

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Van Mulligen: — Thank you, Mr. Speaker. It's my pleasure to introduce to you, and through you to the members of the Assembly, a group of 26 grade 8 students from Glen Elm School in my constituency of Regina Victoria. They're accompanied by their teacher Larry Moleski, and by Trevor McLary and Louise Petschulat.

And I look forward to meeting with them after the question period for pictures and for drinks and a lot of tough questions. And I would ask that members join with me at this time to make them welcome in the Legislative Assembly.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Payment of Crow Benefits

Mr. Koskie: — Thank you, Mr. Speaker. I want to direct a question to the Deputy Premier. And, sir, you have been recently quoted in the press as advancing the idea of a Tory policy that the Crow benefit, the subsidy paid to the railways, not paid to the producers, that it be paid to the provincial government.

I want to ask you, Mr. Deputy Premier, prior to making this policy statement, did you contact any of the farm groups, and could you indicate what their reactions were.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I was at an irrigation conference in Saskatoon and . . .

An Hon. Member: — Here it is, my boy.

Hon. Mr. Berntson: — . . . and it's right there. He's got it, I think, in the *Star-Phoenix*. I'm not sure who read it to him, Mr. Speaker. But the fact of the matter is, Mr. Speaker, the discussion was related to the *Star-Phoenix* story of that morning that was dealing with the breakthrough in GATT (General Agreement on Tariffs and Trade) where they were talking about freezing subsidies and then measuring subsidies and then backing away from subsidies, Mr. Speaker. This is something that we've talked about for a long time, getting the grain war out of the road so that we can all have some opportunity to build on our strength in our various jurisdictions.

And during the course of that discussion, Mr. Speaker, it occurred to me that if GATT was successful, the Crow benefit would be gone. If the Crow benefit is gone, Mr. Speaker, the argument then will not be who gets the payment; it will be, what payment? There ain't none, you know.

So I thought — and this was right here where this was

hatched — I thought that perhaps what we should do if we believed, Mr. Speaker, if we believed that GATT was going to be successful in dealing with agricultural subsidies, perhaps what we should be doing is going for infrastructure funding, not necessarily to get . . . the provincial governments, not necessarily to municipal governments, maybe directly by the federal government, but to infrastructure funding so we can build on our strength — pipelines, industrial parks, roads, all of those things, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Koskie: — New question to the Premier, to the Deputy Premier. I want to direct this to the thumper. Mr. Deputy Premier, it's quoted in here that you state, "It is only a matter of time before the Crow benefit it targeted as a subsidy and removed entirely." I ask you, Mr. Deputy Premier, do you agree and are you supportive of that position?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, the GATT is General Agreement on Tariffs and Trade. They have this office in Geneva. From time to time they get together and they talk about trade barriers, Mr. Speaker. One of the trade barriers that has caused a great deal of frustration all over the world in agricultural commodities, Mr. Speaker, is agricultural subsidies. GATT has been talking about getting rid of these ag subsidies so that we can all build on our strengths and market into the world in the most efficient way possible, because we're now building on our strength, and building in the most efficient way possible.

Now what I want that member to understand is that if all members of GATT decide that what we have to do is get rid of our subsidies, the Crow benefit, in all likelihood, will be considered to be a subsidy. And if it is gone, it is gone, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I have a further supplement to the Deputy Premier. Mr. Deputy Premier, would you agree that eliminating the current \$720 million that is being paid under the Crow benefit, that it will undoubtedly increase the transportation costs to the individual farmers and that it will affect the overall transportation system in this country?

Some Hon. Members: Hear, hear!

An Hon. Member: — Oh, you don't care about the farmers.

Hon. Mr. Berntson: — Mr. Speaker, the member from his chair says, oh, you don't care about the farmers. Mr. Speaker, I am one. I am one. And me and my neighbours, me and my neighbours, Mr. Speaker, we appreciate very much the kinds of things that this government has done for the farmers, Mr. Speaker. And I won't . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — I won't take the time of the House today to go through that very lengthy list, Mr. Speaker; just to say, Mr. Speaker, that not only do we care but we understand. And that's far different than members opposite, Mr. Speaker.

Some Hon. Members: Hear, hear!

Report on Education for the Deaf

Ms. Atkinson: — My question is to the Minister of Education. Mr. Minister, will you confirm that your task force studying the options for education of deaf children in Saskatchewan did not reach a consensus, and in fact prepared two reports, not just the one you released? And will you today give this House your assurances that the second report will be made available to the public?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, yes and yes.

Ms. Atkinson: — New question to the minister. This minister did not send out . . . New question. My light's not on, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — New question. New question to the minister. Mr. Minister, you only sent out one report to all of the stakeholders in deaf education; you did not send out both reports. Will you undertake your commitment to contact and write all of the groups involved in the task force hearings on deaf education to ensure that they have access to both reports?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well, Mr. Speaker, that may well have already been done. The report has been available through my office. If it's not widely enough distributed, I'll take your suggestion under consideration, Mr. Speaker.

Ms. Atkinson: — New question. This minister did not distribute both reports; he only distributed one report. Now, Mr. Minister, would you tell this House why you only distributed one task force report, when there were two opinions on this issue, that you led the people of this province to believe that this task force was united on the directions in deaf education? And can you tell us, Mr. Minister, why haven't you made a commitment to release both reports and send it to all of the stakeholders in education so that all people, all groups know what in fact the recommendations of that task force report was?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well first of all, Mr. Speaker, I've already said that the report could be as widely distributed as anyone wishes, and anyone who does wish a copy can get it from my office.

But I would make this observation, Mr. Speaker, that when I sat in on the meeting with the task force, the paper

that was provided to me by two of the members of the committee was never presented to me as a minority report or characterized in that light, Mr. Speaker. And I suspect that's . . . and in fact the chairman of the board, the chairman of the task force spoke to both documents.

So quite frankly, I never really viewed it as a minority report. It was presented to me with the understanding that in about three of the recommendations, there was disagreement, Mr. Speaker, three out of about 17 or 18 or 19 recommendations. So what that tells me is there's probably fairly good support for the vast majority of the recommendations, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — New question. This minister did not answer the previous question. Can you tell this House why you only sent out one opinion on the task force report? There were two opinions. Why did you only send out one and mislead the people of our province?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — I just went through that, Mr. Speaker. And if I was to back up and take a look at this issue, the reality of what the member is speaking about is that when it comes to the education of deaf children, it's a highly emotional, charged issue. And there are strongly held views on either side, Mr. Speaker, as it relates specifically to a couple of areas. Number one, the school for the deaf itself, and should we continue to have an institutionalized setting; and secondly, Mr. Speaker, the type of sign language that would be used by students and teachers. Those two areas particularly did not enjoy a unanimous view. I recognize that it's a highly emotional charged issue, Mr. Speaker, and we're going to proceed knowing that, Mr. Speaker.

Some Hon. Members: Hear, hear!

Expansion of Saskoil

Mr. Solomon: — Thank you, Mr. Speaker, my question is to the Minister of Mines and Energy and it involves Saskoil's buying spree. Madam Minister, in March of this year, Saskoil sold 10 million shares worth \$97 million from the province's holdings to wealthy investors in Ontario and kicked in some additional money to purchase ICG Resources of Alberta for \$111 million. Aside from the \$150 million in debt, in new debt, can you tell us what the people of Saskatchewan got out of this deal for giving up half of their equity or half of their ownership in Saskoil?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, I can tell the hon. member, the critic for Energy and Mines, that in fact what we have for the people of Saskatchewan is a company that has increased its resources from about 20th position in Canada on oil to about number eight in Canada. They have increased their gas reserves; they have in fact diversified.

All of that, Mr. Speaker, has come in with the company

beginning at a position of approximately 200 million in assets to over \$1 billion in assets today.

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — All of that, Mr. Speaker, with the Saskatchewan people still owning 25 per cent of that company through the Government of Saskatchewan.

Mr. Solomon: — What you're telling us . . . Mr. Speaker, supplementary. What you're telling us, Madam Minister, is that we have a smaller piece of a bigger pie, but the wealthy investors in Ontario, who have bought up Saskoil, will benefit from this purchase. And the people of Saskatchewan will still continue to receive zero in dividends from this company. Nothing goes into the treasury as a result of selling 25 per cent of the equity for \$97 million.

That being the case, can you explain why it was the equity of the people of Saskatchewan which was used to purchase this new company to increase the profits for the out-of-province investors?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, point one: it is totally false to say that the people of Saskatchewan get nothing out of this company. That is totally false. If the member would look at the increase of production on both oil and gas just within the province of Saskatchewan, he will see a substantial increase. That means royalties — royalties, Mr. Speaker — royalties on gas development that never happened — never happened — before Saskoil went through public participation, which is happening today.

Secondly, taxation, Mr. Speaker, whether it's through local taxation in the R.M. or corporate taxation with head office in Saskatchewan paid to the government, I find the argument ludicrous. On one hand, you know, they say, when they look at Weyerhaeuser, don't let anybody from outside come in and invest. Here we have a Saskatchewan company that wants to invest, increase its assets, pay more taxes and a lot of other things and look at outside, and they say, well you can't go out. You can't come in and you can't go out. What do they want?

Some Hon. Members: Hear, hear!

Mr. Solomon: — A new question. The minister says that Saskoil is going to be paying new taxes as a result of this purchase. That's totally not true, Minister, because what has happened is Saskoil has purchased another tax write-off of \$100 million. They did not pay any taxes last year at all. And what we have, we have, Madam Minister, a corporation that is not contributing as a result of selling off equity for the taxpayers of this province.

Can you tell us and the people of this province, Madam Minister, how many Saskatchewan jobs the further sell-off of Saskoil has created in this province? And secondly, can you tell us how much money this purchase brings into the treasury of the province of Saskatchewan? And can you tell us who in Saskatchewan benefitted from this sweetheart deal — from this sell-off — other than ICG (Intercity Gas) Corporation of Toronto and a few investors

who own 5 per cent of the shares in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, this year Saskoil on taxes — and I speak of property taxes — will pay approximately 800 to \$1 million — 1 million. Their corporate tax . . . (inaudible interjection) . . . Yes, they will. The member is wrong, Mr. Speaker.

I might remind the member as a Crown corporation in the old days it paid nothing because it was a Crown corporation and had a preferred position under the government. That is not the case today, Mr. Speaker; they will in fact be paying their taxes.

I can only suggest to the member again that he take a look at the facts and figures. He talks about give-away when, in fact, Saskoil is bringing much into this province. He will see an increase on the jobs at Saskoil, probably up to around 30 or 50 jobs within a year, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Mr. Speaker, a final question to the minister. Madam Minister, the people of Saskatchewan . . . Madam Minister . . .

The Speaker: — Order, order. Order, order. Order. We're having some problems hearing the hon. member.

Mr. Solomon: — Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Madam Minister, the people of Saskatchewan have put up \$97 million and what did we get? We didn't get any new jobs in Saskatchewan; we got less ownership. We got \$150 million in new debt in ICG in a volatile oil and gas and interest rate market. Your sell-off policies have cheated the people of Saskatchewan out of \$97 million. How is that a good deal for the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, once again in fact, the member will see some new jobs created, some new jobs . . . At least 30 with the recent acquisition.

I would also remind him now that Saskoil is called Saskoil and Gas. And with all the development that they have been doing on Saskatchewan property on the gas side that, in fact, there have been several hundred jobs, Mr. Speaker, on the west side of the province that have been there due to Saskoil and Gas.

Some Hon. Members: Hear, hear!

House Business

Mr. Lingenfelter: — Mr. Speaker, I address my question to the House Leader, and today I wrote a letter to the minister asking him that we have an opportunity to review the report that has just been tabled.

I wonder if you would, Mr. Minister, allow the opposition the privilege to have a review of the report, let's say from now until we resume at 7 o'clock, and work with other House business until that time.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I did get a letter from the opposition House Leader a short time ago, and it asks, Mr. Speaker, that before proceeding with Bill 2 that the annual report be tabled . . . or Bill 20, as quickly as we could. The minute that I got the letter, I asked the minister to table it. It's been tabled.

And I know . . . I might have been, Mr. Speaker, under the misconception that they were very anxious to get on with the Bill; they've been hollering for it for a few days so . . . and they've called quorum a couple of times — well once, Mr. Speaker.

And so, Mr. Speaker, I was quite prepared, I was quite prepared to take Bill 20 to maybe 5 o'clock and then go into Bill 1, and then maybe do some estimates. I was quite prepared to do that, but I was under, obviously, the misconception that they wanted to get on with Bill 20 with all due dispatch, and so we put it on, Mr. Speaker. They now have the report.

I'm still quite prepared, Mr. Speaker, to do Bill 20 until, say, 5 o'clock and then go to Bill 1 at 7 o'clock, but I'm trying to co-operate.

Mr. Lingenfelter: — Mr. Speaker, the press and everyone in the province will obviously know that the government tabled this report only minutes ago in order to force the opposition to go with the main speaker on the Bill without reviewing the report. And I'd just ask the minister again, in light of that, in the spirit of co-operation, whether you would consider, for example, going with the interest rate motion which comes up before the Bill, or Bill 1, or anything we agree with, to give the Leader of the Opposition an opportunity to review the report. And we would be back at 7 o'clock.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I just make the point that the Leader of the Opposition was able to talk for about an hour and a half or two hours yesterday without the annual report, and very eloquently, I might add.

And let me say, Mr. Speaker, because I have this inherent desire — it's something from my ethnic background — to co-operate and make everybody happy, I'd be very pleased, Mr. Speaker, if the opposition is agreeing, to go to Bill 1 till, say, 5 o'clock; and then come back to Bill 20 at 7 o'clock. And on the assumption that we finish Bill 20 before 10, we will go to Justice estimates.

Mr. Lingenfelter: — Mr. Speaker, I want to ask the minister one more time — one more time. We have seen the government play nonsense with this report, tabling it only minutes before the Leader of the Opposition gets up to give his main address, and then says that he will move Bill 20 to this evening only if we agree to pass it before 10 o'clock. You know that's nonsense. And what I want to

ask you again, whether you'll give us the approval and your secure word that we will deal with Bill 1 at 2:30 and then move to Bill 20 at 7 o'clock.

Hon. Mr. Berntson: — Mr. Speaker, I thought that's what I said. Now I know members opposite get a little sensitive, and I know that humour is not a long suit among members opposite, Mr. Speaker. I thought that even the most serious person in the world, Mr. Speaker, would have guessed that we're not going to get through Bill 20 tonight, you know? So in an effort to add a little levity to the proceedings, Mr. Speaker, in an effort to add a little levity to the proceedings, I made jest, Mr. Speaker. I promise you that I won't do that again.

Mr. Speaker, my understanding of our agreement is that we will do Bill 20 . . . Bill 1, pardon me, Bill 1 at 2:30 until about 5 o'clock. At 7 o'clock we will come back and we will deal with Bill 20. And I was going to inject a little levity and suggest that we stop the clock at 10, but I won't do that.

Some Hon. Members: Hear, hear!

Developments at Code Inquiry

Mr. Calvert: — Mr. Speaker, in the absence of the Minister for Consumer Affairs, I'll direct my question to the Premier. Mr. Premier, can you tell this House whether or not your government's lawyer up at the Code inquiry has informed you of the latest development in this sad story of the lost savings of Saskatchewan residents?

Has your lawyer informed you that the pay-out of 12 to 15 cents that was promised by the Premier of Alberta in December, has now become 5 cents on the dollar? Has your lawyer informed you of that, and have you informed, in turn, the investors on Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, we're aware of the recent restatement of the pay-outs. We also have reports from the lawyers as to the Code report. Let me just tell the hon. member that the government has not changed its position. One, there will not be a provincial inquiry; and secondly, we will await the Code report which is expected in the next couple of weeks. And I'm sure that the investors have been notified, as they have been throughout the course of this, by the appropriate trustees.

Mr. Calvert: — New question, Mr. Speaker. We're not here talking today about a provincial inquiry in Saskatchewan. We're talking about the actions of your colleagues in Alberta. Have you made representations to your colleagues in Alberta that this is totally unacceptable, to change their position from a 12 to 15 cent pay-out, to now a 5 per cent pay-out? Have you made representations to your friends in Alberta that this is not acceptable?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — My understanding of the pay-out is based on valuation of the real property assets, and that's a calculation done by the trustees, Mr. Speaker. The

Alberta government has said that if they are negligent that they would compensate. I don't think that that changes as a result of the recalculation of the real property values. So I think that the question is premature.

ORDERS OF THE DAY

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.

Hon. Mr. Klein: — Thank you, Mr. Speaker. As I ended up last evening on this Bill, I was saying that even the Soviet Union now is getting involved in public participation, and recently they announced a plan to present public share offerings within their state farms in order to raise capital and to give greater control to the local people. So even the Soviet Union, along with other countries around the world, Mr. Speaker, understand the opportunities that public participation indeed gives to the ordinary people — if that's the right way to use that word, the ordinary people — as the Soviets are doing with their farmers. They recognize that public participation will do well.

Government ownership of companies and industries really hasn't worked anywhere in the world, not to any length of time or to any great degree. And countries now across the world are discovering that, Mr. Speaker, and are setting about changing that very thing. And one of the objectives of the public participation movement is to take as much control out of the lives of people and out of the hands of big government and put this control, rather, into the hands of citizens — less regulations and less legislation for ordinary people to deal with.

And that's probably one of the reason, among others, that the NDP Party in Saskatchewan is opposing public participation now. They believe in big government; they believe in legislation; they believe in regulations. They believe that nothing can be done in this Legislative Assembly without first providing a Bill to do that.

Well, they're discovering that that's not quite right, that this government has indeed streamlined the method of operating government, that indeed has shrunk the size of government and that can deliver — can deliver to the farmers, can deliver to business, can indeed deliver all types of programs to our seniors, and education and all the rest of it — without big, heavy, burdensome legislation and regulations.

The NDP are certainly the great architects of big government. And we lived through that years ago with the family of Crown corporations. They indeed want to take over business and industry. They want to add people to the public payroll. And that's the only way that really they think they are creating jobs in this province is with big government. And if you stop and analyse it, Mr. Speaker, that's not job creation at all. That's just going through the motions of telling somebody to show up somewhere and get back on the public dole.

Well they're not only out of step with the people of Saskatchewan, but they are now out of step with their socialist friends around the world, as I mentioned, in Australia and in France and in other areas. Other socialist parties around the world have left the Canadian NDP far behind. Other socialist parties around the world are indeed keeping up with the times, while the Saskatchewan NDP has been standing still. Not only have they been standing still, Mr. Speaker, but indeed they still have their heads buried in the sand; they're living in the past. They can't seem to get up with the modern age and the modern era and what the people are now looking for and what they're demanding.

And you know, continually we hear cries again coming from the opposition benches of calling an election, calling an election. Well I point out that the member from Saskatoon University shouldn't be in too big a hurry to call an election, Mr. Speaker. You know, indeed he still wants to close uranium mines.

I wonder if he would care to go up into northern Saskatchewan, Mr. Speaker, and share that information with those that work in the uranium mines, and tell them that he's of the opinion that they should be closed and tell them that those jobs for the North are no good, and then seek re-election. I wonder where he would get to.

And I think that the member from Athabasca has a lot of difficulty with his member from Saskatoon University on that thing alone, because he recognizes that indeed the uranium mines provide opportunity, provide jobs for our people in the North.

We've had many early successes, Mr. Speaker, on public participation initiatives in Saskatchewan, and I would just like to for a moment take a brief look at some of those. I mentioned earlier yesterday how I spoke to the annual SUMA (Saskatchewan Urban Municipalities Association) convention about how public participation can indeed benefit local communities.

Look at the benefits obtained in the communities now of Prince Albert and Meadow Lake. The public participation initiative has brought a tremendous boost to the city of Prince Albert with the sale of the pulp mill, in which the Government of Saskatchewan was heavily involved.

When the government was involved, Mr. Speaker, the Prince Albert pulp mill was losing \$91,000 a day — losing \$91,000 a day.

An Hon. Member: — No, when you were involved.

Hon. Mr. Klein: — The member from Saskatoon South, speaking from his chair, indicates that that's not right. Well, we went through that debate last year and we know that that's right. And he'll be one of those that would be crying for an election call, Mr. Speaker, and I welcome that opportunity, because the member from Saskatoon South who goes around preaching against public participation, he will have some degree of difficulty too in his re-election bid because he is out of step with the people of Saskatoon South.

Now the member from Prince Albert, chiding from his seat. I welcome the opportunity to go up to Prince Albert with him, talk to the people in the pulp mill, talk to the people in the paper mill, tell them that privatization and public participation doesn't work, and ask them for their vote. Don't be in such a hurry to call that election, boys, because you're going to have enough trouble when the time comes.

But since the sale by the government to a business company, the pulp mill has become a profitable organization, Mr. Speaker, no longer losing that \$91,000 a day. It has also built the province's first paper mill, a welcome addition to Saskatchewan, with 170 new jobs and a monthly payroll, a monthly payroll of a half a million dollars going into that Prince Albert economy. And you can imagine the tremendous boost that that is for that economy in Price Albert, while the member from Prince Albert sits there and decries public participation. It's beyond belief, it's beyond belief, Mr. Speaker, that that member was elected and that he will even have a chance of ever getting re-elected.

Look at Meadow Lake where a public participation initiative has brought a great lift to the entire area. The saw mill at Meadow Lake, sold by the government to the employees of that mill and 10 local Indian bands. As a result of the sale, local residents in Meadow Lake are now owners, rather than simply passive observers in one of the community's major enterprises.

And in addition, because of that move, so far, Mr. Speaker, so far, two new companies are looking at locating in the Meadow Lake region with yet prospects of more new jobs. And the member from Athabasca had better pay attention because it's pretty important to his people as well, and he's nodding his head in agreement and he recognizes that that is a major contribution to his area as well.

Look at the outstanding success we've enjoyed in the natural gas industry as a result of public participation initiatives. The transfer of natural gas reserves from the government to Saskoil and other companies helped contribute to the drilling of a record 750 gas wells in 1988, compared to the drilling of about a hundred wells during the period 1975 to 1982. Can you imagine that, Mr. Speaker — 100 wells in 1975 to 1982! It's almost an impossibility to believe, but there it is. And that of course, '75 to '82, is when the NDP were in power. So we're looking at 100 wells, you know, per year during the period '75 to '82, compared to 750 alone in one year under this administration.

Look at the success of offerings of bonds and shares in Crown corporations. These sales have shown us that the people of Saskatchewan do want to participate in their companies: the sale of SaskPower bonds raised \$343 million, with 42,000 residents making purchases, Mr. Speaker; and TeleBonds raised more than \$100 million, from 32,000 purchases. That's 74,000 people in this province, Mr. Speaker — 74,000 making purchases in two, only two bond offerings; 74,000 people right there who believe in public participation. They must, because they're putting up their money. That's how much they believe in it.

And will the NDP there prevent these people from investing their money right here at home rather than in areas outside of the province? You know, that money will be paid to our Saskatchewan residents, the interest on the dividends that accrue, and as a result that money stays right here in our Saskatchewan economy, Mr. Speaker. No longer will it go off to eastern Canada or to the money markets to the United States or abroad, for instance. We can keep that right here at home. We can watch our province grow, and indeed our people participate in making our province grow as they grow with it. What can be better than that?

Public participation — just think of those two words for a moment — public participation, where people will participate in the betterment of our economy, Mr. Speaker. And it's hard to believe that the NDP are against it, but then they're against almost everything. Then I ask you, you know, what have the people in the NDP to say to those 74,000, to those 74,000 that have invested, that do believe in it.

You know, it is important for the economic growth of this province that Saskatchewan people begin to invest their savings at home because, as I mentioned, that certainly helps contribute to our economic development and growth.

We in Saskatchewan, Mr. Speaker, are among the highest savers in Canada, with \$6.2 billion placed in savings accounts or in mortgages and term deposits with the chartered banks. The problem is that much of this money is reinvested in economic growth outside of Saskatchewan, while our Crown companies, to finance their large projects, are forced to borrow money, as I mentioned, from Toronto or New York or even Tokyo.

So it only makes eminent sense to allow Saskatchewan people to invest in the building and the development of our province, and benefit from our growth by keeping that interest money right here at home. Through public participation, we are beginning to make considerable progress in that area.

Another success in our public participation program — right here at home in my city, my home city of Regina. It's been the WESTBRIDGE corporation, now one of the largest computer service companies in western Canada. It was created by the merger of SaskCOMP and the computer portions of SaskTel and two private companies.

WESTBRIDGE has its head office located right here in Regina. Fifty new jobs have already been created by this new company, and projections are for another 200, another 200 new jobs as a result of out-of-province contract that WESTBRIDGE will be developing.

In conclusion, Mr. Speaker, the government sector in Saskatchewan owns billions of dollars of wealth in the form of land, Crown corporations, numerous government facilities, and other assets. Public participation will utilize these assets more effectively to build and to diversify our economy.

Public participation offers all Saskatchewan people — all

Saskatchewan people — new opportunities: opportunities to participate in our economy, opportunity to benefit from the growth of our economy, and opportunity to build a stronger province — participating, benefitting, and building. Mr. Speaker, that's what public participation is all about, and I'm proud to say that there is no question that I will support Bill No. 1.

Some Hon. Members: Hear, hear!

(1445)

Mr. Brockelbank: — Mr. Speaker, I want to take part in this debate and examine some of the aspects of this Bill that are before us — Bill No. 1 which is to privatize in Saskatchewan, to carry out the government's program of privatization.

And the first question a person has to ask when looking at this particular Bill is, is there an extreme urgency that this matter be dealt with. Well I think the urgency of this Bill can be illustrated, Mr. Speaker, by looking at when this Bill last appeared on the order paper of this House. If the members were to go back and if the public wanted to look, they could go back to last year.

On June 1, 1988, a Bill received first reading in this House. It was called Bill No. 55, An Act to establish the Public Participation Program. If you examine that Bill, Mr. Speaker, which I have here in my hand, you will find that it is virtually identical to Bill No. 1 which we have on the order paper, and which the Minister of Urban Affairs was just discussing, a Bill which he believes to be of great urgency to the people of Saskatchewan. If you examine one of the other aspects of Bill No. 55 last year, Bill No. 55 last year, which is the same as Bill No. 1 now, you will find the coming into force section of the Bill reads as follows:

Sections 6 and 7 (well it comes into force on the day of assent) and sections 6 and 7 of this Act come into force on the day assent but are retroactive and are deemed to have been in force on and from April 1, 1988.

I heard a member across the way the other day saying that, you know, we shouldn't have retroactive legislation. But here was Bill 55, introduced on June 1, 1988, but retroactive to April 1, 1988, which illustrates, I think, Mr. Speaker, the lack of urgency of this Bill last year. And if you examine Bill 1 which is before us now which we're debating, you'll find that the same coming into force clause is on Bill 1 as was in Bill 55 last year.

So really what Bill No. 1 is, is an attempt by this government to showcase privatization. Now they call it public participation, but I think that myth has been dispelled to a great degree by many of the comments that have been made on this particular Bill and at other times in this House. So it is a Bill to privatize.

They have brought in a number of other Bills following Bill No. 1, down to Bill 20. And Bill No. 20 has to do with the privatization of the Potash Corporation in Saskatchewan. And the government has fenced us in. In other words, they've taken the people of Saskatchewan

hostage through their representatives in this Chamber. And they said, here's Bill No. 1, here's Bill No. 20, both dealing with privatization in Saskatchewan, and you're not going anywhere. We're not going to discuss anything else until we deal with those two Bills.

We've seen it. We've seen it in this House. So the government of this province has the arrogance to take the people of Saskatchewan hostage and say, you're not going to go anywhere else until you discuss these two Bills and pass them.

Well the people of Saskatchewan will know what the government is putting aside in order to discuss these Bills — Bill No. 1 in this particular case. They're putting aside other important business, sacrificing it for the time being because they say Bill No. 1 and Bill No. 20, the Bills that are holding the people of Saskatchewan hostage, are more important.

They're more important, Mr. Speaker, than what we see on the order paper. The first item under government business is government motions. We've attempted time and time again to force this government to the position where it would deal with the interest rate policies of the federal government. The government has used every manoeuvre to avoid discussing that issue, and their current manoeuvre, Mr. Speaker, is to put on the order paper of the House, government motion no. 1 by the Minister of Highways, which deals with the national monetary policy, not to be discussed, not to be discussed, Mr. Speaker, not to interfere with their privatization plan, but merely to stymie the New Democratic opposition from forcing the government to deal with the federal government interest rate policy.

Because every time that government motion comes up, the government members say, stand. You're hostage, you're hostage to these two Bills on privatization — Bill No. 1 dealing with privatization, Bill No. 20 dealing with privatization of potash in Saskatchewan.

So there is no urgency. The government has a Bill here which is showcasing privatization as they see it. And they're suggesting that we must deal with Bill 20 before we can go on to other important legislation such as farm legislation, which this government has brought forward not a bit of — not a bit of farm legislation to deal with the serious farm crisis in rural Saskatchewan.

I think you have to examine, when you're examining privatization and how this government is reacting to what's happening in Saskatchewan, to find out what is their philosophy. I want to go back just a little bit, Mr. Speaker, to another government that sat on that side of the House before, and that government had a very vindictive policy; they had a spiteful policy. And it deals with the Meadow Lake pulp mill.

The government of Premier Thatcher in 1971 was about to be defeated. It had a Bill before this House dealing with . . . or it had contracts before it dealing with the Meadow Lake pulp mill. They knew they were going to be defeated; the people of Saskatchewan knew they were going to be defeated; everyone in this House knew they were going to be defeated; the media knew they were

going to be defeated. It's just a question of when they called the election.

And in the dying hours on the eve of that Liberal government's defeat led by Mr. Thatcher — and Mr. Steuart was the minister that was signing the agreements, supported by the member from Qu'Appelle-Lumsden who has turned from being a Liberal to now a Tory — mind you it's just a short hop over the fence from being a Liberal to a Tory, but he's made it over that fence and he still pursues that objective, his objectives that he had when he was a Liberal.

Now in the dying hours, in the dying hours of that government in 1971 they signed agreements on the Meadow Lake pulp mill which cost the people untold millions of dollars to get out of — about \$6 million to get out of. Why was it necessary to get out of those agreements, Mr. Speaker? Well the environmental protection aspects of the agreements were questionable, the reforestation policy was lacking, and it was a poor economic deal for the province of Saskatchewan. The cost to avoid those agreements was \$6 million.

Now is the philosophy of this government similar with regard to Crown corporations? Well let me go to the key person, one of the key people with regard to privatization — and he's enjoying his newspaper right now — the Deputy Premier of the province. And he said in Crown corporations, February 3, 1988:

We're going to do what we can, though, to make it very difficult for you people to take over again when you get back into power, if that ever happens, because our desire is to have these things as broadly distributed as possible, so that it's very difficult for you folks . . .

Now first of all he acknowledges we're going to get back into power. I thank him for that. And I think those words are prophetic when they were uttered in the Crown . . . CIC (Crown investments corporation) committee — Crown corporations.

But he says, we're going to make it difficult for you people. He carries his vindictive and spiteful attitude, his philosophy, to the extent that he's here to punish these people here, forgetting all the while that the people he'll be punishing, if the people of Saskatchewan decide to change their mind, he'll be punishing them. And he acknowledges they're going to change their mind because he says we'll be back in power.

That is an attitude which may cost the people of Saskatchewan a lot of grief and a lot of money in the future — that spiteful attitude, that narrow attitude that says, similar to the Liberal government before, that says to the members of this Assembly: we're going to get you people.

Well I'll tell you, that's different from the policy of a New Democratic government when it was in power in this province. When the New Democrats were the government in this province, they brought not in policies . . . they didn't bring in policies that were spiteful. They didn't do things that couldn't be undone. They didn't do

things that couldn't be undone. They looked to the future and they said, some day maybe we won't be the government; we should allow the people of Saskatchewan the maximum amount of flexibility that's required to run this province in the best interest of all the people.

But the policy of the previous Liberal government was to sign the agreements in the dying hours of their reign. Cost us \$6 million to get out of those contracts. And this government says, we're going to make it difficult for you people; we're going to spread those Crown corporations around so you can never implement the will of the people of Saskatchewan without great difficulty and great cost. That is a vindictive, spiteful, scorched earth policy. The people of Saskatchewan do not deserve that.

What is suggested by the minister when he sat in that Crown Corporations Committee was that he had the desire to divest himself of those Crown corporations in such a way that the government won't be able to re-enter these businesses. That's the attitude. In other words, he's saying to the people of Saskatchewan, we're cutting off those retreats. Now he says to the people of Saskatchewan: we're holding you hostage; we're holding you hostage until you pass these Bills. That's what he's saying.

This government said that they would never, they would never privatize a utility. And whenever they said that, they constantly pointed to SaskPower Corporation and SaskTel, said: we'll never, we'll never privatize those. Well it's important that we examine the record of this government about privatizing Crown corporations. Let's take SaskPower Corporation; let's take the coal aspect of SaskPower Corporation. This province has hundreds of years of coal reserves, hundreds of years of coal reserves. It's a heritage for the people. In 1982, this government took the coal reserves of the people of Saskatchewan and sold them off.

Immediately prior to that, they sold off a \$45 million drag-line to an Alberta corporation. I suppose this was the front end of their privatization plan — public participation. They were going to let the Manalta Coal of Alberta publicly participate in the business of Saskatchewan people. They sold them a \$45 million drag-line.

And Manalta Coal, of course, they ran up a pretty good deal with this government because they were in their corner, and they said: well look, we don't really have . . . we don't want to strain our resources in taking over this drag-line from you; can you give us some kind of a deal? So this minister here said, well sure, we can give you a deal. He said, the Government of Saskatchewan will guarantee all of Manalta's loans.

Can you imagine? If you've really got public participation, all the people of Saskatchewan would love to get a deal like that. But the people of Saskatchewan, I believe, have a more rational approach than that, so he sold a \$45 million drag-line to Manalta Coal of Alberta, and he . . . the Saskatchewan Government guaranteed Manalta's loans, 1982.

(1500)

In 1984, this government, once again to Manalta Coal of Alberta, said, well you've got the drag-line, we might as well sell you the coalfields. And I suppose they had a little prompting from Manalta Coal saying, well we'd like the coalfields. And this government says, well what kind of deal can we cut for you? And they said, name your price. And the member from Yorkton, who was in charge then for SPC (Saskatchewan Power Corporation) said, well, we'll cut you a deal, we'll cut you a deal like you've never seen before.

Now we say that the assets there are worth \$129 million. So the minister in charge of SPC said, tell you what we're going to do, we're going to give it to you for \$102 million. And Manalta Coal said, well just a minute now, we don't want to put a strain on our finances. You know the province got lots of backing. Why don't you give us a little better deal? So the member from Yorkton said, well sure, we can cut a little better deal than that. He says, we'll lend you \$89 million with which to make the deal. And Manalta must have thought that was a pretty good deal because they said, we'll take it. We'll take it.

So they got the drag-line for \$45 million, Manalta Coal of Alberta, an Alberta Corporation; then they got the coal field, \$102 million for \$129 million asset, and we lent them \$89 million to make the deal. That's privatization by this government. And they try to justify this, selling off our heritage to an Alberta corporation at cut-rate prices. That's their privatization.

Yes. And they say, well don't worry, he says, this is going to help the situation within SaskPower corporation. They had just privatized a good chunk of SaskPower, but they said, this is going to help the situation.

But what was the situation? If you look at the losses within SaskPower corporation, in 1982 they were \$30 million; in 1983 they were \$29 million; 1984 they were \$22 million, and in 1985 another \$22 million of losses in SPC. Well their privatization deal didn't help the losses in SPC.

Alberta big business got a deal like we all dream of but will never happen to us. It will just happen to their big-business friends that they're privatizing to. Yes, they got the coal mine and we got the shaft, the people of Saskatchewan.

Well let's deal with another aspect of Saskatchewan Power Corporation and this privatization thrust by the government opposite. Take natural gas — natural gas. Well SaskPower corporation said, we've got these gas fields and we should be able to cut some kind of a deal with our private friends on that, so they made a deal with Saskoil. Now keep in mind that they said Saskoil was going to be an illustration of their privatization process, how it was good for the people of Saskatchewan, how they could participate in this privatization.

Saskoil preferred shares now are owned 75 per cent outside of Saskatchewan. So they said to this corporation where the preferred shares are now 75 per cent owned outside of Saskatchewan, we want to cut a deal with you on natural gas. We got all this natural gas reserves over in

SPC and we want to sort of shift it over into the private sector.

In 1988 this PC government announced another privatization thrust, and it said that they had privatized SPC's natural gas reserves by selling 510 billion cubic feet of gas to Saskoil. Now that's a huge amount of gas. That is almost six times the total annual sales volume of gas — six times the total annual sales of natural gas — and they sold it to Saskoil. That's 15 years of consumption by the 232,000 residential customers in Saskatchewan, 15 years consumption sold off to Saskoil.

Well I guess you have to ask what kind of a deal did they make. Maybe they'd . . . (inaudible interjection) . . . No. Maybe they'd learned something from the first deals when they sold the coalfields. Now they're selling the gas fields, selling the gas fields.

Well what was the deal? They announced that the sale price was \$325 million. But it's estimated — if you estimate the price of the gas at the current price at that time at \$1.93 per cubic thousand feet — that the price would be \$984 million. So they sold off an approximate \$984 million asset for one-third the cost. Now that is a deal.

And I suppose if you were sitting on their side of the House they would say that's even a better deal than we did with the coal. You know, on the coal we really didn't give those people we were privatizing it to very much of a deal. But on this one we give them it for one-third the price that its worth.

Now I suspect to you that some people will say, well even given that, isn't it a good deal that they sold off — privatized — the natural gas and the coal? Well it happens that the natural gas function within SaskPower Corporation was the one that was showing a profit, and the electrical one is the one that's showing a loss. So what they've done again is they sold off the home quarter to rescue the farm; sold off the home quarter to rescue the farm.

That's the second deal by this government in SPC, and the indications are quite clear, Mr. Deputy Speaker, that this government intends to sell off SaskEnergy, which is, in effect, SaskPower Corporation. We expect in due course, shortly, to have this government bring in legislation which will accomplish that.

Here is a corporation, SaskPower Corporation, they said — and they specifically drew attention to it every time they said they would never, would never privatize a utility, they drew attention to SaskPower and SaskTel. They've sold off the coal; they've sold off the gas; now they're going to sell SaskEnergy, we suspect. This is all by a government that said they'd never privatize this utility.

Is there any doubt that the people of Saskatchewan begin to wonder about the word of this government when before an election they tell you the deficit's going to be \$389 million, and after the election they say that it's 1.2 billion. It's the same story. They told us the same story about coal; the same story about gas to Saskoil; the same story will come up with SaskEnergy. And it's the same as

the budget story. Before the election it's one thing; after, they'll tell you another thing.

Well I want to deal for a moment with SaskTel. This is another Crown corporation this government said that they would never sell because it's a utility — never sell it. And true to their action — you notice I don't say true to their word — true to their action, the same thing is happening in SaskTel that happened in SPC. They began in SaskTel by selling off the cable television. Well that was only a few million dollars, hardly worth spending any time on.

Then they sold off the computer function within SaskTel to WESTBRIDGE. Now you'll understand, Mr. Deputy Speaker, that WESTBRIDGE is made up of the SaskCOMP, plus the computer function from SaskTel, plus a very good friend of the Conservative Party, very good friend of the Conservative Party.

Now some people might say: well, you know, that's just small potatoes; the computer function within SaskTel, it's nothing. Well last year in Crown Corporations Committee on June 7 during the examination of SaskTel, I asked the minister: what is the estimated value of business that's being transferred over? And I'm reading right out of the verbatim account in Crown Corporations Committee. The minister said the estimated value of business is \$34.25 million being transferred over — \$34 million. Another Crown corporation, a utility which this government gave us their word that they would not privatize.

They've privatized cable TV; they've privatized the computer function, a \$34 million business turnover; and now they're doing the telephone books, they're doing the telephone books.

You notice that the . . . Mr. Deputy Speaker, the computer function was sold off to a private printing company — well it's their mainstay of business was printing — along with SaskCOMP and SaskTel computer function to their printing friend. When the telephone books comes up, it's sold off to another printing friend of this government, Brigdens, and on what I expect will be a sweetheart deal.

Now it's difficult to get information about these things because the government won't give you information about the deals. So the full consequence of these deals will not be known to the public for some time yet. But they can go on this government's record about the kind of deals they make, I'm sure of that.

They suggest to us that it's not necessary they keep their promises. There's an article I read, Mr. Deputy Speaker, in *The Globe and Mail* on April 11 of this year. And it says, "Boosters foresee powerhouse in unleashed SaskEnergy." Well that's the one I'm talking about, they're going to privatize next, from a corporation they said they would . . . a utility they said they would never privatize. And one of the spokesmen in this, I suppose you could say the key spokesperson, is one Mr. George Hill. And the article reads, from *The Globe and Mail*, April 11:

Criticism of the privatization of SaskEnergy has been harsh. (Well that's true.) Opponents remind

(the Premier) that he once promised to refrain from privatizing any of Saskatchewan's public utilities.

Mr. Hill shrugs the promise off, however. "The opposition will attempt to say he changed his mind. I say, so what?"

Pardon me, it goes on a little further, the quote goes on a little further.

"... It happens every day of the week in everybody's life."

So here we have Mr. George Hill, former president of the Conservative Party in Saskatchewan who says: so the Premier promised never to privatize this public utility. And Mr. George Hill, the president, former president of the PC Party, now the president of the corporation says, so what! That's how good the word of the Premier of Saskatchewan is in the eyes of Mr. Hill, Mr. George Hill, the president of Sask Power Corporation.

SaskPower reported a net income of \$292-million in 1988, but most of the profit came from the sale of its petroleum and natural gas properties to SaskOil last year, which added \$170-million . . .

(1515)

And there's some question raised in this article about control of the private corporation. And they interviewed Mr. Roy Billinton, an engineering professor at the University of Saskatchewan, and a former PURC (public utilities review commission) commissioner. He believes that SaskPower could have reduced its debt without selling shares in SaskEnergy.

Now the Government of Saskatchewan became a bit disturbed about PURC because they got the misunderstood view that they were a public utilities review commission when the government appointed them. They thought they had some regulatory function on this government's Crown corporations across the way, but they misunderstood. They didn't understand the nuances of the Deputy Premier and the Premier when they appointed them. They were appointed for a show-piece. They were there to be advertised as saying, well now we've got arm's-length control of the utilities by PURC.

It became pretty evident that PURC was kicking over the traces, as the farmer would say, from time to time. It was a little unruly. They wouldn't accept the view that they were just supposed to be a show-case for their government, and that they took seriously that they're supposed to be a public utilities review committee . . . or commission. So the government sacked them, the government sacked PURC, got rid of it.

Its solemn promise in 1982 was that it would bring in an agency such as PURC and PURC would call the shots with regard to utility rates. Well PURC has gone the way of all the other promises such as they would never privatize Sask Power Corporation, they would never privatize SaskTel. PURC's gone that same way, down the drain.

SaskTel directory business, I want to get back to that for a moment, Mr. Chairman . . . Mr. Deputy Speaker. What is the deal? Well the deal is this, that the employees will own 46 per cent of DirectWEST, which is the new company, through a venture capital corporation.

And what is a venture capital corporation? Well it's a manner in which the taxpayers of the province can support business by writing off losses on their taxes. So in effect it's not private enterprise, but it's taxpayer-sponsored private enterprise because they're using venture capital. Forty-four per cent of that company will be held by Brigidens.

Brigidens is a very good friend of this government. As a matter of fact, Brigidens is the company that printed the ironclad guarantee from the member from Qu'Appelle-Lumsden that they would never tamper with health care in Saskatchewan; they would take off the utilization charges on health care. That's the same printer that printed for the member from Qu'Appelle-Lumsden the ironclad guarantee on health care in Saskatchewan.

Now that guarantee was about as good as their comment that they would never privatize SPC or that they would never privatize SaskTel or that they would keep PURC there to keep an arm's-length control over the utilities of Saskatchewan.

In this printing company that's taking over the telephone book, it's taking over the telephone book because the minister of telephones quite frankly couldn't handle it — couldn't handle it; it was too big for him. You know, this minister of telephones, believe it or not, in order to get to this privatization position on SaskTel telephone book, he had a blooper in the telephone book in Saskatoon a couple of years ago that cost SaskTel \$60,000 to correct — 60,000 bucks.

When I questioned him in Crown corporations afterwards as to whether this problem was solved, he said, oh yes, this problem's all solved and it's not going to happen again. Well after that — you wouldn't believe this, Mr. Deputy Speaker, but if you got a look at the correspondence I've been sending the minister of telephones about that, you would find that there's been another big blooper since then, only it's much larger, much larger.

It had to do with the Regina telephone book, and I think it's that software program the minister of telephones brought over from Israel. It wasn't working out quite right. Maybe he brought that over on purpose. Maybe he wanted the telephone book situation in turmoil so he could say to the people of Saskatchewan, well, it's obvious Crown corporations can't handle these things and we're going to privatize it. So he privatized it to his friends at Brigidens.

Well, when he privatizes a company and they cut a deal, they really cut a deal; they really cut a deal. Just like on the coalfields, the gas to Saskoil, on the computer function, and now on the phone books, they cut a deal that popped the eyes right out of the people that are going to take it over.

Employee investors — this is what it says in SaskTel's selling directory business, March 8, '89 in the *Leader-Post*:

Employee-investors may have the option of either a payroll deduction plan or loan guarantees and interest-free loans . . . Plus, employee-investors will be eligible for a 40-per-cent tax credit, up to \$1,400 on their investment.

Now this is not privatization like they say they want. This is taxpayer-subsidized private enterprise. That's what this government is doing — taxpayer-subsidized private enterprise.

Well, on this further privatization they're having, this other Bill 20 along with Bill 1, the two privatization Bills which are holding the people of Saskatchewan hostage, saying you can't go anywhere until you discuss these and deal with them, they say, well we're going to cause public participation in the corporation.

It's very interesting, Mr. Deputy Speaker, when you read the Bill. And I have the Bill No. 20 right here. It refers to non-resident. Now why would they bother defining this if they weren't going to use it? You know, it's like Brian Mulroney, that slogan of his: use it or lose it. Use it or lose it. This government has put in a clause here that is going to be used — it's going to be used. And it says:

"non-resident" means:

- (i) an individual, other than a Canadian citizen, who is not ordinarily resident in Canada;

It goes on to a second definition:

- (ii) a corporation incorporated, formed or otherwise organized elsewhere in Canada;

It goes on to a further definition:

- (iii) the government of a foreign state or a political subdivision of a foreign state or an agent of either;

So these are the definitions of non-resident. And I suggest to you, in their privatization that's shown itself in Saskoil, where 75 per cent of the preferred shares are owned or controlled outside of Saskatchewan, that's not participation, that's a give-away to people outside of Saskatchewan. If they have a clause in here which defines non-resident individuals, corporations, or governments of a foreign state, they're going to use it — they're going to use it. The governments of the foreign states will get up to 45 per cent; other Canadians will get up to 55 per cent.

This is not what the people of Saskatchewan want. How are they going to make the people of Saskatchewan swallow this? Well their attempt will be quite clear, and I want to get to that in a moment. But first I want to refer to a leaflet on public participation put out by the minister in charge of public participation. And what does it say? Right in the minister's message it says:

As minister I want to be fair and open throughout the public participation process so that all Saskatchewan people may realize the opportunities that await them.

The operative words there, "I want to be fair and open throughout the process . . ." Well this minister has not be very fair or open. They've kept information back. We can't find out about some of these deals they've cut. Most of the deals they've cut — can't get information on them.

The question is: how are they going to make the people of Saskatchewan swallow this?

It's pretty clear how they're going to do that, and it's contained in the answer to a couple of returns I received in this House. I talked earlier about privatizing SaskPower corporation. In the four-year period from May 1, '84 to May 17, '88, that's 1984 to '87, SaskPower corporation spent \$3.3 million on advertising to two advertising companies.

SaskPower is being privatized. Some of that advertising was leading up to privatization. Some of it was about giving away the coalfields. Some of it was about giving away the gas in a sweetheart deal to Saskoil. Some of it was about cable television. Some of it was about selling the computer function to WESTBRIDGE, and SaskCOMP, turning over SaskCOMP to WESTBRIDGE. That's where they spent the money. SaskPower corporation spent \$3.3 million.

SaskTel — you remember TeleBonds, things like that? Well we haven't even got to the TeleBond expenses on this, likely because this cuts off on May 17, '88; TeleBonds came after that. SaskTel's costs of advertising for four years under this government were \$6.1 million.

Now when Jimmy Garner was the minister of Highways here, I thought he was a big spender.

An Hon. Member: — And he was.

Mr. Brockelbank: — No, this Minister of Telephones, this Minister of Finance puts him and everyone else to shame. This corporation that he controls, which he is now in the process of privatizing computer function and phone books, spent \$6.1 million on advertising. Privatization advertisements are threaded throughout all the departments, agencies of this government — Crown corporations. The advertising budget for those four years just for those two advertising companies were \$46.6 million.

Now if the people of Saskatchewan thought they saw a lot of advertising on privatization up to this point, just have them watch their televisions, watch their newspapers, listen to their radios, look for the billboard signs, look for the literature, and they will see a veritable avalanche of advertising, because the most is yet to come.

This government's already spent, in four years, \$46.6 million. I understand, Mr. Deputy Speaker, they spent well over \$2 million advertising TeleBonds — well over \$2 million. Now they're going to spend a veritable fortune on advertising SaskEnergy privatization, on

advertising potash privatization.

(1530)

So I think it becomes clear to the people of Saskatchewan that they are being sold a bill of goods by this government, this government who solemnly — solemnly swore that it would be much better in Saskatchewan when they were government. They said, we would not privatize any utilities. The Premier's solemn word, which cannot be taken at face value any longer, said he wouldn't privatize SaskPower corporation. They privatized the drag-line, they privatized the coalfield, they privatized the gas to Saskoil, and they're going to privatize SaskEnergy.

When they get that done, all we'll have left of SaskPower is the part that costs money to support. The profit-making parts will all be gone and we'll be stuck with the electric utility. That's the plan of this government. That's the plan of this government.

You can't take the word of this Premier and his ministers when they say they're not going to privatize SaskTel because they've begun it. Two steps have been done already. Three steps have been done already. They're now in the process of holding people hostage in this province, not allowing us to discuss the cost of money, not allowing us to discuss important farm issues, while they say, you're hostages and you sit here until you've dealt with Bill 1, Bill 20.

I think that is not the way the people of Saskatchewan would want its government to perform.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — I do not agree that the people who are given the honour and the responsibility of being the government of this province should practise such a policy that was clearly set out by the Deputy Premier and Crown Corporations Committee that he's going to make it difficult for you people to do what you want to do in the future. No government should bind the hands of the people of Saskatchewan into the future. Every Government of Saskatchewan should maintain that kind of flexibility so that the people are making the decision, not some government like this one that will be gone and defeated in the near future. They should maintain a kind of flexibility that will give the people of Saskatchewan the best operation of this province, because I'm proud of this province, and I think all members should be proud of this province.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — I find myself in opposition to this show-piece Bill on privatization which was in the last session as Bill No. 55 and hasn't changed one whit, and is retroactive. Something this government is opposed to — it's retroactive.

I cannot support that Bill, Mr. Deputy Speaker. And it's unfortunate that the government attempts to foist this kind of regime on the people of Saskatchewan with this huge, massive advertising campaign which has already exceeded \$46 million and will go a lot higher. Therefore,

I'm opposed to this Bill.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you very much, Mr. Deputy Speaker. I'm pleased to enter this debate this afternoon on Bill 1, a Bill that I think the people of this province are becoming to fear, frankly. And I think, Mr. Speaker, in the outset of my remarks, I would want to indicate that I'm getting a sense from the people of Saskatchewan that they think the privatization mode that this government has put itself into has gone too far. And I think they were willing to, at one point in time, have a look at different ways of delivering programs to them.

But as they look through the list of privatizations that this government has embarked upon, they come to notice that it's costing. It's costing jobs, it's costing revenue to the coffers of the Government of Saskatchewan, and what's more, Mr. Deputy Speaker, it's causing us to lose an awful lot of young people in this province who've moved to other areas so that they can find employment.

I listened with some interest to the member from Regina South in his remarks on this Bill. And he was talking about the people of Saskatchewan wanting smaller government, that they were opposed to big government, and I think in a small way he may be right. But you know, Mr. Deputy Speaker, what I think the people of this province are looking for, first and foremost, is competent government. I think the people of Saskatchewan are looking for a government that is decent, a government that is competent, and a government that has a vision for our future.

Now this government embarks on its privatization mode, gets into its privatization mode and decides to unload assets. And what do the people of Saskatchewan see? What's been happening since 1982 when this government started privatization? They call it public participation, but I want to say to you, Mr. Deputy Speaker, it's not public participation. It might be a nice phrase for what they're doing, but really what they're doing is destroying the future of this province.

Mr. Speaker, there's been an example of privatization in my home community, and I'd like to talk to you a little bit about that example of privatization. And let me, first of all, say that it is privatization. It certainly wasn't public participation because the public had no involvement in that particular sales transaction. What it was was a sell-off of Saskatchewan assets to a multinational corporation.

Now there can be arguments made for having the PAPCO (Prince Albert Pulp Company) assets, the pulp mill in Prince Albert in the private hands and in the private sector. And I want to say, Mr. Deputy Speaker, that no one on this side of the House is opposed to the company that bought it, but what I will say to you, Mr. Deputy Speaker, is that people on this side of the House are opposed to the way and the method that this government used to dispose of those assets.

And I want to make it clear to the members on that side of the House, if they still don't understand, that people in Prince Albert never accepted the way they privatized that

pulp mill. People in Prince Albert don't believe that you got a deal, a good deal for the people of Saskatchewan. People of Prince Albert and people of that area know what you've done. They know that you sold that mill when the pulp and paper industry was at the bottom of the scale, and they know that you sold that mill for about \$100 million less than what it should have been sold for.

They also know that the company you sold it to will not be making any payments to the people of this province, because that's the kind of a deal that you wrote into it. They know that your government wrote in there that they had to retain . . . to receive thirteen and a half per cent before they made any payments; thirteen and a half per cent on investment. And I tell you, thinking business men and women in this province know that you don't give away a quarter of a billion dollars worth of assets, \$100 million undervalued, and make your people happy.

And I want to tell you as well, Mr. Deputy Speaker, that they understand clearly that this government is building 32 kilometres of highways where that company wants them, and when that company wants them, in every single year. And they know that that money that you're giving away to build those highways means that we don't get Highway 302 from the penitentiary west of Prince Albert repaired, that we have to have our school buses and our children driving back and forth on a highway that this cabinet and that these ministers promised to repair on four different occasions, that they promised to upgrade that on four different times.

And they know why that's not happening, because this government has chosen their friends and their friends don't happen to be the people who live on the Lily Plain highway, they happen to be Tacoma from Washington, and that's fair and fine, but understand that they know that.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And the argument, Mr. Deputy Speaker, isn't whether or not that be in public or private hands; that's not the argument. The argument is that you displayed incompetence, and you got a terrible deal for the people of the province.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — This minister from Regina South was speaking the other day about the business community and how they speak in glowing terms of his government's privatization moves and the way they've handled this economy. Well I tell you, the majority of the business people are afraid of telling you the truth, Mr. Minister, because of the way you've intimidated them since you've been government in 1982. And they know that one cross word against this government means lost contracts, means that any business that they do with this government will no longer be there as soon as the word funnels back to the ministers. And that's why you're not hearing what the business community are saying about you.

And I tell you, they don't talk about the way you've delivered government and how you've run this province

economically, because they know what you've done. They understand what a \$13 billion debt means. They understand what you filling the pockets of your friends means. And if those are the only business people, your close friends, that you're talking to, and if that's what you're using to guide what you're doing in this legislature, well I want to tell you, and I want to say to you, Mr. Speaker, that this government is on the wrong track.

What has privatization done? And it's nothing new; it's been happening before this piece of legislation was introduced to this House. What's been happening since '82? Let me share a few examples with you, Mr. Deputy Speaker, and to members on that side of the House.

One of the first moves you made was to privatize the Department of Highways. Well, did that privatization mean more jobs? No it didn't. Mr. Deputy Speaker, it meant a loss of hundreds of jobs of people who had served this province working on the Department of Highways for many, many years, people who are now out scurrying, looking for work. And I want to tell you that I know a lot of them who live in my riding, and I've talked with them, people who are living on unemployment insurance now for the first time ever in their lives, simply because this government decided to privatize the Department of Highways.

Well now, so we lost hundreds of jobs, but did our roads improve? I've travelled from one end of this province to the other, and I'm sure members on that side have, and I haven't seen an improvement in the highways since 1982 since you privatized the Department of Highways. But I tell you what that privatization has done, it's created a new industry, and if this is their kind of diversification, then they can have it.

And I want to tell you what kind of an industry it's created. It's created jobs for people cutting up little red signs and jobs for people going in and pounding in stakes into the sides of the highways where the pot-holes are so bad that you have to slow down before you can continue on the highway. That's the industry that the privatization of the Department of Highways has created.

Has it created any less cost in terms of repairing or maintaining highways, Mr. Deputy Speaker? Of course it hasn't. The privatization of the Department of Highways, Mr. Deputy Speaker, didn't work. This government wouldn't admit it, but that's fine. They don't have to admit it; the people of this province know what's happened, and the people of this province are what counts, and the people of this province are the folks that are going to send you a strong message whenever you call the next election.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And I want to say, Mr. Deputy Speaker, that when this government embarked upon the privatization of the school-based dental program and fired 400 capable, competent young women and men in this province who served the children of our province well doing preventive maintenance on their teeth — the children came to see them as their friends, to see them as providing a service that they were happy with, and their

parents came to see them as providing a service that their children were happy with — and by throwing those 400 young men and women out of work, did that mean we have lower taxes in Saskatchewan? No it didn't, because in every consecutive budget that this government's delivered, they've gone up.

Did it mean that our young children, our young boys and girls have got a better quality of dental care? No it didn't. What did it mean? What did it mean, Mr. Deputy Speaker? It meant that we had 400 people in this province looking for work, looking for work that they couldn't find. It meant, Mr. Deputy Speaker, that people left this province in droves, like we lost the 6,000 in the month of February this year. That's what these forms of privatization have caused, and that's what they've meant.

(1545)

Why, Mr. Deputy Speaker, why would this government embark upon privatization of the dental plan? Now what's the rationale? The other day the member from Kelsey-Tisdale, I believe it was, stood up in this House and said to one of my colleagues that that privatization has meant that those children are getting a better quality of service. Well let's talk about that better quality of service. This government, Mr. Deputy Speaker, promised dentists in rural Saskatchewan, and that dentists were going to be giving a better quality of care. And I want to say to you, Mr. Deputy Speaker, that that hasn't happened. What you have now is parents who have to take their kids out of school and drive 50 and 100 miles to find a dentist who's now overbooked because of the way you've scrapped and privatized the dental plan. That's what's really happened.

You haven't improved the quality of service. You haven't cut the cost to government, so you haven't been able to lower the taxes. You've put young men and women out of work, on unemployment insurance, some of them, I'm sure. Some of them, I'm sure, have left this province looking for employment elsewhere. That's what you've done. You've destroyed one of the finest programs that the people of this province and people of North America have ever had a chance to have a look at. But why? Did it make economic sense? No, because it didn't save any money. Chased people out of this province. Did it deliver a better quality of service, Mr. Deputy Speaker? I say to you, no it didn't, because the people that were looking after the young children's teeth in this province were competent, capable people who were looking at a new way of delivering dental care and who were part of delivering a new way of delivering dental care to the people and the young people in this province.

And the program was working, Mr. Deputy Speaker. It's not just a figment of the opposition's imagination to say that it was working. The parents knew it was working; the children knew it was working. Everybody . . . The teachers knew it was working, and everybody but your government knew it was working.

So why embark upon it? I say to you that this government has got its blinders on. It's moving towards privatization, and that's its only motive right now. That's its only reason for existence. We've sat in this session for, I think it's 29

days; today is day 29. It may . . . I think it is. And you've introduced 20 pieces of legislation. The first one you started out with was this Bill 1 — this Bill on privatization. And everything since then, until we hit the potash privatization Bill, has been fluff.

You haven't introduced any Bills to deal with the waiting lists in this province. You haven't introduced any legislation that is going to stop the out-migration of our young people. You haven't introduced any legislation that is going to solve environmental concerns in this province. You haven't introduced any legislation that is going to stop farmers from losing their land, from packing up their furniture and moving off of their farms. There's been no stop in terms of what the agricultural credit corporation is doing with farm foreclosures; that goes on. Our young men and women leave the province; that goes on. The waiting lists aren't declining; that goes on.

And what does this government do? We've been asking it to introduce some substantial legislation so that we can deal with the concerns that the people of Saskatchewan are telling us they have. But what do we get? We get a government that's trying to ram privatization through this legislature, ram privatization down the throats of the people of Saskatchewan, who are becoming increasingly aware that it's not a good deal for them.

And the other day they introduce another piece of privatization legislation, the potash Bill. Today we get the financial statement finally, close to the deadline when this government by its own rules would have to give it to us so we could scrutinize last year's operation of the potash corporation, to find that it makes over \$100 million last year.

And where is this government going? They're out scurrying around the world looking for people to buy off this valuable corporation. What a shame, what a shame, Mr. Speaker, when a government is so blinded by ideology that they haven't taken the time to have a look at what they're doing to the province; that they haven't had a chance, they haven't taken the time to sit down and look at the future of our children and of their children.

They haven't come up with a plan to generate revenue to deliver a decent system of health care. They haven't had time to generate a plan that would deliver a good system of education. They haven't had time to invest some thought into how they're going to keep Saskatchewan small businesses open.

Mr. Speaker, we're looking at a government that's void of a plan, void of ideas, and doesn't really deserve to govern any longer.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — But, Mr. Speaker, who are they planning for? Very few people, I will tell you. They're planning for the Chuck Childers of this world and for his family. They're planning for defeated cabinet minister Paul Schoenhals, who is now employed in the Potash Corporation of Saskatchewan. They're planning for some of their rich friends, or friends that they're planning to make rich by the privatization of the Potash Corporation

of Saskatchewan.

I was driving on Monday morning, Mr. Speaker, to Saskatoon, and on CBC radio I happened to hear an interview with a consultant in the potash industry from the southern states. Well now, this gentleman was very well aware of the potash industry in Saskatchewan, in Canada, and in North America. And he was asked about the health of the Potash Corporation of Saskatchewan and what the direction of this potash corporation will be in terms of its financial well-being. And he said, it's one of the best times for that potash corporation; it's going to make nothing but money; it's got a bright future; it's a very healthy corporation, or could be.

Well now the interviewer asked this fellow that works with the big potash giants to buy up other potash companies, which is what I think he is about on this one, how did he feel about the privatization of the potash corporation? Well, he says, it's a great thing. Sure it's a great thing for the people he represents. For those that want to buy shares in the Potash Corporation of Saskatchewan, it's a very good thing.

But you see, he didn't live in Saskatchewan, and he wasn't raising his family in Saskatchewan, and he wasn't concerned with the province in 1995 or in the year 2000. He was concerned with the profits of the people he represents in the potash industry.

And, Mr. Speaker, this move towards privatization of potash clearly indicates that this PC government is concerned about the same people that this consultant in the potash industry in the southern States is — not the men and women who work in this province, not the people who want to raise their families in Saskatchewan, but for the multinational potash giants.

We've got an industry here that has in the 1970s, when there was competent management under Allan Blakeney's administration, delivered tens of millions, hundreds of millions of dollars into general revenue in this province to deliver the services that I've talked about. It wasn't until this government took over in the 1980s that the potash corporation began experiencing some financial difficulties. We all understand that markets are cyclical and there'll be times when profits are higher and profits will be lower in certain years, and we all understand that. But, Mr. Speaker, my leader, the member from Riversdale, yesterday outlined clearly that this government was setting that corporation up for privatization.

I think in the 1980s there were two reasons that the potash corporation had some financial difficulties. One was the lack of competent management, and the second was that this government was draining off money out of there, much more money than that corporation could afford to deliver at that time.

So you have a corporation with \$600 million debt, I believe the figure is, and what they're trying to do is destroy the image of the Potash Corporation of Saskatchewan to set it up for privatization. No plan for the future, no thoughts about what we can expect for revenue from the private potash industry that the Blakeney

administration in the 1970s had troubles dealing with. What they've done, Mr. Speaker, is set it up so that the people of this province are going to be in for a long and a vicious battle to try and generate the revenue to deliver the services that they demand and that they're used to, and that they're going to be getting again under another New Democrat administration.

I said before in the course of my remarks, Mr. Speaker, that this government doesn't have a plan, and I think it's clear that they don't. We've talked about, members on this side of the House, how we in Saskatchewan have used the combination of private enterprise and the co-operative sector and public enterprise in order to deliver some stability to our economy. And this government has moved ahead and is destroying two of those sectors that we've used so effectively in this province.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, this province at one time had a department of co-operatives, and that's conspicuously absent in the last few years, and I think it's because this government doesn't believe in the co-operative sector. We have built, working with private enterprise, a system of Crown corporations in this province that helped to stimulate this economy at times when things weren't so good. And when times were bad, we've used those three sectors in order to make things work. And this privatization, this Bill 1 and Bill 20, is another move in that direction.

Now, Mr. Speaker, a few months ago, when this government, when this Premier was talking about privatization, he made a commitment to the people of the province that he wouldn't be privatizing any of the utilities; that those, he felt, were necessary as publicly owned companies. And he told the people no, we're not going to privatize SaskPower corporation, and he promised them that they wouldn't privatize SaskTel. He promised us that those would stay in public hands because those services could be delivered more effectively and more economically by using those corporations.

And what has he done? Mr. Speaker, what has he done? He's moving on SaskPower with a vengeance. They're splitting that corporation apart, the utility side from the energy side. They're trying to make two separate entities, and one of them will be attractive to all their rich friends, no doubt — the energy portion. And they're asking private investors to come in and take over that energy portion and take those profits wherever you happen to go — that's fine, come on in, we'll cut you a deal. Because we don't believe . . . well we're going to break our word, number one, because we'd rather have it in your hands and those profits in your pockets than those profits being generated back to the people of the province through lower energy rates. Our word doesn't mean anything. We've decided to destroy this corporation, so we will.

And so they're promising to introduce a Bill later on in this session that will do that, and what are they going to leave the people with? We're going to be left with the utility portion of that corporation, which never made any

money, and, Mr. Speaker, never will.

That corporation was designed to take from the revenue side, the energy side, and put that into the utility side and keep the cost of power in this province affordable — affordable for small businesses, for farm families who are major users of electrical energy in Saskatchewan. That's how that corporation was designed. And you know, by golly, it worked, because we've had some reasonable energy rates in this province.

But what are they doing? Because of their ideology, they've decided to split this company apart, sell off the money-making part to their friends. And it doesn't make sense. Any business person or any farmer can tell that when you lose the ability to generate wealth in your particular operation, there's only a couple of things that can happen, and one of them is you're just not going to be around. You declare bankruptcy. You move on to something else. And that's what's happening to this government. That's what they're doing to that particular corporation.

(1600)

In terms of SaskTel, they promised us that they weren't going to be privatizing. And the yellow pages are gone. The yellow pages were one of the most lucrative portions of SaskTel, consistently, year by year generating revenue back into the hands of that corporation so that they could keep the rates down. And this government's selling it.

And as I said before, Mr. Speaker, in the case of Weyerhaeuser, if, even if this government were to sit down and look at these Crowns on a one-on-one, case-by-case individual and have an assessment of it — if they've determined to sell it, have an independent appraisal in terms of its worth; table that so the people of the province know that they're getting a worthwhile value for what they're selling, and then go out and try and find someone who's willing to pay a fair market price for it. But that's not how this government operates. That's not what they want.

What they do is decide how much their friends can on paper pay for it, what they think the lowest price that they could possibly sell the asset for. Then they huddle in their little cabinet room and go out and tell their friends, have we got a deal for you, my friends! It's time for your nose to be in the public trough, so what we're going to do is we're going to create some more subsidized free enterprise, subsidized by the people of this province. Never mind what the assets are worth; that's not important. It's a matter of how much you think you can get away with giving to your friends without getting caught.

So as I said, the cabinet sits down and makes a decision as to what the people will accept, what they think they'll accept. They undervalue the assets of whatever they're going to unload to their pals. They go out and have a little handshake on this, then they go out and tell the folks of Saskatchewan what a great, great job this public participation is. Well, who participates? Is it the average men and women of this province who have been participating in the privatization of the corporations, the Crown corporations that they've privatized so far? I tell

you, it's not.

You ask the guy on Main Street in Esterhazy or in Melville, where I was the other day; you ask those folks how they benefitted by giving away \$40 million worth of highways equipment for \$6 million. Because you see they don't have it in their pocket, and they never will have it in their pocket, but your friends from the States that came up here to buy that equipment have it in their pocket.

And that's why, Mr. Speaker, this government is going to have a hard time to sell the privatization of the potash corporation. That's why this government is going to have a hard time to sell the concept of privatizing the utilities. Because you see people think they've gone too far. They were willing to look at a privatized Department of Highways in Saskatchewan where local contractors would be doing what was done by the Department of Highways. They found that reasonably acceptable. They certainly weren't happy with giving away all of the equipment, but they can understand that if it was going to be done at fair value, that our local contractors were going to be getting the work, that that was acceptable.

But you see at the same time, after this privatization has taken place, what we've seen is small contractors in Saskatchewan and big contractors in Saskatchewan, who used to make their living working for the Department of Highways, you've seen these companies gone bankrupt. You've seen the employees that they had around, leaving the province to go find work in other provinces and in other areas of Canada.

And I want to say, Mr. Speaker, that's all because, as I started to say, this government doesn't believe in a mixed economy. And the history of Saskatchewan is that when we've done well, it's because we've used the mixed economy, and that we've used the three different sectors in order to deliver economic stability to the people. And history will show you, if you look back, every time we've had economic problems, every time we've been dealing with deficits in Saskatchewan, every time we've been dealing with mismanagement, it's been a government that doesn't believe in that mixed economy that we speak of on this side of the House.

Mr. Speaker, people in Saskatchewan understand that services have to be delivered using a mixed economy, or it doesn't work. And I would ask any of the back-benchers on that side of the House, if they were to be honest with themselves and if they were to talk to the average person in their constituency about how they feel about the privatization of the potash corporation, or how they feel about the privatization of SaskPower, or how they feel about the privatization of SaskTel, and if they were to be honest, they would come back to this cabinet and they would tell this cabinet that it isn't going to sell, that people don't want it.

But you see, there's one of two problems; either they're not being honest with themselves and going back to their constituencies to hear the truth, or when they get in here and when they sit around a caucus table, the group of four aren't listening any more. And I tend to believe, Mr. Speaker, that they know full well, the back-benchers on the government side, that they know full well that their

constituents aren't accepting the privatization of the utilities. But I think that this government has turned inside itself and are no longer listening.

And, Mr. Speaker, this one sector economy that this government is trying to deliver, what has it done for us? Has it lowered personal income tax in Saskatchewan, or has it created employment opportunities for young people? It hasn't done neither of those, Mr. Speaker. We lose thousands of people, but it doesn't change the mind of this government. They're still on their same road with no bends. They're still carrying on with their give-aways and sweetheart deals to big business. They've forgotten about Saskatchewan people in favour of Pocklington and Manalta Coal from Alberta, and Weyerhaeuser, and tax breaks to their big friends, the oil companies — and the list goes on.

But people, Mr. Speaker, are starting to understand that the motto of this government is, Saskatchewan up for sale. No longer, Saskatchewan open for business — if it ever was — it's, Saskatchewan up for sale.

Mr. Speaker, there's so many examples of where privatization hasn't worked. In 1985 they decided to privatize Saskoil. Well did that mean more jobs in Saskatchewan? Did that mean more families fed on the profits of Saskoil? Did that mean more revenue for the people of Saskatchewan into general revenue? No it didn't. It meant within 6 months we lost 25 per cent of the work-force of that corporation, and it means that 75 per cent of those shares offered are no longer in Saskatchewan. So it may be called Saskoil, Mr. Speaker, but it's not going to end up Saskoil, because the Saskatchewan people no longer have control of it.

This government now tells us that privatization is going to be the economic cure for what ails this province. They're telling us that the privatization of the potash corporation and of SaskPower and of SaskTel is going to put us on a better economic base in Saskatchewan. Well they've been privatizing since 1982 and it hasn't done that for us, because we've seen an increase in unemployment in Saskatchewan from '82 to over 9 per cent from around 4 per cent.

We've seen this population decline. We've seen Saskatchewan businesses bankrupt at a level that we've never faced in this province since they were government in the 1930s.

An Hon. Member: — And individual bankruptcies.

Mr. Lautermilch: — My colleague says we've seen individual bankruptcies unparalleled, and she's right.

So has privatization been working? I say to you, no. Has diversification been working? I say to you, no, because it hasn't happened. It's all rhetoric. It's a litany of one-liners, and people are getting a little disappointed that the government doesn't recognize you need more to govern than just a list of one-liners to be pulled out every time they want to go on an election campaign.

And this is the same government that talks about support for rural Saskatchewan. Well I want to know how

privatization of SaskPower is going to help the farmers in small town Saskatchewan. Is it going to mean that their power rates go down? Not really. They got in the mail a couple of weeks ago, a few weeks ago, and they get one every month now — they get two bills, one for the utility portion, one for the revenue portion, the energy portion. Did that cut the cost of their power bill?

And shortly after, they get a nice little calendar from that corporation that has the numbers going this way instead of this way. Well it was an innovative idea. But I tell you, it was an expensive idea, and it didn't cut the cost of power to the farmers in rural Saskatchewan.

And, Mr. Speaker, what's going to happen when our power rates rise to the point when we start chasing industry that is fuelled by natural gas rates, industry that is fuelled by energy costs? I mean, we have enough problems in Saskatchewan here having markets far away from us. And we know that. We on this side understand that, and that's why we always thought it was important to keep the cost of energy down for our manufacturing industry and for our farming communities and for our small businesses.

And is privatization going to do that? I say to you, Mr. Speaker, it's not going to cut the cost. It's not going to improve service. It's not going to do any of those things. And has all this privatization helped us? Has it meant strong economic growth patterns in Saskatchewan? No, it doesn't.

When I look at the statistics across Canada, when I look for the year of 1987, the economic growth and the gross domestic product in constant 1981 dollars, I see a have-not province, a province like Newfoundland with an increase of 3.9 per cent in 1987. What was the rate in Saskatchewan? The rate in Saskatchewan was 1.6 per cent. And the same, Mr. Speaker, goes for 1988. Newfoundland had an increase of 3.6 per cent; Saskatchewan 2.1 per cent.

Now if this privatization is working, if these guys really are building and diversifying as I hear time and time again whenever they do get up speak, which isn't often — if it's working, then tell me why all of these economic growth indicators would show otherwise? If the program of privatization and diversification, as they see it, is working, tell me then why unemployment is over 9 per cent in Saskatchewan? If economic development and privatization is working, then tell me why we lost 6,000 people in February to other provinces?

You can look at every major indicator, every major economic indicator that is published by provincial . . . Even by your own economic indicators you can look at. You can look at what is published by the federal government's and it shows you clearly that what this government is doing isn't working.

So what, Mr. Speaker, is the solution? The solution, I would suggest, is that this government rethink its priorities and start dealing with some of the issues that we've been asking them to deal with. Forget about your privatization for privatization's sake. Start looking at the problems with health care; start looking at the number of

business bankruptcies that we're facing in Saskatchewan; start looking seriously at what's happening to the agricultural community. Instead, 20 pieces of legislation. The only substantive ones are ones to sell off Saskatchewan.

(1615)

And I would ask them to ask themselves why are young people leaving? Why do we have an increase in the number of people dependent on welfare of over 50 per cent since 1982? Why have all of these things been happening? Instead of standing in this legislature and making speeches that would blame an administration that hasn't governed for seven years, they should be looking at what they've been doing since they've been elected and doing a positive critique of the things that they've done and trying to improve on their mistakes.

You see, Mr. Speaker, I guess even government, a government in its second term as arrogant as this government has become, has to sometimes stop and have a look at what it's been doing and have a reassessment of its priorities. But this government's not doing that.

I've been in this House since 1986. I've been happy to represent the people of Prince Albert-Duck Lake. And what I've tried to do with members on that side of the House is to share some of the concerns of people from my area and from other areas that I deal with when I travel around this province. I've tried to share with them some ideas in terms of putting a priority on small business, which has been, and should be, and would continue to be if they allowed it to happen, one of the best tools to generate employment. But that hasn't happened.

I've seen the announcements consistently — we're creating so many jobs through this program, so many jobs through this program. But in reality what's been happening? Unemployment rises, people leave, provincial income tax rises, the provincial debt is going above and beyond what anybody ever dreamt it would be. And why doesn't this government listen?

Mr. Speaker, the rhetoric is becoming endless and the solutions are non-existent. And I see the Minister of Education back again; he's chirping on. If you had been here a little earlier, Mr. Minister, I was sharing with you the ideas that the member from Regina South may have had in terms of people wanting small government. And I indicated to him that I think he's probably right. But you know what else they want is competent government and decent government, and they don't see it from you people. And that's why I would suggest to you before you embark on a move like this one, a privatization move, that you would check a little closely with the people, a little closer, to find out exactly what they want.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, I would suggest that the test of a good government would be a government that cares to listen, and in that regard I would say to you that this PC government has clearly failed.

Saskatchewan up for sale, and that's not what our people

want.

There's some understanding among people in Saskatchewan as to how we can best run this economy, and they're not listening to that. They're listening to their big-business friends who have one motive, and that's to generate profits for themselves. And that's fair enough because that's what they're there for, but the role of government is to protect the people of Saskatchewan from that happening.

Mr. Speaker, as I said before, in 1981 the unemployment rate in Saskatchewan was 4.7 per cent — 21,000 people. Do you know, in the last year we have almost lost 21,000 people. So basically what that says to me is that those who were on unemployment in 1981, and may not be the same people but clearly it's about the same numbers, haven't been able to find employment opportunities in this province. They took off. They moved to other jurisdictions because there was nothing here for them.

Mr. Speaker, the Potash Corporation of Saskatchewan has been a good corporation for the people of this province. I will agree that there were years when it didn't make money. But as I said before, it's been . . . every time they didn't make money was under the administration of this PC government.

They never looked at the potash corporation's balance and loss sheet in terms of the kind of management it was getting. The first thing they did when they started taking more money out of the corporation to keep their deficit down than it was making, was go out and buy a bunch more advertising and go out and tell the people of this province that the potash corporation's an albatross around their neck. Never mind analysing and deciding how better to make that corporation generate profits, as it did under the administration that preceded them. That isn't what they did. They went out and bought privatization to tell the people . . . or bought advertising to tell the people that they've got to get rid of the corporation, that it's no longer valuable and that government can't run it.

Well, Mr. Speaker, clearly this government can't run it, but there was a government that could. And I want to say to you, Mr. Speaker, that there will be a government that can run a Crown corporation again in this province right after the next election.

I talked about the privatization of the dental plan and the fact that that did little in terms of the economy of this province, or in terms of the quality of service that it delivered. We talked about the privatization of the highway system and what benefits the people of Saskatchewan accrued because of that.

And all across this province people are becoming frightened of what this government is doing in terms of privatization. All across this province people are saying that this government has gone too far. All across this province people are starting to feel that they've been betrayed. And I want to tell you, Mr. Speaker, that the PC government on this side of the House will be paying for it.

This privatization hasn't decreased the size of the deficit.

And whenever I go around this province people will say to me, well look, they sold all of these assets off; where did the money go? We used to have surplus budgets in Saskatchewan. These guys got in in 1982, started selling off assets. Well where did the money go?

Well, Mr. Speaker, every year that this government has delivered a budget, it's been a deficit budget. So if there's revenue generated from the sell-off of these assets, where's the money going? Who's benefitting by privatization? Is it the small, independent grocery stores? Has it been the independent implement dealers in Saskatchewan? Has it been the working men and women of Saskatchewan? Well who has it been? Who has it been? Has it been former cabinet ministers who were defeated in '82 and some of them defeated in '86? Yes, they've benefitted. Has it been Mr. Hill, former president of the PC Party in Saskatchewan? Sure, he benefitted.

But what about the average men and women in this province, Mr. Speaker, when they keep asking me why the total provincial debt has increased to \$13 billion. They can't understand what you're doing with these assets. They can't understand why you're selling them off and that there's nothing to show for them. They don't understand why their families have to wait on long hospital waiting lists in Regina and Saskatoon. They don't understand that.

And, Mr. Speaker, they don't understand why their children have to leave this province to find employment. Mr. Speaker, in my riding I know of about seven or eight bricklayers, people who work in that industry and have been bricklayers for years, hard-working men they are, wanting to support their families by working in Saskatchewan.

But, Mr. Speaker, that's not where they work to support their families. They've been working in southern Ontario and they've been working in Manitoba. They've been working in British Columbia, but they haven't been working at home. And when they go away for a period of three weeks and four weeks, they're glad to get back to Saskatchewan. And they don't understand how privatization has helped them, Mr. Speaker.

They don't understand why the debt in general revenue is \$3.9 million. And they don't understand why they have to pay this new flat tax. They don't understand how privatization has caused an increase in their personal income tax to make us the second highest taxed province in Canada.

In 1982 the Premier of this province, the now Premier of this province, promised to reduce personal income tax by 10 per cent. And they don't understand why the provincial sales is now at 7 per cent as opposed to 5 per cent, when this Premier and his cabinet ministers who were travelling the province promised to eliminate that provincial sales tax in the first four years of government. They don't understand why they're looking at an increase of 40 per cent in their sales tax. If privatization and this building and diversifying has worked, then why have all these increased costs happened?

And I want to tell you, Mr. Speaker, that the business

community don't understand why every fee that they deal with has increased, some of them 250 per cent since 1982, if building and diversifying has worked.

They don't understand why all of these rates have gone up to the amount that they have. And what's more, they don't understand why colleagues of theirs, neighbours of theirs who have been in business for 30 and 40 and 50 years have closed their doors and shut their small businesses down.

If building and diversifying had worked and if open for business had worked . . . These people weren't poor managers; they were competent business people. But because of the economy that this government has created, this Premier and his cabinet has created, they found it no longer possible to keep their doors open.

Because you see, Mr. Speaker, what this government has done, not only through privatization but just because of their ideology, is they've destroyed the middle income people who used to be able to shop in those stores. So you see they don't . . . they're starting to understand clearly that poor people don't buy in their stores. Poor people don't buy fridges and stoves or cars. And that's what's happened.

So I ask this government to rethink their priorities, Mr. Speaker, to have a closer look at what's really happening in this province and to develop some new plans so that people will again have faith in government in Saskatchewan.

Every indicator, every economic indicator, as I mentioned before, will show that this economy in Saskatchewan is in some very, very tough times. Housing starts is at an all time low in Saskatchewan; the construction industry are almost at a standstill; small contractors are closing their doors, moving out of the province. So if building and diversifying this style had worked, why would all of these things have been happening?

This government has undermined health care through privatization. We've lost jobs and population because of privatization. There's a threat to the future of this province because of privatization. In short, Mr. Speaker, privatization Tory style hasn't worked.

But I want to say, Mr. Speaker, that as I look at this Bill, this privatization Bill that again moves power and more power and more power into the hands of the cabinet of this government, I fear for the future of this province. And I want to say as well, Mr. Speaker, that I'll be working with my colleagues on this side of the House to try and deliver the message the people of Saskatchewan are asking me and other members of this legislature to share with those folks.

(1630)

I want to say, Mr. Speaker, that we'll be fighting what I consider to be a desperate move by a desperate government, because members on this side of the House care about Saskatchewan's future. The real losers, Mr. Speaker, clearly are the children who will inherit this

province from us, and the real tragedy is that this government is selling off their birthright.

Mr. Speaker, privatization hasn't worked, and there has to be, I would suggest, another way of delivering government without a wholesale sell-off. And I want to say to you, Mr. Speaker, that the fight when the SaskPower Bill comes in is going to be opposed by members of this side of this House long and hard.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And the minister over there says it's SaskEnergy. The minister over there refers to SaskEnergy as being separate and apart from SaskPower. Well I want to tell you, Mr. Minister, that's one of the reasons to try and make you understand what you're doing is you're destroying a very valuable Crown corporation by not understanding that the utility part and the energy part are one parcel, and one won't work without the other.

And you can sit there behind your rose-coloured glasses and you can refer to it as SaskEnergy, and you could be proud of sending out two envelopes with two separate bills every month. But the people of this province know that two-bill Hill is destroying the Saskatchewan Power Corporation. And I'm going to tell you that you're in for a fight from members on this side of the House like you never saw.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — You may not care about the future of this province, Mr. Minister. You may not care about the future of the children of this province. But I'm going to tell you that you're not going to watch the New Democrat caucus sit idly by while you tear the guts out of this province by trying to privatize the SaskPower corporation.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — You may figure you can slip through the privatization of the utilities, but I want to say to you, Mr. Minister, the people out there aren't going to allow you to. I think you're going to see one of the biggest fights that's been in this legislature for many a year. And I want to tell you that it's not a crusade, it's common sense; it's common sense that you don't sell out the future of your province. Even though you may not understand that, I want to tell you, Mr. Minister, my colleagues and I will be putting up a scrap in this legislature on the privatization of SaskPower, that you won't have seen for a long time.

Mr. Speaker, as I conclude my remarks on Bill No. 1, this privatization Bill, I want to say that the nature of this Bill frightens me because it's taking power out of the legislature of this province, as most pieces of legislation that they introduce do. It puts the power into the hands of the cabinet around a little table where four or five people can determine the future of this province. And that's why we're getting the kind of government, because they're no longer including their caucus or the people of Saskatchewan in their decisions. And that's one of the reasons, Mr. Speaker, why I want to oppose this Bill and why I will be opposing this Bill.

I'd like to see, as well, in my concluding remarks, Mr. Speaker, I want to share with some of the back-benchers on that side of the House — I'd like to know why they're not standing up and speaking to this piece of legislation that is going to change the whole nature of this province. I'd like to know where the member from Biggar is on this, and I'd like to know where the member from Rosthern and Shellbrook-Torch River are.

And I'd like to know where the member from Rosthern, if they'll ever let him get up in this legislature and speak again, I'd like to know where he stands on this privatization Bill. And I'm going to be asking him where he stands on the privatization of the Saskatchewan Power Corporation. Because his people, the people of his riding, have a right to know the true facts about privatization Tory style. They've got the right to know where he stands personally on it.

I watched the column of his, Mr. Speaker, when he had his little tours of privatization, as a matter of fact, in his home riding. And he was sharing through a column with the good folks of his riding, how he was so surprised and amazed that people are looking forward to increased number of liquor outlets and the privatization of the liquor stores.

Well now that, Mr. Speaker, is one of the reasons that I referred to these people no longer listening to their folks, because I happen to know some people in his riding. I know the people who elected him in 1986 who weren't in favour of liquor advertising, who aren't in favour of an increased number of liquor outlets, who aren't in favour of competition and retailing of liquor, which is privatization Tory style, and I want to know where that member's going to be.

And I think the people of his riding have a right to know where he is on this. It's not enough to write a flowery column in *The Saskatchewan Valley News*. He's got to be accountable for those decisions. And I would suggest to you, Mr. Speaker, that all members of that House should be making a speech on a piece of legislation that is important as this privatization Bill, because their people in their ridings have the right to know.

So I say in closing, Mr. Speaker, I have absolutely no hesitation in indicating to you and to other members of this House that there is no way that I'll be supporting Bill No. 1, this Bill on privatization. Thank you.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Thank you, Mr. Speaker. I hesitated a moment before I took my place, thinking that in the tradition of the House the debate would now fall to the government side, expecting a government member to want to enter this debate. I am surprised that no member opposite wishes to speak on this legislation, which is clearly the flagship legislation for their government's privatization agenda.

I'm surprised that no member opposite would want to speak. And I would join with my colleague from P.A.-Duck Lake in saying I think if these members are true

to their responsibilities to the people who elected them, they ought to be standing in this House and ought to be voicing their opinion on this legislation. Take a position — take a position.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, in anybody's judgement this is a historic debate in which we are engaged, and at the very outset let me say, that we should be involved in this particular debate at this particular time is indicative of a great number of things about this government.

Mr. Speaker, clearly, that we should be involved in this debate on privatization now at this time is indicative of the arrogance of this group of men and women entrusted to govern the province — indicative of their arrogance and indicative of their total disregard for this legislature and for all that it represents.

Mr. Speaker, we are here debating Bill No. 1, An Act to establish the Public Participation Program, an Act to establish privatization in this province. Well, Mr. Minister, unless you've been away from the province for the last seven years, the people of Saskatchewan know that this government has been engaged in privatization since they were first elected. It is only now that we have the opportunity in this House to debate legislation about public participation, their euphemism for what everybody knows is privatization.

For over a year, Mr. Speaker, we've had a full department with a minister in place, and a bevy of staff and a budget, engaged in the sell-off of Saskatchewan. That's the sign, Mr. Speaker, of a government that has total disregard for the opinions of the people that are represented here in this House, a government that has undertaken a program for which they have no mandate from the people of this province, no mandate. It's a sign, a clear indication of an arrogant government, Mr. Speaker.

And that kind of arrogance, in my view, Mr. Speaker, is the kind of arrogance that defeats governments. It's the kind of arrogance that the people of this province simply will not tolerate, and they will indicate their lack of tolerance for this kind of arrogance come the next election, mark my word.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, that we should be debating this legislation at this time is also indicative in my mind that members opposite are clearly out of touch, out of touch with the reality which is Saskatchewan.

Obviously they have but one agenda and one plan. It's privatization, privatization, privatization. As others have so correctly pointed out, we are now at day 29 of this sitting of the legislature and we have heard nothing else from this government but privatization.

I might ask members present, have we seen in this session, have we seen legislation to deal with the crisis in the family farm? Have we seen one bit of legislation in this session to deal with youth unemployment? Have we seen a bit of legislation in this session that would somehow

improve health care and social services in our province? Have we seen an action of this government to deal with the outflow of young people from Saskatchewan?

One after another, we've just seen privatization, privatization, privatization. Bill 1, Bill 20 to sell off the potash corporation, a Bill that's supposed to be coming tomorrow to sell off SaskPower.

An Hon. Member: — Mr. Speaker, how do you spell irrelevant?

Mr. Calvert: — The minister asks how do you spell irrelevant. He ought to know because he is, he is. In the view of the people of Saskatchewan, he and his agenda, this privatization, is irrelevant to the concerns they're facing this day, Mr. Speaker.

Mr. Speaker, if this government hasn't heard, I want to remind them that blocks away from this building there are people living in poverty. If this government hasn't heard, I want to remind them that we now have the second highest poverty rate in this country.

This government would be well advised to forget this privatization mania and start dealing with the real problems of real people in this province, Mr. Speaker. It's as if they are blinded, that they are blinded to the reality which faces people in this province today.

Mr. Speaker, I am reminded a bit of a train that is somehow rampaging through this province, out of control, and there in that locomotive sits the chief engineer, the Premier, and his crew, and the train now has but one car and that's the fancy dining car, first-class. And there's a few people on that car — free rides for the rich — but the rest of the province, the rest of the province, well they're lined up on the siding and there's no place on this train for them. And they're forgotten by this government. They're forgotten by that engineer and his crew on this rampage to sell off Saskatchewan.

So, Mr. Speaker, then by way of introduction, that we should be debating this legislation at this time when there are real problems facing the real people of Saskatchewan indicates the arrogance of this government. It indicates, as well, that they are now out of touch, and further, it indicates their bankruptcy — bankruptcy of ideas.

Obviously privatization is failing, but they have no plan B, no second choice. And so we're committed and there's no stopping them, Mr. Speaker, so it seems.

When I say, Mr. Speaker, that this government is bankrupt, bankrupt of ideas and perhaps the bankruptcy runs a little deeper than that.

If you'll just permit me an aside, Mr. Speaker, some weeks ago I received a letter. It came addressed to our home in an envelope marked "personal and confidential." Thinking a letter that comes "personal and confidential" carries some importance, I was anxious to open it. I opened it, Mr. Speaker, and I found it was a letter from none other than the Progressive Conservative Party of Saskatchewan. Now in this letter that was marked personal and confidential to myself, Mr. Speaker, I find it

signed by a Mr. Alf Bentley, finance chairman for the Conservative Party in Saskatchewan, bagman for the Tories in Saskatchewan.

Now, Mr. Speaker, Mr. Bentley in his letter to me says:

It is for this very reason that I am writing to you today to ask for your financial support for this very worthy cause.

Now I'll tell you, Mr. Speaker, the Progressive Conservative Party of Saskatchewan must be facing some pretty hard times when they have to fund-raise among the MLAs on this side of the House. I tell you, they're not only bankrupt of ideas in that party, it now appears that they're bankrupt of finances too.

(1645)

Now, Mr. Speaker, I would have promptly put this in the garbage with the rest of the junk mail that arrives at our house if it were not for the first sentence of this letter. Because when Mr. Bentley wrote me, asking for funds for his Tory Party, he began the letter with this sentence — and it just so happens that I heartily agree with Mr. Bentley's assessment here. He says to me in this personal and confidential letter:

Dear Mr. Calvert: Since the Government of Premier Grant . . . (oh sorry, the Premier) was re-elected, the economy of Saskatchewan has been somewhat precarious, to say the least.

Precarious, to say the least.

Mr. Speaker, if we are going to understand this government's blind commitment to privatization, I think we do have to understand the reality of what Mr. Bentley says, the reality of the precarious situation that this government has put the province of Saskatchewan in. It's not just Mr. Bentley who thinks that the financial affairs of this province are on shaky ground. He has the support of his own Minister of Finance.

And, Mr. Speaker, I think in this privatization debate it is essential that the people of this province are fully apprised of just how precarious, just how precarious the financial situation of Saskatchewan is today.

And so the figures I bring to this debate are not my figures or the figures of an NDP researcher, they are the figures of the hon. Minister of Finance. They have his name signed here at the bottom, and they are from the Saskatchewan economic and financial position of July 1986 and the Saskatchewan economic and financial position of September 1988.

Now, Mr. Speaker, when this group of men and women came to office, the Minister of Finance says they inherited cash money in the bank, \$139 million. That's what he says in this statement. Now by the end of 1986 we find ourselves in quite a different financial situation. By the time we get to September, 1988, this same Minister of Finance tells us we now have a deficit of \$3.6 billion.

From a surplus of \$139 million cash money in the bank

when these men and women took over after 11 successive years of balanced and surplus budgets, we have in these short years now a deficit of \$3.6 billion in the operating side of government. And this year, now, the Minister of Finance tells us that deficit will climb up to \$3.9 billion.

And so from a cash position of 140 million, when they took over in the operations of government, they've now run up a debt of almost \$4 billion.

An Hon. Member: — How much?

Mr. Calvert: — 3.9 — \$4 billion.

Mr. Speaker, I did a little bit of calculating on this. Mr. Speaker, if we started to pay this debt off that they ran up in these seven short years, if we started to pay it off just at a dollar a minute — one dollar a minute, \$60 an hour — do you know how long it would take to pay it off, Mr. Speaker? Well it would take 7,200 years at a dollar a minute. That's the kind of debt that these men and women have put on to the people of Saskatchewan.

An Hon. Member: — . . . sit down and figure that out?

Mr. Calvert: — Now the Minister of Finance wants to know who would bother figuring that out.

An Hon. Member: — He never figures anything out.

Mr. Calvert: — This minister is the one who never figures anything out, as my colleague points out.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, that's the size of debt that has been put on to the people of Saskatchewan by this government in seven years. That is just in the operations of government, that's not in the Crown corporations. If we look at the total debt of the province today since these people came into office, I think we're up now approaching \$13 billion, which means, frankly, Mr. Speaker, in anybody's judgement, that this province is now bankrupt. If they sold off every asset, if they sold off every asset we still couldn't pay the debt. We'd still be \$3 billion short.

What that means more specifically, Mr. Speaker, is what we see in this year's budget, where this year we're now paying \$381 million — \$381 million — a year just on the interest payments on that debt. That's more than a million dollars a day.

Do you know what we could do, Mr. Speaker, with \$381 million? Do you know how many hospitals we could build in a year, or how many schools or how many miles of road we could build? Do you know how many jobs we could provide, how many family farms we could save with \$381 million a year? But we can't do any of that now, not a bit of it, because that \$381 million now leaves the province to pay the bankers and the bond dealers.

Obviously, Mr. Speaker, to any observer, this group of men and women elected in 1982 have bankrupted the province. They have put us in a financial mess that can

only be described as bankrupt and have now put us on welfare as we go to Ottawa, hat in hand, for transfer payments.

Some Hon. Members: Hear, hear!

Mr. Calvert: — And so, Mr. Speaker, what is their answer? What is their answer to the financial mess that they've created? Well it's privatization. It's privatization. Their strategy now is very simple. If it makes money, then sell it. If it makes money, give it away. If it moves, sell it. The strategy is very simple.

Never mind, Mr. Speaker, never mind if it's a public utility that generations have built; never mind if they made a solemn commitment only months ago never to sell that public utility; never mind if it's SaskTel or SaskPower. You know, if it makes money, you sell it.

Never mind if it involves a God-given natural resource, given in abundance to the people of this province. Never mind if it's 12 million acres of timberland, or never mind if it's uranium or never mind if it's potash. If it makes money, sell it off. Mr. Speaker, in my view it's economic insanity; this course of privatization is economic insanity.

You know, one of the great ironies, one of the great ironies of the most recent provincial budget is that the Minister of Finance took from the profits of the Crown corporations \$200 million to fund the operations of government. It's that same minister who yesterday in this House introduces and speaks to legislation that would sell off, sell off that asset, thereby losing the revenue which he himself uses this year to fund hospitals and to fund schools and to fund opportunities for Saskatchewan people. It's one of the great ironies of that budget that the very source of revenue the Minister of Finance uses, he wants to give away — to foreigners, to foreigners.

Mr. Speaker, their strategy is simple. They've got themselves into a financial mess and their only way out, as they see it, is to try and sell their way out, sell off the assets. And so if it makes money, if it makes money, sell it.

Mr. Speaker, I have followed with considerable interest the privatization of Sask Minerals, and it is a prime example of this government's failure — failure — in privatization. I want to lift that example again today, Mr. Speaker.

In the late 1940s, Sask Minerals was built by the people of this province to accomplish both economic and social goals. It was built to develop a natural Saskatchewan resource and to return the benefits of that resource, the economic benefits, to the people of Saskatchewan. It had also a social objective. There was a goal to provide employment, to provide employment for young men and women who were coming home from the war, and to provide that employment, not in urban Saskatchewan but in rural Saskatchewan.

Once founded, that corporation, owned by the people of this province, has a success story perhaps unequalled. In its 40 years of existence, Mr. Speaker, Sask Minerals, with the sodium sulphate plants at Chaplin, Fox Valley and formerly at Bishopric, with the acquisition of the peat

moss division, in its 40 years of history that Crown corporation paid out \$60 million — \$60 million — in wages to employees; it paid to the governments of Saskatchewan \$15 million in royalties, as any resource company must do; it paid to the local communities where it was located \$2 million in grants in lieu of taxes; it paid all of its own debt load; it paid for all of its own expansion; and it returned, that little corporation, it returned to the people of Saskatchewan over \$40 million in dividends.

An Hon. Member: — In a small company.

Mr. Calvert: — A small company. \$40 million in dividends which we, the people of Saskatchewan, shared in the building of roads, in the funding of medicare, in the provision of education — \$40 million, 40 years of proud history.

Only in one of those years did it ever lose money. What happened? What happened to that proud asset of the people of Saskatchewan?

Well what happened to it was what they choose to describe as public participation. How, and how those words can be applied to what happened to Sask Minerals, Mr. Speaker, is completely beyond me, because the minister of privatization went out and negotiated a deal, a secret deal, Mr. Speaker, with two corporations, two of their corporate friends, one located in Toronto and one located in Quebec — Kam-Kotia of Toronto, Premier Cdn of Quebec.

He went out and negotiated this little deal, and then he announces to the public of Saskatchewan, through the press, that he is considering the sale of Sask Minerals. He announces that he is considering the sale. While the ink is drying on the deal, the minister is going around saying that he is considering the sale and he will be consulting, he will be consulting.

Well about a week later, or a few days later, he went out to . . . made a flying trip into Chaplin and then up to Carrot River, not to consult, Mr. Speaker, but to go to those communities and announce that Sask Minerals had been sold. And did he go and offer the employees a chance to participate in the share offering? No. Did he offer a share offering to the people of Saskatchewan? No, he just went out to those communities, announced it's gone, it's over. And you'll like it, he said.

A few days later we get the announcement that the corporation's been sold, lock, stock, and barrel — lock, stock, and barrel to the two out-of-province interests. What did we get, we the people of Saskatchewan, for this asset of ours? What did we get? Well the minister a year ago was telling us we got, for the sodium sulphate division, \$12.5 million. And he said, we got for the peat moss division, \$3.4 million. Well add that together, you get about \$15.9 million, that's what he said. And then he printed his annual report for this year and put those same figures in there.

But, Mr. Speaker, then we find in the Kam-Kotia annual report, did in fact Kam-Kotia pay \$12.5 million for Sask Minerals, the sodium sulphate? No, they didn't, they paid

\$12.1 million. Now that's a \$400,000 error on the part of the minister.

An Hon. Member: — But that's nothing.

Mr. Calvert: — But I suppose that is nothing for him and for his government, but I'll tell you that's something for the taxpayers of this province.

Mr. Speaker, there are some other interesting comparisons that can be made between the last annual report of Sask Minerals and the current report of Kam-Kotia. Mr. Speaker, I want to read to you the names and the addresses of the directors of Kam-Kotia. Now there's a Mr. Brissenden from Toronto, Ontario; there's an R.P. Douglas from British Columbia; there's a Mr. Kachmar from Toronto, Ontario; there's a Mr. R. Lavertu from North York, Ontario; there's a Mr. Sloan from Toronto, Ontario; there's an H.E. Neal from Toronto, Ontario; there's an A.W. White from Orangeville, Ontario; and then there is a R.J. Hicks from Saskatoon, Saskatchewan.

An Hon. Member: — Oh, one guy.

Mr. Calvert: — One guy from Saskatchewan. Mr. Speaker, let me read you the board of directors of Sask Minerals.

Well the member from Swift Current . . . from Regina; an Ian Disbery from Regina; a Robert Berry from Central Butte, Saskatchewan; a Richard Gleim from Chaplin, Saskatchewan; a Martin Chabot from Zenon Park, Saskatchewan; a Merlin Materi from Fox Valley, Saskatchewan. Quite a change, quite a change, Mr. Speaker.

I look in the annual report of Sask Minerals and I find that the auditing firm is the firm of Burroughs, Weber & Partners. Where are they from? Swift Current, Saskatchewan. I look in the annual report of Kam-Kotia Mines, the new owner of Sask Minerals, and I find that their auditing firm is located where? Toronto, Ontario.

Mr. Speaker, we're here talking about an asset of the people of Saskatchewan that was worth in the neighbourhood of \$20 million — \$20 million. This week we get the Bill that is going to privatize, to sell off to foreign interests, an asset worth \$2 billion — \$2 billion. And they will repeat the kind of performance that we've seen with Sask Minerals.

Mr. Speaker, the people of this province deserve something better. They deserve something better from the men and women they elected to govern in their interests. They expect something a lot better than this Margaret Thatcher-style privatization that's being inflicted on the people of Saskatchewan without a mandate.

It's economic, in my view, Mr. Speaker, it's economic insanity. And I'll tell you, it's not only economic insanity to be selling off the assets of our province in a desperate attempt to get yourself out of debt . . .

The Speaker: — Order, order. It being 5 o'clock, the House now stands adjourned until 7 p.m.

The Assembly recessed until 7 p.m.