewan, yet your Speech from the Throne, 27 days ago, promised legislation for small-business people, promised legislation for farming people, promised legislation to get this province going again economically, to stop those people leaving the province of Saskatchewan.

My question to you is: why in the world is it so that you're holding up the rest of Saskatchewan to ransom until your favourite ideological jobs of privatization of potash and selling everything away from Saskatchewan first is passed? Why are you holding up the people to ransom?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I'm told by the Legislative Review Committee and the various departments that deal with this legislation that most of the legislation is prepared to move forward fairly quickly. I have four here that I'm going to be giving notice of today, Mr. Speaker, and I know that they'll be anxious, I know that they'll be anxious to see them, Mr. Speaker, when they show up on the whites, and later on the blues.

And I wonder, Mr. Speaker, if they will have as many positions on each of these individual pieces of legislation as they appear to have on the Rafferty project, Mr. Speaker. They've flip-flopped back and forth on that one 26 times from Sunday, Mr. Speaker, and they're wearing it now politically, as they will these other measures, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question to the House Leader, and I want to tell the House Leader that our position on Rafferty and our position with respect to the privatization of this Bill and your privatization mania is all the same. Our position is that we are opposed to your waste and mismanagement and misplaced priorities; that's our position.

Some Hon. Members: Hear, hear!

Mr. Romanow: — You've got farmers going belly-up; you've got small-business people going belly-up; you've got 6,000 people leaving the province in February alone; you've got an economic crisis; you haven't had this session sitting for nine months, and what you're doing is you are forcing this legislature to deal with your Maggie Thatcher pet projects of privatization while the other people demand action. And my question is: when do we get that legislation now? When do we get that. . . (inaudible) . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — The unfortunate thing is, Mr. Speaker, is some of the people, some of the people who were working on Rafferty may well be the people that are leaving the province, that were put out of work by members opposite, Mr. Speaker. Now let me . . .

The Speaker: — Order, order, order. Order, order. Order. Order.

Hon. Mr. Berntson: — Let me tell you how ideologically driven the Rafferty dam is. Jack Chapman supports it. You know Jack, right? Ron Gallaway, a very prominent NDP in the Estevan area, supports it. Everybody in the world supports it except members opposite.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I rise one more time. I hope it's not a vain attempt, but I'll try one more time to get the Deputy Premier and the House Leader of the government business to tell this legislature and the people of the province of Saskatchewan about this government's priorities. We'll have lots of time to debate Rafferty dam.

My question to you, sir, is: why is it that those two pieces of legislation on privatization, after day 27 in the legislature, are before us, and nothing else with respect to business and young men and women looking for summer jobs is not here. Why isn't that legislation here? We demand that that legislation be put on the table now.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker . . . Thank you. I want to thank members opposite for that resounding round of applause, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — What I want to say, Mr. Speaker, what I want to say, Mr. Speaker, is I said last Thursday — or Wednesday, whenever it was — what this province does not need is another dose of hypocrisy from members opposite. What this province needs, Mr. Speaker, and one thing that they've been against from day one, is diversification, Mr. Speaker, diversification. And that's what drives us, Mr. Speaker — diversification that follows from the Rafferty dam, diversification that follows from the Shand project, diversification that follows from the Alameda dam, diversification that follows from pulp mills at Meadow Lake, diversification and jobs, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have to tell the Deputy Premier, that slamming the table trick is one time too many, Mr. Deputy Premier. You've lost your effectiveness on that.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Moreover, some of your friends on this side are worried, you know, that you get carried away.

The hon. minister talks about diversification, he talks about the need for diversification, and I've got to ask the Deputy Premier, how in the world does this privatization of the potash corporation Bill amount to diversification?

Why isn't your legislation before us now? Why isn't your legislation before us to help the family farm? Why isn't your legislation before us to help the small-business people? Why aren't you diversifying new capital in new areas instead of old capital in old existing areas where

everything is working just fine.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — As that member, Mr. Speaker, struts across the stage with his cowboy hat on backwards saying, anything for the farmer, Mr. Speaker, I'll tell you about diversification and how diversification and privatization come together, Mr. Speaker. Diversification and privatization — a living model of how it can be so successful is the Weyerhaeuser thing. The Intercon . . .

You know, Mr. Speaker, they laugh. They laugh at the Weyerhaeuser deal, Mr. Speaker, when we have more jobs, better markets, everything is going . . .

An Hon. Member: — Making paper.

Hon. Mr. Berntson: — And we're making paper and we're cutting paper. And we're going to do more things with Weyerhaeuser. And they will all be job creation things, Mr. Speaker. I think they obviously don't like what they're hearing. The Meadow Lake project, Mr. Speaker, will create hundreds of jobs.

Do you know, Mr. Speaker, even Intercontinental Packers that they used to own 42 per cent of, we sold it back to the Mitchell family. Do you know what they did? They created about another 400 jobs, Mr. Speaker.

Some Hon. Members: Hear, hear!

Privatization of Sask Minerals

Mr. Calvert: — Mr. Speaker, I wish that Deputy Premier would act for the people and not for these cameras.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, my question is to the minister of privatization about another one of his privatization deals. Mr. Minister, here in the annual report of Sask Minerals, your annual report, you indicate that Kam-Kotia should pay to this province \$12.5 million for the sodium sulphate division of Sask Minerals.

Now how do you explain, therefore, that in the Kam-Kotia annual report it is reported they paid \$12.1 million? Please explain that.

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — I can't explain Kam-Kotia's printing, but I can tell you that certainly we sold it for \$12.5 million, and I can tell you that we sold the peat moss for 2.5 million . . . 3 million with 2.5 value added with 500,000 research at the University of Saskatchewan. And if you add them all up — if you add them all up — all the quotients that came as well, as well as the profit sharing for the employees at Chaplin of \$1,100, at least, per employee, you will find it comes to \$19 million, and I think that's a good deal for Saskatchewan people.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, this man's figures are as

credible as his bench-mate there, the Minister of Finance.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Minister, I have here the report from Kam-Kotia. I will read it to you:

Effective March 1, 1988, the company acquired the sodium sulphate operations from the Saskatchewan government for \$12.1 million.

Explain to the people of Saskatchewan where the other 400,000 went or came from.

Hon. Mr. Taylor: — Well once again, Mr. Speaker, I know what's in our reports, and I can tell you what is here, and I'll repeat it again for the member: 12.5 million for the sodium sulphate plant at Chaplin; 3.4 million for the Carrot River plant; 2.5 modernization, expansion, development at Carrot River; 0.5 of research dedicated to University of Saskatchewan for new products in peat; and 0.1 profit sharing for the employees — that comes to \$19 million and on an asset that was evaluated at 11.4. I think that's ridiculous.

Some Hon. Members: Hear, hear!

The Speaker: — Perhaps before the hon. member begins his question, all members should just take a deep breath and allow him to begin.

Some Hon. Members: Hear, hear!

Cost of Job Creation Through SEDCO Loan

Mr. Hagel: — Well, Mr. Speaker, I . . . with the continuing absence of the Minister responsible for SEDCO, I'll direct my question to the Deputy Premier. Mr. Deputy Premier, I see that your Minister responsible for SEDCO announced that last year loans totalling \$38.9 million were given through SEDCO, creating 464 new jobs. Mr. Minister, that works out to \$83,000 — 83,800, to be precise — of taxpayers' dollars per job.

Now that . . . there would be some who would debate whether that's a good return on the investment, and I ask you, I ask you, Mr. Deputy Premier: are you satisfied with your government's records creating jobs over \$83,000 of taxpayers' money? Is that your judgement of a good record?

Some Hon. Members: Hear, hear!

The Speaker: — Order, order, order. Order, order.

Hon. Mr. Berntson: — Mr. Speaker, I guess I just wanted to ask the members opposite to make up their mind. Are they suggesting we should spend more or less? We've heard both arguments in this very question period — we've heard both arguments.

Now the member asked a specific question that was: are we satisfied with our job creation programs to date? And the answer, Mr. Speaker, is that in the circumstances, in tough economic times that we face in Saskatchewan over the last several years, particularly in agriculture, Mr.

Speaker, we're not satisfied. There's much more to be done, and we intend to do it. And it would be a whole lot easier to do it without the obstruction of members opposite.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Supplementary question to the minister, Mr. Speaker, and it really is a question of priorities; you're quite correct. Your Opportunities '89 program spends \$1,000 dollars for a 12-week job, at \$83 per week for student summer employment. That's a fact.

For each job created through a SEDCO loan, that money could create a thousand weeks of student summer employment. It's a question of priorities. I agree with you on that, and I ask you, Mr. Deputy Premier: will you recommend to your government moving some of that SEDCO money to summer employment for Saskatchewan students to create some employment for our students to be able to work and go back to university and technical studies this fall? Will you do that?

Hon. Mr. Berntson: — I know the member opposite, Mr. Speaker, doesn't expect me to have the detail of that precision that he asks in his question at my fingertips, Mr. Speaker, and I'm not going to disappoint him; I don't have that kind of detail. But he asked me earlier if I was satisfied. I said we can always do better, Mr. Speaker, but as it relates to summer employment, we have an excellent record over the last several years in creating employment for our summer students, Mr. Speaker. And to provide the additional detail that the member has asked for, I'll take notice of the question.

The Speaker: — Order. I would just like to draw to the attention of the hon. member — I know I don't have to — that when a member takes notice, he certainly shouldn't take notice with a very long preamble.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Mr. Deputy Premier, you say that you can always do better. There would be a whole lot of folks in this province who would agree with you on that.

Some Hon. Members: Hear, hear!

Mr. Hagel: — They would also be of the opinion that you won't have much time to do it, either.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Mr. Deputy Premier, let me ask you again then if you and your government will allow the taxpayers of this province to be the judges as to whether your money being spent in SEDCO is worth the money that their taxpayer dollars are subsidizing? I ask you, Mr. Deputy Premier, will you table the information related to loans approved by SEDCO last year? Will you table that in this House, or are you hiding something? Will you let the people of Saskatchewan judge the priorities of your decisions?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I won't answer the question on behalf of my colleague, the minister responsible for SEDCO, but as a general rule it's always been the practice, Mr. Speaker, that the financial affairs of SEDCO clients, Mr. Speaker, is confidential information and ought not to be bandied about as members opposite would like to have it, Mr. Speaker. And so my guess is that the minister responsible would say the same thing that I'm going to say, and the answer is no, Mr. Speaker.

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Taylor that **Bill No. 1 — An Act to establish the Public Participation Program** be now read a second time.

Mr. Goulet: — Mr. Speaker, yesterday I made a summary statement wherein I said . . . I mean on Friday, I made my statement where I said that privatization . . .

The Speaker: — Order, order. Order. The hon. member is having a little difficulty getting started because of the interruptions. I will now recognize him again.

Some Hon. Members: Hear, hear!

Mr. Goulet: — Thank you, Mr. Speaker. Every time I'm going to talk about privatization they get a little bit edgy on their seat across there, and I must feel that they never want to protect their statements either because they're afraid to get into the debate because they know they're losing.

Some Hon. Members: Hear, hear!

Mr. Goulet: — I don't even know how many have spoken. I couldn't even count on . . . maybe one or two, or maybe three at the most. I think they're embarrassed to protect their privatization Bill.

I guess overall, in summarizing the other day, all I can say is this, that the overall basis of privatization is just simply following the example of Maggie Thatcher and Oliver Letwin and trying to bring these ideas back into Saskatchewan. And the point there right off the bat is that they do not respect Saskatchewan history, they do not respect what we have built in this province, and they do not like Saskatchewan ideas and Saskatchewan businesses and Saskatchewan co-ops and Saskatchewan Crowns, because they're looking elsewhere to look at and determine our economic future.

As I look at the example of England, one can say straightforward that they have a crisis in their hands now in England. We look at the situation in health where it's a real disgrace compared to what it used to be.

And also in the whole area of education, many people are becoming to realize now in Saskatchewan especially that

the privatization, open-for-business strategy simply means less services but increased taxation and increased costs for the people of Saskatchewan.

As I look at the whole question, I must look at it in different aspects. And the first way of looking at privatization is in terms of looking at it as a basis of economic growth. And the basis of economic growth anywhere in the world is having a solid base of assets. You need assets in order to be able to compete on a world-wide scale. What we are looking at in terms of our Saskatchewan assets is that the Tory PCs are selling them off.

And the basis of the first sell-off that I want to discuss is SMDC (Saskatchewan Mining Development Corporation). As I look at SMDC, I have to look at it in historical terms. I looked at Saskatchewan Mining Development Corporation as a world-class Saskatchewan corporation. We had worked in joint venture with private industry to develop a mining base so that indeed we could get the returns and we could have the use of profits back in for our education system, for our health system, and so on.

And for a lot of people who don't know the amount of profit that our assets had made, we had made in SMDC \$60 million back in '87 — \$60 million. We had made over \$126 million in the previous five years prior to that. So here we were making a lot of money, with a tremendous return for any business that makes a 19 per cent return. That's what SMDC was on in '87, and this is the type of business we are giving away to foreign ownership.

What we are saying is that the Japanese corporations and the U.S. corporations and the West German corporations and so on, the foreign corporations are supposed to do a better job than we did through SMDC. But the proof lies in the historical data. We are shown very clearly that we were a world-class mining corporation that had done investment not only in uranium, but in gold, in zinc, in copper; not only in various stages of exploration, not only at construction phases but at operational phases and so on, so that we were vertically and horizontally integrated in the mining industry, and it was very well laid out, and the profit margins show that.

So what shows very clearly from this is that the PC government is so ideologically committed to the Maggie Thatcher approach to privatization that they will sell off even when the Crowns are making money. They will sell off at any time, at any situation, providing that they sell it off cheaply. And when I look at that aspect, one has to look at the historical fact. The point is that Saskoil, they said, well, it'll be Saskatchewan ownership; if we sell it off, people from Saskatchewan will own most of it. But the proof lies in historical fact again, Mr. Speaker — 75 per cent of the ownership is from outside Saskatchewan, and that's where it lies.

When you look at the magnitude of large-scale corporations — and I will look at the next one as another example: Weyerhaeuser, Weyerhaeuser. How do you compete with a world outfit like Weyerhaeuser when you give away our forests to Weyerhaeuser? You look at

Weyerhaeuser. In the past three years, in 1985 to '87, how much profits do you think it made? How much profits did Weyerhaeuser make — \$867 million! How do you think that a shareholder from Saskatchewan can compete with an \$867 million profit corporation in just a three-year period. There is absolutely no way. They will own most of the shares, as has been proven by the SMDC situation.

The other myth that I see, as I look at SMDC and as I look at Weyerhaeuser, two of the most key resource areas of control for the province, they said, oh, we'll sell to the workers. But did they sell to the workers in Weyerhaeuser? Did they sell in Cameco? Of course not. The vast majority, 99 per cent, is owned by the large-scale companies. And that's a simple fact that a lot of people have now become to understand in this province, that when they sell off the assets, it's going to be by foreign ownership, and the large American-based multinational, Weyerhaeuser, owns 12.5 million acres of our best forests in the North.

And as I look at our assets in regards to the forests, many of the small businesses from northern Saskatchewan tell me outright that they are not getting the same level of contracts that they used to, that even when they are given the contracts, they're given the poor cuts. Weyerhaeuser gets the best cuts. And that's where they use their technological advancement and so on, and just clear-cut the operations, and so on, and the small-scale operators are given the poor poplar cuts. And they're not even given the spruce or whatever, or the pine to be able to do, you know, a decent rate of profit for their businesses.

So a lot of the small-business operators in the North have talked to me in regards to the fact that, you know, although they get a small percentage of those contracts, but never at the same rate as they used to; it's on a basis where they get the poor cuts.

As I looked at the Weyerhaeuser, not only is it a super big corporation which we have turned it into, the record shows that when the NDP government was around, PAPCO (Prince Albert Pulp Company) made \$48 million in '80 and '81 — \$48 million of profit. What we have seen with this Tory government is that with a lot of pressure on their internal work-force and a lot of pressure on even other Crown corporations, that it appears that they have deliberately mismanaged during that following period.

Of course, I recognize that there was a downturn in the economy, especially during the '84-85 period, but one recognizes that it shouldn't have amounted to the degree of loss that existed during those periods. And I recall when the Tory government took over in '82 there was a \$9.4 million loss, then in '83 there was a \$29.1 million loss, then there was a \$5.2 million gain, and a \$33.6 million loss in 1985.

And one of the things that you begin to realize is that the Tory level of mismanagement is not only one that pertains to general government management, but in terms of economic management. Not only have they mismanaged our overall finances and our resources in the governmental sector, it has also done so in the business sector within the Crown corporations. And I think that

becomes fairly clear as we look at the record.

So while they were deliberately trying to utilize the downturn of the economy at setting it at very cheap prices, one recalls the debates that gone on during that period in time, and we have to remember that people thought that the value of PAPCO at that time was about \$400 million. When we checked it around, the final sale value of it was \$248 million. And a lot of people said there was an automatic cheap sell-off in regards to a big, super-giant who made \$800 million, you know, in the past three years as we now look at it in historical context.

I mean, it would have been very simple to get another \$100 million from Weyerhaeuser who makes \$800 million, you know, during this '85-87 period. They knew that there was going to be an upturn in the economy. Weyerhaeuser knew that. They wouldn't come to Saskatchewan to buy PAPCO because they knew it was going to go down and down and down and down. They're one of the major world players. They determine exactly how market conditions can go in the world. And so they knew that it was going to rise. They knew very well that they were going into a sweetheart deal. They knew it was going to be a lucrative deal, and that's precisely and exactly what happened. Because I look at the record for '86 and '87, and they made 78 million — \$78 million. And I look at the return that we got. We didn't get the \$78 million. If it was PAPCO, we would have got the 78 million. What did we get in return? Thirty point five million dollars. We lost \$50 million.

(1445)

And they call themselves business managers. And just in Weyerhaeuser alone they lost \$50 million, and just in '86-87 period alone. And '85-86 period and '86-87, the world record shows that the profit margins went up, and one has to look at it. In '85, for example, Weyerhaeuser made 124 million. In '86 they made 221 million. In '87 they made a whopping \$522 million — \$522 million in '87.

Now you tell me what a lot of people are wanting. A lot of the businesses in northern Saskatchewan and a lot of businesses, small businesses, in P.A. and a lot of the farmers in around P.A. region and throughout the province want a bit of support from this government. You know, then they want \$10 million here or \$20 million to help out, you know, our students that are looking for summer jobs and so on. But there's no money. Where does it all go? It goes in the pocket of Weyerhaeuser, to the tune of \$50 million alone in 1987, '86-87.

So when you look at the record, you know, selling out our assets and putting it under a foreign ownership, the automatic solution, this government said, is that it's going to benefit us. How does it benefit us? If it had been PAPCO, we would have got an extra \$50 million in the economic purse of the province of Saskatchewan. Those assets that we had owned before would have benefitted us. Now it's under the foreign multinational, under U.S. control. They get the profits. They will determine where the money goes. If they want to put it in the forestry industry elsewhere in the world, that's precisely what they will do with it. But when it was under our control it

was invested back to the people of this province so that the jobs could be created right here and so that the small business sector could benefit at a greater rate than they have in regards to the Weyerhaeuser deal.

So when I look at the overall aspect of Weyerhaeuser — one looks at the interconnection there too in regards to the issue of interest payment — they not only got a sweetheart deal in regards to the cut rate on the initial sell-off, they had to pay in a 30-year period. In a period of 30 years a lot of businesses in this province, a lot of business people in this province, a lot of farmers, would be very happy if they said stop the foreclosures and we only have to pay 8.6 per cent interest rate and we'll pay for it in a 30-year period.

You know, the farmers would ask . . . if the farmers ask for it, then they say no. Even when we ask them for a three-month waiting period so that they will stop . . . on the overall for the Farm Credit Corporation they say no, simply because they know that the money is going into the Weyerhaeusers of the world, and they simply won't do it. They will give Weyerhaeuser 8.5 per cent interest rate, but they will not do the same for the farmers or the small-business person in this province.

And as I looked at that I said to myself, my goodness, I wish they would do the same type of deal for our business people and our farmers — a 30-year, long-term deal where there would be an 8.5 per cent interest payment.

The other thing that was very lucrative about this sweetheart deal in Weyerhaeuser is the fact of when they're making profits they wouldn't have to pay one cent if they didn't make 12 per cent. They didn't have to pay a cent because they would have to wait till they made over 12 per cent profit. And the fact remains is that if the economy goes on a downturn again about three years or four years down the road and there is another crisis in world demand and so on and the prices go down, Weyerhaeuser doesn't have to pay a cent. While everybody else goes down the drain — and there are, let's say, 1,500 businesses that are going down the drain in Saskatchewan every year — while they go down the drain, Weyerhaeuser will be saved. They don't have to pay one cent unless they make profit over 12 per cent. And that's the type of sweetheart deal that the Weyerhaeuser corporation had.

And a lot of businesses and a lot of farmers are looking around and digging up their land, you know, for the creation to try and beat the small profit margin or even when they go in the red in many situations. And you know they want some help, some more help to do this whether it's in the North or whether it's in the South.

But who gets the help? Not only do they get a good interest — Weyerhaeuser gets good interest rates — they also get a free road construction program. While our road conditions are deteriorating in Saskatchewan and there is holes all over our roads, whether in the South or the North, in our roads it's very dangerous. And just last week I was travelling and I saw one truck overturned in the road. I checked to see whether or not it was dangerous chemicals, but lucky enough it wasn't; it was only diesel, and so on. So that, you know, our roads . . . a lot of the

people who are travelling through our roads recognize the dangerous conditions that they are in in the North.

But what does Weyerhaeuser get? Thirty-two kilometres of road every year, just like that, we provide for them. It used to be that in the North, during the NDP government days, we used to provide moneys for trappers to build roads for themselves, which this Tory government took away and no longer are those types of benefits available for the traditional resource users of the North. But I know that from a very straightforward viewpoint we see it available for Weyerhaeuser.

So the other thing that I noticed very recently this year in regards to Weyerhaeuser — and this goes on the topic of mismanagement all the time; we see this Tory government . . . time and time again we have examples of mismanagement. Well when we looked at the legal document back in '85 when . . . back in '86 when this deal was made, we saw that it was sold for \$248 million. Well I looked at the documents and re-examined it again, and sure enough, it was not \$248 million. It was \$236 million. I asked around and I said, well, where did the money go? There's \$12 million that disappeared. Twelve million dollars could be well used for our students who are looking for summer jobs, for our farmers, for everybody. And the Tories, of course, they say, well it's only \$12 million.

And again I sensed a bit of corruption and a bit of financial mismanagement in that case because there is still no answer to the question about where the \$12 million went.

When I looked back in historical context on the type of questions that we raised in Weyerhaeuser, I remembered there was an \$8 million transfer to them that we never knew why the transfer was made. There was another \$7 million that was transferred to Weyerhaeuser during that period in time in '86, and we wondered, well why is that money being transferred for. There was \$15 million, you know, that was given over to Weyerhaeuser at that time. Of course, there was never any clear-cut answer that came from the PC government members because I don't think they simply knew. I know that the Minister of Finance never knows where the money goes, whether it's a billion dollars or \$800 million or \$300 million or whatever.

So I look at this situation again, and I sense a bit of, not only mismanagement, I sense a bit of corruption behind that. And that's not the type of a government that we want.

I reminded the minister when I was talking the other day, I said, the Tory government puts its faith completely and solely on big business. And when I looked at the Tory government, I said, look, a hundred years ago we had the situation where the Tories, under a PC government in the early . . . in 1873 said, we'll give whatever we can to the big CPR corporation. We'll give them 23 million acres of land, we'll give them all kinds of money. We had a Pacific scandal.

The Tory government lost the election because of corruption and because of their sole reliance on big business of the day. And they gave away a lot of land and

a lot of money, and they lost . . . (inaudible) . . . And I tried to tell them, look, every time you get into this corruption, mismanagement idea of selling off and relying only on big business and not looking at the Saskatchewan historical experience of co-operatives and Crown corporations, you end up in defeat.

When I looked back and reminded the members in the 1930 period, I said, look, during that period again you solely relied on big business to try and pull it off. You gave too much away. You gave away our assets during that period. You gave away our jobs. But in the end result we ended up, in combination with a bit of drought, again it ended up in Tory defeat because of the Tory mismanagement of the day.

Now I look at it in the 1980s, in the late 1980s, and the Tories in the past six years have been promising us this open for business, big business strategy only approach. And what it has brought us basically is that we've been losing our assets. We've been losing our houses; we've been losing our farms; we've been losing our mining industries; we've been losing our forestry industries; we have been losing a lot of Saskatchewan. A lot of this that Saskatchewan people have built in the past, we have been losing.

This simplistic ideological commitment to privatization, Maggie Thatcher style, Oliver Letwin style, it's just not working for Saskatchewan. It ends up that we have to put flat tax this and flat tax that, and we have to raise our taxes all throughout the province. We've never seen anything like it in the history of Saskatchewan in the last . . . since the last, you know, seven years.

So we're not only selling off our assets, it's costing us money. We have to pay higher interest rates, and so on.

As I look at the aspect of privatization, I also have to look at the fact of the promises in regards to jobs. And I remember the . . . The example I will use: when I was talking about the privatization of Saskatchewan Mining Development Corporation, I asked the Deputy Premier at that time, I said, well why don't we put a clause in there for the protection of jobs? Why don't we protect Saskatchewan jobs? because I know the record of this PC government. Six years it's been promising jobs, and six years we've been losing jobs. We cannot rely on your word, I said; we cannot rely on your promises in regards to jobs and job security in this province; we're losing jobs.

And this year I look at the record again — 43,000 people are unemployed in this province. We have 6,000 that recently left our province, and I really feel that their strategy of open for big business in this province simply hasn't worked. You combine that with the privatization program, and it doesn't work.

I remember, the Deputy Premier, and I said, well why don't you, in regards to SMDC, why don't you at least put a clause saying that you're going to live up to the legal obligations of the existing agreement, the existing lease agreement? Not to worry, we're going to follow the law. There's no way that we will be breaking any laws. We're going to follow our laws that we set.

I look at that, and of course the law says we have to hire 50 per cent of the people in the North and that it's a good thing. The Deputy Premier recognized it was a good thing. I knew it, as a member from the North, that it was a good thing. But when the record clears, and I said this last year, I said the consolidation program, any place where there is major mergers and on which was precisely the basis of SMDC, there was a merger between SMDC and Eldorado, so that in the process of a seven-year period, 30 per cent of it would be sold off in two years, 60 per cent would be sold off in four years, and 100 per cent would be sold off in a seven period.

In the process of major mergers in an international context, we said, look, every time that happens there is jobs that are cut through the consolidation process, basically because that's what happens in major mergers, whether it happens in Europe, whether it happens in Africa, or whether it happens in the Pacific Rim or the United States or Canada, we lose jobs when the large-scale mergers occur. But the Deputy Premier said not to worry, not to worry, those jobs will be there. We don't have to, we don't even have to say anything about the existing lease agreements because we will follow the law.

Well I looked at the law this year and it was very reminiscent. I said to myself, I looked at this basis in regards to the situation of the Rafferty-Alameda project, and I looked at the minister, and I've never seen a . . . I've been here since 1986, and I've never seen a better act that he put on in my two-year period here. And it was quite an act, I saw anyway, his face was all red, and stuff like that, and he was pounding on the table, and stuff like that. It was a great piece of act, but I didn't see that same act when a hundred jobs were lost in the North through the merger and the privatization of SMDC. I didn't see him get red-faced. I didn't see him pounding the tables when a hundred jobs were lost in northern Saskatchewan; I didn't see him pound the table when 35 jobs were lost through the other mine that was shut down by this government; I didn't see him go on and act like in that sense.

And the point is this, that he knows that there was a law that was broken in regards to the agreement in the North, but he completely wanted to wish it away. He knew he was breaking a law when he went into that Rafferty-Alameda and he was ashamed to lose his job, so he got a little bit perturbed and he started hollering down on the table. And that's how I look at the situation.

(1500)

Some Hon. Members: Hear, hear!

Mr. Goulet: — So when it comes down to his own political fortune, sure he will get red-faced and pound on the table and stuff like that. But he sure didn't do that when we lost a hundred jobs in Rabbit Lake and 35 jobs in Star Lake, and the other job that we're going to lose through this further consolidation and privatization program of the PCs.

So when I looked at this aspect of privatization, one of the things that people say, oh, of course we're going to create

jobs — more jobs here, and more jobs there, more jobs everywhere. But the fact is no matter how hard, Mr. Speaker, that the Deputy Premier may act in regards to his sorrow, no matter how much the Deputy Premier may act, Mr. Speaker, and no matter how teary-eyed he might get about a specific situation where it means his own re-election in Souris-Cannington, or whatever, or in terms of losing his position as Deputy Premier, sure he protects his own self-interest and he starts making a big deal about it. He starts going pounding on tables and stuff like that, and then he gets all carried away.

But I wished he would have been carried away like that in regards to northern Saskatchewan jobs. I wished he would have gotten carried away about the 35 jobs that we lost in Star Lake. I wished he would have been carried away and said, look, I'm really concerned and fired up about the unemployment rate in northern Saskatchewan and I'm going to do something about it. But no, the Deputy Premier only goes on an act when it means his own political life is at stake.

So when I look at the overall aspect of privatization and jobs, I look at the general history. I say to myself, look, when we had a very good prevention program in health, a lot of the people in the North said, we don't want the privatization of the dental health program, you know, to come in over here. And of course there was quite an outcry. And of course it didn't happen within the northern Saskatchewan context, but it happened throughout the rest of the province.

And as I look at the privatization of the dental plan, there was 400 people, Mr. Deputy Speaker, that workers lost . . . that dental workers lost in this province. And it was quite a shocking thing for them all of a sudden. They had a bright future. All of them were talented. They had a good solid education. They were just raring to go in Saskatchewan and help and work with the people at the local level throughout this province and working side by side with community people in making sure that we had the best preventative dental program in the whole world.

But what did this government do? What did this government do, Mr. Deputy Speaker? What they did was they just knocked the dental workers right out with no concern. With absolutely no consultation, they just slashed the program. And there was absolutely no justification whatsoever. They just went about and maliciously tore apart our dental program under the old guise that privatization would solve the problem. But we know very clearly it hasn't, from the reports that we're getting, not only from the rural areas but from the urban areas as well.

So as I looked at that old question of jobs, one not only looks at it in the area of mining sector, we saw it in the forestry sector, and I'd like to remind the people from Saskatchewan that we also lost 400 jobs in highways. And of course, because we lost those 400 quality workers throughout our system, look at the pot-holes that we have throughout this province now. Our highways used to be the pride and joy. When I used to travel around, I said, you know when you're getting into a Saskatchewan highway. Now I'm afraid to even say anything about that because now everybody says, we know we're in

Saskatchewan because that's where all the biggest pot-holes are in Canada.

So when I look at the aspect of jobs, there was no caring for those people. I hear them all the time — we care for the individual, we care for the family. But they did not care for the individual highway workers, the individual dental workers, the individual forestry workers, the individual mining workers, and also their families. They didn't care anything about those families. And that is precisely what privatization does — you lose jobs! And that is the record in this province.

Some Hon. Members: Hear, hear!

Mr. Goulet: — When I look at the other area in joint fashion with jobs, I always look at the area of services, because one of the major promises that the Tories said, oh, if we privatize, it's improved services; that's the way it will be. Well that simply hasn't been the case with dental workers. We haven't had improved services in dental work. In many cases it has simply vanished. We can't even complain about less services because it's vanished. But a lot of people now have to pay for it. You see, what they have to do now is travel the extra 50 miles that used to be within their school. They have to pay gas costs. They have to pay extra costs for baby-sitting so that they can go — and even stay a day off work — so that they could take their kids to the dentist. It's costing them more money.

They know that privatization not only costs in terms of increased costs and services, but those other costs such as transportation, and also in regards to the whole area of baby-sitting, and so on, that are sometimes the unforeseen costs in situations such as this.

So that our services are lacking also, as I mentioned before, in highways. I would like to point out the area of services which I personally recall, you know, during the throne speech. I said, I used to live in Ontario at one time when I was teaching there. I lived there for about a five-year period doing some teaching and getting some training while I was in Ontario for a five-year period. When I was there I remember paying an arm and a leg for insurance. And I remember it was four times the rate of what Saskatchewan insurance was. A lot of people used to say when I would go back to Ontario, my goodness, you should be moving back to Saskatchewan as quickly as possible to take benefits of the insurance rates on that. And of course I did; I moved back to Saskatchewan. I was happy to be back in Saskatchewan. I can say, look, we have the best insurance rates in Saskatchewan. The public insurance ... the publicly controlled insurance, SGI (Saskatchewan Government Insurance), was the best in Canada.

Some Hon. Members: Hear, hear!

Mr. Goulet: — But what do we get from privatization? What is the effect of privatization? Where has the open for business and big business approach taken us in the past few years? Not only have we lost our assets, lost our homes, our farms; not only have we lost our jobs, our services, but it costs us more in terms of taxation because the big companies put pressure, political pressure, on the Tory politicians. Because they have to fund their election

programs they send them \$10,000 here, \$15,000 there; they provide them with money to run their elections. And of course a lot of the Tory people have to pay back the big corporations because they fund their election programs. We saw that in the free trade debate.

We saw the tremendous millions of dollars that big corporations put in on the free trade debate, but we know that ... Saskatchewan history knows that people count. We had our people movement in Saskatchewan against free trade, and we won it 10 to 14 in a clear-cut case.

We know that it's people who count, that it's the door-to-door interaction with people; that it's the trust in people; it's the trust in their businesses; it's the trust in their co-operatives; it's the trust in our own Crown corporations that makes it a basis of better economic living for everybody. And it's the mixed economy approach that we look at over here. But the Tories, they have to pay back the businesses.

We look at the fact that in oil ... in the oil patch about approximately \$1.5 billion was lost because they would not collect that money from the big corporations and just gave it away to the tune of 1.5 billion during the '82 to '87 period. And when I looked at the ... just even recently for the uranium companies, they got an extra 1 per cent, an extra \$7 million. Well they don't need the \$7 million, our communities do, our co-ops do, our businesses do.

The big corporations just keep on syphoning off the money. Because they syphon off money, we have to get revenue somewhere. So who do we get it from? Well we have to get it from the middle-class people of Saskatchewan; we have to get it from the workers; we have to get it from the farmers; we have to get it from the small-business sector. So what do we do? We increase our tax. First of all, the flat taxes, and a tremendous amount of money has been spent, you know, by our people that ... we transfer our wealth from ourselves to the big corporations because no longer does this government have the guts to get money from the big corporations — no longer, because they pay for their elections. They have to pay them back. And not only in hundreds of dollar bills — in millions, in hundreds of millions.

We look at the Weyerhaeusers of the world make over \$800 million. We know that even in mining with Cameco, (Canadian Mining Energy Corporation), the privatization strategy of Cameco, that the amount that is taken out of the North is \$700 million. That's how much is taken out of the North. Cameco, \$52 million last year in profit.

What we need to do is make them pay their fair share in the province, and what is happening is that they're not paying their fair share. So we have to take it out of the middle class, the small business, and everybody else has to pay. The students have to pay with lost jobs. Everybody pays.

We have to increase our taxes and we have to force the municipalities to increase their taxes, and it causes a lot of friction at the local level. It forces boards to close down schools. You know, seven schools being closed down

recently. A lot of these things are a result of the huge give-aways to the big corporations and the very, very little in return. We don't get them to devote a fair share of their large-scale profits back to the people of Saskatchewan.

And that's the point that we make from this side of the House. We are saying we need to get a fair share of those resources that the PC government is now just giving away, lock, stock, and barrel to the big corporations. And at least they should have a fair share of it, but they don't even do that.

So when we look at the biggest cost to us, therefore, is the high increased costs in taxation, and everybody knows that. I haven't heard anybody in my own constituency not come up to me and say: Keith, look, we've had for many years returns on our income tax; this is the first time in the past few years, prior to this government, where we didn't have to pay taxes; we always had a return on income tax. In the past few years, they said, we've always had to pay income tax, no matter how little we earn; we always have to pay income tax.

And it's become to be a situation where more and more is taken from the middle class, the work-force, and everybody else — the seniors and the students have to pay for this.

And as I looked at it, therefore, in summation, Mr. Deputy Speaker, I would like to say this: that the Tories, the PC government said, we are going to be providing new jobs and new economic incentives. But the only thing that we have seen is economic incentives for big corporations and less jobs for the people of Saskatchewan. That's pretty clear already from the record and it's going to continue.

The other thing that I see is that in terms of assets, we own Saskatchewan. We owned our farms; we owned our businesses; we owned our co-ops; we owned our Crowns. But now our houses, our buildings are going to be owned, whether it's from our mines, our forests, and everything is going to be owned by people from Japan, from China, from India, from the United States, from West Germany, from France. Name it. Most of our assets will be foreign-controlled.

The Tories say no, no, that's not the way it is. But we look at the example of Saskoil — 75 per cent already owned outside Saskatchewan. And we know that it . . . they feel that that's the way to do economic strategies, by selling off your assets. Nobody in their right mind sells off their house and says, I'm going to benefit from it, especially if that's the only house that they have.

(1515)

The Tories have to know that there is only one Saskatchewan. If it was the last farm to sell, there is only one farm. We have to look at it the same way — there is only one Saskatchewan. Once we sell it, it's gone. And that's the point that the Tories seem not to understand. When we sell our assets, our forests, our mines, we are selling Saskatchewan. There is only one Saskatchewan and one house of Saskatchewan that is left. That's all we have. We can't just sell it off. The strategy that we had was

a lot better, but we know that the Tory government will not only lose assets, we lose jobs, we lose services, we lose in terms of paying off taxation.

I must add, Mr. Deputy Speaker, that the approach of the mixed economy approach, when we look at it in the past, looks a lot better than what this Tory government can offer. And we're going to be even offering a better system as we go look forward into the future.

We know that our unemployment rates were not at the 9 per cent level, they were less than half of that. We know that we had created more jobs in the area of small businesses in this province. We knew we had more jobs for many workers right throughout. We see so many people leaving our province, it's a shame. And when we look at it in overall terms, people have become to recognize that the mixed economy approach, where we work side by side with business, we work side by side with the co-ops, and we work side by side with the Crowns; and when the Crowns such as the SMDC, which worked in joint venture with the corporations, where it was invested right throughout the mining industry whether it was uranium, or in gold, or in zinc, or copper, was the way to go; it was bringing us returns. But now the money goes to foreign corporations.

And I must say that the only thing I could say that's possible for the people of Saskatchewan is that we are probably going to be having an election in about a year, or half a year, or a year and a half. And the only thing that I could remind the people of Saskatchewan is that Tory governments fell when they relied solely on big business and the Pacific scandal, when they relied only on the CPR to do economic development.

They fell in the Dirty Thirties when that's all they relied on. And the only saving grace from my speech is that they're going to fall in the next election because the mixed economy approach is the one that's going to work for Saskatchewan, because we believe in Saskatchewan people; we believe in our Crowns; we believe in our co-ops; and we believe in our people. And that's the reason why we'll succeed in the next election.

Some Hon. Members: Hear, hear!

Mr. Muller: — Thank you, Mr. Deputy Speaker. It gives me a great deal of pleasure to get into this debate on the Public Participation Bill.

Mr. Speaker, public participation has been so unfairly criticized by our members across the way, it's going to have a tremendous impact on our province. It cannot be the socialist ideologies that blinds them all to positive aspects of public participation. I'm getting a little static from the member for Quill Lakes, but I'm used to that.

I want to get into making some comments about what some of the opposition people have been talking about. The member from Athabasca the other day I remember, said that the Weyerhaeuser deal was so bad and that they discriminated against workers. Well he said that people couldn't work for Weyerhaeuser unless they had a grade 12 education.

Well I remember when we came to office in 1982, I happened to be sitting on the agriculture caucus committee, and I started looking at some of the regulations on what the member from . . . is it Last Mountain? — Gordon MacMurchy. When Gordon MacMurchy was the minister of Agriculture you couldn't even lease land from the Government of Saskatchewan unless you had a grade 12 education.

And the member from Athabasca is right that that is discrimination. And he said that Weyerhaeuser discriminates against people that they can't get work there because they . . . if they don't have a grade 12 education. But one week out of every five they pay to upgrade the people that work at Weyerhaeuser. So that's a far better job they're doing for the employees than the former minister of Agriculture, Gordon MacMurchy, when he wouldn't lease land to farmers unless they had a grade 12 education.

And I was part of the ag caucus that helped change that, because I've only got grade 10. So I wouldn't have been able to lease land from the Saskatchewan government prior to 1982. And I know you probably think over there that I should have never had any; and I never did get any, but I think that was discriminating against people. Farmers couldn't lease land from the Department of Agriculture unless they had a grade 12 education.

And the member . . . I see the member from Athabasca paying a lot of attention to what I'm saying. Now I know he wasn't involved in agriculture prior to 1982, but he says it's discriminatory to force people to have a grade 12 education to have a job. But Gordon MacMurchy wouldn't lease land to farmers unless they had a grade 12 education, and I helped to change that after I got on the ag caucus committee after 1982.

And it was written right in the regulations. There was written regulations in agriculture and there was unwritten regulations. The written ones were that you couldn't lease land unless you had grade 12. The unwritten ones was you had to have an NDP card. Mind you, that wasn't written in the regulations, but unless it went through Gordon MacMurchy's office, you never got it. I wanted to make sure that the member from Athabasca recognized that. I know he wouldn't be too much interested in agriculture or what went on in agriculture prior to 1982.

The other thing that I find a bit hypocritical about the government . . . or the members opposite, during the federal election they travelled all over this province condemning the free trade agreement. The free trade agreement was going to hurt Saskatchewan. Ray Funk, who ran in Prince Albert-Churchill River, put a piece in the paper, in the La Ronge paper, that we were going to drain the Churchill River system into Long Lake and then down into the United States. We were going to lose all our water. We were going to sell our water or give it to the United States.

Now we own 50 per cent of the water in the Souris River, and now they don't want us to dam it up and save it for Saskatchewan in the Rafferty-Alameda dam. Some of their members have got involved with the SCRAP (Stop Construction of the Rafferty and Alameda Project) group.

Now they want us to drain our water into the United States. Ninety-eight per cent of that 50 per cent of the water goes into the U.S. every year; 50 per cent of the water belongs to us. They now want the Americans to have it.

During the federal election campaign they scared people by saying that we're going to sell or give water to the United States. Now they want to leave the water going into the United States into Lake Darling. They don't want to save it for habitat; they don't want to save it for Saskatchewan irrigation; they don't want to see any diversification. They want to see our water go into the United States. Now is that a flip-flop, or is it not?

I just can't understand how they can go to their constituencies on the weekend and defend themselves, because they say on one hand we're going to . . . the Conservatives are going to give water to the United States, and then they say on the other hand that we should be giving it to the United States. Where are they really coming from?

They don't want us to dam it up. They talk about agriculture; they talk about drought. When we want to save the water so we can irrigate Saskatchewan, they want us to let it go to the States. But during the federal election campaign they say, vote against free trade; they're going to give our water to the United States. Now they want us to. I just can't, I can't understand where they're coming from.

But anyway, I know I've seen the article that Ray Funk wrote in the La Ronge paper. I don't have it with me, but he said they were going to drain the Churchill River into Long Lake and then down into the United States. And you know, those kind of tactics can scare a lot of people and change a lot of people's votes, and it did. It did in the last federal election. But I think that will come home to roost . . .

An Hon. Member: — Like in Assiniboia.

Mr. Muller: — Like it did in Assiniboia-Gravelbourg, yes. I mean we proved to them there that we can elect a Tory member in a seat that we'd never had a Tory in before . . .

An Hon. Member: — What happened to John Gormley on either of those Tory ridings?

Mr. Muller: — Well the member from Athabasca said, what happened to John Gormley? Well John Gormley ran up against the same kind of rhetoric that a lot of members in Saskatchewan ran up against — the scare tactics of losing our resources, losing our water to the United States. Now they're saying that we should give it to them. They don't want us to save our water.

And, you know, I guess some members will say I sound like an old record or a cracked record when I start talking about Weyerhaeuser. But Weyerhaeuser to me is one of the best things that ever happened to Prince Albert. I know the member from Cumberland doesn't like it. He would probably take it back. With all the expansion that they've made in the paper industry, and certainly the money they've paid to the Government of Saskatchewan

over the years, and will over the years . . . (inaudible interjection) . . . The member says they were going to expand anyway.

But, you know, I've got to go into the Manitoba situation. About a year and a half ago, I got to know one of the NDP members in the Manitoba government. I don't think there's many of them any more, but I got to know one of them pretty good. And he was telling me, you know, we've got two pulp mills in Manitoba.

An Hon. Member: — Hey, what about Bill 1?

Mr. Muller: — Privatization is what we're talking about, and I'm talking about Weyerhaeuser, which the member from Cumberland certainly brought into the debate.

Manitoba had two pulp mills. One was government owned and one was privately owned. One was government-owned and one was privately owned. The public-owned pulp mill in Manitoba was losing money; the privately owned pulp mill was making money.

And this NDP member from Manitoba — it was just after we'd sold the pulp mill to Weyerhaeuser — this Manitoba NDP member sat down with me and he said . . . He called me by name; I guess I can't use my name, but he called me my name and he said, how did you sell this pulp mill to Weyerhaeuser? He says, we're going to have to sell our government-owned pulp mill; it's draining the coffers of Manitoba. He says, the private one's making money, but the public one's losing.

And I read a piece in *The Western Producer* here — I think it was about two or three weeks ago — where the Manitoba government has now sold the pulp mill. And I guess if some of the . . . if the NDP government would have had the conviction to go out and sell that pulp mill and quit draining the public purse, that they may have still been in government. I doubt it very much, but they may have had a better chance.

So these members on the other side of the House say that the pulp mill should belong to the government, but even the NDP in Manitoba recognized that government shouldn't be in the pulp and paper business. It was something that they couldn't break into that market; they couldn't make it work.

(1530)

So I guess I could go back into the whole financial program that that party over there, when they were in government, how they bought that pulp mill, how they borrowed the money from the banks at 17 per cent interest, how they never made a payment on the interest or the principal. I mean, I guess it's fairly well known around Prince Albert now. They don't flaunt that very much up there, but I kind of bring it to people's attention from time to time.

An Hon. Member: — We won two seats . . .

Mr. Muller: — Well the member from Cumberland says they won two seats in Prince Albert. They did, but they may not next time.

I understand that's there's quite a movement going to work up there now. I talked to a lot of people on the weekend at my fund raiser that had 270 people out to it . . . (inaudible interjection) . . . Yes, for supper. Anyway, we had an auction sale that ran for seven and a half hours, so it worked out pretty good. But I guess that's getting a little ways away from the public participation Bill.

I also wanted to mention that the member from Saskatoon Centre, when she was up speaking against this public participation Bill — at least I think she was speaking against it; I think she's going to vote against it; it sounded like it in what she was saying. But she said . . . she mentioned too that the Weyerhaeuser deal was such a bad deal for Prince Albert. It was all going to the big corporations; there was no small industry, no small business.

Well I'd like to tell her that in Prince Albert now we have many small manufacturing places because of the Weyerhaeuser mill and the expansion that they've done in Prince Albert. One of them that I can just think of off the top of my head that we never had before is that we manufacture chain-link fence now just north of Prince Albert in the good seat of Shellbrook-Torch River. And there was many of these small industries that have started up just because of that pulp mill.

An Hon. Member: — What are you going to do in your retirement after the next election?

Mr. Muller: — The member from Regina North East asked me what I'm going to do after the next election. I'll probably sit right here in the legislature. I don't know if I'll have the same position as I have now, but . . .

Some Hon. Members: Hear, hear!

Mr. Muller: — I can go back and remember a little bit of what happened before the '86 election. I asked Al Engel from Assiniboia-Gravelbourg what he was going to do after the election. I still don't know what he's doing. Maybe he had to quit farming. I don't know. I guess he's still flying his plane around to California, but . . . (inaudible interjection) . . .

Well the member from Cumberland mentions another new expansion that Weyerhaeuser is putting in Prince Albert, a building that's going to be the size of two football fields, and they'll be able to make sheets of paper rather than sending it down to the United States in rolls and paying the duty coming back. So that's finishing a product in Saskatchewan and in Prince Albert. And certainly that's what this PC government certainly stands for, is diversification and finishing products here in Saskatchewan.

We don't want to ship raw materials. We want to finish our products, sell them on a world market, and certainly, this is the direction we're going, and I think it's 4,000 new jobs we've created in diversification in just the last few years.

Certainly our agricultural sector is down because of drought and low grain prices. but the industrial sector

hasn't taken up all the slack, but it's taken up some of it. We want to diversify some more so that we can take up more of that slack.

Mind you, we'll run into little snags every once in a while like the Rafferty-Alameda thing. The member from Rosemont gets involved with the SCRAP group and stops our work on Rafferty, but we never did anything that was illegal. We had all the environmental tests. We had the licence. We've never broken the law. We don't intend to. We don't intend to break the law. I'm sure when the reasonable people of this world take a look at the environmental studies, the environmental studies that the province of Saskatchewan has done on Rafferty-Alameda, that when it's been looked at reasonably, that it will go ahead.

I mean, how much of an environmental study was done on Gardiner dam? I understand there was little or nothing done when Gardiner dam was built. When the Boundary dam was built — and I believe that's on the Souris River, if I'm not mistaken — the environmental study was about that thick. About an inch, an inch and one-half thick. And now we've got a study that's about three and a one-half feet high on the Rafferty-Alameda projects, and they say that it's not enough. They say that's it's not enough that the provincial government can do all this work and get an environmental study that passes, and that the federal government should do it over again. It should take taxpayer's dollars and re-spend them to re-do it again, rather than accept what has already been done.

So now they're going to hold the project up, and it may be held up for a short period or a long period of time. We don't know that. But we know that we're not going to go outside the law or do anything. We've stopped the work. I'm sure that the people were working on there, the contractors and the people that are working on the Rafferty-Alameda project aren't all that happy with the people that were against it.

Certainly it's going to hold up the diversification in that part of the province, and I hope that the people that threw the monkey-wrench into the works will be happy. It's going to cost extra money, but they don't seem to care about that.

They don't even ... they don't really care about the environment. They don't care about the environmental study. They don't care about the environment. The only thing they cared about was stopping it.

An Hon. Member: — I'm not sure which Bill this is you're speaking.

Mr. Muller: — Well privatization, diversification. If water isn't diversification in this province, I don't know what is. That's been one of our biggest problems in the 1980s was water. And I think water is an important thing for the diversification of Saskatchewan, and if any of you people over there had an agricultural background you'd know what water means.

There's two fellows over there that I do think have some sense, have some sense of what water means. The member from Athabasca and the member from

Cumberland, I think, realize what water means to environment, to wildlife, to fish and to birds. I think they understand what water means.

And I wonder if they were against that Rafferty-Alameda project, because they know what water can do to a part of the country that's dry, to the kind of wildlife that you can put into that part of the world when you put water there -
— ducks and geese, ducks and geese and fish.

An Hon. Member: — He's after your water. He wants to divert your water.

Mr. Muller: — Well they know how important the rivers are to the North. They know how important the rivers are to the North, but the member from Rosemont is the one that doesn't want southern Saskatchewan to have water. He wants us to drain our water down into the United States. And he's gone on record as saying that, that he doesn't want the Rafferty-Alameda dam to go.

I seen him, I seen him in his seat laughing when the cameras were on him the other day, when the Rafferty-Alameda dam was stopped, when the construction was stopped. I'm glad to see that he's at least happy. I know that he's made a lot of other people very unhappy.

Anyway, Mr. Speaker ...

An Hon. Member: — Whoop-de-do.

Mr. Muller: — Whoop-de-do, yes. I can certainly see the positive side of public participation and privatization. It certainly has done a lot for us up in Prince Albert. It's done a lot for the people in North Battleford. It's done a lot for the people at Intercontinental Packers in Saskatoon, and now we're going to have some more industry come into Saskatoon. There was an announcement here the other day.

This is the kinds of things we have to do is finish our products here in Saskatchewan. We cannot be shipping raw materials. Our rural development corporations are also looking at going into diversification in local R.M.s. We have to do this to ... We can't have a single economy. We can't have a single generated economy ... (inaudible interjection) ... The member from Quill Lakes says he's anxious to get into the debate, Mr. Deputy Speaker ...

An Hon. Member: — I don't know what Bill we're talking about though with that speaker.

Mr. Muller: — Well, we're talking about public participation and diversification. If Weyerhaeuser isn't diversification, I don't know what is. And certainly these people over here are against diversification.

He doesn't like to hear what I'm saying about the Rafferty-Alameda dam, about the water we tried to save for Saskatchewan. He wants the Americans to have it. I got nothing against the Americans — I got nothing against the Americans. But they don't want us to dam up our water and keep it here in Saskatchewan and use it for agriculture and ...

An Hon. Member: — Well why are you giving our potash to the Americans, then?

Mr. Muller: — He talks about potash. Certainly. They went down to the United States, borrowed the money, borrowed the money to buy the potash mines, and they talk about giving the potash to the United States. All we were doing was mining the potash, sending the money down there to pay the interest. We were paying them interest direct into the United States, weren't getting anything out of our potash for ourselves.

The potash mines were there when they bought them, but they never created one job by buying the potash mines. Then they went and borrowed the money from the United States and send the interest down to New York. So we're not getting any good out of our potash. The money's all going to the U.S., paying interest to the United States.

But anyway, I just wanted to get on record that I was upset with the NDP and their stand on Rafferty and their stand on Weyerhaeuser.

So, Mr. Deputy Speaker, I look forward to seeing them get back into the debate. The member for Athabasca says Weyerhaeuser shouldn't discriminate because of education, but it's okay for the Minister of Agriculture under their government to discriminate against farmers. I was on the agricultural caucus committee when we got rid of that regulation. Gordon MacMurchy had it in there. And you can speak from your seat, but I know farmers who were discriminated against when you people were in government, because I was a farmer. I've been a farmer all my life.

But anyway, Mr. Deputy Speaker, I'd like to see some of these other folks get into the debate. I'd like to hear what they have to say. But I will be certainly supporting this Bill, and I'm sure that most of my colleagues, or all my colleagues will. We may even garner some support from those people over there that know the real value of water to the province of Saskatchewan and what we should be doing. So, Mr. Deputy Speaker, I'll give them an opportunity to get up and say a few words.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — Thank you, Mr. Deputy Speaker. It's a privilege, Mr. Deputy Speaker, for me to join in this debate on the government's Bill No. 1, An Act to establish the Public Participation Program. And you know, the members opposite in particular wanted to hear from this side of the House. And it seemed that, in particular . . . They chided me from their seats. They said, you know, do you really have anything to say? Get up and talk. Well, now that I am, it appears that they had something more to say. Well they're going to listen for a while because I will talk.

As the member for the legislature from Regina South, Mr. Speaker, I know the constituents too, of Regina South, are keenly interested and supportive of new developments, and they would want me to enter this debate, and I will.

Mr. Speaker, the Bill before us gives the people of Saskatchewan preferential access to the benefits of public

participation, something that the members opposite don't understand. You know, all we've heard from them so far it seems is encouragement to call an election, call an election. Well if I were in their boots, I don't know that I would be in such a hurry for anybody to call an election.

For instance, the member of North Battleford — and as my debate goes on I will name some of the members over there opposite and tell them why I wouldn't be in such a big hurry — the member from North Battleford who spoke against public participation, I would like to go with him to the Gainer plant in North Battleford and talk to all the people that are working there and say, what do you think about public participation? Your member here speaks openly against it. What do you say about that? And then from there we would go to the employees at Hunters, ask them what they feel about public participation.

(1945)

That member will lose the next election, as will the other members opposite, that I will have a few comments to make because of their particular stand on this very important issue, Mr. Speaker. And if were them I just wouldn't be pushing for an election call right now, except to say that the sooner that we can get rid of some of those members the better off the people of this province are going to be.

This Bill lays the foundation for public participation initiatives that are creating jobs, that are increasing investments, that are bringing new businesses into this province — and those are only a few of the many benefits that will accrue to the people of this province as this legislative process occurs and as the Bill is passed. Our government's commitment to a continued high level of public service is very much part of the Bill and of the whole public participation program.

The member from Saskatoon Nutana giggles from her seat. I'll deal with her opinion on this Bill and how I would challenge her constituents. She too, calling for an election; she too will lose her seat on this issue. And I wouldn't be in such a hurry to call an election because when this is over for you, you'll be back to what you were doing before, whatever that might have been, but you sure won't be representing the people of Nutana. And in my mind she's not representing them very effectively right now, in any event.

In a few words, the public participation process is part of our government's focus on encouraging Saskatchewan people to play a larger role in the growth and development of their province. We are encouraging our citizens not only to take a larger role in the economic growth of their own province, certainly, but also we are encouraging them to take a much broader consultative role in all aspects of life in their communities as well as their province — culturally, socially, politically, and economically.

Encouraging Saskatchewan men and women to have a major say in the decision making process that affects their lives is really what public participation is all about. The public participation movement is really ushering in a new era for our province, and I have spoken at length over the

years, Mr. Speaker, about the new era that Saskatchewan has entered.

And it seems that the members opposite still live in the past, still don't recognize a movement that is occurring not only in Saskatchewan, not only in Canada or North America but right across the world. And it seems that they are still permanently embedded with the outdated economics of the '50s and the '60s and the '70s, totally unable to grasp the new era that certainly has arrived in Saskatchewan and will certainly be welcomed by our people.

Public participation initiatives are the keys to the overall programs to revitalize this province's economy from the set-backs that result from the decline of world markets for our agricultural and resource products, and of course, from the drought. No longer can this province survive on simply being an agricultural and resource-based province. We have to diversify.

And it seems that the more that we talk about public participation and diversification, the less the members opposite can really understand how one hooks into the other, and how really, Mr. Speaker, this is the key to the salvation of a province such as Saskatchewan that's so large, so diverse, and has all of the God-given assets that we have.

Now what we have to do is learn how to take all of these blessings and take them one step further along the line, and no longer be dependent on the prime market situation that is really controlled not so much by Saskatchewan or the government or the residents, as all of these prices and markets are controlled by the rest of the world, and we have no choice, Mr. Speaker, but to go along with what that world dictates. This is the vision of the new directions for the future that our government is indeed charting for Saskatchewan. They will help re-establish our pride and confidence in our province which, as I just mentioned, had to contend with poor world market conditions and drought.

These public participation initiatives . . . (inaudible interjection) . . . Well, the member from Regina Victoria now speaks up from his seat. He too called for an election, and I wouldn't be in much of a hurry to call an election particularly if I were him, because I'm not so sure that he could win re-election again as an alderman. He is one of the typical NDP-type scenarios that dwells in the past, that has no vision of the future, and can't comprehend it. He's against public participation.

And yet in many, many areas, many municipalities around this great province, all of this has started to be accepted — and times change; he hasn't — public participation in municipalities throughout the province. He'll be gone too. Next election his seat will be gone. And I think the sooner that that occurs, the better as well, because he can't keep up to it — not only at the municipal level, but certainly here at the provincial level as well.

And the member from Regina Elphinstone, your turn will come. Don't call an election either because you too will have difficulty getting back. Even in Regina Elphinstone we see the people understanding . . .

An Hon. Member: — Where's this guy coming from?

Hon. Mr. Klein: — Well you had to come in from out of town to get that so-called safe seat, but even there the people of Regina Elphinstone are starting to understand the new direction that we're trying to take this province in. They're starting to accept public participation, and they will. And the more that you people speak like that . . .

The member from Quill Lakes, I'll get to you in a minute. You at Quill Lakes, you're in trouble. Don't call for this election because you people are history. And one by one I will show you why you are. They're just missing the boat, Mr. Speaker. They just can't seem to come up with what the rest of the world is doing, and they're out of step with everybody.

Public participation initiatives will give all of our citizens — all of them, no matter where they are — exciting new opportunities to participate in the development of their communities, and within their communities, such as Regina Elphinstone. It will help them participate in the development of our province to bring about bright futures that all of us desire for Saskatchewan, for my kids, for my children's kids.

And I've been in this city now for 50 years, Mr. Speaker; 50 years I've lived right here in Regina. And I'll tell you what. I'm proud of that fact and I believe that I know the people of Regina, what they want, what they understand. And they too, they voted for me, they voted for me in Regina North, they voted for me in Regina South, Mr. Speaker. I have no problem at all . . .

The Speaker: — Order, order, order. I think we should just tone down the rhetoric, tone down the rhetoric among all members and get on with the debate.

Hon. Mr. Klein: — Thank you, Mr. Speaker. It seems that whenever I have something to say, they've got a little problem with what I've got to say, but none the less.

But we are all fighting for the same future in our province, Mr. Speaker, and unfortunately the NDP find themselves out of step with the rest of the people on this issue.

Public participation is more than simply the sale of bonds and shares in governments and in Crown corporations, although these bond sales and share offerings are an important measure in involving more of our citizens in the economic affairs of their province, certainly. Public participation is more than the formation of employee-owned companies, although this represents new ownership and career opportunities for our citizens, and as such are another key measure in the public participation process.

Public participation is more than the contracting out of public services to the private sector, to volunteer organizations, and to other third parties. And although these are major measures in taking as much economic activity as possible out of the hands of big government and placing it in the hands and in the work places of our citizens, doesn't it just seem, if you stop and think about for a moment, Mr. Speaker, doesn't it seem to make an

awful lot of sense that if our people, the people of this province, our citizens, can get hands on, on all of these various things and become involved in it and take it out of the realm of the bureaucracy and out of the realm of big government and let the people do it, doesn't it just really make sense that that would work?

The Speaker: — Why is the member on his feet?

Lack of Quorum in the Legislative Assembly

Mr. Lingenfelter: — Mr. Speaker, I want to call quorum. I don't think there are enough members in the House.

The Speaker: — Would the Sergeant-at-Arms secure the doors? Would members take their proper seats if you're not in them now, and we will call a roll. Would the members please rise, both sides of the House.

McLeod	Britton
Gerich	Lingenfelter
Klein	Koskie
Petersen	Thompson
Gleim	Atkinson
Kopelchuk	Van Mulligen
Saxinger	

The Assistant Clerk: — Mr. Speaker, there are 14 members here.

The Speaker: — Order. Order. According to rule 5(1), in order for the House to constitute a quorum:

5(1) The presence of at least fifteen Members of the Assembly, including the Speaker, shall be necessary to constitute a meeting of the Assembly for the exercise of its powers.

Since the count shows that the number of members in the House including the Speaker is 14, it does not constitute a quorum. Therefore this House stands adjourned until tomorrow at 2 p.m.

The Assembly adjourned at 3:57 p.m.