

EVENING SITTING

COMMITTEE OF FINANCE

Motions for Interim Supply (continued)

Mr. Kowalsky: — Mr. Minister, prior to 5 o'clock being called, we had gone through a couple of questions that I had asked you with respect to consistency in the income tax form with respect to two issues: one about the child tax credit and another with respect to a Saskatchewan deduction for disabled dependants.

In both cases you indicated to me that you didn't feel that they needed to be consistent, or you didn't necessarily need consistency between the federal form and the provincial form, but you also conceded in both cases that perhaps it's something that should be done. And you said that for next year you're going to include the child tax credit for 18-year-olds, and you indicated that you perhaps should take a look at the disabled dependant deduction for Saskatchewan residents.

I want to take just a minute recapping the entire picture so that somebody who might just be reading this portion or listening at this might grasp the entire problem here, and then I'm going to ask you one more question about this child tax credit.

When you take a look at the 1988 *Tax Guide*, which a lot of us have just finished being frustrated with this year, and you're filling out your income tax form, if you happen to have an 18-year-old, you will notice on page 3 that you can deduct an amount from the federal for any child born in 1970 or later, 1970 or later. And there is a claim here, claim \$388 for each of two children and \$776 for each additional child, so you can deduct it from the federal income tax.

And then when you look for the same parallel deduction in the Saskatchewan income tax, you turn to the Saskatchewan income tax form and you look at the child tax reduction. It says, claim \$200 for each dependent child resident of Canada, and it says born in 1971 as opposed to 1970. So here we had an error that the government made, just a little glitch here, but the trouble with the glitch is it cost anybody that had an 18-year-old a sum of \$200. The minister has admitted that yes, that it shouldn't have been that way; that it would have been better, that it would have been consistent had it been 1970.

The question that I have to you, Mr. Minister, is, having gone through that and having had it pointed out, why didn't you not actually go through the process of contacting the federal government and asking them . . . I think it would merely . . . All it would require on your part would have been to ask them to adjust their computers, and I think you can still do it, ask them to adjust their computers, have people file an amendment to this and anybody with an 18-year-old would still have that \$200 reduction.

Hon. Mr. Lane: — In fact, the provincial tax credit comes after that so we do piggyback to that extent. Where the

problem comes is not there, with respect, it comes with the low income tax credit. Okay? And that adjustment made by the federal government was made after their imposed deadline of July 1, and they didn't allow any of the provinces to make changes after July 1.

They made their changes, I believe, in the fall, of their system. I'm not sitting here arguing or defending the situation. I'm trying to explain how it operated. They made the changes after July 1. They didn't allow any provinces to make adjustments in the tax forms prior to . . . after July 1, and so that's the reason for the differential. And it's the low income tax credit, I'm advised, not the child tax credit. So I'm simply advising you that the problem comes . . . The 17- to 18-year-old increase by the federal government comes on the low income tax credit.

And then secondly, I've committed and said publicly that the legislation we'll be bringing in this session will adjust the provincial age up to 18 as well.

Mr. Kowalsky: — Well you mention that it's the low income tax credit, low income tax bracket. In actual fact, it says here, "Saskatchewan tax reduction if net income exceeds \$36,000." I would suggest that that's probably over half of the province of Saskatchewan's taxpayers would have a tax which would probably . . . net income which would probably not be in excess of \$36,000. Is that not true, Mr. Minister?

Hon. Mr. Lane: — But it doesn't apply there. It only applies to low income. Now I understand the difficulties with the form, I mean, and the hon. member is certainly joining a cast of thousands that are having difficulty with the tax form. But it only applies, the problem only applies on the low income tax credit provision. So when you use that figure of 35,000, we piggyback on to the federal at that level, so it only applies in the low income tax credit.

Mr. Kowalsky: — Well that, I guess, is something that perhaps can only be settled by taking it to my tax consultant, and I'd come back on that after, but I understand it to be 36,000. But let's leave that alone for the time being.

Hon. Mr. Lane: — If you wish, I'm prepared to set out for your tax consultant or whatever the calculation as my officials have indicated, if that will be of assistance.

I accept the argument on the conversion where the federal government raised the eligibility to 18 and we were at 17. So if we want to stay with that problem, which what I'm indicating is a low income tax credit, I agree with you that . . .

An Hon. Member: — Screwed up again.

Hon. Mr. Lane: — No, we tried to make the adjustment. The federal government insisted that all provinces have any changes in by July 1. They made their change subsequent to that and didn't allow any provinces. So I'm not disagreeing with you on the problem, and I have undertaken that the legislation coming in will make sure it doesn't happen in the next tax year. But if you want the calculation, I'm prepared to send it over to you or submit

it to you in writing so you can take it up with your tax consultant.

Mr. Kowalsky: — And you also mention in your previous statement that it was imposed by the federal government. Now could you advise me whether this applied to all provinces, please. Does it apply equally to all provincial governments? Were they all caught in this? Because I'll tell you that the advice that I got from the Alberta tax department when I phoned them in Edmonton was that they didn't have this particular problem. I didn't pursue it any further, but could you explain that?

Hon. Mr. Lane: — Yes, it was because it only applies, the problem only arises to those which have special low income tax credits and Alberta doesn't have a similar program to ours.

Mr. Kowalsky: — And now could you give me an indication of just how much money is involved here. You disputed the figures that I had. I used figures from the Department of Health statistics that there could be up to 20,000 youngsters, I believe, involved in this and I . . . But you dispute them. Could you give me an accurate figure at this time as to how much money you expect to collect on that.

Hon. Mr. Lane: — Because it's a low income level it doesn't apply to all children anyway; that our estimate is that it applies to between 1,500 and 2,000 families. So it doesn't apply to all of them anyway.

Mr. Kowalsky: — Okay. So 1,500 to 2,000 families and that would be at \$200 a piece. So if we took 2,000 families times 200, that's two with five zeros. That's what — 400,000; 400,000?

Hon. Mr. Lane: — About \$250,000.

Mr. Lingenfelter: — Thank you, Mr. Chairman. I just have a few questions to the minister. Today the terms of reference were announced for the special committee which will deal with the SaskPower privatization and we've spent a number of weeks now dealing with this issue.

During question period today I asked the Premier a number of times what would the cost be of that commission between now and October 1. I wonder if you would happen to have those numbers; given the fact that the money we're allocating tonight, at least part of it, will be spent on the commissions, whether you can indicate the total amount of that expenditure.

Hon. Mr. Lane: — You know, as the Premier indicated, it will depend on the number of hearings, number of sittings, and the number of days spent by the commission. So that can't be estimated. It may well be that the public, after seeing the commission operate, the number of hearings are at a minimal . . . We simply can't estimate that.

Mr. Lingenfelter: — Mr. Minister, you're asking us to approve, on behalf of the taxpayers, an expenditure to go out and, as you say, review the Bill on privatizing SaskPower, which our members have, I think,

appropriately called a whitewash. But surely to goodness you would have an estimate of the cost of this process which would include, I would imagine, per diems to the members on the board, staff to the board, rental of halls. Can you give us any indication, a rough estimation at this time, of what kind of money you're going to be spending?

Hon. Mr. Lane: — Well the amount of money will depend again on the number of hearings, locations. And we should give the commission time to both review the information and get started. They will have a pretty good estimate of the number of hearings that the commission determines are necessary. It will be in the hands of the commission.

If the commission decides that it should hold a couple of hundred hearings around the province, then it would depend on locale, the rental of the hall, secretarial, the number of people that they feel are necessary. So it's up to the commission to make those decisions. We don't have an estimate.

Mr. Lingenfelter: — Well I want to go back one step there and maybe we can get things in perspective of cost per meeting. But when the minister of privatization was holding his similar hearings earlier on and was spending thousands of dollars in a similar process before the Bills were introduced, can you give us an estimation of what those meetings cost? And here I'm not asking about the millions spent on advertising; the back-up artillery where you're using millions of dollars of taxpayers' money to try to sell this flawed economic concept.

But can you tell me what were the cost of the meetings that your colleague and desk mate spent in terms of trying to sell this concept at the public meetings in the past year.

(1915)

Hon. Mr. Lane: — We don't have that information with us. You can get that in the normal course of asking the minister during his estimates. That's what they're there for, and I'm sure he will, as he always is, be completely forthcoming with the information and give you all of the information that is appropriate.

Mr. Lingenfelter: — Mr. Minister, you say that you don't know how much money was spent. I find that shocking for the Minister of Finance, and maybe it tells us why, back in the election year, we ran up a deficit that was more than \$800 million more than what you estimated, for a total of 1.2 billion. But I say to you, with this kind of an attitude by the Minister of Finance, that he doesn't know what's going on in terms of spending, that maybe that is why we have the deficit problem we have.

But I want to go back to the Barber panel, the panel headed up by Lloyd Barber. I would very much like to know, Mr. Minister . . . Certainly you would know what the chairman of that panel would be paid in per diem. Now you may not know how many days he will collect on, but what is the per diem allowance that the government is paying Mr. Lloyd Barber?

Hon. Mr. Lane: — I don't have that, but I'm prepared to undertake and get it for you.

Mr. Lingenfelter: — What staff would the committee have, the panel have? Do you know at this time and can you give us a rough estimate of cost for the panel in terms of how many people will be working; what time frame they will be hired over; whether it will be . . . the positions will be advertised to the Public Service Commission or whether they will be cabinet appointed. How will that process work?

Hon. Mr. Lane: — I don't have that information, but it will be up to the commission to hire its staff.

Mr. Lingenfelter: — Well what's the budget for the staff? I guess what I'm wondering is how many dollars are you, as Minister of Finance . . . I mean, surely to goodness you don't make the public believe or try to make them believe that you've given a blank cheque to this commission. No government in the world would do that. Here you're spending millions of dollars on privatizations that the polls show nobody wants; nobody wants.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — And you come here to this Assembly, and we ask you some very pertinent questions. Surely you're one of the people who play an important role in cabinet. You sit right beside the Premier; you sit right beside the Premier. Surely to goodness you would know what kind of money you're going to be spending.

This is a very legitimate question when we're talking about hundreds of millions of dollars being allocated today or tomorrow or whenever we complete this process. And you've got to be able to tell us where the money is going, otherwise the people of the province simply can't have confidence in you as the Minister of Finance. I think you're capable of doing that and I think you know those numbers. So I want to ask you again: how much is the budget for the staff and their expenses? Will they have vehicles at their disposal? Will they have cars? What kind of access to capital will they have?

You, as Minister of Finance, will surely have some scrutiny and an upper limit on the amount of money that this group can spend. You're hiring them. You're the Minister of Finance. You're hiring a group of people. And I'm not arguing — that's your prerogative to do that. If mean, the public will judge whether it's a good idea or not . . . (inaudible interjection) . . . And someone mentions that the public will pay. That's obvious, but I say to you, we want to know before we pass this portion of the budget, how much it will cost to hire the staff that will be allowed for the commission.

Hon. Mr. Lane: — I've indicated to you now on three or four different occasions that the commission will make those decisions. I don't know if the commission has even had its first meeting yet to assess its logistical needs, the needs for its staff, the secretarial needs. I don't think the commission has even decided that yet. And the commission — I have confidence in their good judgement — will use good judgement in terms of the expenditures. I think most people will accept that and expect that of the commissioners.

So having said that, I expect them to be reasonable, and again, I can't tell you what they're going to spend. We don't have a budget set for them. We expect them to be reasonable. I'm sure, as in the normal course, they will be coming forward with a proposed budget. We don't have it yet.

Mr. Lingenfelter: — Well really what you're telling the public of the province is you've given them a blank cheque. And I just say to you that we have a difficult time accepting that, when you're trying to get the members of the opposition to accept a proposal that will spend hundreds of millions of dollars.

That's what we're talking about here tonight. Part of it will be what the public is calling a whitewash in terms of privatizing SaskPower. There's no demand for the privatization of SaskPower. There's no demand. And the member from Assiniboia obviously agrees with the privatization. He stood and voted — or maybe he wasn't in the House; I don't know.

An Hon. Member: — He ducked.

Mr. Lingenfelter: — Well they say the member from Assiniboia ducked on the vote. He may be one of the few that gets re-elected. But the public record will clearly show that these members voted for the privatization of SaskPower. You can't hide from it, nor can you hide the fact of what you're going to be continuing to spend in terms of this panel's expenses.

I want to ask you now, Mr. Minister, because you refuse to answer that portion of the question: what is your plan, as government, for advertising privatization during the next six months? I want to know this because, here, I don't think you can skate around it and say, well the panel will recommend the advertising, because I don't think that's what you're saying. I don't think you're saying that Lloyd Barber will be deciding the TV advertising, the radio advertising.

Can you tell us how much your government intends to spend on privatization ads over the next six months?

Hon. Mr. Lane: — I don't have that information. I'm sure the hon. member could check with the appropriate Crown corporation if that's the case with regard to their expenditures. And I'm . . . The hon. member has had enough experience to know the proper procedure in that regard. And secondly, the hon. member can ask the appropriate departments as to what their expenditures will be in estimates in the normal course, and I'm sure, as is the case historically, you'll get full and complete information.

Mr. Lingenfelter: — Mr. Minister, I wonder if you can tell me if you think it's fair to the public of the province, your last few statements and answers — that you don't know; that you're giving the committee, the panel, a blank cheque; that you don't have any idea what your government is spending on advertising. I mean, we're estimating that it's going to be in the millions, and every time people see those ads on TV, they're telling us . . . They're touching their wallets in their pocket and they're saying, it makes us very angry to know that we're paying

for those TV ads through our taxes.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — And it simply isn't fair that a government would use the taxpayers' money in this way when it's been proven overwhelmingly by the petitions presented here in the House today, by the polls that have been conducted in this province on the issue of SaskEnergy, that all the millions you have already spent and wasted of taxpayers' money on TV ads and radio ads, that you would continue on down the road paying off one, the company that you use to do up the ads, friends of the Conservative party that you will use in the next election campaign.

That's one thing the people are really concerned about, but, more importantly, the simple fact of you arrogantly telling the people of the province that they don't know what to think on SaskPower, whether they want it privatized or not. They already know all the arguments. They know that SaskPower has done a great job in terms of distributing the gas in this province for many years, before you were even on the scene. And it's insulting to them to know that you don't accept their opinion, and more than that that you'll take their tax dollars and spend it on TV, saying that the people of the province, in your words, by your action, are too ignorant to know what they think of SaskPower. I find that disgusting.

And I say many of the back-benchers must agree with that. Many of them must talk to their supporters in their constituencies and know that. The member from Morse must realize that in many of his towns his own members are arguing against that fact. The polls indicate that 30 per cent of the Conservative supporters are not with you on this one. Those 30 per cent do not like paying taxes to be convinced that privatizing SaskPower is a good idea. They already know.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Well I want to say to the minister that others will probably get into this debate on whether or not this wasting of taxpayers' money to the tune of millions of dollars at a time when we're so broke, so broke that we borrowed billions of dollars on the international market at high interest rates to take care of your waste and mismanagement, that even today you're not willing to admit your mistakes and continue on down that same path.

I want to say in the area of debt, Mr. Chairman, the debt has gone up in this province by 8, 9, \$10 billion since this minister has been part of the Devine government, of the Conservative government. Now I want to say to you that the Premier says that he is going to not be borrowing money like other premiers have in the past.

Now he knows that the total debt in the province when he took over was about \$3 billion. That was the debt of all the Finance ministers — Conservative, Liberal, CCF, NDP. The total debt was about \$3 billion. And the Premier has said continuously he's not going to go and borrow money on the world market. But the only thing is that he has borrowed 9 billion extra, 9 billion more than

the debt was when he took over. Where do you suppose he got the money from? Where did you borrow the money? Did you borrow it from the people of Saskatchewan? Well of course not. You borrowed it on the international market at very high interest rates, and this is why we're in the trouble we are today, selling off the assets like SaskPower in order to stay ahead of the taxman in terms of the bond market and people trying to collect that money back, because you need to sell off your assets to pay them back for the money you borrowed and the bad decisions you made.

This is yet one bad deal for the people of Saskatchewan, spending millions of dollars advertising privatization. It's just an example of the waste and mismanagement, and now the incredible arrogance of a government that has spent itself into such a hole it has to sell off its assets, and still the arrogance that it would spend their money, the taxpayers money, advertising that fact. I find it hard to believe.

Not only here. At the federal level too, Mr. Chairman, we see the federal government advertising how big the debt is. Can you imagine such stupidity and arrogance of Conservative governments. It's driving people to distraction listening to the ads on the TV that they're paying for about privatization; ads on the radio about the deficit that the federal government has built up; and wasting millions of taxpayers' dollars on advertising problems that these Conservative governments have brought on themselves.

And I say to you that the people are going to reject that concept when they see these ads on TV over and over and over again. And every time they see one of those ads, they call us; they tell their neighbours how ridiculous it is, that they don't want to pay any more taxes.

My colleague from Prince Albert just held up a tax form that shows all the new taxes that have been implemented by this government — not for new programs, not in order to take care of the elderly or hospitals, but for nonsense like advertising privatization of SaskPower. And I'll tell you it's going to be rejected. I mean, you can hide from this and not answer the questions — that's your prerogative — but I'll tell you it's going to defeat you in the end because it's deceitful, it's arrogant, and it proves you're out of touch with the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well if you're so confident of that statement then I would think you would want us to advertise.

I suggest to the hon. member that certainly we borrowed well over half a billion dollars through SaskPower and SaskTel from the people of this province, and nobody had to buy a SaskPower bond, and nobody in the province had to buy a SaskTel bond. And of the people that bought the SaskTel bonds, nearly 25,000 of them had never bought a share or a bond through public participation before. So there are already nearly 80,000 Saskatchewan people that have participated in SaskPower bonds, SaskTel bonds, either WESTBRIDGE privatization, the Saskatchewan Stock Savings Plan. And I haven't counted

things like venture capital corporations. And I suggest to you that the public does want to participate.

(1930)

Now we can agree to disagree on the manner in which the government does it, but I suggest to the hon. member that if you believe in your heart, as you have just indicated, that the public does not want to participate, that the public does not want SaskPower bonds, SaskTel bonds, that they don't want . . . that they want you to take over Weyerhaeuser again and make it government owned, or if they want to take back the computer corporation — if you think that's the case, then obviously you're entitled to your views.

I agree with the hon. member that the public will decide — and quite appropriately. And they will decide on how they view, not only the issue; they will judge not only our position on the issue, they will judge your position on the issue. And that's the way it should be.

We have a difference of opinion. We have a different view as to how the province should develop. We have different visions as to the direction that the province should go. That's the political process; that's fair comment. But I think it's healthy that there is that difference.

Mr. Shillington: — Thank you. Mr. Minister, I want to remind you of what this process is all about. You're here before this legislature, you're asking for a sum of money. You have a responsibility that justifies it, and justifies your use of it. Mr. Minister, you have a responsibility to tell us what you're going to do with the money.

It's easy to understand why the public are so angry with this government. Mr. Minister, you were critical of the member from Riversdale because of the events of the last two weeks. Let me just compare his process compared with the behaviour of the member from Estevan.

The member from Riversdale said he didn't like it; walked out. He travelled the streets, the highways, the byways of this province, talked to people by the thousands. They agreed with him and the consultation process didn't cost him 10 cents.

Contrasted to that, the member from Estevan stayed in his office, which for these purposes really serves as a fortress, stayed in his office, hasn't personally met or talked to anyone. Instead he wants to do his communicating not the hard way, the way it was done by the members of this . . . He wants to do it the easy way with taxpayers' money.

It is easy to understand why the taxpayers are so angry with you. They have said over the last two weeks they don't want it. You say, you just don't understand it, and you're going to spend their money telling them what they don't understand. They understand it perfectly well, and they know that, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Minister, I'll grant you that your administration has set a high-water mark when it comes

to irresponsibility and incompetence. But surely even this administration has some sort of budget for something of this magnitude. This is no nickel-and-dime dog and pony show. You are going to be spending, at a minimum, millions on your effort to dig yourself out of this canyon that you've got yourself into with respect to privatization. There is, as was asked by the member from Elphinstone, the per diem allowance for the members of the commission; there is the staff; there is the consultants who will assist in trying to make a reasonable presentation out of this; but most important, there's the advertising.

I just don't believe even with a government such as yours, whose name has become almost synonymous with incompetence and inefficiency, even you, Mr. Minister, I believe that you have an estimated figure as to what this is going to cost you. One of the ancient and basic rights of a legislature is to know what the money's going to be spent for before it's voted. You have a responsibility to tell us that which you know, and you can't tell me that you don't know how much you're going to spend, and you can't tell that to very many members of the public. So, Mr. Minister, you can obfuscate if you want, but you're going to get lots of practice because you have a responsibility to tell us.

Now I asked . . . And I'm going to start this process all over again, Mr. Minister. I'm going to ask you what the per diem is, and if you don't know the per diem of the chairman, will you undertake to bring the information to this Assembly tomorrow.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I've already indicated to the hon. member that I would undertake to get the information as to what the per diem is and supply it to the Assembly. Now maybe you weren't paying attention; that's not my fault.

And I think that it's not unfair for the commission to be able to get together, assess its needs, decide number of hearings, assess the logistical needs of the commission, and develop its own budget when it's had the chance to do that. I think it's not unfair for you to give them the time to do that. Do I have that information? No.

You stand up and you make statements saying that the Premier, the member from Estevan, was in a fortress. If I recall, it was somewhere around 1,200 people at Prince Albert for the opening of the new paper mill at Prince Albert, Weyerhaeuser — a name now familiar to most people in the province — from a privatized P.A. pulp mill.

And I suggest to the hon. member . . . (inaudible interjection) . . . Oh no, we know you oppose it. The people in P.A. know you oppose it. Now the members from Prince Albert say, oh no, we don't oppose the paper mill; we just oppose the deal. The fact is, they oppose the deal, they oppose the paper mill. They said it would never be built. You said it would never be built, if I recall, in the House more than once. You said it would never be built.

So we can have our political debates on our difference on the privatization — fair enough. I don't think it improper

or unfair to give the commission time to assess its needs and assess its personnel needs, assess its logistical needs as to the number of meetings, number of halls it's going to have to rent, travelling costs, etc. I think they should have the time to do that. I don't think that's unfair and, no, we don't have that information until they do that.

Mr. Shillington: — Mr. Minister, you're doing a magnificent job of convincing . . . of trying to convince people you don't know the difference between actual expenditures and budget expenditures. But I suggest to you, Mr. Minister, that you do know the difference. Not even you and the member from Estevan are that incompetent.

Surely you know what we're asking. We are not asking you for the actual money that was spent. Of course you don't know; it hasn't been spent yet. What we're asking you for is not what did they actually spend but what you estimate they're going to spend. And you must have it, Mr. Minister. Nobody can believe you're that incompetent. The public of Saskatchewan which . . . The public of Saskatchewan, Mr. Minister, which aren't very generous when they estimate your competence, still aren't going to believe that.

I say to you, Mr. Minister, will you . . . You're surrounded by a number of people who look to me to be both competent and healthy. I expect that they're healthy enough to walk out to the phone and competent enough to get the information.

Will you, Mr. Minister, send one of your officials out to get the information for us because this is at the heart of what politics is about in Saskatchewan at the moment. Will you go and get it?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I have indicated now, I think, seven times on this debate that I think it quite fair and proper for the commission that was appointed today, I believe, to have an opportunity to get together to assess their needs, to determine the personnel that they need, the expertise that they need, if any, the number of hearings that they want to hold so that the public will have a good opportunity to present their views to the commission; and when they've had that opportunity to get together and make their assessment, to then determine a budget. I don't think that that's unfair to give them the chance to do that. Do we have that information? No, and I've indicated that now, I think, on seven times.

So either I'm not being very clear when I say that the commission should have the opportunity to get together — they were appointed today — to determine how many hearings they think it appropriate so that the public has every opportunity, every convenient opportunity, to meet with the commission and to give their views on SaskEnergy. And the only assurance I can give the hon. member is that the committee will be unfettered in its ability to go out and listen to the people of this province, and there will be no constraints by the government on the number of meetings that it wants to hold, whether the adequacy of the personnel . . . All of those things are within the mandate of the committee.

And the committee was appointed today. When the committee has had time to sit down, I would expect, as any other commission or committee does, they will draw up a draft budget and we will respond to it at that time.

Mr. Shillington: — Well, Mr. Minister, I do believe one thing you said. One thing you said is that they'll be unfettered.

Mr. Minister, let's understand that the function of this committee is to sell privatization on your behalf, and you have no difficulty convincing me that money will be no object when that commission sets out.

Some Hon. Members: Hear, hear!

Mr. Shillington: — The taxpayers want to know that there will be some limits on your irresponsibility. Mr. Minister, everything in the hands of this government balloons out of sight in terms of its cost. And I grew up on a farm, and we used to get whitewash. We used it because it was cheap, but apparently a pail of whitewash in your hands becomes a very expensive item. We want to know what a pail of whitewash costs these days when you people purchase it.

Mr. Minister, you said you'd give us the per diem. Will you bring that . . . If these people are apparently not able, for whatever reason, to leave the Assembly and get it for us, will you undertake to bring that back tomorrow? I say tomorrow, Mr. Minister. Will you undertake to bring that information back tomorrow?

Hon. Mr. Lane: — Well what I will do is indicate to the appropriate minister, responsible for the commission, that I have undertaken to supply that information. I don't have any difficulty with the information being obtained and forthcoming.

As to the per diem costs of the commissioners, I've indicated I will tell the appropriate minister that I've made that commitment to the House, give them that opportunity to bring that information forward to the committee. I have indicated on the other side that the total cost, the estimated cost, we do not have that, but the per diem, I don't see any difficulty with that. I will ask the appropriate minister to bring it forward as soon as possible, and that I have made the commitment to this Assembly that that information will be brought forward. I think the hon. member recognizes that that's the best that I can do.

Mr. Shillington: — Well, Mr. Minister, the appropriate minister just waddled in and waddled out again. But that particular minister isn't asking this Assembly for any money; you are. It's therefore your responsibility to provide the information.

Mr. Minister, whatever the per diem is, however exorbitant it may be in terms of an individual, it pales in comparison with the cost of the advertising. And I do want to spend some time on the advertising.

Mr. Minister, I don't believe for a moment you don't know what the advertising is going to cost you, because I saw

them in here last week doing the ads — preparing some of the ads and getting background footage for it. I saw the Toronto airport stickers on the side of camera . . . of cases which are designed to carry cameras, and I think it's a fair assumption therefore, Mr. Minister, that the ad agencies were in here getting some background footage last week.

If they indeed are in here preparing the ads, Mr. Minister, then you must know what the advertisements are going to cost you. You simply can't convince me or anyone else that you don't know what that advertising budget is. I ask you, Mr. Minister, to tell us what the advertising budget is.

We'll tell you what it cost the taxpayers of Saskatchewan for our activities over the last two weeks. Zero. Now we want you tell us, we want you to tell the taxpayer what it cost the taxpayers for your activities over the next couple of weeks or couple of months.

You, Mr. Minister, having failed to convince the public in a direct discussion of the matter with the member from Indian Head-Wolseley, have then turned and said, well if he can't do it we'll spend taxpayers' money on advertising — trying to sell them something which they decisively said they don't want. Your arrogance, Mr. Minister, just knows no limits. After having been told they don't want it, you're going to spend their money convincing them that they don't know what they're talking about.

Surely, Mr. Minister, you must at least give us the cost of the advertising. You'd know it and you have a responsibility to give it to us. You say you don't know how many meetings there's going to be. I say that's absolute nonsense!

(1945)

I see they're counting heads again. I wonder if the member from Wascana has learned to count to 15. If he hasn't, we'll give him some help, Mr. Chairman, if he can't count to 15.

Mr. Minister, sorry to have been distracted by the member from Wascana's lessons in arithmetic, trying to teach himself to learn to count to 15. Mr. Minister, I want to know what that advertising is going to cost us. The taxpayers want to know. It's an outrage that you're using the money in the way you are. The least you have the responsibility to do is tell them how much money you're spending. Give it to us.

Hon. Mr. Lane: — Well, again, I've said it now four times this evening that you would get that information from the appropriate Crown corporation in the usual manner, Crown Corporations Committee, or you can ask it in the usual position in the estimates.

I think the hon. member will want to correct the record when he says that he didn't pay anything for advertising, his party didn't pay anything for advertising over the last couple of weeks . . .

An Hon. Member: — I didn't say that.

An Hon. Member: — Come on, don't put words in his

mouth.

Hon. Mr. Lane: — Oh, he said it didn't cost them anything . . . (inaudible interjection) . . . No, he said it didn't cost him anything is precisely what he said; that's precisely what he said — it didn't cost him anything. Maybe he wants to indicate the source of the funds.

And I'm just saying to the hon. member that we have indicated to you now on four occasions that that information from the various Crown corporations we don't have and that there is a procedure for obtaining that.

Just to indicate, so that the hon. member knows there is a procedure, I believe that the public accounts were tabled in this Assembly. The opposition member from Regina Victoria made some calculation as to the advertising, so it was there for public discussion and public comment by the opposition. So having said all of that, I don't think we can get away from the very fact that the government has its policies that it will be taking to the people and is taking to the people.

To say that 87,000 people have bought SaskPower bonds; that 32,700 have bought SaskTel bonds; that over 2,000 bought Saskoil bonds — now certainly those are total numbers and that people have bought more than one. But when we look at all of the individuals involved, we're getting nearly 80,000 people in this province have chosen to participate. I don't think they're all wrong; I think that they're right. And certainly we've promoted it.

You were critical of the SaskTel ads. You didn't like the ads on the SaskTel bonds. You said it was an abject failure and a total failure — \$106 million, nearly 33,000 people. Nearly 25,000 of those had not bought a bond or a share before in the public participation initiatives. So yes, we did promote that, and yes, we did advertise that. And many people that are prepared to spend \$106 million investing and lending money to SaskTel, I happen to think it's good. You disagree with it — fair comment.

That the number of people in this province over years have invested nearly 700 million — now that I've been given the update — \$700 million by Saskatchewan people in SaskPower. And yes, they borrowed from the people of this province. And yes, the interest is coming back to the people of this province. And you say it's an expensive way of borrowing money. We don't agree with that. We have a difference of opinion.

And yes, we did advertise the SaskPower bonds and the SaskTel bonds and the Saskoil initiatives, and we think it appropriate. And we think it fair that the people be given the opportunity to participate, and the people be given the opportunity to make a contribution to the economic development of this province. And we will continue on that. We have a difference of opinion. You say we shouldn't do it; we say we should; and ultimately the people will decide. But I've said on a couple of occasions tonight, we do have a difference of opinion. And we want to encourage people, and we will advertise to encourage people to participate. We will advertise to encourage as many people in this province to make a contribution to the economic development of this province. We believe it's right; you disagree. That's your choice; that's our

choice. And ultimately the people will decide, but we think that the people do want to participate and, again, they will decide.

Mr. Shillington: — Mr. Minister, I know that you would dearly like to sidetrack the issue into the question of SaskTel bonds. It's not what we're talking about. I may say with respect to SaskTel bonds and SaskPower bonds, provided they're fairly priced, and provided you don't waste vast sums of money advertising something that should sell itself, we have no objection in principle to the concept of those sort of bonds.

Mr. Minister, I want to get back, though, to the question of . . . I want to get back to the question of the advertising budget. You asked, Mr. Minister, will you disclose where your money came from? I'll tell you I'm darn proud to tell you that our money came from the 70 per cent of Saskatchewan people who supported it. They voluntarily gave their money because they didn't want to see this thing go ahead. I'm darn proud of the fact that that's where our money comes from.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I wonder, Mr. Minister, how much money you think you'd get from the Saskatchewan public if they had to finance your advertising program voluntarily. If you permitted people to say . . . if you permitted people to say, now your taxes are due and owing; you've got to pay them, except the advertising portion of it — if you don't agree with that you don't have to pay it. I wonder how much you'd get. You'll get nothing at all.

Our money was obtained from people who voluntarily contributed because they believe that you're making a mistake. They made up 70 per cent of the Saskatchewan public. I'm proud about those facts. I'm a lot less proud, Mr. Minister, of your behaviour in this Assembly. You have a responsibility to this Assembly to account for your actions, to account for the money you're spending. And you're clearly standing here stonewalling and obfuscating, and it is not good enough.

Now I want to know, Mr. Minister, what you're spending on advertising. The public have the right to know.

Mr. Minister you said . . . I don't believe it for a moment, but you said you're not ashamed of the fact that you're spending taxpayers' dollars on advertising. I don't believe that, but let's assume for the purpose of this argument it's true. If you're not ashamed of it, you shouldn't be ashamed of the figure either. So if you're not ashamed to be using taxpayers' dollars to sell something they've said decisively that they don't want, after a very thorough discussion, then you shouldn't be ashamed to tell us how much money you're not ashamed of. So would you give us the figure that you're not ashamed of, because we want to know how much money you're not ashamed of spending on this principle that you're not ashamed of.

Hon. Mr. Lane: — I have indicated to the hon. member on numerous occasions this evening — and I think we're up to what, six? — you can get that information in the normal course, and that it is made public at the end of the

fiscal year, as was recently evidenced by the public accounts.

And for those watching tonight, the NDP did have the information; were highly critical of the government for its expenditures. So the information is public. But let me tell you how much we did raise.

And you ask where the money is coming from: \$15 million came from the people of this province to Saskoil; \$700.6 million came from the people of this province to SaskPower; \$106 million from the people of this province to SaskTel.

The amount raised in Saskoil in an equity issue in the province is \$145.5 million. The amount raised from the people of this province for the WESTBRIDGE Computer Corporation, \$13.5 million. The amount raised for convertible Power bonds was \$125 million. Do you want to know what that totals? That totals over \$1 billion — \$1 billion . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — One billion and six million dollars — over \$1,000 for every man, woman, and child, the equivalent, given by the people of this province; loaned by the people of this province to Saskoil, SaskPower, SaskTel, and WESTBRIDGE. Over a billion dollars.

I suspect, Mr. Speaker, that there's no one in this Assembly would have thought four or five years ago that the people of this province were prepared to put up over a billion dollars to participate and invest in their own Crown corporations in the privatized activities, and in the economic development of this province. A billion dollars.

I mean, we should all take some pride in the fact that the people of this province were prepared to put up that kind of money. And there is a message in all of that, and I think it's one that certainly we have taken to heart. And we believe — and we do have a difference of opinion — that people do want to participate.

And the hon. member says that now they're in favour of the SaskTel bonds and the SaskPower bonds. The public knows that they didn't favour those when they were announced; that the public knows that they voted against them; that the public knows they rang the bells and thought that this was a poor way to raise money. So you can say now you're in favour.

And you sat here and you criticized us as a credibility problem. People don't believe that you would have bonds. People don't believe that you would give them a chance to participate in the economic development of this province. So that's the total to date. And I believe, I believe that when they've got more opportunities and more vehicles . . . And I haven't included . . . Understand that I haven't included, in over that billion dollars already, I haven't included Saskatchewan people's participation in venture capital — okay? — in the venture capital corporations' building projects around this province, average people putting up money for an investment. And I haven't talked about some of the other

activities like Saskatchewan Stock Savings Plan, of people participating, Saskatchewan people.

So we're well over a billion dollars. We're probably close to a billion and a quarter; \$1.250 billion from a population of a million people investing in their own province. I don't think there's anyone in this province that would ever have thought four years back that the people were prepared to do that. But they are.

Mr. Brockelbank: — Mr. Chairman, the central question posed by the minister's thesis is, who believes in whom in Saskatchewan? And I think the minister doesn't understand the most recent polls about who believes in whom in Saskatchewan. We definitely know who the people do not believe in.

And I spent some time, Mr. Minister, out in Saskatchewan, in urban and rural Saskatchewan, talking to people over the last couple of weeks. And you would be surprised, Mr. Minister, how many people said to me, I just cannot believe the avalanche of advertising that's being dumped on us by Participation — Public Participation, and SaskEnergy — just millions of dollars of advertising.

The people out there, Mr. Minister, are concerned about the millions of dollars you're wasting on advertising in Saskatchewan, at the same time you're telling the hard-pressed Saskatchewan taxpayers that, you've got to pay more taxes; you've got to pay more taxes because I've got to spend more money. That's what the Minister of Finance is saying and the people out there are concerned about it.

Are they justified in their concern? Well I think they most certainly are. And I'll give the member for Saltcoats a chance to get up later. Just about anybody can get into this debate, and I'm sure he'll want to get his two cents' worth in. And if it will help to reduce the deficit of this province that this minister's run up, I'd sit down right away and let you up.

(2000)

Information that came in the Assembly earlier this year in returns no. 204, no. 13, no. 203, and no. 12 shows the amount of advertising this government spent in a four-year period, ending in 1988 — in advertising, the amount of money they gave to two advertising firms in Saskatchewan to do advertising for them — they gave these two advertising firms, for SaskPower, SaskPower alone, \$3.3 million in four years, 3.3 million in four years.

They gave SGI \$5.1 million in four years, and they gave SaskTel \$6.1 million in four years. This doesn't include the extravaganza such as TeleBonds advertising, which I suspect is in the 2.5 to \$3 million bracket of advertising. It's not even in these figures because it started after this point.

I'm not sure, Mr. Chairman, whether this minister is serious about curbing the expenditures of his government, but I'll take him at his word for the moment, because he was speaking to the Investment Dealers Association of Canada, and it's reported in the

Leader-Post on May 4, this year. And at the investment dealers he is quoted as saying:

And the one mistake the government has made was we didn't consult adequately with Saskatchewan people.

Now, Mr. Minister, you admitted that you didn't consult adequately with Saskatchewan people, and you spent millions of dollars consulting inadequately with Saskatchewan people. The question I want to put to you, Mr. Minister, is this. Here's a way you can save the Saskatchewan taxpayers a bundle of money — save them a bundle of money. Will you agree, Mr. Minister, right here and now, to suspend all advertisement about SaskEnergy privatization, or about privatization generally, on radio, newspaper, TV, billboards, literature, until such times as your panel reports on this very important issue?

Now I suspect that you're going to spend a lot of money advertising SaskEnergy in the interim, while we're waiting for the report of that panel of yours, that special panel of yours.

What will be the purpose of the advertising? Well I suspect that it'll be one of two purposes. One, it will try to reverse the position that the people of Saskatchewan have taken. They've taken the principled position that you should not sell SaskEnergy which is part of SaskPower Corporation. You will try to reverse that. And you will try to aid and assist your pet commission, or panel, or whatever you want to call it, with advertising that will be supportive of the idea of privatization, when already the people have told you adequately by petitions, by polls, any way you measure it, that they don't want your privatization of SaskEnergy.

So, Mr. Minister, will you give us your word, here and now, that you will suspend all advertising for SaskEnergy, except that related to public safety — public safety or applications for jobs, that's fine — but all other advertising for SaskEnergy and all advertising on public participation for the duration of the time that your panel is sitting. I want to hear your answer to that, Mr. Minister.

Hon. Mr. Lane: — The government believes, and you disagree, that public participation is the right thing to do. The government believes most strongly that the more Saskatchewan people we can get to participate in their own economy, the stronger the Saskatchewan economy will be. The government believes that the more vehicles and more opportunities that the people have to invest in their own province, the stronger Saskatchewan will be. And I suggest to the hon. member that if we had not have advertised SaskPower bonds, many people wouldn't have been aware of them. I believe that if we had not advertised the SaskTel bonds, many people would not have been aware of them. So there is a legitimate need for advertising.

You can take your position against the advertising, and you can use the polls as your argument. And if I recall a Gallup poll in 1976, some seven months after you nationalized the potash industry, 52 per cent of the people — and this was after six months of your

advertising a family of Crown corporations — 52 per cent were still opposed to you taking over the potash industry. And only — what, 30 per cent? — less than 30 per cent were in favour. That was six months after the fact.

So you can take your polls for what they're worth today. And you and I both know the ultimate one. So I suggest to the hon. member that we do — and I've said it before — we have a difference of opinion. Your party does not support the public participation; our government believes it's the right thing to do. You have your strongly held views, and we have a fundamental difference of opinion as to how the Saskatchewan economy should develop and who should be players. We have our disagreement on that.

Again, as I've said before, that's what parliament is all about, is to have that type of disagreement. The public gets their opportunity to vote on that. And I think we both have accepted over the years the public ultimate decision, and we will again. Again we have a fundamental difference as to how things should unfold. We want to encourage the public to participate.

And I think if you wanted to take a poll in Prince Albert right now whether the government should take over Weyerhaeuser and return it to government ownership, the vast majority of people in Prince Albert would say no, that they like it the way it is . . . (inaudible interjection) . . . Well the hon. member from Saskatoon at the back says not so sure. I await to hear her views as to whether the government, an NDP government, would take back over Weyerhaeuser.

So having said that, certainly the government recognizes that public participation is new; it is complex; it's difficult. But the people of this province, the people of this province have not had, for nearly 40 years, a broad-based opportunity to participate. And they participated in the last four years to well over a billion dollars of their own money back into the Saskatchewan economy. We believe — you disagree — we believe most strongly that the people should have that opportunity. You disagree. We're going to carry our message and, again, the public will decide. But the public should have the opportunity to take advantage of the vehicles and the institutions this government is creating so that all of the people in this province will have an opportunity to make a contribution to further economic development.

Mr. Brockelbank: — Well what the minister has said is that he ignores the facts that I've put before him that his government, in four-year period ending in 1988, spent \$46.6 million of advertising with two advertising firms in Regina, both very good friends of the Conservative party, Mr. Chairman. The minister ignores that. He says, so that's the way we do business; we do a lot of advertising.

Well there's been references made earlier today about the federal government spending millions of dollars telling us that they're in financial trouble in Ottawa. My God, everyone in Canada knows that except the Tories in Ottawa and the Tories in Regina. They don't need to spend millions of dollars advertising, running a big coin across the television screen to tell you that they're in trouble. It's easy; everybody understands that. They

understood it long before those ads came on.

Now what the minister has said is that yes, we made some mistakes, we didn't handle this situation right, and we spent a lot of money doing it. But we're going to go on, continue to advertise. We're going to continue to advertise all the time this pet commission of ours is sitting — this commission which is predominated by people who will give them the kind of report they want.

The minister has avoided answering the question. I want to know how much money would be saved, and will the minister save it by saying that he will not advertise during the period that that commission is out, before it brings in its report.

Hon. Mr. Lane: — I've indicated that the advertising for SaskEnergy, that the questions would be appropriately addressed to the minister responsible for SaskEnergy, the Crown corporation, and the hon. member . . . (inaudible interjection) . . . No, that's not right. And the hon. member knows full well that there is a procedure through the Crown Corporations Committee to ask that information.

And the hon. member from Saskatoon says that's not the case. I think that the hon. member who has just asked the question has had a great deal more experience of the other member from Saskatoon and knows how the system operates and how the House procedures operate, so that that information can be asked of the Crown Corporations Committee.

I've indicated that the costs of the commission, that I think it fair, and I think, whether one agrees or disagrees with the commission on SaskEnergy, that they should have the time to meet and draw up their plans and see what their needs are and a chance to draw up a budget, and I'm prepared to give them that chance.

So I do find it difficult to accept, on the one hand, the criticism that we shouldn't advertise the SaskTel bonds or the SaskPower bonds, the Saskoil bonds, the WESTBRIDGE equity issue, the Saskoil equity issue, the convertible Power bonds, which the hon. member will admit were opposed, and quite aggressively, by the New Democratic Party, to now say that well, we don't mind the bonds, but you shouldn't advertise them. I think that is a little unwise, to say the least.

And the fact that the people of this province have chosen, voluntarily, to put a billion, over a billion dollars of their own money into the economy of Saskatchewan, and when we eliminate the people that have invested in more than one bond or equity issue, that we're in the range of 80 to 85,000 people, not counting venture capital, not counting Saskatchewan Stock Savings Plan. I believe that the government does have an obligation to make sure that everybody in the province has the opportunity to participate. And we have to get the message out to them so that they do have that opportunity, that they are in fact aware of it.

And you were critical of the SaskTel bonds, but it's interesting about the SaskTel bonds because 25,000 people, of the people that bought SaskTel bonds, hadn't bought a Saskoil bond or a SaskPower bond or a

WESTBRIDGE issue or a convertible Power bonds before. These are new people, Saskatchewan people, that are putting up their money, loaning money to SaskTel. Not only does the interest stay back here with Saskatchewan people, they're investing in their own province.

(2015)

And you say it's too expensive and we shouldn't do it. I agree that it's more costly, at least in the first issue, to set up the system to get Saskatchewan people involved, but those costs drop each time you do a bond and people become more and more aware of them. The fundamental difference we have . . . and we can agree to disagree that this government believes that the right thing to do is to get as many Saskatchewan people, individuals, investing back in their own province to add to the growth of the Saskatchewan economy.

We believe that it's the right thing to do. You say it's too expensive and that we shouldn't advertise to give them that opportunity. That's your choice, that's your position. As I said earlier to the hon. member, people are going to judge us at the next election; they will judge you at the next election; they will judge all politicians. It's not just a one-way street and we all know that. And they will make their choice.

But in the meantime, we are going to try to get as many Saskatchewan people investing in their own province and contributing to their own province's economic development.

Mr. Brockelbank: — Mr. Minister, I listened earlier this evening to your convoluted logic, and it was this: that if we're upset about the amount of money that's been spent advertising and it's harming you, then we shouldn't worry about spending more money because that would seal your demise. Well that's not the question under consideration here. The question is interim supply and your wanting to spend some more of taxpayers' dollars.

We know at this point that you spent enough money in advertising and you've been arrogant enough to alienate a good percentage of the taxpayers that were your friends before and are not going to support you again. So we don't want you to waste any more taxpayers' money between now and whenever you call the election because you've done the job already. From now on, any money we can save on advertising is money in the taxpayer's pocket, and that's what we want to do.

You've betrayed the people on this Crown corporation, on the privatization of this Crown corporation. They're hopping mad about your advertising costs, and they're upset about your arrogance in dealing with the whole thing. The reason I'm appealing to you, Mr. Minister, you appear to be the only one in that front bench of people with minds like concrete — all stirred up and set, really mixed up. You're the only one that's made an admission of some kind that yes, you've made a mistake.

I'm appealing to you, Mr. Minister, because maybe you're the only one on that front bench that I can get through to, because I know I can't get through to the Souris-Cannington dreadnought. He's not going to listen

to anything. He's got George Hill behind him and he doesn't have to listen to anybody else, because George Hill's running the show. It's as simple as that.

Now, Mr. Minister, I want to know how many provincial bond issues are you going to market to Saskatchewan people between now and October?

Hon. Mr. Lane: — Well I don't have that information, but certainly the process . . . I can't tell you whether SaskPower's going to do another bond issue, for example. They've traditionally done one in June. I can't tell you whether a decision's been made to go with another one. We've got the ongoing debate before this Assembly as to potash, for example, as an equity issue.

You can rest assured that the initiatives will be taken to make sure that in all cases of such actions that everyone in the province will have a chance to participate. They will have a chance to make the contribution. And again, we can debate this for some time. We have two fundamental differences. We think it's the right thing to get people involved. We think it's the right thing so that Saskatchewan people can both make a contribution and an investment in the Saskatchewan economy.

And they've chosen to do it. They've chosen to do it to the tune, if I took the total number of participants of about 134,000 . . . and I recognize that many of those people have bought more than one either bond or share, or convertible bonds, or whatever. But the fact that, as I say, 85,000 people have chosen to both participate and make a contribution is not something that should be sneezed at and not something taken lightly.

And we have to, and we believe that what we're doing is the right thing for the province. We believe that the more information that Saskatchewan people have as to their opportunities to invest in their own province, the better Saskatchewan is. And we'll give them that opportunity. I think the worst thing that could happen is to do an issue or to do a bond and have somebody in this province stand up and say, I didn't get a chance, you didn't tell me about it. You're far better off to have people say, well I had my chance, I chose not to take it, or I chose to take it.

But we're giving them the opportunity. You disagree with us giving them that opportunity; that's your position. We happen to think our position's the right one. You think that yours, of not having that, of using other instruments and not having the people do it personally, that's your choice. And that's what the debate, and I think we all recognize that, that's what the debate will be both up to and during the next election.

Mr. Brockelbank: — Well, Mr. Minister, you spent \$46 million in four years on advertising, a lot of it on privatization. The minister seems to say to us that look, we may want to float a bond issue. Well I say to the minister: if you have any strictly bond issues to float, that's fine. I don't have a problem with bond issues. What I have a problem with is your privatization and your sale of equity in SaskPower, SaskEnergy, while this commission is having its hearings.

Mr. Minister, if we leave out the bond issues, if you come

with a straight bond issue, fine, I don't have any problem with you advertising it. But any other advertising relating to SaskEnergy or privatization, which is related to equity, will you, Mr. Minister, cease to have those ads run? You'll save yourself millions of dollars and you won't embarrass yourselves any more than you are now, which is pretty serious. You'll stop embarrassing yourselves publicly, and you'll save the taxpayers a lot of money, and in the long run they'll thank you for that.

Now, Mr. Minister, I think that's a proposition that you could accept. If there's a straight bond issue that you want to market, no problem. But if you're talking about equity in SaskEnergy or privatization generally, then I ask you to cease your advertising, cease this wild waste of taxpayers' dollars on privatization that you've already spent millions on, at least until this pet commission of yours reports back to the government. I ask you in conclusion, Mr. Minister, will you do that?

Hon. Mr. Lane: — I'm a little surprised at the hon. member's statement because several members of the New Democratic Party were very, very critical of the SaskTel advertising program — some publicly. And I know that the press and others are very much aware of the criticism. And some were very, very critical of the SaskPower bond advertising. And now to say that it's all right, I think is perhaps a sea change in attitude from the opposition.

Maybe they are increasingly coming around to the public's view that having to public participate in Saskatchewan as individuals is a good thing to do. I'm perhaps being overly optimistic when I say that. But I have indicated to the hon. member that the appropriate question for a Crown corporation as to what its plans are, the Crown Corporations Committee or to the appropriate minister, and the expenditures of the Crown in their operations has not been the purview of the Committee of Finance for interim supply before, and that there is an appropriate procedure to express your concerns, opposition, or support to what SaskEnergy is going to do.

And I'm not interpreting what the hon. member says as meaning that the commission shouldn't advertise meetings. And perhaps for personnel, whatever they're going to do, I think that that would be a fair amount of advertising that you would accept. And you've already indicated that public safety, SaskEnergy would be acceptable, and I'm sure we can agree on other activities that would be acceptable. But the appropriate procedure and the appropriate process to ask under Crown corporations is in the normal procedure of either Crown Corporations Committee or the minister.

Mr. Kowalsky: — We finished with the SaskTel Bond advertising, but could you give me the number exactly, how much did it cost us? Is \$3 million correct, SaskTel Bond advertising?

Hon. Mr. Lane: — I don't have that information. There is the . . . (inaudible interjection) . . . no, but the appropriate is Crown Corporations Committee. And we've given the information, I believe, in the past, and the normal procedure would apply.

And I know you are opposed to the advertising, and I believe SaskTel . . . I don't know if the hon. member who just asked the question was one that was publicly critical of the SaskTel Bonds and the advertising. And I don't know if the hon. member was the one that called it — what? — an abysmal failure, I believe, the SaskTel Bonds. So the proper procedure is through Crown Corporations Committee, and as in the past, you'll get your full information.

Mr. Kowalsky: — Well the minister won't come up with the exact figure. At least he won't confirm it. So let's assume, Mr. Speaker, right for this moment, that it was a \$3 million bill that was used to advertise SaskTel Bonds.

And I want to clarify to the minister about the SaskTel Bonds. It's the advertising that we're talking about here, Mr. Minister, not the sale of bonds. If you had set up these bonds and put them on the brokerage and made them compete with anybody else, nobody would have said a word about it. But no, you decided that you had to spend \$3 million of the taxpayers' money — of the taxpayers' money — to try to convince them that this business of selling bonds is something to do with privatization because privatization was going down the well for you. And that's the problem. That's the problem we have because what you're really doing is you're advertising your political agenda.

You're not advertising the sale of bonds, you're advertising your political agenda, and you'd better get off of that because the taxpayers of Saskatchewan don't like it, and that's what this was all about. The last two weeks should have told you that, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Now you see, so you spent \$3 million advertising SaskTel bonds. Now you got yourself into another pile of trouble with this business of SaskPower. And what happens? The minister, the Deputy Premier, the minister in charge says, well we're going to have to advertise to convince the people.

Well think of the immensity of the problem, Mr. Speaker, think of the immensity of the problem. If it took \$3 million to convince people to buy bonds, something they already believed in, what it is going to cost to advertise this? Are you going to advertise for a year, two years, three years? Is it going to be 10 times the value or 100 times, and when are you going to quit? When are you going to quit this advertising?

Now, Mr. Speaker, it could be taken to ludicrous proportions. You see, what we have as situation is the minister has taken taxpayers' money to convince taxpayers that they are wrong and that this government is right. They got to get off of that. They got to get off of that, Mr. Speaker.

(2030)

You see, this government for some reason has it in its mind, has it in its mind that they can convince anybody about anything if they use a sufficient amount of advertising. And they don't believe in the basic honesty of

people of Saskatchewan and their basic reaction to how we've run things in this province. They think that they can use the wizardry of advertising, that it's like selling soap.

Well that's not the way it is in Saskatchewan, my friend. That's not the way it is in Saskatchewan. We don't need that kind of thing. And besides, you can find out what people are thinking, and if you can't convince them on a face-to-face basis, and I challenge you to do that.

I challenge you to go out to all of the districts in the province, and face to face try to tell them that SaskPower should be sold, should be privatized; that we should have a sell-off. Try to do that. Do that. Just get out and walk down the street. Don't hide behind the walls of this fortress here. Get out there and walk out and ask the people and see what they say. See what they tell you, and then maybe just try to convince them yourself. Try to convince them yourself that it's really good for you to buy something that you already own. And I'll tell you what they tell you — they'll tell you that privatization is a bad deal for Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — They'll tell you over and over again that it's a bad deal. They told us that; they told you that with SaskPower; they're going to tell you that about potash — it's a bad deal for the province of Saskatchewan.

Why is it a bad deal? Look, there's all kinds of evidence, Mr. Speaker, all kinds of evidence. We've seen four, five years of privatization in this province.

An Hon. Member: — And it's good.

Mr. Kowalsky: — We've seen it. And the member from Wilkie says it's good. Let's see how good it is. Let's see how good it is. Let's take a look at this performance of the privatization in the province of Saskatchewan. Just what has it done? Let's see what it's done.

What has it done to the budgetary position of the province of Saskatchewan? You know, if you ran your household the way you run this province, you'd have been bankrupt four, five, six years ago — absolutely would have. You took over with \$139 million surplus, Mr. Speaker — \$139 million surplus. You start privatizing — what happens? Two hundred twenty-seven million dollar deficit. That's in 1982-83. Just a little switch here, from a surplus to a deficit. Add it every year from then on we had a deficit — we had a deficit every year since then.

We are now down to what, \$3.9 billion — \$3.9 billion of deficit of privatization, and you want to give us more. Boy, what do you think we are here? You want to give us more. You want to advertise to convince us that this is a good thing. Well, look at the figures. I now owe \$3,900 because of your privatization, because of your obsession with privatization. And you want to convince me that \$3,900 owing for me, my wife, my two daughters, and oh, yes, and for every kid that's born here, \$3,900 that we have to pay in taxes that you have spent for in your privatization sweep instead of having some common sense approach. That's what's happened.

That's what's happening. That's why the people of Saskatchewan are upset with you, because privatization has been a bad deal for me. It's just been a bad, bad deal.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, privatization, what has it done to my income tax? What has it done? What has it done to your income tax, Mr. Speaker, or all of the people here? What has it done?

Mr. Speaker, you take a look at the revenue that this province has collected in the last four years in income tax — in income tax and in sales tax. Let me deal with the sales tax first, Mr. Speaker, because that's what I've got here in front of me, this chart, sales tax revenue. Let's switch to that for a moment; I'll bring up the other chart later.

Sales tax revenue . . . privatization which now is being advertised, and that's what this is all about. We asked the minister, we asked the minister to come clean on how much he's going to spend on advertising this package of SaskPower privatization. That was the basis of the request. He wouldn't come up with it. So what we're trying to do here is estimate how much more it's going to cost, Mr. Speaker. How much is it going to cost.

Well, we've got at one figure . . . the bond, the bond issues are about \$3 million. The cost of the advertising for the bond issue is about \$3 million, and that was an easy one. We already agreed with that. People of Saskatchewan agreed with the bond issue, but they spent \$3 million on it.

Now he's going to advertise to sell the SaskTel bonds — pardon me, the SaskPower bonds. He's going to advertise those. Why? Because he says privatization is good for you. How good was it to all of us in Saskatchewan, with a declining population, or as a result of their population, when it comes to sales tax? Are we paying less sales tax to the province because of privatization?

Well let's take a look at the numbers. Let's look at them. Here we are: 1984-1985, sales tax revenue, 372 million. Now what would you expect with good privatization? Should the sales tax revenue go up or should it go down? I guess I would expect that if the story was true it should be good for me. We should be paying less sales tax. But what are the figures? In 1985 the province collected more sales tax revenue — went up to \$383 million; in 1986-87 they collected more yet, 386 million; 1987-88, more yet, 467 million. And last year, 1988-89, way up again, 476 million. Is privatization good for us, Mr. Speaker, or is it a bad deal, I ask you.

An Hon. Member: — It's a bad deal.

Mr. Kowalsky: — My colleague from Saskatoon says it's a bad deal, and she's right. It's a bad deal, Mr. Speaker. Privatization of SaskPower is a bad deal. Advertising the privatization to try to convince the people of Saskatchewan is a bad deal. How much is it going to cost? The minister won't come clean with the figures. We ask him the numbers; the closest we can come to is that if we use the example that's before us already, the example

before us already, the example of SaskTel bonds — \$3 million, \$3 million — so what's it going to cost to advertise this and convince the people of Saskatchewan that we should buy this concept of privatizing SaskPower? Is it going to be five times as much, is it going to be five times as hard? Is it going to be ten times as much as \$3 million, or what?

He says that there's no limit. Well, Mr. Speaker, there's got to be a limit; he's got to be accountable to this House. There's got to be some limit to this thing here, because this privatization concept is just gone too far. There's a limit to how much we can just allow to happen. There's got to be a limit.

You see, our sales tax revenue went up . . . or the sales tax revenue of the province went up, went up, so that means we're paying more. Our deficit went up. I now owe \$3,900 for every member of my family, and so do all of you. That's gone up.

Privatization, what has it done, and who's it good for? Well let's see, let's look at another thing here. The province also collects income tax from corporations. Do they charge them the same kind of money? Are they collecting the same kind of increases from them? Well I look at it, the figures, right from the budget estimates; it's right in the books. All you got to do is get five of them and compile them: 1984-85, \$156 million. What happened the year after that? It went down to 145, not like sales tax revenue, not like income tax revenue. It went down. Last year it was down to 134 million. Well now things come a little clearer; who was privatization good for? Who was privatization good for? Well I guess the corporations wouldn't mind too much. These are the people who get to write off their expenses. They're not people who have kids that are born with the \$3,900 debt, you see.

What happened to corporations? Well not too bad a deal; their tax rates have gone down. In fact this year, effective January 1, the corporate rate went down from 17 per cent to 15 per cent. Whose tax went up? Who else's tax went down? Did your tax go down this year?

An Hon. Member: — No. Mine never went down.

Mr. Kowalsky: — I invite the minister: did his income tax go down? I invite you to answer that question. Mr. Minister, you understand . . . and I want you to get a grasp of why it is that the people of Saskatchewan have a problem with you spending advertising money — have a problem with you spending advertising money — on advertising SaskPower privatization, because they've had a bad experience from privatization so far. We don't want any more of it, and don't try to convince us of it by spending our money.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well as I've indicated to the hon. member several times tonight, that I know that there was some strong criticisms on the SaskTel ads by the hon. members opposite, but I believe that the opportunity for Saskatchewan people to buy SaskTel bonds could even have gone further. I think that if we had have kept the sale of bonds out longer, that more and more people would

have participated. Having said that, again the point that we had debated earlier in the budget as a percentage of our revenues from the corporate tax side, the percentage is higher as of our revenues today then it was back when NDP were in office in 1981.

Now I've indicated to the members of the opposition that I had a commitment at 9 o'clock tonight, and I've asked for leave to adjourn that debate. Thank you.

Mr. Shillington: — If I may, just before you take the vote on that, I don't think the members opposite will object. I just have one comment. We've asked you for some information tonight, Mr. Minister. We would appreciate you coming back with the information tomorrow or whenever you pick up this adjourned debate. I think there's perhaps some modest excuse tonight, there's perhaps some modest excuse tonight for not having it. But when we come back tomorrow, as we assume we are, to deal with interim supply, there should be no excuse for not having this information. And we'd ask you, Mr. Minister, to bring it back with you tomorrow when this resumes.

(2045)

The committee reported progress.

The Assembly adjourned at 8:46 p.m.