

## EVENING SITTING

## SECOND READINGS

**Bill No. 94 — An Act respecting Representation in the  
Legislative Assembly (continued)**

**Mr. Pringle:** — Thank you very much, Mr. Speaker. Mr. Speaker, I wish to join my caucus and my leader who spoke very eloquently before our break about why we condemn this blatant, undemocratic electoral boundaries legislation. There's just no other way to describe it, Mr. Speaker. And I'm saddened as I stand here tonight because this legislation or this Bill moves us a step closer to boundaries in Saskatchewan that are going to be very undemocratic, and I think that anyone in the province, which includes most people, who are concerned about democracy, will be upset when they understand the full implications of this Bill before us.

I'm also saddened, Mr. Speaker, to see at this point such a desperate government once again chipping away at the democratic traditions in this province. And we've seen this during the whole session where they've withheld information, important information that we needed to know here in order to be an effective opposition.

They have continued the practice this session of late filing of annual reports, they've made unparalleled unilateral rule changes which have never before happened in this Assembly, Mr. Speaker, and of course, as my leader had pointed out, they invoked closure, which not only had never been done before in this Assembly, it had never even been contemplated by an Allan Blakeney or a Tommy Douglas, or the member from Saskatoon Riversdale, or Ross Thatcher. That had never been contemplated before, but we've seen this government, for the first time, very deliberately try and muzzle the opposition.

Now of course, we have the ultimate act of this chipping away at democracy, the ultimate act of the erosions that we've seen, that we've come to expect from this government. And that is the deliberate and the blatant rigged boundaries for the PCs' own political purposes, Mr. Speaker.

The government is not even embarrassed about the discrepancies in the report in this legislation. The minister from Melfort says that the boundaries are fair. And he was very proud of this. He's mentioned that three times now . . . two times now, once in the motion and once today. Any objective analysis shows, Mr. Speaker, it's very clear that it's fair all right, but it's much fairer to the Tories than it is to anybody else.

The government says that . . . In fact the minister said more than enough, there's been more than enough public input. Well their idea of public input, Mr. Speaker, as we've seen in this session, is to call George Hill or John Remai or Cargill or the big banks and say: boys, what would you like us to do for you today? What kind of way can we be helpful to you? We're your representatives. We're not the representatives of ordinary average citizens. We're your representatives. It must have been

very evident, Mr. Speaker, in the kinds of privatization deals that we've seen, the kind of sweetheart deals that we've seen during the tenure of this government.

To say that there has been enough public input into this whole process, Mr. Speaker, is an absolute falsehood, and the minister knows it. His defence is weak; in fact it's offensive to the people of Saskatchewan to be so misleading. This government did not intend there to be public input, the same way they did not want public input on SaskEnergy where they're clearly going against the will of the people. They did not want public input on the Potash Corporation of Saskatchewan. They would not accept public input on the ward system during the last session. They do not care what the average or the ordinary resident of Saskatchewan thinks.

The PC government is not interested in accountability, Mr. Speaker. We've seen this with GigaText — we can't get any answers from them. We've seen this in the secret privatization deals, in the SEDCO fiascos, and the minister refusing to answer questions. This has been reflected in the Provincial Auditor's report, a very damning report, Mr. Speaker, where the response of the government, with the blessing of the Premier, was to attack the auditor, an officer of this Assembly, Mr. Speaker, again never done before except last year by the same Minister of Justice. We've seen their concern about not being accountable, the way they've broken their own laws, as pointed out by the auditor, by the securities commission action.

This government defends the 25 per cent variable drawing on the B.C. decision. Now I'm not going to get into that tonight. I did that on Tuesday, and the Leader of the Opposition dealt with that very effectively today. The essence of what was important there is the thing that the government has missed, the point that they've missed, and that is that the issue of fairness in voting is ultimate and that democracy is very precious and must be reserved at all costs, Mr. Speaker. And this government reminds us on a daily basis that democracy is also very fragile in the province of Saskatchewan.

If the PC government was sincere about this legislation to gerrymander the electoral boundaries, they would have kept the independent boundaries commission, which they did not do. If they were sincere, they would not have tied the hands of the boundaries commission by prescribing and dictating all of the rules and conditions for the commission. If the government was sincere, why didn't the government follow the past practice of letting the commission make the recommendations regarding such things as the number of ridings there should be, the urban-rural make-up, and the population shifts and trends, and so on. If they were sincere, they would have allowed more public involvement than they did, rather than two weeks during last summer when people were on holidays and now debating this at the last moment again when people are on holidays.

I identified some of those people who were against this legislation, Mr. Speaker, on Tuesday when I spoke on the motion, and I'm talking about people who are considered experts in constitutional law and in politics and political

science. People like retired Professor Ward, who's well-known in the province, who said that this commission was not independent, that he would not even sit on it because it was so controlled by the government. Professor Leeson from the University of Regina said that the legislation was unfair. Professor McConnell, the constitutional law lawyer, an expert by Canadian standards, said that this legislation likely violates the Charter of Rights and Freedoms, and if a court case were held, which may be the result of this legislation, that it would likely be successful, Mr. Speaker.

So there are many others who are concerned about legislation, but the experts basically have shown that this whole process was a sham. The public did, by the representations that were identified in the report. In fact, the report itself, on page 1, the commission felt the need to clarify that there were restrictions placed on it. So I think that's a sign, Mr. Speaker, that there are serious concerns, as expressed by experts in the general population, and I think that these concerns should have been taken seriously. But we have the government that's so desperate that it has ignored the concerns that have been raised by people of Saskatchewan.

Mr. Speaker, in the final analysis, I think the important questions have to be: has the public been better served by this boundary report; has representative democracy improved; is there more equity in the constituency numbers? Well as my colleague said, to all of those the questions the answer is clearly no, Mr. Speaker. But there was never been any intention that the boundaries be fair. There was never any intention that this be other than a rigged gerrymander. Otherwise all the conditions and controls and prescriptions wouldn't have been placed on the boundaries commission.

If the legislation as fair . . . Well let's consider if the boundaries are fair, by the following questions here. If they were fair, why is the average NDP seat that we currently hold approximately 1,400 . . . contain approximately 400 voters than the average Tory seat? Considering that the norm of the constituencies should be . . . well should be 10,147 voters, why such an imbalance, 1,400 higher per NDP seat? Why are the NDP seats over in 88 per cent of the cases, the Tory seats only over the norm on 12 per cent of the cases? I mean that's an incredible imbalance, Mr. Speaker.

In terms of the number of boundary changes, the number of constituencies that changed the boundaries, why did the boundaries change on 74 per cent of the new Democrat seats, that is three in four of them? Why did they only change on 26 per cent of the Tory seats? That's an important question. It's a good question, as my colleague says. It hasn't been answered.

In urban Saskatchewan, the urban centres, Regina Elphinstone, over 12,000 voters — it happens to be an NDP seat. Regina Plains, 8,237, held by a PC member, Mr. Speaker. Now what justified in the same city a 4,000-voter difference in the same city? That's over half the number of difference, Mr. Speaker. What on earth would justify that?

In rural Saskatchewan, Humboldt — happens to be an NDP seat — 51 per cent more voters than the PC seat of Morse, Mr. Speaker. Again, why a 4,000-voter difference? One has to ask that question — two rural seats, Again, we could take Humboldt, 3,000 more voters than Thunder Creek. Why a 3,000-vote difference, Mr. Speaker? One's held by a NDP member; one's held by a Progressive Conservative member.

This is not equal representation. This is not representative democracy. The most unchanged urban constituency in Regina, and by far the smallest, is the Regina Plains constituency held by the Minister of Urban Affairs. Now he's been pretty touchy in the debate on the motion, and no wonder. He should be embarrassed about that kind of discrepancy, Mr. Speaker. It's the smallest riding, almost, in the entire province. It's certainly the smallest urban riding in Regina here.

And the interesting thing is, of the two additional constituencies the minister said there's been one new constituency in both Regina and Saskatoon. Well coincidentally, and with a bit of creative drawing, it just so happens that, based on the 1986 election results, the PCs would have taken both of those seats. Now I find that more than coincidental as well, Mr. Speaker.

Well of course that doesn't speak to the 1990 election. They did it based on '86 results. In the 1990 election that gerrymandering was the kind of thing that will result in this government being thrown out, Mr. Speaker.

And of course one final result, as I come to the close of my remarks, Mr. Speaker. With the NDP winning 1 per cent more popular vote in 1986, the Tories won by 13 more seats. Well that would appear to be an imbalance and an inequitable situation, Mr. Speaker. But after this legislation is passed, if it is, based on the 1986 results, the Progressive Conservatives would have won two more seats, or 15 seats. So in fact what has happened is that the process has become less equitable than it was before and we're better off if the minister would withdraw the Bill. The public would be better served if the minister would withdraw the Bill, Mr. Speaker.

So the obvious questions one has to ask about all of this is: why are things so one-sided on all the indicators? How come the deck is so stacked in favour of the PC Party? How come the results are so tipped in one direction, Mr. Speaker? And all the indicators are tipped in one direction; they're tipped in favour of the Tories getting back into office. Why did the PCs get all the breaks? They got all the breaks, if you analyse the report. Now that seems more than coincidental. Why has everything fallen into place for them?

(1915)

Mr. Speaker, I suppose that they could say, and the minister would probably say this in the back rooms, that the gerrymander was effective. It was successful; it achieved the objectives that they had set out. It accomplished what they had set out to do. There's only one explanation that can explain why everything fell into place for the government, Mr. Speaker, and that is because this has been from the outset a calculated and a

blatant, rigged gerrymander by a desperate government that sits at 28 per cent in the polls, Mr. Speaker, attempting to hold on to power for its own political purposes.

Now the minister . . . I'm disappointed in him. Again today he gave a very weak defence for this legislation, for the discrepancies, or no defence, as my colleague from Moose Jaw North says. He rationalized and justified the results in the report, but, Mr. Speaker, he hasn't fooled anyone, just like the Thatcher government didn't fool anyone in 1970. There are many parallels, which I went into on Tuesday and I won't repeat, but the bottom line is that the Thatcher government is still paying for that two-tier health care system and resource give-aways and the broken promises and the cuts. They're still paying for that. They still haven't recovered. They broke the public trust the same way as this government has broken the public trust, Mr. Speaker.

The PCs, like the Liberals, were engaged in a very undemocratic gerrymander and the Saskatchewan people have worked too hard over many years to allow this kind of gerrymander to occur. They worked too hard over too many years to achieve democracy and they want to preserve it, Mr. Speaker. Saskatchewan people are fair, they are honest, they are open, and they won't tolerate governments that are arrogant, that are out of touch, and that are not willing to be accountable, Mr. Speaker. They don't want governments who have its own narrow interests at heart. Saskatchewan people, Mr. Speaker — and you know this — they stand for respect of each other, they stand for tolerance, and most of all they stand for justice, Mr. Speaker, and they want a government that keeps its promises.

And they know, through every promise this government has made, on health care, on taxes, on economic development, on education, they have broken it, Mr. Speaker, because the PC government represents none of these qualities that Saskatchewan people stand for. At one time they may have, but they don't any more because they don't respect any of these qualities that Saskatchewan people have. The government will pay the electoral price for this ultimate undemocratic act today, Mr. Speaker.

I have a number of colleagues who wish to speak on the legislation, Mr. Speaker, but I think I've made my points, and I appreciate the opportunity to have spoken on the motion and on the legislation, and I join my leader and my colleagues in saying we will be vehemently opposed to this legislation. Thank you very much.

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

**Ms. Smart:** — Mr. Speaker, I appreciate the opportunity to speak to this legislation, but I very much regret that it's being rushed through at the last minute like this. There's so much to say about it.

Mr. Speaker, when the PC government introduced the idea in the throne speech of 1986 that they were going to change the electoral boundaries, by husband said to the Premier at the Speaker's tea, he said directly to him that

he hoped that the Premier would not gerrymander the province too badly.

Now, Mr. Speaker, that statement was certainly prophetic, because with this piece of legislation that's before us this evening, the PC government is putting its final stamp on a very bad gerrymandering of the electoral boundaries in Saskatchewan. And to gerrymander an election is a desperate and a pathetic act. To divide up the electoral boundaries in such a way as to give an unfair advantage to your own political party is the action of a government that wants to bully its way back to power.

And, Mr. Speaker, what do you think the Premier said to my husband when he told him he didn't want the province to be gerrymandered too badly? The Premier said that he would be fair. Now I'm not even sure that the Premier and his PC government members know the meaning of the word fair because despite what they say, their actions have demonstrated over and over again that they do not value fairness. And fairness, Mr. Speaker, is the essence of democracy. Fairness is justice and fairness is equality for all. And those are precious concepts which I have seen this government trample in the dirt.

I ask you what is fair about this electoral boundaries legislation. It creates 21 per cent more seats from rural Saskatchewan, which has only 6 per cent more voters than the urban areas. What is fair about this electoral boundaries legislation which creates Tory seats that can be 25 per cent smaller in population while NDP seats can be 25 per cent larger? The total discrepancy can be sometimes more than even 50 per cent. And I'd like you to take a seat like Saskatoon Idylwyld, which is the seat that I intend to hold for the New Democrats when we form government after the next election.

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

**Ms. Smart:** — Saskatoon Idylwyld will be the second largest seat in the province with 59 per cent more voters in it than the rural seat of Morse. And I ask what is fair about all that, Mr. Speaker. Nothing is fair. And what gives the PC government the right to do this? Nothing. Like everything else they are doing, the Tories have no mandate for these electoral boundaries changes. And the Premier has no intention of being fair and never did have about these changes or about anything else.

I ask you to look at the process of establishing these unfair electoral boundaries changes. First, the Premier rammed through the legislation to create a new Electoral Boundaries Commission during the final days of the long legislation session which ended in November of 1987, much like he's ramming through all the legislation that we're dealing with today in these dying days of this sitting — and that's unfair, Mr. Speaker.

And the commission they created was not independent. The PC government removed the input from the Leader of the Opposition, input which had been allowed under our New Democratic electoral boundaries legislation. They removed the non-partisan Clerk of the legislature from the commission and they replaced that person with a politically appointed Chief Electoral Officer. And they removed the public input on the commission and that

was unfair, Mr. Speaker.

And the commission's hands were tied by the PC government. The number of seats in each region was limited. The allowed variation between seats was increased from 15 per cent to 25 per cent. And when their initial report was released, in mid-August, in the middle of summer, again, only a few days were allowed for groups to prepare briefs to the hastily called public hearings — and that was unfair.

The PC government has never explained why it destroyed the independent commission, but the reason is quite clear for all of us to see. The PC government wants to retain power and it cares little for achieving that power through democratic means. The PC government does not respect popular sovereignty nor any moves in that direction. What they want is political power for their favoured friends and their PC pals and there's no more and no less. Their mission, their vision, is power and more power for those who are already wealthy and have property; and for the rest of us, their mission, their vision, is low wages, charity, and crumbs.

And it's obvious, Mr. Speaker, by these electoral boundaries changes, that the PC government hopes to contain the New Democrat vote within certain seats, most of which are to be created in the large cities, but not all. There is a blatant example of unfairness in the fact that the rural seat of Humboldt, an NDP seat, has been made larger, while the seat of Morse, the smallest in the province, stays the same. And there's a 51 per cent difference between those two seats, as many people have already pointed out.

The Tories are saying, and the member for Morse said in this debate, that the reason they want the rural seats, except for Humboldt, of course . . .

**The Speaker:** — Order, order. I'm sorry to interrupt the member but she was getting some competition and I'd just like to eliminate it.

**Ms. Smart:** — Thank you, Mr. Speaker. I'm pointing out that the Tories are saying that the reason they want the rural seats — except for Humboldt, of course — to have fewer votes, is because the MLAs in rural areas have great distances to travel to see their constituents and a problem with communication. And, Mr. Speaker, I can understand their unwillingness to use the highways and the grid roads of the province these days because, thanks to the negligence of the minister in charge of loose stones, the member from Melfort, the road system in Saskatchewan is in sorry shape.

So I can see why the rural MLAs are having a problem trying to reach their constituents. Every two miles they have to slow down to save their windshields. And, Mr. Speaker, we used to have one of the best road systems in the province, and reaching people was easier than it is in many places in Canada, but this government does not believe in building on the fine work done by the earlier governments. They want to wreck everything, including the democratic process of this legislature.

And the point I'm making, Mr. Speaker, is that difficulties

in communicating over distances is no excuse, except in northern Saskatchewan where everyone agrees that circumstances are very different. In the southern half of the province, people manage to get about quite well, thanks to the foresight of the Tommy Douglas government, our form of government, a CCF (Co-operative Commonwealth Federation)-NDP government, which we will see again in Saskatchewan after the next election. And we will see it in spite of the failure to provide fair representation for the people and in spite of the bad gerrymandering.

Mr. Speaker, the PC government has made a number of undemocratic moves since 1982, and especially since 1986, moves which have deliberately attacked our political system. And these attacks reflect their interests in destroying the political power of the majority of the people as much as their rotten privatization policies have attacked the province's economic power.

Now, Mr. Speaker, the point has been made that, to be fair, each seat in the province should have approximately 10,000 voters if all the seats had equal number of voters. A seat with 10,000 voters would be fair representation by population, but under this legislation, 88 per cent of the seats currently held by new Democrats are above this average while only 12 per cent of the Tory seats above. That's 88 per cent above the average for the New Democrat seats, and that means more people to represent and to provide assistance to than the Tory seats have. And Saskatoon Idylwyld will be 21 per cent above the provincial norm. And that is not fair to the people, Mr. Speaker, to jam them up in big areas.

Now I ask how did this happen and what is the explanation. And I find, when I look at the history of gerrymandering in Saskatchewan, I see a common thread, a thread which just might help to explain why we are speaking to this unfair and undemocratic legislation, legislation which will allow the government to manipulate the electoral boundaries in favour of their own political hides and their Tory agenda.

I remind you that in the late '60s and the early '70s when Ross Thatcher was premier, he behaved very much like the premier . . . the PC government is behaving. His policies were detrimental to the economy. He chiselled away at services that his government provided and he too kept increasing taxes — higher taxes, fewer services — a symptom of an uncaring, undemocratic government.

And, Mr. Speaker, it's interesting to note that the current Minister of Finance, the member from Qu'Appelle-Lumsden, was part of the Thatcher cabinet that hacked away at services and increased taxes, and he was part of the cabinet that developed policies which drove jobs and young people out of the province, and he was also part of the Thatcher cabinet that decided to construct a gerrymander to maintain power.

And I say, isn't it interesting how the PC government is following in the exact footsteps of Thatcher, the one common factor being the current Minister of Finance? And I ask: could this be one of the explanations for the gerrymander? Is it the influence and power of the Minister of Finance? And are the members opposite being led by

the nose into this mess by one of the ministers who plotted Thatcher's gerrymander?

And I think, Mr. Speaker, that we might more correctly call the episode of 1970, 1969, and this one today, not gerrymanders, Mr. Speaker, but Gary-manders. And I say this legislation is a Gary-mander. And I say good luck to you if you think you will succeed with this.

Mr. Speaker, the Tory government is not a popular government, and the members opposite know this, and I think they are afraid. They're afraid to defend their policies, they're afraid to lose political control, they're afraid to face the voters.

The PC government is a government of cowards and this piece of legislation is a cowardly act.

I predict that the PC government will be sunk as deep by this Gary-mander as it is now by the Minister of Finance's deficits, taxes, mismanagement of the economy, waste, and corruption. Gary-mandering does not work in Saskatchewan, and this legislation will not work. And the members opposite, the PC Party representatives, will be as defeated by as the Liberals were in 1971.

And obviously, Mr. Speaker, I am opposed to this legislation.

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

(1930)

**Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, I enter this debate tonight wondering, I guess, what we're coming to in the province of Saskatchewan. We have in Saskatchewan a long-standing tradition of democracy, as we have in Canada and in the western world.

In many third-world countries, Mr. Speaker, people . . . Their first objective is to establish a democratic right. And the two principles involved in that is, first of all, the right to vote; and secondly, the right of one person, one vote on an equal basis.

And what we have here, Mr. Speaker, in this legislature in this session, instead of concentrating on the affairs of state, making Saskatchewan run for the best interests of the people, instead of that, we are standing in this House defending democracy, the basic right of people around the world. Many peoples around the world are fighting for it, because they know that this is the proper method to go. But in Saskatchewan, we are standing in this legislature trying to defend democracy and the democratic structure that we have in Saskatchewan.

The principle of one person, one vote, equal representation, is a long-standing tradition and there are bounds within that where that may be, as in the past, 15 per cent, plus or minus. But this government has changed it to 25 per cent, plus or minus, and I find it very amusing, in fact it was very sad when the member from Morse stands up and is whining away about his . . .

**The Speaker:** — Order, order. The hon. member has used a term which we have deemed to be unparliamentary as

relating to another member, and I ask him to withdraw the term.

**Mr. Upshall:** — Yes, certainly, Mr. Speaker. I'm sorry. I withdraw that.

Anyway, the member from Morse was standing in this House complaining and giving excuses about why he had 7,757 voters and how it took him so long to drive from Regina to Morse to do that and how he had to have so many offices, trying to equate it to the North where we have special circumstances because of the vast area and the few number of people — the very member who has the least amount of voters in this province, where the constituency of Lloydminster has 12,000-and-some voters; where the constituency of Humboldt has 11,734 voters. And the member from Morse stands up and tries to justify this change by saying, well he has a special circumstance. Well that simply is not acceptable, Mr. Speaker, because that is not the ground of which we make decisions of democracy in Saskatchewan. The decisions of democracy are based on one person, one vote, equally represented no matter where you live in this province.

I mean you don't stand up in this House and try to justify the fact that you have a large area and only 7,757 voters because you're special. Because what about the Assiniboia-Gravelbourg; what about Maple Creek; what about Shaunavon? They're all in the same boat. The distances are no different in those constituencies than they are in that member's constituency.

But in a feeble effort to justify an anti-democratic move, we have members standing up on the other side giving feeble excuses, in a province where we have had a long-standing tradition of democratic rights, most constituencies on the basis of 15 per cent plus or minus the average number of seats. But it simply is being taken away; that right is being eroded by a government.

And this government, Mr. Speaker, let me tell you, they have choices. They have a choice of how to run this province because they're the government. They have the choice of listening to the people, adjusting their policies to ensure that they will be elected to complete their mandate, to renew their mandate, and to put forward the policies they think will best govern this province. That's one option they have.

Another option they have is to totally ignore the people, totally ignore the people, and go on their merry way, and take their lumps when it comes election day.

But this is the third option. And the third option is a combination of ignoring the people, realizing you're in trouble politically, and instead of doing the proper thing and adjusting your policies to conform with the thoughts of the ordinary, average voting person in Saskatchewan who form the majority, instead of adjusting your policies to respond to the wishes of people, you take the opposite step. And that is because you're so entrenched in your self enamourment, because they think what they're doing is so right, and the people of Saskatchewan are dumb and they don't know what's good for them, they try to restructure the boundaries of the constituencies. They try

to restructure them in such a manner that they will benefit politically from that restructuring — another attack on democracy.

I mean instead of having the people of Saskatchewan control the government, we now have the Government of Saskatchewan trying to control the people, and that is simply unacceptable. It is a method of eroding democracy. It will eventually lead to their destruction because when Saskatchewan people see what's happened, as we've seen in the past, they simply do not accept that. They will not let a government control them because the people control the government. And that's what these birds have forgotten about, that it doesn't matter how long it is between elections, there is a day of reckoning, and they will have to face that day of reckoning as soon as they get the courage up to call an election, Mr. Speaker.

So this government is trying to control the people of Saskatchewan. They're doing that by redistributing the boundaries of the constituencies, by taking those boundaries, and coincidentally with the majority of the redistribution affecting New Democrats and a small percentage of the redistribution affecting Conservatives. You have to ask yourself, do you think that's a coincidence?

If this is an unbiased government who give the parameters of redistribution to a group of people to fairly draw the lines so that we can adjust to the patterns of population changes in Saskatchewan, do you think that that results in what we have seen now, a coincidental redistribution where the majority of New Democratic seats are affected and the minority of Conservative seats are affected? Well I don't think it is coincidence. And that proves to be, and it will prove to the people of Saskatchewan, that they simply are on a course where they are desperate for power, and that is the underlying motive of this government. I mean we can talk about the patronage and the money going to ex-Conservative members — money and power go hand in hand. But we can talk about the distribution of wealth in this province and how the poor people are getting poorer and the few elite are getting richer. But that, Mr. Speaker, how sad that is, is secondary to the number one objective of this government, and that is power. Because around this world, when you look at countries who are in struggles for democracy, what is the main problem that those people are having? It's the domination of power by a few people; a few people controlling the whole country because power is so all-fired important.

And that's what we're seeing in Saskatchewan, and that is unacceptable because Saskatchewan people understand how a government should operate; Saskatchewan people understand the principle of one person, one vote; and Saskatchewan people do not accept the fact that a government tries to control them simply on the basis of having power and control over the people. And they can talk about any other country in the world or any other state or province in the world. This government has now gone beyond what any government in Saskatchewan has ever done. It was tried before and they got turfed out. It was tried in British Columbia and they lost on it. And this government has gone simply too far. They have let their

power motive push them over the brink, because the people of Saskatchewan simply will not accept the fact that power is more important than democratic principles.

So, Mr. Speaker, two points that I want to make: first of all, the erosion of democracy, and having us to stand up on this side of the House and defend democracy in Saskatchewan; secondly, how far this government has gone, how far these people have gone. They've been pushed by their drunken desire for power. The people of Saskatchewan, Mr. Speaker, will not accept that. And if they think that is a method by which they can achieve power, well I guess that we can let them go on thinking that, but it simply won't work.

And I think, given the opportunity — and as I said, there will be a day of reckoning, because they will sooner or later have to call an election — we will see what the people of Saskatchewan think about a power-drunk government, ignoring public opinion and simply going on to give themselves that power to control the people of Saskatchewan. And I don't think they will accept that. So, Mr. Speaker, for those reasons and many others, I simply cannot support this Bill and will not support it. Thank you.

**Mr. Saxinger:** — Thank you, Mr. Speaker. Mr. Speaker, I welcome the opportunity to speak on this Bill, Bill 94 on the electoral boundaries. I had listened a couple of days ago to the former member of Humboldt, now the member of Regina North East, complain about the boundaries over the constituency of Humboldt; I had listened to the member of Saskatoon Centre speaking and complaining about Saskatoon Humboldt; and I have listened to the member from Humboldt. And I want to just give you a few facts between the two constituencies.

Kinistino constituency is just north of Humboldt. In the 1986 election, Humboldt had 10,050 voters; the Kinistino constituency has 9,100. About 2,000 voters from the constituency of Rosthern, east of Saskatoon, was supposed to be allocated for the Humboldt constituency. The member from Humboldt rejected these voters east of Saskatoon. He rejected them. He wanted fewer voters.

Now, Mr. Speaker, I made a brief to the electoral boundary commission, and I asked if I could have at least half of these people, and I told the commission I would welcome these people from Saskatoon East in my constituency, that I don't mind some extra work. I also had asked for the town of Vonda. The town of Vonda had a border around the highway going through Vonda, because at one time, Humboldt needed these extra 200 voters to have enough for their constituency. I had asked for these 200 voters from the town of Vonda, and again I told him I would welcome these people from the town of Vonda in my constituency because I already do most of their constituency work.

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

**Mr. Saxinger:** — Well, I just want to say when the report came out from the boundary commission, I not only got half of the voters from east of Saskatoon, I did get Vonda, they also gave me the area between St. Louis and Prince Albert, which I did not ask for. The end result was that I now have 11,000 voters. I went from 9,100 to 11,000.

The Humboldt constituency went up 1,650, so there you see the difference. I don't complain. I don't like to see the people from St. Louis to Prince Albert in my constituency. I didn't ask for it, but I got them and I do welcome them. And I'm disgusted because we heard so much complaining about everybody wants to have fewer voters.

My constituency now, I believe, is one of the biggest ones. It runs from the city limits of Saskatoon, along the South Saskatchewan River to St. Louis and then along No. 2 Highway up to the city limits of Prince Albert, the south boundary of the North Saskatchewan River, east to Fort a la Corne, and down between Melfort and Kinistino. So, as you can see, I inherited a large chunk of constituency to travel around. And I do welcome all of them with open arms in my constituency and I pledge to work for them.

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

**Mr. Saxinger:** — And I want to say I think the boundary commission did an excellent job and I will whole-heartedly support this Bill 94 and 95.

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

(1945)

**Ms. Simard:** — Mr. Speaker, this action taken by the government is another betrayal of Saskatchewan people and an attack on democracy — yet another betrayal of Saskatchewan people . . .

**The Speaker:** — Order, order. Let us allow the hon. member to speak.

**Ms. Simard:** — Thank you, Mr. Speaker. Mr. Speaker, I was saying that this action taken by the government, this gerrymander of the seats in Saskatchewan, is yet another betrayal of Saskatchewan people. It's an action by a desperate government that's attempting to cling on to power, and in order to cling on to power it is prepared to deny people its basic fundamental democratic and constitutional rights, Mr. Speaker. This government has been continually chipping away at democratic rights in Saskatchewan over the last few years, continually chipping away at the democratic rights of the people. And this is yet another example how low they are prepared to stoop in order to cling on to power in their desperation as they fall drastically in the polls and lose favour in the sight of the people of Saskatchewan.

And just to illustrate, Mr. Speaker, just to demonstrate how undemocratic this is and how this movement on the part of the government detracts from the basic principle of one person, one vote, 22 NDP seats have been changed, Mr. Speaker, 22 — and 21 of them changed extensively. Only four have remained unchanged. And we see eight PC seats changed, with two being changed extensively only. Some 30 PC seats remained unchanged. Well, Mr. Speaker, that's not a coincidence. It's not a coincidence that 30 seats, PC seats, are unchanged and only four NDP seats are unchanged, Mr. Speaker. That is not a coincidence. That's a deliberate attempt on the part of the government to gerrymander and try to build in an election victory for them next time around.

And the member from Regina South is sitting in his seat and laughing away, Mr. Speaker, because his seat is one of the seats that has not been changed, Mr. Speaker. And it's the only one that has not been changed in the city of Saskatoon — and it's interesting that is it a Tory seat, Mr. Speaker.

When we enact constituency boundary legislation in a province, or federally, it has to be for the purpose, Mr. Speaker, of improving the quality of representation for Saskatchewan people — improving the quality of representation. And I say, Mr. Speaker, that what these proposed boundaries do is they take a population of 36 per cent more in total voters than the PCs have in their seats and they turn it into 56 per cent more seats, Mr. Speaker. And I say that that hardly is an improvement in the quality of representation.

And we acknowledge the need, perhaps, for slightly smaller populations in rural Saskatchewan, or seats where there are long distances to travel, but that doesn't mean to say that votes in urban Saskatchewan should be worth only a portion of votes in the country. But that is the thinking of the PC government.

In 1986 the PCs formed a 38-seat majority government with only 44.6 per cent of the popular vote, and the NDP won 45.6 per cent of the popular vote, but only elected 25 members, Mr. Speaker. And under the new boundaries, under these new proposed boundaries calculated with the same percentage of popular vote, the Tories would again elect a majority government but this time by electing 39 members. Well I say that the only beneficiaries from this gerrymander, Mr. Speaker, is the PC Party of Saskatchewan, and not the people. They are the only beneficiaries.

With respect to Regina, for example, my constituency of Regina Lakeview, which I have lived in since 1973, first in the north half and then moving to the centre of the constituency, has been completely split in two by this gerrymander, Mr. Speaker. Now I've enjoyed living in Regina Lakeview over the 15 years or so. I think it's probably one of the most beautiful places in the city and I have a lot of friends in the neighbourhood and a lot of friends in Regina and in my constituency. But by this gerrymander they took my constituency of Regina Lakeview and cut it in half, put the top half in with about two-thirds of three-quarters of Regina Centre, Mr. Speaker.

And why did they do that, Mr. Speaker? They did it with the express intent of attempting to cause turmoil amongst New Democratic members. They did it in Saskatoon as well. They took all the NDP Saskatoon seats and they jumbled them up, and they hacked them and slashed them, and they did that, Mr. Speaker, with the express intent of attempting to cause turmoil amongst New Democratic Party caucus members. That was their intent, Mr. Speaker, but I'll tell you, it didn't work, Mr. Speaker. It didn't work. And it didn't work because we have a strong and united caucus here. We have a co-operative caucus and it didn't work. And I'll tell you what else, Mr. Speaker.

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

**Ms. Simard:** — It didn't work amongst the public in this province because the citizens of Regina and the citizens of Saskatoon are disgusted and angry that this government would stoop so low in its desperate attempt to hang on to power, Mr. Speaker. Their techniques did not work, but that is the reason for their massive gerrymander of some 22 NDP seats, leaving only four unchanged.

And it's interesting that with respect to rural seats, one of two NDP rural seats just happened to need adjusting, Mr. Speaker. One of our two rural seats just happened to need adjusting, when only, only . . . when 30 rather, 30 of their seats remained unchanged, but one of our two rural seats needed adjusting. Well that shows how fair and how democratic this government is, Mr. Speaker. That shows what their real intent is with respect to this legislation.

Well, Mr. Speaker, I believe wholeheartedly that the people of Saskatchewan, the citizens of Regina and Saskatoon, are going to speak out loudly in the next election with respect to the infringement and the encroachment on their constitutional and democratic rights with respect to the fact that this government is once again trampling on their democratic rights and betraying the people of Saskatchewan. Thank you.

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

The division bells rang from 7:53 p.m. to 7:58 p.m.

Motion agreed to on the following division.

#### Yeas — 30

Muller	Duncan
McLeod	Andrew
Berntson	Taylor
Smith	Swan
Muirhead	Maxwell
Schmidt	Hodgins
Gerich	Hepworth
Hardy	Klein
Meiklejohn	Toth
McLaren	Hopfner
Petersen	Swenson
Martens	Baker
Gleim	Neudorf
Gardner	Kopelchuk
Saxinger	Britton

#### Nays — 15

Shillington	Lingenfelter
Tchorzewski	Thompson
Upshall	Simard
Solomon	Anguish
Hagel	Pringle
Calvert	Lautermilch
Trew	Smart
Koenker	

The Bill read a second time.

**The Speaker:** — When shall the Bill be considered in committee?

**Hon. Mr. Hodgins:** — With leave now, Mr. Speaker.

Leave not granted.

(2000)

#### Bill No. 95 — An Act to amend The Electoral Boundaries Commission Act

**Hon. Mr. Hodgins:** — Thank you, thank you, Mr. Speaker. This evening I rise to move second reading of An Act to amend The Electoral Boundaries Commission Act. And very briefly, Mr. Speaker, the purpose of this amendment is to give effect to the placement of the Saskatchewan Hospital in the constituency of The Battlefords rather than in the constituency of Cut Knife-Lloydminster.

The hospital to which I refer is not within the municipal limits of the city even though it is surrounded by the city and considered to be part of the city by anybody who has lived in the area for any length of time. As a result, Mr. Speaker, the Electoral Boundaries Commission was not able to place the hospital in the constituency of The Battlefords and had to assign it to Cut Knife-Lloydminster, the only constituency contiguous with it. The commission itself reviewed the matter and recommended on page 5 of their final report that The Electoral Boundaries Commission Act be amended to allow for the hospital's inclusion in The Battlefords constituency.

I do understand, Mr. Speaker, that the MLA for The Battlefords as well as the city council for North Battleford have also made the same request. The amendment to The Electoral Boundaries Commission Act does allow for the Saskatchewan Hospital to be part of The Battlefords constituency and I do understand will be given effect in The Representation Act just passed.

So I would expect, Mr. Speaker, that given the fact that local people in the area, and I speak of municipally elected people in North Battleford, have requested this amendment, given the fact that the commission has recommended this amendment, and given the assumption, Mr. Speaker — and I'll let the member for The Battlefords speak for himself — but given the assumption that the member for North Battleford would take seriously the requests of the local people in the area, I am assuming that the member would be in support of this amendment, and it's my pleasure, Mr. Speaker, to move second reading of An Act to amend The Electoral Boundaries Commission Act.

**Mr. Anguish:** — Mr. Speaker, I just wish to make a brief intervention on Bill 95. I would draw to the Government House Leader's attention that the city of North Battleford became aware of this little glitch in the Act when I contacted Mayor Glen Hornick of the city of North Battleford. It was an oversight when the Act was actually drafted. It stated that The Battlefords should be one urban constituency consisting of the corporate limits of the city of North Battleford and the town of Battleford. And the



drafters of the Act, by their oversight, had assumed that the Saskatchewan Hospital grounds was in fact within the city limits of North Battleford. However, it was not within the city limits of North Battleford; it is a land unto itself as some special status within the province.

The Saskatchewan Hospital has always identified with The Battlefords, and the city of North Battleford made an official presentation to the Electoral Boundaries Commission or to the Chief Electoral Officer. I also made the request in the town of Battleford. Even though I don't think they made an official presentation to the commissioner and Chief Electoral Officer, they also support the Saskatchewan Hospital being contained within The Battlefords constituency. And historically, that's the proper place for it to be.

I'm pleased that the Bill is being put forward here this evening. I certainly support it. I would point out that with the addition of an area to The Battlefords constituency, depending on the enumeration under the next provincial election, it will either be the largest or the second largest provincial constituency within the province of Saskatchewan.

The commission and the Chief Electoral Officer had some trouble dealing with this initially. In the past, many years ago, the Saskatchewan Hospital at one point fell within the boundaries of the Redberry constituency, and that was not the proper place to be either. The boundaries of the corporate limits of the city of North Battleford encompass the Saskatchewan Hospital. They lie to the east and the north and the west, and the boundary on the south of the Saskatchewan Hospital is the North Saskatchewan River. And they had saw fit and had not other choice on the boundary commission but to put the Saskatchewan Hospital within the Cut Knife-Lloydminster constituency. I would think that the member of Cut Knife-Lloydminster would have to also agree that's not the proper place for it to be, and as a result, we're dealing with this Bill 95 here this evening that places the Saskatchewan Hospital within the boundaries of The Battlefords constituency. I'm very happy to currently represent those constituents and want to represent those constituents in the future.

I would point out finally, Mr. Speaker, that in the representation in this area, people sometimes have some difficulty in understanding boundaries between federal and provincial, from election to election in provincial. I would want to point out that the boundaries for The Battlefords constituency will now be the same as it has been for the 1982 election, the 1986 election, and the next election whenever that comes. So I'm pleased also to support this Bill here this evening, Mr. Speaker. Thank you.

**Mr. Hopfner:** — Thank you, Mr. Speaker. Mr. Speaker, I'd just like to join with the member from Battlefords — I know that he and I had discussed this previous — and that I concur in the Bill. Thank you.

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

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

## ADJOURNED DEBATES

### MOTIONS

#### Substitution of Names on Committees of the Assembly

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hodgins.

That the name of Mr. Muller be added to the list of members comprising the Standing Committee on Crown Corporations.

Motion agreed to.

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hardy that **Bill No. 81 — An Act respecting Rural Municipalities** be now read a second time.

**Mr. Lingenfelter:** — Mr. Speaker, I want to spend just a few moments on Bill 81 to outline some of the concerns that we have about the Bill. While the Bill is very long — I think there's about 180 pages to the Bill — actually 90 per cent of the Bill is as existed in the old legislation and there aren't a great number of changes. But I just want to go through it very quickly and list out some of the issues as we have been informed from the R.M.s and also some of the concerns that we have as a caucus.

I say first of all that one of the big issues with the R.M.s in Saskatchewan today is the simple fact that the farm economy seems to be in a great deal of difficulty, especially areas where we have had two or three major droughts. And I say again, in that area on the west side of the province north of Maple Creek and up to Lloydminster, those R.M.s are in a great deal of financial trouble. Also in the south-east this year, second year in a row where there have been droughts and they'll be a great deal of difficulty in farmers being able to meet their commitments to the R.M.s. And I say here, not that the Bill can deal with that, Mr. Minister, but we would have liked to have seen the government coming forward now with some programs that would have helped allay the difficulty that will be experienced this fall when taxes are to be paid.

The one specific thing that I would like to mention, Mr. Speaker, before I get on to the actual detail of the Bill, the one issue where we wish the Minister of Rural Affairs and the Premier would have stood up is in the area of the cash advance, so that farmers would have had the opportunity this fall to borrow money to meet the deadline on their taxes that have to be paid.

What we're seeing for the first time in many, many years, probably 25, 30 years, is that farmers do not have an opportunity to borrow money against their grain in the bin from the federal government and from the wheat board. And I think this is only going to add to the debt of the farmers simply because they won't be eligible for the

early payment of taxes. And, Mr. Minister, you'll know the kind of dilemma that that will cause for farmers, in not only not getting the discount, but many farmers, that's where they get their money each year to pay their taxes on their farm land. This is a big problem for them. And I want to just say that we are disappointed, Mr. Minister, that at this time you haven't stood up and asked the federal government to move quickly to get that money into the hands of farmers so they would be in a position to pay their taxes.

I say that without wanting to be negative about this Bill, but I say it in light of the fact that nothing has been done by yourself or the Premier to get action by the federal government. And I guess what I hoped for out of the next few days is that you and your Premier will get a hold of Ottawa to see what can be done to make sure that that cash advance is put back in place in its present form so that farmers will have that money to pay their taxes by October 1.

First of all, in regards to the Bill, I want to say that many of the R.M.s that we have talked to are disappointed that this Bill, even though it isn't in perfect form, but they are very disappointed that it took four years of study and talk by your government before you brought forward the Act that would replace the old one. That's four full years of review that they believe could have been done in six months or a year, and they are wanting us to relay to you that they are concerned about a government that takes that long on an important Bill to bring it forward and to bring it to conclusion. I say as well, Mr. Speaker, that we will be voting in favour of the Bill even though there are some clauses in it that cause us some concern.

First of all, I want to say to you, Mr. Minister, that in clause 4 of the Bill, the area that deals with Indian lands in R.M.s, the R.M.s wanted us to express to you the disappointment that there isn't compensation being allowed for Indian land that isn't eligible to be taxed. Here I'm not making an argument that Indian land should be taxed — in fact, quite the opposite; I agree with the fact that that land should be exempt — but I want to say to you that in some R.M.s, that amounts to a great deal of the base, the tax base of the R.M. And what was expected here that some sort of compensation would have been made available to replace the money that is lost on that land that is not taxable.

And to go one step further, Mr. Minister, when land settlements are taking place, you will realize the problem that will exist if an Indian band makes a claim on a portion of an R.M. that could amount to as much as a fifth or a quarter of the R.M. which is presently taxable, and that land disappears from the tax base of the R.M. Here again, I want to say that I'm not being critical of the federal government that disallows taxation on Indian land, but I think we as a government have a responsibility to replace the taxation on the said land, that land that would be moved to Indian bands as a result of a land settlement. I'll ask more questions on that when we get into committee.

I say as well that not only the tax base that is lost, but what about debentures that have been drawn on that land to operate the R.M. They, in good faith, borrowed money to run the operation of the R.M. based on the taxes that were

supposed to be paid and planned on being paid over the next 20 or 30 years, and then suddenly, because of a land claim, they lost a quarter of the tax base. What do they then do in order to pay back the money or the debenture?

Now you may have an answer, and I'm not going to get in a harangue about it because there may be an explanation of what the solution to that problem is, Mr. Minister, but I just want to point it out so you can make a note of it, and then when we get into committee I'll ask other questions on it.

The one other point that I wanted to raise is the issue of store hours legislation and limitations. Up to the present time in the existing Bill, R.M.s have been able to control store hours in their jurisdiction. Now it seems inconsistent that in this legislation that will be removed. And I take the example of Swift current where the city, I believe, has the power to set store hours, that you have opted out of that and allowed the local city or urban municipality to set store hours if they so choose.

(2015)

Now the issue here is, is that the city of Swift Current has the power to regulate store hours, but the area outside of the city in the R.M. goes under a different mandate. The R.M. cannot set store hours. Now here again I'm not saying that that is going to become a great problem, but it seems inconsistent that one municipality can set store hours, having businesses located in it; yet in the R.M., adjacent to which would have 30, 40, 50 businesses in it, they do not have the power to regulate store hours.

And I just ask the question of whether or not that was an oversight, and maybe the possibility, if that's the way you're headed, to make a consistent law in the province so that municipalities would either have the power to enforce store hours or that the provincial government would take it back in both cases. Right now it seems to me you're moving in the area of the urban centres, the power being given to them and forced on them to make the decision, and the rural municipality you're taking the power away. And I think that could raise some problems if it's left unchanged.

Mr. Minister, in the section 331, I just want to take a moment to point out here again a problem that we have raised in a number of the Bills that have been brought to the Assembly, and that is the exemption on private schools. My colleagues have explained, I think, probably better and more eloquently than I can, the problem associated with exempting private schools from taxation and the stimulus that we believe that will give to the springing up of private schools throughout the province simply because the advantage that will be given to them — that they're not taxed and the land they own will not be taxed — could be significant.

Now if that's a problem in the cities, and I believe it is, the issue of private schools and the splintering of the school system, it's even a bigger problem in rural Saskatchewan, as you will well know. One of the big problems with education in rural Saskatchewan already is the dropping number of children in schools, and therefore a resulting drop in grants that are given to those schools.

Now if you have private schools springing up all over rural Saskatchewan because they're not pleased with the teacher or they're not happy with the program being offered by your department, it's very easy and I think very tough on the public school system or the present separate school system if private schools are set up which will take away from the existing public school system. And I would just like you in committee, as well, to tell us what is the explanation and why the reason and the big push for private schools, not only here in this Bill in rural Saskatchewan, but also in the urban centres.

I just want to refer to one example that I had while I was the member for Shaunavon of a private school at that time which was being set up in Bracken. And at that time a group of people had gotten together to set up a school, and it caused a great division in the community. I think it's now solved and settled, but pulling 10 or 15 or 20 children out of a certain school causes a great deal of disruption in terms of the grants that go to the school, and also, I think, fragments and splinters the existing school system.

The final issue I want to raise, Mr. Speaker, and I don't intend to spend a long time on this Bill, is the issue of the clause in the Bill which is the same as in the previous legislation, but that sets up a plan whereby the budgets of the R.M.s should not be in a deficit position. And here I agree that we should do what we can as a provincial government to solve the deficit problem, but I say this is very difficult for the R.M.s to look at the government of the day in Saskatchewan and talk to the former minister of Finance from Kindersley and the present minister from Qu'Appelle-Lumsden, who have run the deficit of this province up to \$14 billion, preaching to the R.M.s, who I think have done an excellent job of keeping their deficit down, that you people are going to go out and teach the R.M.s how to solve the deficit problem. I just really believe that this is the height of hypocrisy for the government to be saying to the R.M.s that, look, we're going to pass tough legislation that will avoid or help you or keep you from having deficits at the local level.

And I know the member from Shellbrook-Torch River — who I believe has been involved in R.M.s, who is also smiling from his seat — I'm sure agrees with me that it's ironic and a bit humorous that the present Minister of Finance, who had an \$800 million mistake in the 1986 budget, would be telling his R.M. that the should watch out and control their deficit.

**An Hon. Member:** — It still hurts, eh?

**Mr. Lingenfelter:** — Well it doesn't hurt as much as it hurts the taxpayers of the province who have to pay the interest of close to \$400 million a year on the deficit.

So with those few comments, Mr. Minister, we will be, I say again, voting in favour of the legislation, voting against a couple of sections, particularly 331 and the private school taxation issue, and also asking some questions and seeing whether or not you're going to move some amendments, one dealing with the store hour issue, one on the taxation of Indian land. So I look forward to asking those questions in committee.

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

## COMMITTEE OF FINANCE

### Consolidated Fund Budgetary Expenditure Public Participation Ordinary Expenditure — Vote 47

**Mr. Chairman:** — Would the minister introduce his officials.

**Hon. Mr. Taylor:** — Yes, Mr. Chairman, I would be pleased to introduce the officials that will be with me through these estimates. Seated beside me is Graham Parsons, the deputy minister of Public Participation. Seated directly behind me is Judy Benson, director of policy. Seated behind Mr. Parsons is Shirley Paterson, the manager of administration and information systems. And seated in the back is James Todd, a senior policy adviser. There will probably be other members of the department joining us throughout the estimates but those are the ones I'd introduce at this time.

#### Item 1

**Mr. Lingenfelter:** — Thank you very much, Mr. Chairman. I want to start out by making a few comments about the privatization of this government and problems that have been associated with it to the present time in the province. And I say to you, Mr. Minister, that I guess first of all I'm a little surprised that you haven't got some of your other staff with you, namely John Gormley, your senior adviser and former Tory MP, Merv Nidesh, your former political chief of staff of Gary Lane; and also Jack Upshall the former political assistant to a PC minister . . . I think it was either Garner or Mr. Andrew.

**Mr. Chairman:** — Order, order. The member is using other members' names, and I'd ask him not to do that . . . Mr. Lane . . . And I ask members that they refrain.

**Mr. Lingenfelter:** — I'll repeat that. John Gormley, who was the former member of parliament, a high-paid staff of yours, I expected that probably that individual would be here, and Merv Nidesh, and also Jack Upshall.

But having said that, I want to say to you, Mr. Minister, that we in the New Democratic caucus in the opposition are really at a loss to understand why you, Mr. Minister, have taken the route that you have in terms of the economy of this province. It seems to me that after seven years of privatizing in this province and the economic indicators that we have at the present time, every one of them in a position of being out of proportion and falling very quickly when it comes to things like the unemployed and housing starts and out-migration and deficit of the province, that every year you privatize, the economy of the province gets into a worse condition.

I want to use but a few example of where we are losing as you privatize. First of all, in the area of unemployment, one of your main objectives was stated when you started to privatize that it would create employment, that it would create jobs in the province of Saskatchewan. Now

here I don't want to argue about 10 jobs being created here and five jobs over here. What I want to talk about is the overall job picture in the province as a result of privatization, because for every 200 you can point out to me where you've picked up jobs, I can point out 400 where you've lost jobs, and we could do that all night. The true picture here is what the overall unemployment rate has done since 1982.

But I want to say that in 1982 there were 28,000 people unemployed in the province of Saskatchewan and today that has risen by 9,000 to 37,000 people. And on top of that, since 1985, 50,000 people have left the province.

Now if you add that together, Mr. Chairman, and Mr. Minister, what you find is that it's getting up close to 100,000 people have either left the province or unemployed. And I say to you, in a province the size of Saskatchewan, of 1 million people, to have that many of our folk either unemployed or leaving the province is a disaster, an economic disaster. And we believe that in large part it's a result of your economic plan to privatize Crown corporations and government-owned companies.

When you look at the credit rating of the province, you'll find that over the past years the credit rating in the province has gone down a number of times. And each time you privatize and sell off assets, the people who do the analysis of the credit rating of the province look at what you own and find out that you own less and less. And if you look at the deficit of the province, Mr. Minister, you'll find that in the Consolidated Fund . . . When you took over as a member of the cabinet of this government, in the Consolidated Fund there was a surplus of 139 million, and these are by your own documents that were signed by the then minister of Finance when he took over the reins of government.

And in the Crown corporations there was a debt of about 3.5 billion, and that had paid for all the corporations that you are now selling off. What has the deficit gone to under seven years of privatization? Has it been reduced from 3.5 billion, as it should if you're selling off the assets? And, Mr. Chairman, you would know that if you had a farm and you wanted to get the debt down, you would sell a quarter of land and the debt would go down; that would be what you would hope for. But what has happened here is you have sold off major assets; you've sold off coal mines, you've sold off drag-lines, you've sold off highway equipment, you've sold off dental equipment, you've sold off Saskoil and Sask Minerals. You're now in the process of selling off Sask potash, the Potash Corporation of Saskatchewan. And the deficit has not gone down; it has gone up from 3.5 billion to \$12 billion. And I say to you, Mr. Minister, that that is a failure by anyone's measurement — a total failure.

I want to say as well that if you look at the average weekly income in Saskatchewan, we are now the second lowest in Canada as a result of privatization — the second lowest in Canada. The only province with a lower weekly income is the province of Prince Edward Island. Now I don't think that stands up to the scrutiny that the people of the province are saying should be the standard in the province of Saskatchewan; that having the second lowest weekly income is simply not good enough for a

province that has all the resources that we have here. And I want to say to you, Mr. Minister, in putting the question to you, I want you to tell me, what are your indicators that prove that your privatization program is working.

And I would really prefer if we didn't get into a political harangue about whether there are 400 jobs in a paper mill or 200 jobs somewhere else. But tell me about the general indicators in the economy — any general indicator in the economy that shows that we're in better shape now than we've privatized and sold off assets than we were before you started this madness that you are minister responsible for.

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

**Hon. Mr. Taylor:** — Certainly, Mr. Chairman, I understand why the member opposite does not want to hear about jobs at Weyerhaeuser, jobs in Saskoil, jobs at WESTBRIDGE. He doesn't want to hear of these. He says five or 10 jobs.

But just for his information, I would point out to him that when the paper mill was built — and you would know this, Mr. Chairman — at Weyerhaeuser at Prince Albert, there were about 700 construction jobs there — 700 new jobs. It has brought about 250 or so brand-new permanent jobs — new jobs here in Saskatchewan.

The Meadow Lake saw mill, when it comes to completion, will have about 400 new jobs in a small town like Meadow Lake; Saskoil, a thousand new jobs, drilling a whole bunch of new wells all over this province.

**An Hon. Member:** — They're in Alberta.

**Hon. Mr. Taylor:** — No, jobs in Saskatchewan. The WESTBRIDGE computer company, possible 250 new jobs there. And one they always ignore and one I'm very proud of is SARCAN, a new public participation with handicapped people in this province, 107 brand-new jobs. I know he doesn't like to hear about that, but those are the actual facts.

Those are the facts, Mr. Speaker, that we have. Through public participation, in all cases, created new jobs and will continue to create more of them as we bring in other initiatives of employee buy-ins . . .

**An Hon. Member:** — Well what are the numbers?

**Hon. Mr. Taylor:** — The member says, what are the numbers? I can tell you the estimated numbers when it is completed in many of these things. It will be about 2,900 jobs, and that's important to Saskatchewan people.

Now the member talks about out-migration — member coming from Shaunavon prior to jumping into the seat in Elphinstone to save his political hide, knows very well the province of Saskatchewan has undergone a very serious drought in the last few years. He knows very well that the net farm income has declined rapidly. He should know, but maybe he does not know, that in the years 1981 to '87, the tenure basically of this government, that the

prices for wheat have reduced by 50 per cent; that the price of oil has gone down 34 per cent; that the price of potash has decreased 29 per cent; and uranium, 25 per cent.

Mr. Chairman, I think you well know, as do other members of this Assembly, that those are the major economic generators for the province of Saskatchewan. Those prices are subject to international market conditions, and certainly they have hurt the revenues to the province of Saskatchewan.

The member opposite talks about out-migration, full well realizing that a lot of the out-migration has to do with the serious situation in agriculture, caused mainly by the reduction in price and also by the drought. But let us look at some of the figures that might be enlightening to some of the members opposite. Let's look at out-migration, and let's look at it over a seven-year period. Let's take the figure from 1975 to 1981, the last seven years of the Blakeney administration; the out-migration for the province of Saskatchewan was 178,740 individuals.

Let's look at the period that the member opposite talks about and specifically our tenure from 1981 to 1988, a seven-year period, and the out-migration in that period of time is 168,473. Mr. Chairman, that tells us that there's been a 6 per cent decrease in out-migration in the last seven years.

But even more startling is, let's look at the period of tenure, the tenure of the various governments. Let's look at the period from 1971 to 1981, the period of tenure of the NDP government, and let's look at the figure for out-migration. The out-migration during that period of time, Mr. Chairman, was 334,313 individuals.

And let's look at the out-migration during the period of time of the Conservative government, which is 1981 to 1988 in these figures I have before me. And the out-migration, as I said previously, in that period of time was 168,473.

Now I'll be fair, Mr. Chairman, and during the NDP period of tenure, it was a 10-year period. I'm comparing 10 years to seven years, but I think you can see by those figures that the out-migration was considerably higher during the period of the NDP administration. And, Mr. Chairman, you will remember, as does the member opposite, that those were supposedly the boom times in Saskatchewan. Those were the times of high prices for wheat. Those were the times of high prices for oil. International markets had their prices high, but still the out-migration exceeded anything that is taking place in the last seven years.

So, Mr. Member from Elphinstone, certainly it is upon some of those figures that I base my facts, and I believe truly that public participation will lead to growth. And I cite, for example, Saskoil. And we all know that Saskoil, when it was controlled as a Crown corporation, limited to operation in the province of Saskatchewan, had a value of about 300-and-some million dollars. Today Saskoil has become one of the largest companies of its type, energy companies in Canada — tremendous growth, very well regarded management, and today is worth over a billion

dollars. This government stills controls approximately 23 per cent of Saskoil.

So if you look at those figures, Mr. Chairman, you will see that by bringing about public participation, allowing it to expand and become competitive, it has grown at a tremendous rate, and our share is as much now with approximately 33 per net as it was when we owned the whole thing — constrained though, constrained with the province. We can, Saskatchewan people and Saskatchewan companies, go outside of our borders. We can compete across Canada. We've shown it in sport, we can show it in business, we can show it in our people who graduate from our universities. We can compete not only in Canada, we can compete in North America, and we can compete on the global scene.

Let's take a look at the WESTBRIDGE computer company, another Crown corporation that was held within the government. We combined it with some private sector companies, and today we see that the WESTBRIDGE computer company is one of the fastest growing companies in all of Canada.

And I think it would be interesting, and I think the member opposite knows, but if he doesn't, I'm sure . . . And he would support this, I believe, I think he would support this. I'm proud, I'm proud to stand in this legislature tonight and tell the members opposite and tell whoever may be watching that isn't watching the football game or listening to the football game . . . probably much more interesting than this. However, let me . . . Now I'd like to . . .

**An Hon. Member:** — The last couple of minutes anyhow.

**Hon. Mr. Taylor:** — I think the member from Moose Jaw would be supportive of this, and I think he would be proud of the fact that the tickets, the tickets for the airlines in the United States, for the basketball league, for the football league, for the hockey league, for the boxing fight, the last one — Sugar Ray Leonard, was it, and Tyson? I forget, I'm not up on my boxing, but whoever they were . . . Maybe those two were unmatched . . . But anyway, Mr. Member from Athabasca would be able to tell me anyways.

But the point I'm making, the point I'm making is that when I mention that to especially young people in Saskatchewan, they say, right on, right on. We're proud of that. We're proud that those kind of tickets that are marketed around North America are being produced right here in Saskatchewan.

Now I think that is again an indicator of the types of things that can happen with public participation. We can have job growth, we can have growth of value of companies, and we can supply international markets, and that's what we intend to do. And I think in the short period of time that we have had public participation initiatives in the province of Saskatchewan, the track record speaks for itself.

**Mr. Lingenfelter:** — I just want to ask one question. You mentioned that the young people are saying right on, and I wasn't sure whether it was about the airline tickets or the

boxing match that you were talking about. But, Mr. Minister, trying to follow your logic is almost impossible.

Mr. Minister, when you talk about people leaving the province, it might be wise if you included in the figuring the number of people coming in. Any reasonable person over the age of six in this province would know that you're simply not dealing with a full deck if you think that that was the result in the 1970s, that there were that many people leaving the province, net. Obviously you know that isn't true, and you're simply trying to fudge the numbers of what is happening here with our population. The biggest growth era in Saskatchewan was during the 1970s in terms of population. The record years of net growth in the province were 1975 and 1976, and if the member from Kindersley doesn't know that, then he has very selective amnesia that he should go check out. But then that coming from an individual who talked about his budget a few years ago, of being the most intelligent budget when the budget was going up \$500 million, what could one expect?

Mr. Minister, I want to turn to the issue of SaskPower and SaskEnergy. I want you to tell me, what is your opinion now and your position now on privatizing that portion of SaskPower that you now call SaskEnergy. I want you to lay out definitely for us where you're coming from. Do you now intend to go ahead and privatize that portion of SaskPower, or have you backed away from it?

**Hon. Mr. Taylor:** — I think the only backing away that we've seen here tonight is when I prove the member wrong in out-migration. He said, let's bring into effect in-migration. There was the example of back pedalling.

To my colleague across the way who follows the boxing, I thank you for telling me it was Thomas Hearn that fought Tyson. I think Leonard is the smaller fellow, right? Or did he fight Leonard . . . (inaudible interjection) . . . Thank you very much. Thank you very much.

Certainly, as I said previously, you will see that the proof is in the eating of the pudding. And I think you can see, if you look closely at the employee buy-ins, at the job creation, at the expansion of the value of companies, of the ones that I mentioned — and I don't mean to go over and over again — but I think that is certainly indicative to the people of Saskatchewan that what we're doing in public participation, not isolated here in Saskatchewan but being done around the world in many countries, is certainly the answer to the economic problems of government in the '90s and towards the next century.

You know, you don't have to take my words for this. You can look at some of the projections by people like the Conference Board of Canada who certainly predicts an 8 per cent growth for Saskatchewan — leading the nation, leading the nation. And I think Saskatchewan people are proud of that, because we all know we've been through some darn tough times. If anybody doesn't think it has been dry and if anybody doesn't think there's been poor crops, just travel out into seats like Indian Head-Wolsley or into Shaunavon and know very well that that has been the case.

The other thing, I remember one day not too long ago when the investment dealers of Canada . . .

**An Hon. Member:** — Once upon a time, long, long ago.

**Hon. Mr. Taylor:** — No, you can heckle and talk like that if you want. It was about a month and a half ago I had the privilege . . .

**Mr. Chairman:** — Order, order. The member for Prince Albert-Duck lake will certainly have an opportunity to get into the debate, and I'd ask the members to allow the minister to make his comments. And certainly all members are allowed to get into the debate in estimates as many times as they would want to. So I'd ask them to let the minister make his comments.

**Hon. Mr. Taylor:** — Mr. Chairman, in all due respect, I've been in here for a long time, 11 years, and a bit of chirping on the other side doesn't bother me a bit. If they get their jollies out of chirping and heckling, that's fine and dandy, let them go ahead.

However I was saying that the people from the investment dealers of Canada paid a visit to my office and were very, very supportive of the initiatives taken by this government in public participation. And I think the members opposite realized that they had a news conference when I think they said even more than 8 per cent, about 8.6 per cent, judging a fair crop in Saskatchewan and congratulating the initiatives of this government.

(2045)

It seems very strange when you travel the country of Canada that you find, outside of the borders of Saskatchewan, a great deal of interest, a great deal of support, a great deal of congratulations, for leading the way in Canada on public participation initiatives. That goes right across from coast to coast, and the Premier in his travels has many people congratulating him and saying, what you're doing is in keeping with the times, and certainly your government and your province will benefit.

So I think the member opposite asked me a few moments ago about SaskEnergy and SaskPower. Well I would like to answer his question, and he knows I will do that. Certainly he knows, if he's been following the press, that the Barber Commission is out these days, and other than a few organized lobbies against it, I think, judging from the press I read, that it is getting pretty good coverage — some pretty good positive things. Yesterday's paper, I think, had an investment house saying it was supportive of the initiative. I think also the manager at Ipsco was supportive. I remember reading that Sylvia Kish, the head of the Saskatchewan Chamber of Commerce, was supportive of the initiatives. So I think that . . . and I understand that even some of the intellectuals and some of the NDP leaders have come forward and say that they're not against these initiatives.

I understand that in the university circles where some of the people — the intellectuals of the province are there — have come out openly and said, look, we think that this is

probably the right initiative.

So getting back to SaskPower, well, let me dispel the rumour and the big myth that the NDP ran around during their strike for 17 days telling the people of Saskatchewan, again using their scare tactics, that somehow somebody was selling SaskPower, which is simply not correct. There's no sale of SaskPower, nor will there be.

But certainly, in SaskEnergy, we have plans to offer shares in SaskEnergy to the people of Saskatchewan. We believe by that we can create a stronger and more diversified company, that some of the money can be used to address the debt of SaskPower. And if you can address the debt of SaskPower, you can hold down power rates. And we plan to put a regulator in SaskEnergy, to regulate gas rates. We say, on this side of the House, when every other province in Canada has a privately owned gas distribution system . . . The gas rates are good in Alberta. We can hold them down in Saskatchewan with a regulator.

So following the Barber Commission, it would be our intention to hear what the report, hear what the people are saying. As I say, right now it looks that it's quite supportive, other than the federation of labour and the SGEU (Saskatchewan Government Employees' Union) and some of these people who probably have another agenda, but certainly we would be looking at going for it with a bond or share issue in SaskEnergy.

**Mr. Lingenfelter:** — Mr. Minister, you have clearly outlined your position of your government, that you intend to go ahead with the share offering in SaskEnergy. I just want you to outline for us the agenda for that share offering. When do you expect after the Barber Commission reports that you will be bringing forward the legislation that would allow for the share offering in SaskEnergy?

**Hon. Mr. Taylor:** — We'll have to wait to see what the outcome of the Barber Commission is, as the Premier said. I couldn't give you a date at this point in time. You're a House Leader and so is the member from Melfort. I don't know if we're having a fall session or if we'll be bringing legislation then or if we'll be bringing it in the spring. I don't know that at this point in time.

But at this time we're looking . . . Let the Barber Commission go through its visits and hearings and so on. Let's hear what the people have to say to the Barber Commission, and then the decision will be made and probably be in the legislation next time the legislature sits after the Barber Commission.

**Mr. Lingenfelter:** — Well my understanding is that the Barber Commission will report to you some time early in October. I want to ask you, if there's a fall session, which the Premier has already indicated there will be, will you be bringing legislation forward at the fall session to sell shares in SaskEnergy?

**Hon. Mr. Taylor:** — I couldn't give you that commitment at this point in time. We'll have to wait to see what the whole thing in the commission is, but . . .

**An Hon. Member:** — Well you just said the first session after the Barber hearing.

**Hon. Mr. Taylor:** — Well I don't know if we're having a fall session. You may have an inside track on that. I can't say whether it's for sure or not.

**Mr. Lingenfelter:** — Well, Mr. Minister, on the one hand you say the first session after the Barber Commission reports, which is in early October, you would be bringing forward the legislation. I guess what I want you to confirm that if the first session after the Barber Commission is a November session, am I to understand then from your earlier comment that at that time your department would be advising the minister responsible of SaskPower to bring forward the legislation that would offer shares in SaskEnergy?

**Hon. Mr. Taylor:** — No I don't want to mislead the member. We'll be seeing what comes down with the Barber Commission. And you know that we attempted to introduce legislation in this session and you saw fit to not to allow us to do that. So we said, okay we'll send out the Barber Commission. It is our intent to hear what the Barber Commission says and make the plans from that point on.

**Mr. Lingenfelter:** — I want to ask you, Mr. Minister, as the minister responsible for privatization, is it your opinion that it's a good idea to privatize SaskEnergy? You will be taking a leadership role in cabinet, you're responsible for it. Is your opinion that privatizing SaskEnergy is a good idea?

**Hon. Mr. Taylor:** — Well I think when people of Saskatchewan know about SaskEnergy, as we do in the department, and understand that there will be reductions for their community rinks and there'll be diversification and controlled gas rates and some of the money used to reduce the debt in SaskPower and that way being able to hold down power rate increases, I think they will agree with me that, yes it is a good venture to look at public participation in SaskEnergy. I support that and have, and I think you'll see that the people of Saskatchewan will feel the same way.

But they have to, they have to be given the benefits that are there to it . . . (inaudible interjection) . . . Yes I think if you've been following the Barber Commission you'll see that people . . . And I think the Barber Commission is doing a good job and people are getting to know more and more about it. I see people in my seat that are much more understanding now than they were previously because . . . I'll give you credit. You did a very good job of spooking them and of misleading them with SaskPower. I mean, I have to take my hat off to you in that regard.

But certainly when I think the facts of the matter are put out, I think most people will see, with the protection of the regulator, with the reduction, and with the use of the money to diversify the economy, I think most people are going to say, yes that wasn't what we were told in that 17-day little strike that took place — that isn't the case at all — and what I see now in SaskEnergy, I think we would go for it. So I feel that way and I think the people will.

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

**Mr. Lingenfelter:** — Well, Mr. Minister, I'm happy that you've come on record solidly in favour of and telling us that you're going to be privatizing SaskEnergy and you have a lot of support from your back-benchers, given the applause. I find it very interesting that you would go that route when the recent poll done by Angus Reid show that 67 per cent are opposed to the privatization of SaskEnergy.

**An Hon. Member:** — We don't govern by polls.

**Mr. Lingenfelter:** — Well it's fine if you're opposed to the people of Saskatchewan's position on an issue. That doesn't bother me at all. Now the member from Weyburn says that this is called leadership when you take the side of the 22 per cent who support your position and ram it down the throats of the 67. That is leadership all right, but I'm not sure where in the world you're leading the people of the province. That's the question. It is a leadership role you're taking, but when we look at the economy of this province, most people are very concerned about the leadership that you're doing.

Mr. Minister, I want to turn now to the issues of shares that will be offered in SaskEnergy when you introduce the Bill. Is it your position that in the long run there would be no foreign ownership in SaskEnergy? The legislation that you've talked about would exclude foreign ownership, but I want you to give me your opinion of the issue of foreign ownership in that privatization effort. When you get around to privatizing, which you have now clearly indicated you intend to do either before the election or, if you win the election, after you're re-elected, will there be allowance for foreign ownership either at the initial stage or at future stages while you're running the privatization of that company?

**Hon. Mr. Taylor:** — No. My interest is for Saskatchewan ownership, and certainly I'd like to see, as you've heard me, on many times I've been on record, I'd like to see an instrument that is easily accessible by the people of Saskatchewan, people in all income brackets. I want it to be well understood what the instrument is.

I know from the situation with the Power Plus bonds, just the convertible factor of the Power Plus bonds to some people — I know you would understand it, where you could convert them into a Saskoil share — some people didn't understand that, and those have turned out to be a very good investment. And they didn't know they could trade the bond.

So I think it's incumbent upon all of us . . . And I challenge you. And I think the member opposite is a decent enough individual to do this. I know he's opposed to having a share offer. Let's look at a scenario that we come in here after the Barber Commission, after people have had a chance to express their concerns to the Barber Commission; we fully debate energy; and it is the decision to go forward with a share offering in energy. I would hope that you, as a legislative person and a leader of the people who support your philosophy, would explain to people the benefits are exactly what the instrument is about. I think it's incumbent upon . . .

**An Hon. Member:** — Oh we'll explain exactly what it's about.

**Hon. Mr. Taylor:** — No, I think . . . Now let's be fair. If it is beneficial for Saskatchewan people to buy a share or to buy a convertible bond or whatever instrument would come forward, then I think as an elected person it is incumbent upon us to tell those people who would ask those questions to you. And I'm sure the member from Elphinstone, because of his experience in politics, would be asked by many people: would you invest in this thing or do you think it would be a good thing? And I think, being fair and honest, if you think it is a good thing, it would be incumbent upon you to say, yes, I think it might be beneficial for you to invest.

So I think on all of us who are, after the fact . . . I know in politics, you can go ahead and argue your point of view as I argue mine, but once it has all been through and been thrashed through here and we've had out say and the people of Saskatchewan who have elected us have given us time to argue and debate these, then I think the next round as statesmen — not maybe a politicians, but as statesmen — there is a desire and there is a reason and there is a need for us to tell the people the real truth and tell them what it is like and tell them how the instrument would operate. And I think the member opposite would do that; I hope you would.

**Mr. Lingenfelter:** — Mr. Minister, I want to ask you, in light of the fact that you're saying there would be no foreign ownership of SaskEnergy, I want to refer you to a submission that was given today at the Barber Commission by the deputy minister of Trade and Investment, Mr. Paul Haddow. I want to say that Mr. Haddow told the commission that foreign purchase of privatized SaskEnergy voting shares are possible. That is what he told the commission today. That's your government official at the hearings today. He's saying that foreign ownership and foreign purchase of these voting shares would be possible. He said that today.

Now what I'm worried about, Mr. Minister, is the great deal of confusion, not coming from members of the opposition, but coming from your government. We have some members of your caucus who are around saying that there's not going to be any sale of shares in any part of SaskPower. That includes the Premier before the last election. We now have you in the House saying that there will be a share offering, but there will be no foreign ownership. And now we have the deputy minister of Trade and Investment telling the commission today that shares could be sold to foreign interests at some time in the future.

I want you, Mr. Minister, to clarify which of those statements is true. Is it the deputy minister who's being accurate here and you misleading the House, or is the reverse true where the Barber commission is being misled? Want to clarify that little discrepancy that now exists today, where we have the minister in charge of privatization saying there'll be no foreign ownership and the . . .

**An Hon. Member:** — The minister didn't say that.



**Mr. Lingenfelter:** — Pardon?

**An Hon. Member:** — The minister of privatization didn't say that.

**Mr. Lingenfelter:** — He did say that there would be no sale to foreign interests when the SaskEnergy share occurred.

**An Hon. Member:** — I thought you said Minister of Trade.

**Mr. Lingenfelter:** — No, I said the deputy minister. And the discrepancy is, Mr. Deputy Premier, that no one knows what you people are doing. I don't even think that the ministers on the front benches know any more which direction you're going in. And this is the problem. This is why the people of the province are confused about your privatization, because before the election you promised not to privatize SaskEnergy. Then you tried to privatize it and then you said you weren't going to and now you're back on saying that you think you might in the future.

First of all you say there'll be no foreign investment in the SaskEnergy share. And now we have the deputy minister today at the hearing saying that there could be, and in essence probably will be, foreign sale of the shares. Now I want you to clarify that point for me, Mr. Minister.

(2100)

**Hon. Mr. Taylor:** — Well certainly, Mr. Chairman, I indicated to the member opposite that I would be wanting to see Saskatchewan people. I was talking about Saskatchewan people, and Saskatchewan people have that opportunity. And when I say Saskatchewan people, I mean Saskatchewan people in all walks of life and at all income levels, and that they be able to buy the instrument or the share in denominations that they can afford, and that they be able to access these through a number of various outlets, banks, credit unions, financial planners, brokers, and so on. Because I believe that if this can be put together, and I think it can, in the same kind of fashion as the ones we've done in the past, I think there's a benefit to Saskatchewan people.

And just to indicate to that for the member's knowledge, because he may not be aware of this, but the return on Saskoil since 1987, on an investment in Saskoil, is 100 per cent. The return on the SaskPower convertible bonds has been 46 per cent, and that's since 1988; and on WESTBRIDGE, and that's since 1988, is 150 per cent.

I don't want to have Saskatchewan people not have access to those types of investments. I think it's good for them as individuals. I think it's also good for the province, and I think by putting together an instrument or an offering that they can give a good return to the individual and have our money here, build our province — which I think most people are in favour of, rather than going out and paying interest to New York and to Tokyo or wherever we did previously — what people tell me as I travel the province, they say that's right on; if I can get a good return and my money can be used to build and diversify this province, I'm in favour of that.

So I think the figures I gave you, Mr. Minister, indicate

that in a short period of time, within two years, there has been a very good return to investors in WESTBRIDGE, in Saskoil, and in SaskPower. And I believe the same can happen in SaskEnergy, that it will be a good investment for people and it will build and diversify this province, and I will be very, very strong in seeing that Saskatchewan people get a very good opportunity to purchase and buy these shares.

**Mr. Lingenfelter:** — Well, Mr. Minister, I guess by your silence on the issue of whether or not these shares will be offered to people from outside of the country, I take your silence to mean that you agree with the deputy minister of Trade and Investment, who says that they will be offered to people from outside the country and that foreign ownership of these shares will be allowed. I'll take your silence on that issue to be agreement with your deputy minister of Trade and Investment.

I want to say to you, Mr. Minister, that while you say that all these privatized corporations are making a great deal of money for people of Saskatchewan, our investment in Saskoil has returned not a cent in terms of dividends on our portion of the investment, the 25 per cent that we now own. We have received no dividend on our investment since the day you privatized it. That's a simple fact. Now the few people, the 25 per cent of the shares that are presently in Saskatchewan, those few people will be getting something back, but the general population are getting nothing. Now you know that and I know that.

The concern I have here with SaskEnergy is that what will happen, Mr. Minister, is that this corporation that has had a profit in most of the years that it exists, those profits will no longer be going to the people of Saskatchewan, but will be going to the people from Eastern Canada, and now, as of tonight, you have admitted that they'll also be going outside of the country. That's the concern people have. That's why 67 per cent of the people in the province are opposed to this privatization. And I guess what surprises me is that the back-benchers follow blindly along, as the people like yourself who have gotten off on the wrong track in terms of privatizing SaskPower, just follow blindly along and sing the hallelujah praise as the Premier and the minister of privatization go about privatizing that portion of SaskPower.

It really amazes me that a party that was so political and I think in many ways politically smart back in 1982 has become so numb to reality and is setting out on a path where the vast majority of people are opposed to them in privatizing SaskPower, but yet they continue down that path, Mr. Chairman. It amazes me, but I guess what it will mean is at the time of the next election, that regardless of where you're at in your privatization program, a New Democratic government, when it comes to power, would look at each and every privatized corporation that you've done to try to recover from the \$13 billion deficit that you've build up — \$13 billion deficit.

And I want to say to member from Weyburn, you yaps from his seat incessantly, Mr. Chairman — will never get up and ask questions, but just talks from his seat — that the minister says that they no longer borrow from New York, no longer borrow from New York. And yet the debt has gone from 3.5 billion, an increase of \$9

billion.

I'd like for any of the members to say where you borrowed that money from, the extra \$9 billion, if it wasn't from New York and from around the world. I know you've issued some bonds and you've sold off some corporations, but the debt has gone up 9 billion. And obviously you're not borrowing it in Canada. I mean, the lending institutions simply can't bankroll you folks any more. You have to go to Hong Kong, you have to New York, you have to go Zurich — that's where you're borrowing the money. For you to say that you're going to quit borrowing money like previous governments . . . Now get this, Mr. Chairman. The total debt of the province from 1905 to 1982 was \$3.5 billion. That's true. All the governments borrowed money to build Crown corporations, and they borrowed it in New York or wherever they thought they could get the best deal. Since '82 that debt has gone from 3.5 billion to close to 13 billion and yet the Premier and this minister would have the public believe they borrow it anywhere.

I mean the fantasy world that you people live in, it's no wonder you're in the shambles economically you are. And the only thing I hope is that the election comes soon so we can get rid of the people who have built up this substantive deficit so that we can get on the road to recovery.

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

**Mr. Lingenfelter:** — Now, Mr. Minister, I want to ask you a question about the money that has been spent on your hearings that have gone around the province dealing with the privatization of SaskEnergy. These are the 80 public meetings that you held. Can you give me the cost of holding those 80 meetings?

**Hon. Mr. Taylor:** — I'd like to go back. The member said that there was very little benefit to Saskatchewan people and I have some figures here I think might be interesting to everyone' that the number of people that have bought bonds, bonds through the various series of SaskPower bonds and Saskoil shares — 123,000 people — I think they have benefitted when I give you the figures on the return. The number of widespread share offering in Saskoil and WESTBRIDGE come to 10,800; the amount of new investment from public participation, 618 million; the amount of new revenues, 650 million.

I stated the jobs earlier and I said I'm not going to go over and over these things, but I think we realize that there's been a large number of jobs created, and there will be many more created in the future. Regarding the type of instrument for SaskEnergy, that will come forward when the prospectus is tabled, as the member knows.

And you ask about the 80 meetings of . . . I think you mean the meetings that were held by SaskEnergy. I don't have any access to that and I don't have that information. You'd have to ask the minister responsible for SaskEnergy.

**Mr. Lingenfelter:** — Well, Mr. Minister, I well understand why you don't want to comment on those meetings. They were a total embarrassment to you and to the

government, a total and abject failure. Many of the meetings had four or five people out to them and they cost literally thousands of dollars, and you know that. And they should have proven to you that people do not want SaskPower privatized.

And I want to ask you, Mr. Minister, can you tell me at this time what will be the cost of the Barber Commission hearings that are going on at the present time? Can you give me the figures on the total cost of that commission and what that will cost the taxpayers of the province?

**Hon. Mr. Taylor:** — No, I don't have the figure of the total cost of the Barber Commission. I do remember though, when, a while back when the strike was on, that the per diem cost of the Barber Commission was far less than the cost of operating this building when nobody would come here to debate.

**Mr. Lingenfelter:** — Mr. Minister, I want to say to you that it's surprising and shocking that you as the minister of privatization come here so ill equipped to deal with the questions that the members of the opposition would want to put to you. But I guess that doesn't surprise me in the fact that in the last year I think you've proven a failure. I don't say this personally, but your plans to privatize corporations in the province have been a total failure.

You have to come to this session with the idea that this was going to be your main economic thrust. You were going to introduce Bill 1 and bring it to fruition, that Bill that you pulled last session. That Bill has now disappeared from the order paper.

You have told us when the session started that you were going to privatize Sask Government Insurance. You've now pulled back from that. You were going to privatize SaskEnergy. You've now pulled back from that. The only thing that you've accomplished in your term as the minister of privatization during this session is to ram us through the potash privatization, and you had to use the cowardly method of closure to get that through.

I say to you that I'm surprised and shocked that you've come here so ill prepared. But maybe one should not be surprised, looking at the record over the last year of a totally failed privatization attempt by you as the minister of privatization. And I don't blame you totally because obviously the Premier's involved as well. He was the one who made the rash statements in Toronto, or to the paper the *Toronto Globe and Mail*, about this being his agenda for the session.

And here we are within 24 hours of the conclusion of the session, the privatization plan of your government in total shambles, and you still continuing down that path saying that you're going to privatize one of our main utilities in this province. And all I can say to you at this time, Mr. Minister, that we can only hope that when the cabinet shuffle comes that somebody else will be shifted into that portfolio who has a better understanding of where the people of this province want to go in terms of privatizing their Crown corporations.

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

**Hon. Mr. Taylor:** — Well if the member wants to take personal cracks at me that's his . . .

**An Hon. Member:** — No I'm not, not personal at all.

**Hon. Mr. Taylor:** — If that's what he cares to do, that's find. I think I'd like to set the record straight because, Mr. Member, you know you're not really being fair and you know that. You know very well that there were a number of initiatives that have been undertaken and I'll just cite a few because you care to overlook these.

We had the film loan duplication sector of the Department of Education. Now you may laugh, but I want you to laugh to those employees that are now owners of that the proud of it. I want you to talk to the employees that have taken over DirectWEST, the yellow pages part of SaskTel. They're proud owners. I'd like you to go and laugh in front on the people at the Meadow Lake saw mill, and the 10 Indian bands because they're pleased with what has happened.

I would like you to go and laugh at the people at the Moose Jaw Wild Animal Park, where we see new growth and development and I understand a new golf course is coming forward. I'd like you to laugh at the people who go to the parks where there's been \$15 million worth of new expansion and development in the parks of Saskatchewan. And I can tell you they're popular. You go and laugh at the Elbow harbour, you go and laugh at the water slides, you go and laugh at the new things in Cypress Hills. You laugh at Duck Mountain and you laugh at these public participation initiatives, and I tell you people will laugh you right out of town. Because I can tell you that there are a number . . . And I think a good question should be asked a good question that could be asked tonight is what would that member do if perchance — and God hope it would never happen that he would become government in this province — what would he do with those employee buy-ins? He would take them away from those employees and nationalize them again, because that's the only type of understanding he has.

I want the people of the province to think about that. I want them to think about what would happen to the potash corporation. Would they take it all over again? I want those employees that are proud owners today to think of what opportunity they would have under the NDP, because these members have stood in their place and laughed at those kind of initiatives.

I'm proud — I'm proud — of the employee buy-ins. I'm proud of the opportunity that people have had to own their own businesses and to develop that service and provide a good service for the people of Saskatchewan. And you can laugh and you can heckle about that, but I tell you there are many people in Saskatchewan, many small people, many of the employees of this government who are saying, give me an opportunity. I take for a case the welder in SPMC (Saskatchewan Property Management Corporation), a man that was working half-time welding, today has his own business and has hired two other people. And they're leased with those.

(2115)

So although the member may stand up and make accusations to me as the minister, which he has every right to do, I can tell you if he's really truthful and looks back at the initiatives in a short period of time — that's a year and a half about — there's been a number of initiatives that have benefitted not only people who have bought bonds and shares, but people who had an opportunity to buy their own business.

And I believe when we can bring things together, like the Meadow Lake saw mill where you have the employees, 96 per cent of employee shareholders, where you have 10 Indian bands shareholders, where in WESTBRIDGE computer you have 98 per cent of the employee shareholders — and I just told you the return of the share of 150 per cent — I think those people say yes, right on, let's see more of this and let's get at it.

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

**Mr. Hagel:** — Thank you, Mr. Chairman. Mr. Minister, I find it kind of interesting when I take a look at the record of you and your government and your ministry since forming the Department of — choke — Public Participation. Mr. Minister, there are only three political jurisdictions that I am aware of the spend public money, that spend government money to advertise blatant political ideology: the Soviet Union, Cuba, and the province of Saskatchewan. Mr. Minister, that's the record, that's your record.

You are clearly in charge, Mr. Minister, of a blatant, partisan, political ideology department. That's what your department is all about, Mr. Minister.

And I don't accept for a second that the appropriate title for your department is Public Participation. Heaven forbid. In fact, Mr. Minister, as you well know, I don't even accept your terminology, privatization. It seems to me when the PC Party is plundering the very futures of Saskatchewan people, that's privatization, and privatization is what we should be calling it because that's what's going on in the province of Saskatchewan today.

You know, Mr. Minister, you have been trotting around the province in your expensive extravaganzas, a lot of public money going into advertising. We get the expensive blue ads on TV and the expensive blue signs around the province, telling us and telling the people of Saskatchewan, trying to manipulate the people of Saskatchewan to thinking that somehow privatization is going to bring the brave new world — the brave new world. This is the world that we should be heading into with a great deal of optimism and enthusiasm.

Well, Mr. Minister, when you take a look at Saskatchewan people and what's happening with Saskatchewan people, they ain't charging into this province to get in on the brave new world. In fact, Mr. Minister, they're heading in the other direction, and you know that as well as I.

I find it kind of interesting as well, it is to typical of your government which will choose to use numbers — and lots of times, Mr. Chairman, they have absolutely no basis in fact whatsoever — to attempt to justify your position.

Just earlier in these estimates there this evening you choose to use some numbers about migration, out-migration during the terms of New Democrat government. Now first of all I don't accept your numbers. But secondly, I point out, Mr. Minister, that you only got half the picture. You and I both know that every year people move both ways; they move outside the border from within Saskatchewan and they start outside the province and move within.

Now, Mr. Minister, you chose simply to talk about the numbers that were leaving without any reference at all to those who were arriving in Saskatchewan. Now I will admit, Mr. Minister, that in the first couple of years of the New Democrat government in the early '70s there was a new loss in population from our province. And it was a continuation, as you and I both know, of the long, lean Liberal years of the Ross Thatcher government that the New Democrat government was saddled.

You and I both know, Mr. Minister, that it takes a couple of years for a government to put its new mark on the economy of the province and to affect what's happening within that economy. And so it seems to me kind of obvious, Mr. Minister, that when you look at the record, that in the first couple of years of New Democrat government people were still leaving Saskatchewan because New Democrats hadn't had an opportunity to put their stamp on the province of Saskatchewan.

But as the New Democrats had the opportunity to do that and to bring to Saskatchewan a mixed economy model, more and more we saw that trend reversing, and people in fact coming into the province, seeing it is a province of hope and future and prosperity and security for themselves and their families.

What's been the track record of your government, Mr. Minister? If you don't mind, maybe we'll just dabble in fact for a moment. I know this will be upsetting to you and this will be a whole new experience this evening. But, Mr. Minister, if you can just kind of get a grip on yourself there, we'll just dabble in fact for a minute or two.

You will know, Mr. Minister, that in 1983 there was a net inflow to the province of Saskatchewan. As a matter of fact, 3,308 people, net, chose to come into Saskatchewan in the first full year of office. Now I'm saying, Mr. Minister, I'm talking about the net population movement. I'm not saying that's all that came; I'm saying 3,308 more came into the province than left. And then, Mr. Minister, your government had a positive year in 1984 as well, not as positive. There was a massive influx of 2,078 people in 1984.

Well, Mr. Minister, that would be about the time that it would seem that your economic performance is starting to take hold because at that time you had opportunity to be in government for two years. It's also, interestingly enough, Mr. Minister, in 1984 that your privatization agenda began to grab, and we remember the 400 people that you call so-called transferred to the private sector from the highways, and your privatization agenda was unfolding, Mr. Minister.

Well, what's been the record of your government since your privatization agenda has been in full grip by you and your Premier? And let's take a look, Mr. Minister, at how that has affected the province of Saskatchewan from the time . . . Let's go a couple of years after you were elected and when you were now setting the course for the province of Saskatchewan, Mr. Minister, the people of Saskatchewan getting all enthused and excited about this brave new world that you were promising people with your privatization agenda.

Well, Mr. Minister, the first year you had a full grip on it, you lost the people that came in the two years before — 4,151 net loss from the province of Saskatchewan. You've got a grip on the economy, Mr. Minister, and they're starting to flee. In 1985, 4,151 net loss.

In 1986, Mr. Minister . . . This is the year now you're starting to let your privatization agenda unfold and people are beginning to notice what's going on and, Mr. Minister, they are noticing what's going on. In 1986 a net loss of 7,276 more people fled the province of Saskatchewan than came in.

In 1987, Mr. Minister, the year after the election and you guys were talking privatization like it was going out of style — this was what you were telling us was the international trend. And how did the people of Saskatchewan respond, Mr. Minister? They responded with 10,000 people in 1987 fleeing the province of Saskatchewan — 9,983 to be exact.

Well, Mr. Minister, last year, 1988, it was a banner year for your too. You had another year of privatization under your belt. And what did the people of Saskatchewan say? Thirteen thousand, three hundred and forty-six voted with their feet, Mr. Minister. We had a net loss of over 13,000 people from the province of Saskatchewan.

And here we come to 1989. We've got full-blown privatization in the province of Saskatchewan, Mr. Minister. We got it and the people of Saskatchewan have got it too. Mr. Minister, in 1989, in the first seven months alone, in the first seven months alone, 14,639 people have fled the province of Saskatchewan. Mr. Minister, in the past four and a half years of your PC government and PC privatization, we have had a net loss of 50,000 people — more who have left the province of Saskatchewan than those who would have been attracted by the brave new world of the PC government in the province of Saskatchewan. That's the reality, Mr. Minister. That's the big picture. Mr. Minister, the people of Saskatchewan understand what's going on and they are voting with their feet.

Now, Mr. Minister, what does that mean? Fifty thousand is a nice round number. Unfortunately it's true. These little dabbles in reality are just a little discerning at times, but what does this mean in reality, Mr. Minister? What does losing 50,000 people, net loss, 60 per cent of them under the age of 30, those with the most energy and creativity in the province of Saskatchewan . . . Mr. Minister, the very future of the province of Saskatchewan is what we're losing.

And we have lost in the last four and a half years a population equivalent to every man, woman, and child in

the communities of Lloydminster, Melfort, Melville, Assiniboia, Biggar, Carrot River, Carlyle, Davidson, Esterhazy, Gull Lake, Herbert, Indian Head, Kamsack, Kerrobert, Kindersley, Leader, Lumsden, and Meadow Lake. Mr. Minister, we have had the equivalent of every man, woman and child, and probably dogs and cats too, in those communities literally falling off the edge of the world. That's the reality of PC privatization your style, Mr. Minister.

And I ask you. Those are 50,000 Saskatchewan citizens whose dreams have been dashed, whose futures have been placed in jeopardy, and who have given up. They've given up on you, they've given up on the Premier from Estevan, they've given up on the PC Party, and they're voting with their feet. We've lost more than 50,000 people, but 50,000 more than came in. And I ask you, Mr. Minister: how do you tell these 50,000 people that privatization is working for them? Those people and their families who are left here in Saskatchewan, Mr. Minister, would be extremely interested in understanding how the brave new world in Saskatchewan has caused their fathers and sons and daughters and children, Mr. Minister, to be heading out of the province. Will you give them an explanation for that, please?

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

**Hon. Mr. Taylor:** — Well I've heard the socialist version of Jimmy Swaggart for a while here. I guess the main question I ask you, you know, if it's all that bad, why are there more people in Saskatchewan today than there ever was under the NDP? Why are there more people here today? I just rest my case with that. There are more people here than there ever was under the NDP.

However, at the beginning of that rather long and entertaining diatribe, the member from Moose Jaw North accused me of using public participation as a political driven agenda. He said that probably that was the main reason behind it. And I want to take a little bit of the time of the House tonight to indicate just how widespread the support for public participation is. And I think there'll be some very interesting people. And I'm not going to take the time of the House to talk about New Zealand and Australia because we've done that in question period before. But I have examples here that I think members opposite and certainly the viewing public will be most interested in knowing about.

And I'm going to quote from some of these people who I think would be more familiar to the members opposite than they are to me because they are members of the NDP Party. And here's some of the things that they had to say about public participation. One of them, a veteran NDP strategist and former national party direction, is name is Gerald Caplan, who some of you may know. And this is what Mr. Caplan had to say, and I quote. He said:

I'm pretty much persuaded that the field of public ownership and nationalization is outdated.

He goes on to say:

The market seems the best way of producing wealth yet there's no doubt that New Democrats

are suspicious and even hostile to business.

That's what Mr. Caplan said. B.C. NDP leader, Michael Harcourt, and NDP MLA Colin Gabelmann, say the following:

The creation of wealth is what we think we have to do (said Mr. Harcourt). You can't just redistribute a shrinking pie.

Mr. Gabelmann says:

Many of us who grew up (this will be interesting to the member from Regina Centre) many of us who grew up in the NDP in the 1960s and early '70s had a view of the world that was very narrow and frankly not very well informed.

Windsor NDP MP Steven Langdon has the following to say:

An awful lot of the fundamentals in some people's thinking in the party comes out in the 1933 Regina Manifesto. And it was an absolutely and completely different world at that point.

That's well to remember. And now another fellow, well-known in Canada, NDP historian, Desmond Morton says the following. This is what Mr. Morton says, and I quote:

Furthermore, says Professor Morton, the party (the NDP Party) must abandon the policy of mass public ownership in favour of alternative forms of worker involvement — profit sharing, employee stock options . . .

Mr. Chairman, that's what I've been talking about all night. And perhaps one that's better known, certainly to the member from Regina Centre because he sat in the legislature . . . I don't know if it's the same time or not. I know this man by name, I don't know him personally. John Richards, a former Saskatchewan NDP MLA under the Blakeney government, and he says:

The party has not really begun to respond to many valid criticism coming from the right.

Those are people in Canada, leading New Democrats in many cases, who are saying that it is time to change, are saying that public participation and privatization are the wave of the time.

(2130)

Now I know this hurts them, but I want to tell the members here about some other examples around the world, some other examples around the world. For example, I said I wasn't going to talk about New Zealand and Australia because we've talked about that before, but let's talk about, let's talk about some of these socialist countries around the world.

Let's look at Spain. The socialist prime minister of Spain has called the Spanish public sector a white elephant graveyard. A major privatization program is under way.

Socialist Spain's government has sold an auto manufacturing to Volkswagen, a truck and bus manufacturing firm, a large government textile company. Plans have been announced to sell a state-owned ball bearings factory, privatized high-tech companies. So they go on and on.

Portugal, another one, Portugal. Portugal. What do they do? Again . . . (inaudible interjection) . . . No, the member from Regina Centre, the doctrinaire socialist over there, he doesn't like to hear this. This just gets right to the quick of that member. But certainly in Portugal we see that the same things have taken place.

After blaming state domination of the economy for keeping Portuguese living standards behind that of most European countries, Portugal's socialist prime minister recently committed his government to a major privatization.

What about Sweden? We all know Sweden's been a socialist country for a long time. They've sold bank and a minority interest in the government's holding company and a ship port. Tanzania, in Africa, the same thing, selling lodges and hotels, moving into the privatization.

And those are just socialist countries. It doesn't stop there. What about some of the Communist countries? What about Cuba and China and the U.S.S.R.? All of these. And they laugh. But I tell you: you are the people that are behind the times. You are the people that are still immersed in the thinking of the '40s and '50s, but certainly we can see that not only in Saskatchewan but in every other province in Canada and in about 50 or 60 major countries around the world of all political stripes, we see exactly — exactly — the same things taking place as we're doing here in Saskatchewan.

Governments that are in tune with the times are realizing that the old models do not fit today. Just as the NDP person that I quoted said previously, that the time has changed, we are not living in the days of the Regina Manifesto, but we're living into the 20th century, moving to the 21st century. And I can tell you that what we're doing on this side of the government is exactly in tune with what leading governments are doing around the world.

Certainly, Mr. Speaker, when he says that it is driven by politics and that it is some type of thing hatched up by just a Conservative government, he's absolutely wrong because we see that all governments of all stripes, who are really wrestling with their public debt and clearly trying to diversify and build their economies, are following exactly the same blueprint.

**Mr. Anguish:** — Well thank you, Mr. Chairman. I think we've just been listening to the capitalist Jimmy Bakker. I think as far as your references, Mr. Minister, to New Democrats from outside of Saskatchewan and what some of the socialist countries around the world are saying, I think that you'd be better listening to what the ordinary people in the province of Saskatchewan are saying.

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

**Mr. Anguish:** — Some of the names you quote . . . I would take the first one, Gerald Caplan. I had served in Ottawa when Gerald Caplan was the principal secretary to Ed Broadbent, and Ed Broadbent got rid of Gerald Caplan. He didn't know what he was talking about then and I'm sure he doesn't know what he's talking about now.

As far as the other prominent New Democrats that you mention, I would come to their defence in saying that you're likely taking their comments out of context, because what they say is not what you're interpreting them to say in this legislature here this evening.

So what about what Saskatchewan people are saying, Mr. Minister? Saskatchewan people are saying, what happened to all the money? We sell all the assets; what happened to the money? We sold Weyerhaeuser for a quarter billion dollars but the debt went up. We sold Sask Minerals but the debt went up. We got rid of the dental program privatized that, and the debt went up. We privatized Saskoil and the debt went up.

Well, Mr. Minister, we've come to such a point where you are not builders of Saskatchewan, you are builders of debt — builders of debt to the point where in the province of Saskatchewan today the budget that we're currently examining in estimates has the expenditure of three hundred and, I believe it is, eighty-four million dollars for interest to service the debt, a debt in that relationship that did not exist when your party came to power in the province of Saskatchewan.

In fact, you builders of debt have built it so large that it's the third highest expenditure in the provincial budget, only behind health care and education. Then comes debt . . .

**An Hon. Member:** — Servicing the debt.

**Mr. Anguish:** — Interest to service the debt — I stand corrected — interest to service the debt at about \$384 million a year. Great builders, that's for certain.

You know, in terms of borrowing money, you talked about borrowing money, how now you use Saskatchewan's money and you don't run to Bay Street in Toronto; you use Saskatchewan's taxpayers' money to build the economy of the province. Well I'll dwell on that a little bit more later on.

But I remember a little trip that the Premier took over to Japan. And this wizard of financial genius went over to Japan and borrowed Japanese yen. The fastest growing currency in the world, and you're borrowing Japanese yen. With a fast growing currency, all you do is create more debt because when the debt comes due, you've got to pay more money back because the yen has gone up in relationship to the falling Canadian dollar. Another great move of wizardry and genius by the Premier of the province of Saskatchewan.

So don't you be lecturing us about builders of Saskatchewan, because the only thing you're building that has any credibility in terms of magnitude is the debt in the province of Saskatchewan.

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

Now what do ordinary Saskatchewan people say about you great builders of debt in the province of Saskatchewan? They say, look out, because outside of builders of debt, and outside of being sell, sell, sell, this government says tax, tax, tax. And we don't like it very much because we also have the greatest tax load in the history of the province of Saskatchewan, and ordinary people don't like that either, Mr. Minister.

So how have your privatization moves helped? Have they helped the ordinary individual in the province of Saskatchewan? I would guess not. But it has helped some people. Has it helped Peter Pocklington? Well it helped Peter Pocklington because Peter Pocklington got money in terms of grants under industrial incentives program, \$7,500 a job. He also got a \$6.2 million loan from SEDCO. And I just notice on the title for the Gainers property in North Battleford, there's now a numbered company from Alberta that has placed a mortgage of \$67 million against the North Battleford plant. Well I think that this government likely has helped Peter Pocklington. I would want to say that, yes, you have helped Peter Pocklington.

There's also an individual at WESTBRIDGE Computers. I believe his name is Leonard McCurdy, the major shareholder or one of the major individual shareholders in WESTBRIDGE. Has this government helped Leonard McCurdy? Yes, this government has helped Leonard McCurdy because he's doing very well with one of the fastest growing companies in North America who have totally got their largess from the province of Saskatchewan and the tax, tax policy of this government.

And one of the things that I've likely become most familiar with during this session is one Guy Montpetit, who is the major shareholder in GigaText. Well, has Guy Montpetit been helped by the province of Saskatchewan? Yes, Guy Montpetit has been helped by the taxpayers through the province of Saskatchewan. He's been helped by getting millions of dollars into his own pocket at the expense of the taxpayers in the province of Saskatchewan.

Now, Mr. Minister, I wonder . . . one of the questions I'd like to ask you is: why don't you have a share offering for GigaText? Don't you think that would be a good idea? This company, if it is so good, and has got such great technology, float a share offering in Canada and see how many shares are purchased. Just see how many people beat their way to the stock exchange on Monday morning when you've announced at the close of business on Friday that shares are going on sale for GigaText translations incorporated.

I imagine you'd have to be standing in line and there'd be people phoning in orders from all over the world. And I know that you'd put in on the Vancouver Stock Exchange because that's where all the credible stocks to. Toronto Stock Exchange likely wouldn't take it; and I know darn well New York Stock Exchange wouldn't take it. So I think you should be floating a share for GigaText so we can have public participation in GigaText, and we'll see how well it goes. It seems you sell off all of the good assets of

the province of Saskatchewan, where we relied on revenue from those great assets. Instead you want to tax the people of the province to give somebody who's your friend or somebody who's in the upper echelons of the corporation sector a good break. And in the process of doing that you're breaking the province of Saskatchewan.

Another one that would be near and dear to you, Mr. Minister, would be Canapharm. Why don't you at the same time float a share offering in Canapharm?

**An Hon. Member:** — In fact, they could be converted to GigaText shares.

**Mr. Anguish:** — Yes, that's a good idea. The member from Moose Jaw North says they could be converted to GigaText shares. So if they were convertible shares, so GigaText would be switched over to Canapharm and Canapharm to GigaText, you would have likely the greatest rush on the market place, the greatest bull market in the history of the province of Saskatchewan.

Now, Mr. Minister, you would have to look at what you're selling shares in. You sell shares in all the companies that were built by New Democrats since 1971, in some cases earlier, because they were all nice, going concerns that turned over revenue to the province of Saskatchewan. So why don't you sell shares in the companies that you've built? You hang on to these dogs to be an albatross around the neck of the Saskatchewan taxpayer.

One of the members here mentioned Supercart. That's another one. You could invent the first triple convertible share; you could buy into Supercart, convertible to GigaText, convertible to Canapharm, and any three to convert to the other. And you would have then even a greater bull market when you let those three share offering go. Why don't you let your dogs go and keep our good, clean corporations that raised revenue in the province of Saskatchewan?

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

**Mr. Anguish:** — In closing, Mr. Minister, I suppose about the only thing other I'd want to say is that in terms of some of your people that you have that were elected officials, at election time we turned some of them out to the private sector. We turned them out to the private sector because we knew that they were great enterprises, that they believed in the ultimate capitalist system. But when they get defeated at election time, you pick up every single one of them. Some of them tried to succeed in the private sector for a while. They couldn't succeed, so all of a sudden somebody in your government hires them on at \$66,000 a year, some of them at greater amount than that. So why don't you issue shares on them? I know they wouldn't create a bull market, because nobody would buy shares in them, because they couldn't succeed in the private sector. They have to get on the dole of your government.

And the Saskatchewan taxpayer again say, oh boy, it's sell, sell, sell by this government — a line of rhetoric — but then it's tax, tax, tax, so we can keep your friends in the largess that they've become accustomed to through

your government. They say, well you can help your corporate friends and those that are close as being big contributors to the party, so you better help us too because we don't want to work as hard as it takes, to work in the private sector, to work in small business. So you put us on the dole too, and we'll live in a comfortable life-style.

Mr. Minister, in closing, what I'd want to ask you this specific question — this is number two by the way, because I want your response to the triple convertible shares to cause the bull market — then the final question I'd want to ask you is that on your staff you have Mr. Gormley. He's your special adviser in Saskatoon. And Mr. Gormley unfortunately — I spoke to him on election night and I shook his hand; and you would identify with this, Mr. Minister — I looked at John Gormley, then I shook his hand and I said, John, I know exactly how you feel. And I knew how John felt, because John had defeated me in 1984, and I succeeded in the private section and then John didn't succeed in the '84 election . . . not the '84 election, the 1988 election, he happened to be defeated. And all of a sudden he becomes a special adviser to the Minister of Public Participation.

(2145)

We know that another private sector individual from the Battleford, who is a former MLA, is receiving \$44,000 a year as a salary. The Minister of Human Resources confirmed that the other day in this House. Could you confirm to us this evening what the salary is that you paid to Mr. Gormley, what the term of his contract is, and what special benefits he has, and whether or not Mr. Gormley has a severance package with you, Mr. Minister?

And I really have appreciated this intervention, even though I didn't plan on getting involved in privatization tonight. I have really truly enjoyed the intervention I've had, and I hope that you'll answer those questions now, Mr. Minister.

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

**Hon. Mr. Taylor:** — Well I'll answer some of the questions. Some of them are just rather nonsensical, so I'll write those off as rather entertaining, and maybe this late hours, probably what he takes pleasure in doing is being an entertainer, but certain he was talking about . . . And Mr. Gormley's salary, I will send that over to you. I don't have it right here, but I'll send that to you. We'll send it across to you. On Mr. Gormley's salary. I'll send that across to you. I don't have it at my fingertips now, but I'll send it over to you . . . (inaudible interjection) . . . I'll send it to you.

But there's a few things. He started talking about . . . well let's just talk about Mr. Gormley. I think most people in Saskatchewan, regardless of their political affiliation, believe that John Gormley is a young man of ability. I think that's what the people in Saskatoon have told me. I think he's a person with ability. You can criticize him, but I think most people in Saskatchewan, and I think the member opposite who sat down would say the same thing, that John Gormley is a man with certain abilities.

Certainly he was the defeated candidate. You said, I'd

know how he felt. I don't know how you and John feel because I've never been defeated and have no intention to be. However, just on patronage, and it's patronage, sure, but just to get the record straight, this is what the member from Saskatoon — Nutana, is it he's from? — said this, 1983 budget address. I can't use his name, but you all know who he is. He's a white-haired gentleman. He says, and I quote. He said:

I think that it is really foolish . . .

Now listen to this. This is interesting to the member from Elphinstone. This is what the member said, budget speech, page 736 of Hansard, 1973. He said:

I think that it is really foolish to attack one government or another for hiring somebody who has a political tag on him. I really don't see anything wrong with it, and if the person has the qualifications and does the job.

And I think that any fair-minded person would say of Mr. John Gormley that he certainly has the qualifications, and I can tell you as being his boss, he has done the job well for me.

The member started out wanting to know about the deficit. He said, where's the money going? What are you doing with the money? Well I'm going to take a minute or two on this. What are you doing for the ordinary people?

Again I'd like to start with a quotation. This is an interesting quotation. And it says here, and I quote:

I do not believe that whether or not a budget is balanced is the most important feature. One must look to see whether or not the budget fulfils the government's obligation to maintain and expand services to its citizens.

That was on page 835 of the budget of 1980-81, and the member at that time represented the seat of Shaunavon. That's who said that.

I also have one here on February 27, 1983 from *Hansard*. And this is what the member said, and I quote again. He said:

I share with the Minister of Finance the view that there is nothing particularly wrong with deficits in tough years.

And I think I can use his name. That was Allan Blakeney. That was Allan Blakeney.

And I also have this one, and I quote again from Allan Blakeney when he was minister of Finance on March 9, 1962. And this is what he said at that time. He said:

I do not apologize for this deficit. I believe that in times of recession government should be prepared to incur deficits, and indeed if the situation demands, they are duty and bound to take the action that only governments can take to assist the economy toward recovery.



But I think those quotes speak for themselves. The member said, what are you doing with the money for ordinary people? Let me give you some example of what we're doing with the money for ordinary people.

Let's look at agriculture. Let's look at livestock cash advance program, something that farmers never had before. They had it on grain but never on livestock. In 1988-89 blue book, there's \$11.85 million in a livestock cash advance program for what I think are ordinary farmers and ordinary people.

In agriculture we have a capital facilities loan of \$2.75 million, and I think that capital facilities is for ordinary people. We have a production loan and you well know that, the members from the rural areas; the member from Humboldt would certainly know about the production loan — well received by farmers of Saskatchewan; came at a time when they needed cash and came at a time to help them. And it was \$12.142 million.

The farm purchase program, \$15 million. In education, the Sask student loan interest write-down, a write-down of interest for students in Saskatchewan of 2.7 million. And those students are ordinary people. In finance, the mortgage protection plan. Remember that one, boys? The mortgage protection plan, \$4.8 million again for ordinary people. And we can go on. What about public housing, \$8.9 million. That's where the money's going. That's where it's going is to help ordinary people of Saskatchewan; farmers, students, home owners. That's where it is.

And you know what else? Do you know what else? For the first time a \$200 million dividend, a \$200 million dividend paid from the Crown corporations to the Consolidated Fund. Where did that \$200 million come from? It didn't grow on trees.

So you see, my friend, that the initiatives that are being taken in Public Participation — and we've only been at it for a year and a half under this department; we've only been at it a year and a half — have come to benefit the people of Saskatchewan in many more ways. And mark my words, as we go forward with more initiatives, we will see more and more and more initiatives and more benefits and more of the safety net that people want and more or the diversification. And that will be done the same way as some of the gurus of the NDP say, the ones who are enlightened, say it can be done and it should be done.

I agree with some of those people, and I hope that the member from Battlefords, who I think is wavering on this, because I remember him a while ago being quoted in the paper saying, oh, those bonds are no good. But then the member from Riversdale . . .

**An Hon. Member:** — No, you do not, you do not.

**Hon. Mr. Taylor:** — Yes, you did; yes, I do. And the member from Riversdale said, oh, I think maybe the bonds aren't that bad. So I see a little bit of movement all the time. And I see some of the members saying, well we're really maybe not against the employee buy-ins. So although begrudgingly, because you've got yourself on

the wrong side of an issue and it could come to a very silly strike, and you went out and tried to scare people in Saskatchewan.

But I see it in your eyes and I see it each one of you that you're beginning to realize that what you are trying to do is like push a car off a hill with a rope, and you're not having much success.

**Mr. Shillington:** — All I can say is if the car goes uphill much faster it's going to take flight, Mr. Minister. I think we're doing a not bad job of pushing that car along at 60-some per cent.

Mr. Minister, I wonder as you airily soar about that room if you'd like just every now and then to touch upon the facts. I don't want to crimp your style, I really don't, but if you could just now and then pretend you know which department's estimates we're doing, that would be a significant improvement, Mr. Minister.

**An Hon. Member:** — And which province we're in.

**An Hon. Member:** — Which country we're in.

**Mr. Shillington:** — And, Mr. Minister, you seem to need to be reminded of which province we're in; we'll give you some help with that, Mr. Minister. If you forget which country we're in, we'll help you with that, Mr. Minister. Do ask for help, but do every now and then try to deal with the subject under discussion, if the minister would try.

Mr. Minister, that one incontrovertible fact which you can't deny is that public opinion is massively against you. It has been long before you started this; it was a year ago; the public opinion was massively against you. It is against you now, and in fact over the last year your position has deteriorated.

Mr. Minister, one of my colleagues invited you to talk about your standing in the polls with respect to privatization. You avoided that; I can understand why. This has some scientific value to it, and I know the minister wants to avoid anything that might look factual or scientific.

Mr. Minister, the one thing you can't deny is that you have filed in the public arena. You, Mr. Minister, are virtually the only person who uses the word public participation, you're virtually the only person left who uses it. Everyone else is generous to you and calls it privatization; some are more accurate and call it privatization.

Mr. Minister, I wonder if you and your cabinet colleagues ever wonder why public opinion is so obstinate in resisting your blandishments. I wonder if you've ever asked yourself, Mr. Minister, how it is that public opinion can resist such a powerful argument of the sort, Mr. Minister that you mount. I wonder, Mr. Minister, if we might just think for a moment about why public opinion is just so obstinately resists the force of your argument. Mr. Minister, as one of my colleagues mentioned, it might have something to do with the fact that you're selling all of the companies which the NDP started, while you're clinging to yours as if they were your last breath of life.

Mr. Minister, we have urged you to send GigaText to the bottom of the sea, or to the bottom of wherever else it ought to go. I'm not sure this forum allows me to describe it in detail.

Mr. Minister, you haven't done that but you have sole PCS, a company which returned hundred of millions of dollars every year. You hang on to Joytec. You hand on to all the other . . . Canapharm, all the other companies which have lost a lot of money, and you sell Saskoil, a company which from its very beginning has made a lot of money, made money in the years when other oil companies lost money.

You're trying to pretend that GigaText is going to be the wave of the future, artificial intelligence. You describe GigaText as artificial intelligence. All I can say, Mr. Minister, is it is highly artificial indeed, but you cling to that and you sell SaskEnergy, a company which is almost by definition going to make money. It's a public utility.

Maybe that's part of the reason why the public have just been so obstinate in resisting your arguments. Perhaps, Mr. Minister, it has something to do with the fact that the benefits flow to a very few people. You said, Mr. Minister, that these shares had increased in value by 50 or 150 per cent. If that's the case, Mr. Minister, that only proves what we've said, and that is that those shares are undervalued when they're sold. Mr. Minister, if indeed those shares increased by 150 per cent, then, Mr. Minister, you sold them for a lot less than what they were worth.

And the public recognize that. The public recognize that this is a scam, that you sell the shares for less than what they're worth. Those people who buy them benefit from the shares, and the vast majority of the taxpayers who don't buy them get stuck because they're left with the tax bill. It may be, Mr. Minister, that that's part of the reason why the public don't like privatization, is because they're not benefitting and a very few people are. It may be something to do, Mr. Minister, with your financial irresponsibility as you privatize. And it's really difficult, it is really difficult within the bounds of civilized language to discuss and to describe how you people behave with the money you get.

Mr. Minister, you, I think, intentionally mismanaged these corporation, often ran up enormous debts. You sell them and what do you do? What do you do, Mr. Minister? You don't pay off the debt; instead you use it as a slush fund. What is a slush fund, Mr. Minister? Mr. Minister, when you say that you're going to go out to the public and you're going to ask the public to discuss what ought to be done with the money, that is a blatant appeal to human greed; that is nothing but a blatant appeal to human greed, Mr. Minister.

Mr. Minister, maybe that's part of the reason they're opposed to privatization, is it because you insist you're going to squander the money attempting to get yourself re-elected. Mr. Minister, perhaps they're opposed to it because they judge it by the results. You may talk about build, build, build, but you've sold, sold, sold, and then you've had to tax, tax, tax, and that, in the end result, Mr. Minister, is what they understand.

(2200)

Mr. Minister, as I say I wonder, Mr. Minister, if you'd like just to come down to earth for a minute and discuss the privatization estimates . . . Mr. Minister, you and your colleagues cannot be entirely oblivious to public opinion, because I want to get into the subject to SGI (Saskatchewan Government Insurance). In March, Mr. Minister, when bulges were blowing and all sails were unfurled and you were streaming down the privatization route, you said, Mr. Minister, and the Minister in charge, the member from Maple Creek, said that SGI was going to be privatized.

My question, Mr. Minister, is what became of that? Do you still intend to privatize SGI? Do you still intend to sell this, Mr. Minister? I remind you, Mr. Minister, before you answer, that you might consider the fact that SGI is more of a utility than it is a commercial corporation. And I suspect, Mr. Minister, if and when you're foolish enough to go to sell SGI, you're going to meet the same avalanche of public opinion which buried you with respect to SaskEnergy.

Mr. Minister, when I go about this province, I have people ask me — and many of them did not vote NDP in the last election and some never will — they say to me, Mr. Minister, is there nothing that can be done to stop those people? Well, Mr. Minister, there is something that's going to bring you to a deal half. It's going to happen in a year, two at the most. It's called a general election. Privatization is going to come to a deal halt, Mr. Minister, at the time of the next election. About that, Mr. Minister, I am fairly confident.

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

**Mr. Shillington:** — The question, Mr. Minister, is whether or not you recognize your impending doom; you recognize that you have built for yourself a temple of doom. And is that why there's been a scant said about SGI in the last few months? The question, Mr. Minister, is: do you intend to sell it? Do you intend to go ahead and sell SGI, and if so, when and on what terms?

**Hon. Mr. Taylor:** — Well I think the best news I heard tonight came from the member opposite when he felt that an election would be called and public participation would be the issue and we would lose. I've known that member for nigh on 12 years and he's more often wrong than right. So when I hear him predict, that gives me some hope.

I just want to indicate that there are a number of very positive . . .

**An Hon. Member:** — You had a glimmer of hope there, did you.

**Hon. Mr. Taylor:** — When he says it that way, then most times the other is what comes out correct.

And we'll get on to some of the benefits that these privatized companies bring to the society. The member was critical of me mentioning the safety net. He said,

which estimates were you in? Well I think if you had been listening, you would have heard your member say, what are you doing with the money? So it would seem logical to list some of the things that we've done with the money in various departments.

I think it would be interesting for people to know the type of corporate citizens that these privatized, shall you say, companies become. I'm going to run through just a few benefits that come to Saskatchewan people from the actions of these companies.

Let's look at WESTBRIDGE because that's one that's been discussed a lot tonight. Do you know who WESTBRIDGE contribute to? To the science centre, to the Regina General Hospital, the neonatal unit there; to the Jeux Canada Games; to the juvenile diabetes society; the CNIB (Canadian National Institute for the Blind); to the cancer society; to the Multiple Sclerosis Society; to the Regina united way; to the Sport Hall of Fame; to the Regina Rams; to the Optimist club; to the University of Regina Alumni; to the Canadian Information Processing Society; the agricultural insight foundation — a total of \$283,000 in one year alone. I think that is a pretty strong corporate citizen and I think that's something that we should be proud of.

What about the privatized Saskoil? What do they do for the people of Saskatchewan through contributions? They contribute to the Hospitals of Regina campaign, again to the Multiple Sclerosis Society; to the Saskatchewan Heart Foundation, to the lung association, to Telemiracle, to the Kindersley continuing care centre, to the cancer society, to the Red Cross, to the Salvation Army, to the united way, Regina Transition House, the Merici Centre, the Regina Symphony association, the Prairie Wildlife Centre and the Manor community rink. Those are some of the things that Saskoil contribute to.

And Weyerhaeuser: Weyerhaeuser matches donations dollars for dollar to the united way; to the Globe Theatre, so 90,000 school children could experience some plays and culture; \$150,000 in one year alone to support the growth and support the province in the Canada Games.

Members opposite, I think you must realize that not only have these companies that have become privatized through out public participation taking part, have grown, have employed more people, will be paying taxes and revenues to the province of Saskatchewan, are creating more jobs, but also are excellent example of corporate citizens in our society. I think that's something that's very interesting and people should . . .

**Mr. Chairman:** — Order, order. It appears that other members are having the same problem as the speaker, as it's hard to hear what the minister is saying when there's so much interjection and interference. I would ask members to allow the minister to respond.

**Hon. Mr. Taylor:** — It seems to me after the member from Regina Centre got through all his witticisms and his funny stuff — his humour is only exceeded by his good looks — certainly he gets around to asking a question about SGI. So now I would like to answer the question pertaining to SGI. And I think if he's been listening and watching the

press he should know the answer to SGI. Certainly we're going to create a very strong third pillar of public utility in SaskAuto, and SaskAuto will be there as a Crown corporation in the province of Saskatchewan.

And that's what we intend to do. We're looking at taking the general side of SGI and offering shares in it and allowing it to grow as has WESTBRIDGE, as has Saskoil, as will potash and other ones, into other markets in Canada, and in other provinces in Canada, and perhaps in North American. So that is our intent.

Now the member said, what about legislation. Well what about legislation? I remember back a few months ago we brought in a Bill for SaskEnergy. These fellows couldn't face the music because they knew eventually that the people would appreciate it, as they're seeing by the Barber Commission. So what do they do? They go on strike, run out, tell lies to the people of Saskatchewan. It's rather hard to bring legislation in when the legislature isn't sitting because the NDP have been on strike.

And let me tell you, you will rue the day that you went on that strike. As he predicts that we may lose an election, I predict that you will pay a sorry price for ransoming this legislature and going on strike.

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

**Mr. Solomon:** — Thank you, Mr. Chairman. Well it's quite entertaining to listen to the minister opposite fabricate all these wonderful stories, in particular about Saskoil. He indicated that Saskoil is doing such a wonderful job, and I imagine they are making some contributions to various charities in the community because they haven't paid any . . . and I'm pleased to hear that because none of the shareholders in Saskatchewan have received on penny in dividends since the corporation was privatized.

As a matter of fact, Mr. Chairman, Saskoil, for the five years preceding privatization, made a substantial profit every year totalling about \$120 million. Since it's been privatized, it's lost money every year except one year. And we've seen the minister there, who's in charge of Saskoil, who knows nothing about the corporation, if she'd look at the annual report, it says in 1986, the first year of privatization, the corporation lost money; '87 it made money, in '88 it lost money. And she doesn't even know that. She's in charge of the corporation. But this is Saskoil's annual report, and I'm sure she wouldn't know how to read it if she had it on her desk. And maybe we'll get the page to carry this document over there and have her read the financial statements.

But, Mr. Chairman, the minister in charge of privatization talks about Saskoil and holds up Saskoil as a prime example, the diamond of their privatization initiative. Since Saskoil was privatized, they've laid off, almost immediately after privatization, 25 per cent of their staff. They went from 292 employees to 220 in a matter of months.

They have their debt/equity ratio which is a good indication of how a company operates — although the members opposite in this government wouldn't read a

financial statement if they had one, and if they did, they couldn't — and we've seen proof of that because of the bankruptcy the province is nearing with almost \$14 billion in debt that they've been putting together in a very rapid fashion.

But the debt/equity ratio, prior to it being privatized, prior to Saskoil being privatized, was 1:10.8 or \$1 of debt for every \$10.80 of asset, of equity. And now, since it's been privatized in 1989, the debt/equity ratio is 6:10, not 1:10.8, but 6:10 or 60 per cent. It's gone from 9 per cent of a debt to equity position to almost 60 per cent of a debt to equity position.

And, Mr. Chairman, anybody in the financial world will tell you that oil companies and natural gas companies at this point in our history are not accumulating debt and adding debt and taking on risky ventures, but in fact they're reducing their debt because of the volatile price of oil and the high rates of interest that are being charged.

We've seen as well, Mr. Chairman, Saskoil being owned 100 per cent by the people of this province. Since it's been privatized it's gone from 100 per cent equity of the people of this province down to 60 per cent where it is today to 25 per cent. We sold 40 per cent of the corporation for \$75 million. We retain 60 per cent. Since that time in 1986 Saskoil has issued new treasury stock, new shares out of the treasury, and has reduced the Government of Saskatchewan's equity from 60 per cent down to 25 per cent of the shares outstanding. And we have not received one penny in exchange for that loss of control and loss of equity of the corporation.

We have seen as a result of reading these annual reports, not one penny in dividends paid to the people of this province since it was privatized. We've seen as well, Mr. Chairman, the number of people holding shares in this corporation that reside in Saskatchewan have dwindled down to 2 per cent. That is all the shares that are outstanding, 2 per cent of all the shares outstanding, excluding the government's shares, are held by Saskatchewan residents — 2 per cent. And when you look at the number of shareholders, according to the Saskoil report, a little over 6,000 individuals in Saskatchewan hold shares in Saskoil — 6,000. That's six-tenths of 1 per cent of the entire population of this province. And they only hold 2 per cent of the total shares outstanding.

They have not received one penny in dividends. This is a prime example that the government has put forward time after time of their privatization initiative, it's not provided one penny in dividends to shareholders of Saskoil, and it's not provided one penny to the taxpayers of this province for giving up 35 per cent of the equity of the corporation. In essence, the corporation has been sold off to out-of-province shareholders for not one penny in return.

Any other corporation who loses control through a stock market take-over has always paid a premium in their stocks. When you look at the financial papers and some of the recent leverage buy-outs, you will note that the premium paid for shares average between 50 per cent to 150 per cent. We have not received on penny, not one penny for 35 per cent of the equity of the Saskoil

corporation since it's been privatized.

Mr. Minister, what I want you to do is I want you tonight to tell the House and tell the people of this province when the shareholders of Saskoil, common shares, might expect a dividend as a result of their investment only four short years ago. When can you tell this House, Mr. Speaker, when can the shareholders of Saskoil expect a dividend from this wonderful privatized example that you have shown?

(2215)

And before I sit down, Mr. Chairman, I want to say that the members opposite have held up the Nova Corporation out of Alberta as another jewel in the privatization initiative of the philosophy of the Conservatives in Alberta who are their cousins in Alberta. And I want to just let you know how Nova is doing since it's been privatized. I have some newspaper articles here and it says that:

Nova has negotiated to have its shares traded on the London Stock Exchange. Later in April (this is a February paper of this year) the shares will also start trading on the three stock markets in Switzerland.

And you want to know why they're being traded in the European stock exchange? Because Canadians won't buy their shares, any new issues from Nova, the American Stock Exchange and those that participate in the purchase of common shares and preferred shares in the New York Stock Exchange won't purchase any shares issued by Nova because Nova Corporation according to this newspaper article has over \$4.2 billion in long-term debt — \$4.2 billion in long-term debt. Oh sure, the corporation's worth 5 or \$5 billion, but it's got so much debt nobody will buy shares in the corporation so they're floating them in Europe.

The other interesting statistic is that non-Canadians own 5 per cent of the shares in 1988, just a year ago, and now they own 20 per cent — non-Canadians, that is foreigners. In one year they've gone from 5 per cent to 20 per cent, and that's expected to rise to 30 per cent as a result of the issuing of these new shares in Switzerland, and of course in the London stock exchanges. So there's a prime example.

We see another headline on how Nova is doing, and this is *The Financial Post* the more recent one of June 27, 1989, and the heading is "Faltering Nova plans a \$500 million asset sell-off," and I quote:

Oil and gas producer Nova Corporation is shedding \$500 million in subsidiary operations to help pay down debt and has revised its projected 1989 earnings to \$1.35 a share from \$2 per share.

Well at least this Nova Corporation, which has a massive debt that nobody will assist in underwriting in North American, is paying some kind of a dividend. And, Mr. Minister, I ask you: what kind of dividend and when will this dividend from Saskoil be paid to the common shareholders that own common shares in Saskoil?

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

**Hon. Mr. Taylor:** — Well, Mr. Chairman, the member opposite went on for quite some time on Saskoil, and I'd like to just take a few minutes to indicate what I feel is the truth of Saskoil story. I would like to compare, and I think this would be a good way to do it, would be to compare the Crown corporation as to the new Saskoil which is a public corporation.

Under the Crown corporation of Saskoil which was established in 1973, Mr. Chairman, under the NDP, Saskoil lost money four out of nine years. The NDP never intended to sue Crown profits to support essential government services and wanted to reinvest the profits to make resource Crowns more dominant in the market, and he used Saskatchewan money to do that. Simply put, from 1973 in its creation to 1981, there was never a dividend paid from Saskoil to the government. Under our government, in 1982 there was a dividend of 1.5 million paid. In 1983 there was a dividend of 30 million. In 1984, 6.6 million.

It gets more interesting. You switch to the other side now, and that is when it became a public company that was established in 1985, head offices in Saskatchewan here, Regina — I understand they're building a new head office — and they went with share issues. But this is very interesting. This is very interesting that in 1986 there was \$75 million dividend paid to the government. In 1987 there was a \$50 million dividend paid to the government.

But I think maybe the most telling and the most interesting thing was to look at how this corporation got its money to build and grow and expand. Under the Crown corporations, under the NDP, by 1981, from '73 to '81, they had advanced to Saskoil \$945 million. Now you know where that money came from, Mr. Chairman. That was taxpayers' money — \$945 million.

But let's look at it from '86 to '89. The investment there was \$400 million, and o you know where that money came from, Mr. Chairman? That money came from investors, by selling shares in Saskoil. So I think if you look at those two statistics, you will see in your sets of figures — you will see a dramatic change in the operation and in the financing and in the dividends paid to the province from Saskoil, the Crown corporation, to Saskoil, the public company.

However, I would like to cite some other statistics regarding Saskoil, Mr. Chairman, and this is called *Saskoil: A Case Study, 1973-89*. This study is done by professors at the University of Saskatchewan, Hasid Sakar, who is a professor of management and marketing, Jack Vicq, professor of accounting, and Brooke Dobni, a lecturer in management and marketing. And in their report, called *Saskoil: A Case Study, 1973-89*, on page 84 of the report, these authors, university professors at the University of Saskatchewan, say the following things. They say Saskoil economic impact in Saskatchewan. Since 1986, Saskoil has kept track on money spent in Saskatchewan, and here is the figures. Total amount spent in millions in 1986, 65.9; 1987, 76.8; 1988, 89.5; estimated for 1989, \$135 million, spent here in

Saskatchewan. Total revenue from production, 1986, \$77.3 million; 1987, \$116.5 million; and 1988, \$115.1 million.

Now you take that and go back to what I was telling you earlier in our discussion, where, when we had it as a Crown corporation, we inherited a \$300 million Crown corporation, paying no dividends to the Government of Saskatchewan. We allowed shares, \$400 million of investors' money, to expand — numbers of new jobs, a new head office, and dividends like that coming back to the province of Saskatchewan. The company's worth over \$1 billion. We still own 33 per cent; we're ahead of what we had when we inherited it, with all those other benefits coming to this province.

Now I think there is a sterling case of what public participation can do in the energy field. And when you asked me earlier about SaskEnergy, about potash, I tell you and I tell the people of Saskatchewan, when they understand, not the lies of the NDP, not the lies, but the true facts and the benefits of ownership, expansion, diversification, and taxes and royalties flowing to this province, they will see, as do the people in Spain, in Portugal, in China, in Cuba, in England, in Australia, in New Zealand, and all around the world, that this is the wave of the new century and this is the wave of the new government and this is the way we're going to go and build and develop this province.

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

**Mr. Solomon:** — Thank you, Mr. Chairman. The member again makes an error, he says that Saskoil's building a building and that's adding to the economy of this province. Well in fact Saskoil is moving from a leased building and leasing another building that's being built by the H.A. Roberts Group with a sweetheart deal from Saskoil, and we all know that, Mr. Minister. But I will have a question for the Minister and I ask if you could, since you are reading from that report, could you please table that report so the opposition could have a copy?

**Hon. Mr. Taylor:** — I'm not going to table my copy but I'll get you a copy of the report.

**An Hon. Member:** — You'll give me a copy?

**Hon. Mr. Taylor:** — Sure, sure.

**Mr. Trew:** — Mr. Chairman. Mr. Minister, I've been watching these estimates with a great deal of interest this evening and my one regret is that then I was 15, 16 and 17, and needed every excuse in the book when I was coming home, my regret is that I didn't know you then because I'm sure you could have taught me a whole lot of excuses that I didn't even dream of back in the years when I could have used them for different reasons.

I want to deal with SaskTel for a little while because it's symptomatic. It portrays exactly what the Conservative administration is all about. You promised the electorate, you promised the whole world SaskTel, SaskPower, and SGI would not be privatized. Those were your promises before the '82 and '86 election. You're still maintaining to this day that SaskTel is not going to be privatized. That's

what you're saying at every turn — SaskTel will not be privatized.

But let's look if you can come down from up there, I feel like I should be looking up there for you, Minister, to try and get your attention. We look at SaskTel and what your administration has actually done, and in the '82-83, you sold the exclusive Wang computer distributorship, a money-making venture for SaskTel. You just got rid of it because your government thinks that SaskTel had no business being in that lucrative money-making area. So you just hived it off, gone.

Then shortly after that you sold the province-wide cable TV network, and you sold it for about half of what it was worth, in a sweetheart deal, and you don't call it privatization — used to be in SaskTel; it no longer is, and you don't have the courage to call it privatization.

Then a little while after you gave up the exclusive right to sell telephones to individuals. You gave that right up, again hampering SaskTel, but part of your privatization mania. Then in 1988 you sold the data terminals division and the internal processing centre to WESTBRIDGE in a well documented sweetheart deal, a deal that has seen your administration funnel all kinds of business into WESTBRIDGE. And then you hold it up and say, yes, WESTBRIDGE is making all kinds of money; WESTBRIDGE is doing all kinds of business.

But the hard facts, Minister, are the WESTBRIDGE is doing the majority of the business with the Government of Saskatchewan, so the taxpayers are footing the bill. The it's an exclusive deal. They have a seven-year contract in one instance — seven years. It's exclusive. They can't help but make money. They named the contract price; your administration in its effort to look after your buddies said, oh sure — are you sure we can't make that price a little bit higher? Can't we bleed the taxpayers for a little bit more money? That's what happened with WESTBRIDGE. That's why there's such huge profits to be made by that — your words — “successful corporation.”

Then in 1988, Minister, SaskTel tried to sell off its corporate information systems to MSL, a Regina firm run by one Neil Baker. That plan was so atrociously bad that you had to cancel that and that deal fell through. It was so bad you just couldn't sustain the heat.

Then after that you turn around and you take the telephone directory portion of SaskTel, a portion of SaskTel that has consistently made in excess of \$6 million in each of the last 10 years — many years it was making 10, sometimes \$12 million profit for SaskTel, profit that could be used in the grand scheme of cross-subsidization; that is, you take money that firms pay to SaskTel, or used to pay to SaskTel to get their yellow pages advertising, you take the profits from that and you lower the monthly charge to the individual customers of SaskTel. But oh no, that isn't good enough. You've got to create another sweetheart deal so you set up SaskWest, and we see millions of dollars every single year leaving SaskTel.

(2230)

And of course the SaskTel consumers are going to be hit with ever-increasing rates. You have hived off many of the profitable portions of SaskTel, hived them off in your privatization mania. You're doing this, Minister, while all the time you're saying, oh, but this isn't privatization. You say, we're not privatizing SaskTel. I have listed four areas where you've done it, and one where you didn't get away with it.

And I'll ask you a question, Minister. I wonder what these initiatives of your government, what benefit has that been to the 37,000 unemployed Saskatchewan residents? What benefit is it to the roughly 100,000 working poor in Saskatchewan for you to have hived these off? What benefit is it to the nearly 40,000 Saskatchewan residents who are working at minimum wage? And what benefit is it to the Saskatchewan taxpayer?

Minister, my question to you is: was your department, or were you as the minister, involved in these SaskTel privatization schemes?

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

**Hon. Mr. Taylor:** — Well, Mr. Chairman, certainly in the case of SaskTel, the delivery of the telephone utility will remain a Crown, as has been stated and well understood, the same as power and the same as SaskAuto.

What I'd like to do though for the information of the member opposite is give a comparison, the same as I did with SaskCOMP, as we can with . . . as I did with Saskoil, with SaskCOMP and WESTBRIDGE. And I think it's very interesting to hear these figures because I think people should know the difference that comes about with public participation.

And looking at SaskCOMP, Mr. Chairman, it was established in 1973 to provide mainframe computing services to the government Crowns and educational institutes. Its revenues mainly came from charging for government services, and the dividend was really an overcharging of the government. The revenues of SaskCOMP — Mr. Chairman might be interested to know that they were about \$32 million and they employed 259 employees. I think what is very interesting to note, though, that the value of SaskCOMP when we had it as a Crown corporation was \$9.5 million.

Now, Mr. Chairman, what we did was take SaskCOMP and combined it with some private-sector companies, Mercury Graphics and Leascorp and some of the data terminal division of SaskTel, to produce a brand-new company. And I've told you, it's one of the fastest growing in Canada.

Some interesting facts here in comparison, comparing WESTBRIDGE to SaskCOMP. It's first-year revenues were \$127.7 million; compare that to the 1987 revenues of SaskCOMP of \$32 million. The projected revenues for 1990 are \$250 million; the number of employees, employees at the time of merger, 430; immediate new jobs created, 66; current employee base, 800; Sask payroll, \$1.5 million.

And again, I said to you, it's interesting to look at the

worth, because the worth of SaskCOMP to the government when they owned it entirely as a Crown corporation was \$9.5 million. The worth of 59 per cent of WESTBRIDGE, which we own, is \$58.1 million.

So every way you slice this, Mr. Chairman, in number of employees, in revenues to this province, in value to this province, in jobs created, in action as a corporate citizen, we see that the acquisition or the merger of these components to form WESTBRIDGE has been beneficial to the province of Saskatchewan.

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

**Ms. Simard:** — Thank you, Mr. Chairman. Mr. Minister, one of your earliest privatizations was the privatization fiasco of the school-based children's dental plan, and what happened in the case is that in Saskatchewan we had a world-class, school-based children's dental plan that serviced some 338 communities in the province and was located in some 578 schools. There were dental clinics in some 578 schools.

When you privatized the school-based dental plan and removed the services from out of the school-based dental clinics into the private sector, you fired some 400 dental workers, Mr. Minister, many of whom have looked for employment in other locations. Some are still unemployed; some have left the province, Mr. Minister. In short, we all remember only too well the film footage of the dental therapists who were crying on camera because of the devastation to their personal lives, because of the human tragedy that you inflicted on them as a result of your privatization of the dental plan.

The school-based children's dental plan was a very high quality, every bit as good as the service provided in the private sector, and the reports bore that out. We have still been unable to determine exactly what the utilization rate of the present plan is because the government doesn't appear to be able to provide us with information on completes, Mr. Minister. In other words, I suspect that the utilization is not as good as it was under the former plan before it was privatized, because we simply haven't been able to get this information in spite of the fact that we've been asking for it over a period of time.

We also noted that there was some \$2.2 million worth of dental equipment that seemed to have disappeared, according to the Provincial Auditor. Page 98 of his report, he talked about being unable to determine the amount of dental equipment that was sold, and where the money for the sale of this equipment so. So we had a situation where something like 45,000 fewer children were eligible under the privatized plan, some 400 dental workers were put out of work and fired by this government and had to reassess their lives.

We had a situation where we still don't know exactly what the utilization is with respect to this plan. We have substantially reduced services in rural Saskatchewan, substantially reduced services; increased costs to parents in rural and urban Saskatchewan who have to take off time in rural and travel to the city in order to get their children's teeth done or to the nearest dental clinic.

Now, Mr. Minister, my question to you is: in light of these circumstances, do you feel that this very early privatization of yours was a successful privatization?

**Hon. Mr. Taylor:** — Mr. Chairman, I've heard that debated a lot in the House between the member opposite, who's the Health critic, and the Minister of Health for our government. And the minister has indicated on many occasions in this House that the service to these students has not diminished at all. In fact, the figures of people . . . of students being treated are staying up very well.

Also, the minister pointed out in his discussion that many communities that did not have a dentist before now do have a dentist serving their communities. And I believe that the dental plan, and as I understand it, the majority of the therapists that were let go have been retained as denturists . . . or dental hygienists, excuse me, and most of them are employed now. Pretty well all of them have found employment, and many were retrained for dental hygienists which the minister tells me the greatest demand is for that.

And also I think it is in building and developing rural Saskatchewan, and you see places like Nokomis and Ponteix and Cut Knife, Hafford, Kerrobert, Redvers, Arcola, these places that have dentists that didn't have them before. I think if you look at it in its totality, and I think the main thing of any program would be in my mind would be that the service to the children would be maintained — and I am informed that that is the case, and group services being provided — so that one cannot make the case that children are not getting the dental service. And secondly, if you're looking at building the rural economy and building a rural life-style, and we see the towns that I've just read off have dentists which previously didn't have dentists, and when we see that the people who, true enough, were without work for a period of time, were retrained and have found employment, I think that looking at those components of the action that probably it has worked out well. It took some time.

And as far as the equipment, a lot of it was sold very reasonably to some of the establishing dentists, and we sold some to the Department of Indian Affairs, I believe, for the federal government. There still is some, as I've told you in question period, in a warehouse here in Regina — I mean Saskatoon, I believe — that it is all in a heated warehouse and wherever we can find people that need dental equipment — it isn't all chairs, there's all the dental equipment — and I'm sure that the member will realize that there's an awful lot of small items. Some of the other things have been sold, X-ray equipment and so on, to veterinarians and other medical people, and this of this nature.

So I guess when you look at the components of it, the children being the most important in my mind, the building of dentist practice in rural Saskatchewan, the re-employment, although I will admit it took some time, but with these people being re-employed now and the disposition of the equipment, I think overall it would be seen to have worked out fairly well.

**Ms. Simard:** — Mr. Minister, you said that children were most important. Well, 45,000 fewer children are eligible

under our privatized plan than they were under the former plan. Were those children more important or were the private sector dentists more important to you, Mr. Minister?

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

**Ms. Simard:** — And also I want to state that not all of the dental therapists and dental workers have been re-employed, Mr. Minister. They have not all been re-employed, and some of them have left the province, Mr. Minister. The statistics do not bear you out there.

And I also want to state that we still do not have figures on completes. That is, children whose treatment have been completed and they may have to see a dentist two or three times before the treatment's completed. We know how many have been there one, but we don't have the figures on completes, and those are crucial to determine the success of the problem.

And with respect to rural Saskatchewan, Mr. Minister, I want to read a letter that I received on July 13, 1989 from a mother who lives in rural Saskatchewan and has children who can access the plan. And here is what she states:

When the children's dental plan was privatized, Cupar School Division hired Dr. Ken Cotton of Regina to visit schools in the division. In March of 1989, Dr. Cotton resigned and left for Texas, and this vacancy has not been filled. It appears that I will likely have to take my three children out of school — our third child begins this fall — arrange a time that does not conflict with our work schedule, and drive in to Regina.

Now, Mr. Minister, I would say that access for that family has been substantially reduced. Would you not agree?

**Hon. Mr. Taylor:** — I head the member talk about completes, and I think we should clarify that terminology. I don't know if you understand entirely, but the dentist is paid a capitation fee, so it doesn't matter if the student goes to the dentist two times, three times, or five times. And certainly there's not a payment for each time, and the member seems to think there is.

I would think that in most cases and where you see the new towns where there are dentists and satellite clinics and so on . . . True enough. I mean, you can take a latter from somewhere at any time with any type of situation where one may have to go a fair distance for service. But I think the minister has said that pretty well everyone is within, I believe it is about 30 miles of service. And I think, as I've said before, when you look at all the dimensions . . . I will admit it took some time to get it all put in place, but I think at this point in time we have a children's dental plan that is being administered, and as I say, the children are getting the treatment, and that's the thing I'm concerned about.

(2245)

**Mr. Thompson:** — Thank you, Mr. Chairman. I only want to make a few short remarks. Mr. Minister, I want to ask

you a couple of questions about the Silver Lake farm and the privatization of that industry. But first I want to comment, Mr. Chairman, on some of the remarks that the minister has made tonight. First of all, he talks about the large corporations being good corporate citizens and they're donating to the Boy Scouts and the Girl Guides and all the organizations that we have in this province.

Well I want to say to you, Mr. Minister, that every citizen in this province also contributes to those organizations. It's not just those large corporations that are contributing. And those large corporations are contributing with the money that they have received from our assets that were given by your government. But don't just separate out those large corporations as donating to our organizations.

You talked, Mr. Minister, about the debts that the countries in other parts of the world have right now and that they're starting to privatize. I say to you that it's large privatized corporations that's got other countries in the world in problems like over in Britain, in Canada, and in Saskatchewan today. It's large corporations that are coming in here, taking the profits, and are not paying their taxes. That's why these large debts are being run up in all these countries.

But, Mr. Minister, we have to ask ourselves, what is privatization doing for Saskatchewan? Well I think one of the good indicators that we have, and I'll go through just a number of them, Mr. Chairman, is you just have to take a look at what privatization is doing in the housing industry. You can go any place in this province and there's houses for sale like there has never, never been seen in this province before. New housing starts are down 37 per cent. They're down 37 per cent in this province. Mr. Minister, that's a good indication of what has taken place in this province. The vacancy rate in apartments in this province, it's the highest that it's ever been, and it's a serious situation.

Small businesses are going under all over the province. There isn't any place in this province where small businesses are not suffering and they're going under. Hotels are going under. Restaurants are going under. Large chains of restaurants right now are up for sale. They're up for sale because the economy in this province has stagnated under your privatization schemes.

And let's just take a look at what . . . You talk about all the jobs that have been created in this province. Let's go to Ipsco. Over 300 employees have been laid off at Ipsco already this year. They've been laid off because they indicate that the oil industry is sluggish. Well I say it's because the whole economy is sluggish in this province because of your privatization schemes.

My colleague from Regina Lakeview just indicated about the dental therapists, the dental nurses and the dental therapists. You talk about creating jobs; there you destroyed over 400 lives of your women in this province — 400 jobs lost.

The Rabbit Lake and uranium mines up North, let's just take a look at what privatization has done there and to SMDC (Saskatchewan Mining Development Corporation), the amalgamation of Eldorado Nuclear and



SMDC. Already at Rabbit Lake over a hundred individuals have lost their jobs. In SMDC there's over a hundred have lost their jobs in Saskatoon and La Ronge, and there's many, many more are going to lose their jobs because of your amalgamation so that you can privatize Cameco.

I want to just touch on the Department of Highways, Mr. Minister. You talk about all the jobs your created. Well let's take a look at the Department of Highways since you started to privatize; over 300 jobs lost, well paying jobs with individuals with good seniority.

And you have another program, privatization, early retirement program. Hundreds and hundreds of individuals have lost their jobs to your early retirement program, and that's a privatization program of a Conservative government. And what you do? You're opening up high paid jobs, getting rid of individuals, opening up high paid jobs for the George Hills and the Dennis Balls and the Paul Schoenhals and the likes of those individuals. That's what your privations is doing to this province, Mr. Speaker.

And you like to talk about your shining light, Weyerhaeuser. Well I want to tell you about Weyerhaeuser. You talk about Weyerhaeuser being a good corporate citizen. Well I'll tell you, they came into this province and they now have approximately \$200 billion worth of assets, 8 million acres of our prime forest that they have. They have the Big River saw mill; they have the pulp mill, the chemical plant. And let me tell you, Mr. Deputy Speaker, they haven't created one extra job, and they never paid one cent for all those assets — never paid one cent.

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

**Mr. Thompson:** — We have many individuals around this province who have been crying to the Minister of Highways and wanting roads built into their communities, highway improvements. We're not doing that, but we're most certainly building the highways and roads for Weyerhaeuser, and we build them at our expense, the taxpayers of this province.

Public campsites — talk about the public campsites, assets that belong to Saskatchewan, assets that individuals around this province . . . and a public service that were created so that we could serve the public. And I have three letters right here, Mr. Deputy Chairman, from individuals in this province who are now going to these here campsites that have been privatized, and let me tell you, they are in a sad state, the state of affairs, the same as the province.

Are we better off, Mr. Deputy Speaker, are we better off since privatization? Well I just want to say to you, no, we are not better off. And a good example is of the debt load that we are carrying in this province and the credit rating that his province has. The credit rating is continually going up because of the fact that this government is going farther and farther in debt.

And it's quite simple. You just take a look in '82 when you inherited a balanced budget, \$139 million in the bank,

approximately \$3 billion in the total debt. And now just seven years later under your privatization scheme and your Conservative ideology, what do we have in this province? We have an operating debt of \$4 billion; we have a total debt of approximately \$13 billion. You inherited an unemployment rate of less than 4 per cent — that's now 8 per cent. There are over 80,000 individuals in this province, Mr. Deputy Speaker, who are either on assistance or on unemployment insurance or on jobs that they are making — your welfare jobs — 4.50 an hour. Those jobs are created . . . And you talk about creating jobs — 4.50 an hour for 20 weeks so that they can get UIC (Unemployment Insurance Commission). That is what your privatization has done to this province.

And I say to you, Mr. Speaker . . . Mr. Chairman, most certainly privatization is not working in this province, and it's not going to work. And I'm going to close off by asking you a question, but I do want to touch on this, Mr. Minister, and I know that you are a man of your honour and you talk about being sincere. And I say to you that when some of your members are talking about calling a snap election this fall, I say that most certainly you should go ahead with that election this fall. I say that you should give the citizens of this province an opportunity to speak out whether they're in favour of your privatization.

Now I know, Mr. Minister, that you being a man of honour and that you keep your word, and I ask you in all sincerity to tell your colleagues to agree with the few members who are saying, yes, we want to call this election this fall. We want to get it over with, because we want to give the citizens of Saskatchewan an opportunity to speak out on privatization. And I ask you, Mr. Minister, to call that snap election. We most certainly would welcome that, and I know that the citizens of this province would welcome it.

I want to close off, Mr. Chairman, on the Silver Lake farm, the sell-off of the Silver Lake farm. You sold off the Silver Lake farm that the citizens of Green Lake worked for many, many years to build up. They're the ones that cleared that bush and they cleared . . . (inaudible interjection) . . . the member from Weyburn, if he would just listen. The citizens of Green Lake are the ones who cleaned that land, and a lot of it was done with an axe and grub-hoe. That land was cleared the hard way, by the sweat of their brow, and that community wanted to buy the Silver Lake farm, but you wouldn't sell it to them. And I say to you that you should have given the citizens of Green Lake the same opportunity that you gave Peter Pocklington up in North Battleford.

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

**Mr. Thompson:** — You signed a promissory note for Mr. Pocklington for \$21 million, and I suspect that there's a lot of that money we're never ever going to see again, especially the \$10 million outright grant. You could have signed a promissory note to the citizens of Green Lake and let them operate that asset that rightly belonged to those people in there who worked so hard to create it.

Mr. Minister, you indicate that you could not tell this legislature how much the individuals from Prince Albert paid because the deal wasn't closed. I ask you again

tonight: has that deal been formalized, and if it has, how much did they pay for that asset?

And, Mr. Chairman, most certainly we have a right in this legislature to know how much the group from Prince Albert paid for that Silver Lake farm at Green Lake, because let me tell you, as of July 1, trucks were in there and they were moving the cattle off and taking them some place else or selling them. They moved trucks in and were moving the oats off and they were moving the hay. So if they were allowed to do that, Mr. Minister, I say that deal was finalized and you should stand up in this legislature tonight and let us know how much that group from Prince Albert paid for the Silver Lake farm at Green Lake. Will you tell us that tonight?

**Hon. Mr. Taylor:** — The member covered a number of topics. Certainly he said that it isn't just the large corporations that contribute to many good charities and things in Saskatchewan, but individuals do, and I concur with you on that. I just wanted to put forth the point that sometimes these corporations are criticized as not having that dimension, and I think I've showed that.

The other thing that I recall you talked about was the parks, and I pointed out in talking to the member from Elphinstone that I think there's been about \$15 million dollars of private money go into the parks which developed a number of facilities we didn't have before, and I think in fairness in your own area that a Clearwater River park is something that the province will be proud of, and that was done in the last while, and I understand there's going to be something done with the Athabasca sand dunes too. So parks development is an important part of our government's mandate.

In regard to the Silver Lake farm in the town of Green Lake — and we've been through this before — certainly the town of Green Lake for a dollar have the central farm, and I understand the total assets of land and assets and so on will be somewhere in the neighbourhood of a million dollars and as you know when I was minister of the north that in talking to the communities of Ile-a-la-Crosse and Cumberland House, and so on, they wanted to have access to those farms; they have them now. I hope that they can use those facilities to better their communities, and it'll be, the benefits will be broader based to the communities.

In the case of Silver Lake farm, as I've told you in question period, we sold it to the best offer we had. It was the second highest offer. The first one that came in, they couldn't come up with the money. These ones, the money was sound and in place. We sold it to them, and I have told you and I will tell the House again, as soon as all the aspects of the transaction are over, I will certainly release the amount of the sale itself. Until the caveat is removed and the deal completed, Mr. Minister, I cannot release that.

**Mr. Lautermilch:** — Mr. Chairman, thank you. My colleague referred to Weyerhaeuser and the fact that the privatization has clearly been affecting larger corporations, and I want to say, Mr. Minister, if you had accepted the second lowest offer on the PAPCO (Prince Albert Pulp Company) sale, you would have been in a

much greater deficit position than you were getting nothing from Weyerhaeuser.

But I want to say, Mr. Minister, what privatization has helped and who privatization has helped has not clearly been independent foresters in northern Saskatchewan. You might be aware, and I hope you are, that about 1 per cent of the allowable cut for softwood in this province, which is a massive decrease from what it was, is allotted to private operators. The fact is, in the last five years under your privatization scheme we've lost 250 saw mills, and I want to say to you, Mr. Minister, that it affects the community that I live in. It affects the community that my colleague lives in. It affects everybody in northern Saskatchewan, and a lot of jobs have been lost.

(2300)

And I want to say, Mr. Minister, that your forum of privatization — privatization Tory style — has not caused an increase in jobs in northern Saskatchewan. It's not caused any economic benefits for small independent operators in northern Saskatchewan. What it's doing is squeezing independent operators out of the forest industry.

And I want to say to you as well, Mr. Minister, that if you carry on with your privatization scheme, you've got little left to privatize that is a money-maker, that could be a money-maker, and will be a money-maker in terms of SaskEnergy, in terms of potash corporation. The future for the small independent business operators in this province looks pretty bleak.

Would you, Mr. Minister, agree with me and my colleague that there isn't enough room under your forest management lease agreement, this new form of privatization for small independent operators, would you agree with me, Mr. Minister, that the kind of harvesting that is happening and the utilization of the forests in northern Saskatchewan is something that deserves close scrutiny under your government and under future governments?

**Hon. Mr. Taylor:** — To the member, Weyerhaeuser has been discussed over and over in this House and I guess there's a difference of opinion. I'm of the opinion that the whole sale of PAPCO, from a \$91,000-a-day loser to a new paper plant with 200 new jobs and a state of the art paper that's sold all around the world, is positive.

Regarding the forest lease management agreements, I understand those were all negotiated and worked out. Really those questions are better asked through the Minister of Parks who is responsible for this. I'm not aware of any real problems with them. I know that they've been negotiated. I was in discussions when I was minister of northern Saskatchewan. There was some FMLAs (forest management licence agreements) regarding the town of Ile-a-la-Crosse and areas in that area, but I think you would be better to ask your questions, if you have concerns, in the question period to the Minister of Parks about the FMLAs regarding Weyerhaeuser and the independent foresters or saw mill people.

I don't know if your figure . . . I'm not saying your figure is

not correct, but I don't know if there's that many small saw mills have been shut down or anything of that nature. You'd be better to discuss that with the minister responsible, with all due respect.

**Mr. Lingenfelter:** — Mr. Chairman, I want to just make a few comments before we complete the estimates on this department. I have to say, Mr. Minister, that having listened to the excellent interventions by other members, critics in the area of privatization, and the lack of response from you, Mr. Minister, I really have to say that I'm disappointed in your lack of material and information that you bring to this committee.

I want to say, Mr. Minister, that the idea of privatization in Saskatchewan that you're now following is not a new idea, as you would like to portray. There's nothing new about privatizing the corporations that you're talking about privatizing — SaskPower, SGI, all the companies and Crowns that you have privatized already, all the corporations that previous governments have built in this province that you are now selling. I say again that I fully agree with my colleagues who say that it's interesting that you're selling off the corporations that previous Liberal and CCF and NDP governments built.

All those companies that you now want to dump are companies that other people have built in this province. All the companies that you people put together, GigaText, Canapharm, if you look at Joytec and Supercart, you're not selling any of those companies. Do you know why, Mr. Minister? Because none of those companies are worth anything, they're worthless. So you're now selling off the assets that were developed by the people of this province over the last 50 years in the governments that took part along with the people.

I want to say, Mr. Minister, that we have had a privatization in Saskatchewan before under a previous Conservative government back in the 1920s when we had the Anderson government in Saskatchewan and the Conservatives were in power with the Bennett government in Ottawa. Things were privatized: we had privatized grain trade. We had no credit unions. We had no SaskPower, no SaskTel, no SGI, and the people at that time decided, because the free enterprise unfettered had failed them, they decided to sue some Crown corporations to develop the economy.

And I want to say, Mr. Minister, to you that this idea that you're setting off on, this concept of a free enterprise unregulated kind of economy has been tried in this province and has failed.

And I want to say again, as the Leader of the Opposition has said many times, that a society or people who are not willing to learn the lessons of history are doomed to repeat them, could be no truer than watching the economy of this province go down hill under tutelage of your government. It simply is an economic disaster. You're selling off all of the assets of the province. People are saying there will be nothing left, and the facts prove that.

We have many fewer assets now than when you took over in 1982, and yet the deficit has risen from 3.5 billion to

close to 13 billion. Unemployment is down in the province, bankruptcies are up; 50,000 people have left the province in the last four years. I say to you, Mr. Minister, that the facts are obvious of the failure of your privatization thrust. I want to say to you the only thing that is I think very disturbing in this whole matter, is that you're hidebound to the idea of privatizing, and I guess we can only expect for the next year leading up to the election, more privatizations of corporations built by other governments along with the people of Saskatchewan. And I say to you, this will be the final flow that will defeat this government, and it can't happen too soon.

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

**Hon. Mr. Taylor:** — Well, Mr. Chairman, seeing the hour of the night I'd just like to make a couple of comments. Number one, the member opposite I think uses some of the wrong terminology when he talks about a selling off. I see what is happening is giving an opportunity for Saskatchewan people for true ownership and to invest in their Crown corporations. I see that using that avenue, allowing them to invest and using that money to reduce debt, to build, and to diversify.

I also see in the commercial Crown and in the resource Crowns what I would call is a natural stage in the evolution. I don't argue with the member that at one time in this province the creation of Crown corporations was probably the right thing to do. But as I read earlier from some of the NDP people quote, and I believe that, that in the resource Crowns, in these commercial Crowns, you must just like when a bird leaves the nest or a child leaves home, you must allow them to go out and expand and fulfill their hopes, aspirations, and dreams.

I think Saskoil is a good example of that. I think SaskCOMP, WESTBRIDGE is an excellent example. I believe potash will be another excellent example. And I believe in energy and in these types of things where we use the savings of the people of Saskatchewan to build and diversify this province. They will have benefit. I think the amount of money I indicated earlier that has come to shareholders in Saskatchewan is proof positive. I believe that the general side of SGI can go out, be competitive, and grow like the other Crowns. I tell the member opposite that only time will tell as to who is right, you or I. Thank you.

Item 1 agreed to.

Item 2 agreed to.

Item 3 — Statutory.

Vote 47 agreed to.

**Mr. Chairman:** — I'd like to thank the minister and his officials.

**Hon. Mr. Taylor:** — Thank you, Mr. Chairman. I would like to thank my officials for the assistance tonight in these estimates, and I would like to thank the various members of the opposition for their questions.

**Mr. Lingenfelter:** — Mr. Chairman, just before we end this portion of the estimates, I'd like to thank the staff of the minister for providing what information they did tonight. And a very difficult job you have in selling a program that the government is forcing on the people of Saskatchewan. You do . . .

**Mr. Chairman:** — Order. All comments will be made under item 1.

**Consolidated Fund Budgetary Expenditure  
Department of Telephones  
Ordinary Expenditure — Vote 38**

**Hon. Mr. Andrew:** — The officials with us tonight is Doug Smith, who's the deputy minister of Telephones and communications, Kim Wrigley, and Don Hamm. That's got her.

**Item 1**

**Mr. Trew:** — Thank you, Mr. Chairman. Minister, I see in the Department of Telephones, vote 38, that the budget for the Department of Telephones for 1988-89 was \$569,000, and it is, in the year 1989-90, it is going to \$5,073,600; four and a half million of that is going to Saskatchewan Communications Advanced Network authority. That Bill has been withdrawn, or is not going to go forward, is my understanding.

What I want is some assurance that when and if that television network ever goes forward that it will not be simply a scam, but that it will be properly looked after. And I guess I have a question about whether it wouldn't be more properly looked after in the Department of Education than in the Department of Telephones. I'd appreciate your comments on that and I'm asking that in a sincere fashion. I'm wondering if it wouldn't be better in Education.

**Hon. Mr. Andrew:** — The SCAN (Saskatchewan Communications Advanced Network) is of course a Crown corporation, a new Crown corporation in the province of Saskatchewan. It was created by OC (order in council) as is allowed pursuant to Crown Corporations Act. That Crown corporation involves the people from Telephones and communications working very closely with the people in Education and the two of them, quite frankly, collectively under that corporation are in fact pulling together the whole SCAN project which is television, educational television into rural Saskatchewan.

**Mr. Trew:** — A follow-up question I have, Minister, is you're setting up . . . or the plans are ultimately to set up the SCAN network. What is the plans for privatizing that? Are you going to get it up and running and then turn around and privatize it at the first breath of air?

**Hon. Mr. Andrew:** — If the hon. member was aware of the details of that, number one, it has a CRTC (Canadian Radio-television and Telecommunications Commission) licence which would prevent it in the first place, and in the second place, it's primarily going to be educational television into rural Saskatchewan. SCAN is what we see as the best way of delivering that and it would be not

unlike the water corporation, a new Crown corporation developed to delivery a specific product, which is education, through satellite into rural Saskatchewan.

**Mr. Trew:** — Are you telling me then that it is not going to be privatized?

**Hon. Mr. Andrew:** — Absolutely no intention.

Item 1 agreed to.

Items 2 and 3 agreed to.

Item 4 — Statutory.

Vote 38 agreed to.

**Consolidated Fund Loans, Advances and Investments  
Saskatchewan Telecommunications — Statutory**

**Mr. Chairman:** — Would the minister introduce his officials.

**Hon. Mr. Andrew:** — Randy Stephanson, controller of SaskTel, and Randy Schellenberg from the minister's office.

**Mr. Trew:** — Thank you, Mr. Chairman. Minister, I see in the payments to SaskTel last year \$59 million. This year, '89-90, that figure has gone to zero. This is happening at a time when SaskTel in the past year paid a dividend to CIC (Crown investments corporation) of \$238 million. You took absolutely every penny of retained earnings that SaskTel has earned since it first started operation as a Crown corporation in 1946, every penny, \$238 million, snafued to cover up the provincial deficit. The corporation made a profit of \$70 million in 1988 and that's literally all that you've left SaskTel to operate with.

Yet in 1988, Minister, SaskTel announced capital projects which have added to the ILS (individual line service) program for rural customers and the total cost of that, according to SaskTel, is \$541 million. How is it that you can snafu all of the retained earnings, emasculate SaskTel's ability to fund from within, to fund its expansion plans from retained earnings, and you've taken away all of their ability for internal finance? If every expansion that SaskTel undertakes has to come from future earnings from SaskTel, not from any retained earnings built up over more than 40 years, but from future earnings, how can you justify that?

**Hon. Mr. Andrew:** — Mr. Chairman, this particular statutory vote, if you were to look at it, 1988-89, was \$59 million, and what that was is, of course, the Government of Saskatchewan placing borrowing for the purpose of putting that money to SaskTel. This year there is zero in that, and therefore, (a) number one, statutory votes in the estimates have never traditionally been a matter of vote, and today we're talking about a vote that has no money there. The reason, of course, there's no money there, is the borrowing are done through TeleBonds now, and that's \$106 million. So in response to the hon. member's question, 59 million last this; this year zero — the reason

for that is \$106 million were raised through TeleBonds.

**Mr. Trew:** — Minister, it would be nice if you would answer something close to the question that I'm asking. I did not ask the question that you gave an answer to. We may come to that later in these estimates, but the question I'm asking you is how can you justify emasculating from SaskTel, taking away all of its retained earnings built up since 1946, all those retained earnings you've snafued away, to cover up the Minister of Finance's annual deficit? You've left SaskTel with no internal ability to finance the expansions, and I talked about an expansion plan that is in excess of one half a billion dollars that SaskTel announced in 1988. How do you justify that financial jiggy-pokery?

**Hon. Mr. Andrew:** — Mr. Chairman, as I indicated this is a statutory vote where is no dollars being asked or no dollars being requested. This item appears in the estimates simply as an information item. Mr. Speaker, the detailed questions that the hon. member wishes to pursue are questions that have by tradition and by rule of this House always been asked in a Crown Corporations Committee. This is simply a statutory vote, no dollars involved, no borrowing involved through the Consolidated Fund and that question is properly asked in Crown Corporations Committee.

**Mr. Chairman:** — Order. The estimates for the total expenses of the corporation are not under review. The discussion should not extend to any items other than those specifically listed in the *Estimates* book.

**Mr. Shillington:** — Well I'm unsure of what the chairman is saying. Are you saying that we should discuss SaskTel when we get that statutory vote and deal with the department now? Is that what you're saying, Mr. Chairman? I'm not sure I follow your comments?

**Mr. Chairman:** — No, I'm saying that the details of the Crown corporation aren't up for question under the statutory vote.

**Mr. Shillington:** — Yes, I appreciate that, Mr. Chairman. We have however discussed broader issues under these statutory votes in this and others, and I think that's what my friend thought he was doing. He asked about the removal of the whole of the retained earnings, that's not a detail. That's fairly major, that's fairly major. So I think my friend thought that was a legitimate question falling under the context of broader brushed questions.

**Mr. Chairman:** — Well the member would have to relate the retained earnings to what is in the estimates this year in the statutory question and it's a zero amount. And further while I still have the mike, I mean relating to the ILS or any of that in questions is certainly not here in the estimates and is actually not in order.

**Mr. Trew:** — I thank you for your ruling, Mr. Chairman. As I understand it, we are talking about . . . there was a subvote that deals with money that SaskTel had to borrow. The question . . .

**Mr. Chairman:** — Order, order. There is no subvote. There is no vote on this. These are statutory. There's no

subvote.

**Mr. Trew:** — Thank you. My question is how this money here relates to the \$238 million that you have taken from SaskTel, because moneys that appear in this subvote are moneys borrowed for SaskTel's operations, for its expansions. You have snafued \$238 million of retained earnings, money that is normally used to finance the ongoing expansions, money that is used to lower the cost of borrowing for SaskTel because, as you should know as a past Finance minister, when you are borrowing money, lenders want security. Sometimes your word is good enough; sometimes they usually will want to be looking at the total value of a corporation or value of the province, depending on who is doing the borrowing.

And my question is how you — having taken away all those retained earnings from 1946 to date, how that is going to affect what is going to show up in the cost of borrowing for SaskTel?

**Hon. Mr. Andrew:** — The whole point of the thing is that this year there will be no borrowings by the Government of Saskatchewan for SaskTel. Now the hon. member suggests that if you pay out so many dividends, that would somehow mean that you have to borrow more money, but the book, the Estimate book which is there only for information on the statutory vote, there's no money being borrowed through the government. The government is not out borrowing as they traditionally have for SaskTel. So there's no borrowing being done this year for SaskTel under the conventional way.

**Mr. Shillington:** — Thank you. Mr. Minister, you seem, probably legitimately at this hour of the night, not to understand my learned friend's question. What he is saying is that this year you're not borrowing anything — Right? Okay, so far so good. We're both travelling together. All right. I assume, and I think my learned friend assume that is because, my colleague assumes, that is because SaskTel raised its own money through the TeleBonds. Rights. All right. Okay.

**An Hon. Member:** — Progress being made.

**Mr. Shillington:** — Progress being made, Mr. Chairman. All it takes is a bit of patience.

Now my learned friend's point is if you rob SaskTel of the entirety of its retained earnings, the value of its corporate bonds decrease, it isn't as good a company. Therefore it's a legitimate question with respect to the government's overall responsibility for their borrowing. How on earth do you justify taking the entirety of the retained earnings in one year? You make it much more likely that this apparent success is not coming to the government for money cannot be repeated. So how do you justify taking the entire — snafuing, as my friend said, my colleague said — how do you justifying snafuing the entire of the retained earnings in one fell . . .

**An Hon. Member:** — How do you spell that?

**Mr. Shillington:** — Well my learned friend wants it spelled. It's a fairly common word, s-n-a-f-u. Does the member from Redberry have any other questions of me

while I'm on my feet . . . (inaudible interjection) . . .

**Mr. Minister, Mr. Minister,** that's the question I think is legitimate and it deserves an answer. I spent the best part of an hour, a little more than that, with the member from Melfort in interim supply, asking him that same question. His response, for your benefit, was that they were rounding off figures. So if you care to start from that answer and lead us to something that's intelligible, it would be of considerable assistance.

**Hon. Mr. Andrew:** — The reality, Mr. Chairman, is that last year and many years before that, moneys for SaskTel for capital investment were raised in the capital markets of the world, either in Canada or in United States or in the Eurobond market or in Asia. And that's a reality; you borrowed your money outside of the province.

This year we are borrowing the money inside the province through TeleBonds, end of story. You're still borrowing, but you're borrowing now through SaskTel, through SaskTel bonds. That's exactly what you're doing. This statutory estimate, if you want to call it, or statutory vote, is in the Estimates book as information item. It's not a vote like your traditional -e if you go through Agriculture or Parks or Highways, those are vote items of the estimates. This is simply statutory, is designed and is there simply for the information of people that wish to read it.

**Mr. Trew:** — Thank you, Minister, of course it's there as an information item — that's what all of these votes are about. It's the opposition's opportunity to ask the government members what it is you're doing on behalf of the electorate and the taxpayers of Saskatchewan. And that's exactly what we are doing here tonight. It's exactly what we intend to do tonight as well.

You talked about the TeleBond issue. We're dealing with the financing of SaskTel and it is most curious that this number is zero because, as you said moments ago, the Sask TeleBond issue was such a success. And what I'd like to know is how you can call it a big success, Minister, when you had a very, very expensive advertising campaign, you had a 14 per cent interest rate . . .

**Mr. Chairman:** — Order. The TeleBond issue is not part of that. The issue that the member is getting into is more of a Crown corporations question, must stay within what is in the book. It's just an information statutory; it is not a vote. There's no vote on this issue, and the member's getting into the specifics of SaskTel which is a Crown corporations question.

**Mr. Shillington:** — Mr. Minister, I'm not arguing with your . . . I'm not in any sense challenging your ruling, only to point out that we have in the past years discussed the operations of the Crown corporations where they were voted money. Perhaps, Mr. Chairman, they're saying this year they're not being voted any money, and therefore that disentitles us to raise the issue that we've raised in past years. It's . . .

**Mr. Chairman:** — Order. The member from The Battlefords. Order. There is no vote. It's a statutory for questions only relating to the specifics of what is in the

*Estimates* book.

(2330)

**Mr. Shillington:** — Mr. Chairman, I recognize that there is no money being vote this year. If there were \$59 million being voted this year, then I submit to you that any question with respect to SaskTel would be in order. That's what we've done in past years. I recall spending several hours with ministers in the past years over Crown corporations. The difference this . . . (inaudible interjection) . . . I wouldn't mind finishing, actually.

But surely we're entitled to ask questions arising out of the fact that there isn't any money there. You've managed to accomplish that through TeleBonds. It is our argument that those TeleBonds are in some way unwise, and that there ought to have been money in here in lieu of the TeleBonds. That's a perfectly legitimate question. The questions are equally . . .

The Minister of Justice says that's a Crown corporation question. Let me relate to the Minister of Justice, in case he's unaware, that we have been unable to get SaskTel before Crown corporations, try as we might. We would like very much, Mr. Minister, to get SaskTel before Crown corporations and discuss it there. The problem is that your members on Crown corporations have really been sand-bagging us.

Moreover, Mr. Minister, there's one additional difference. This allows us to deal with issues which are current. When we're before Crown corporations, it must be the year under review, which ends at December 31, 1998. So therefore this is not a Crown corporations question; these are different. This is current money being voted for this year and next. This is at least one year old, so they aren't the same thing.

I suggest, Mr. Chairman, when we make the argument, as we do, that this is unwise to have reduced this to zero and to be financing it through TeleBonds, that's a perfectly legitimate issue to be raising under this. That was my colleague's question, and the minister ought to respond to it.

**Hon. Mr. Andrew:** — Mr. Chairman, first of all, let's make it clear. It's a statutory vote; that's not a vote, okay. It's a statutory item; it's not a vote; you don't vote on it, you don't vote on it as you did in telephones that we just did, item 1 agreed, item 2 agreed, item 3 agreed, item 4 agreed. This is statutory; it's not voted. That's point number one.

Point number two, there is no dollars going from the Consolidated Fund, either by way of borrowings or by ways of advances. So if you're in a committee of supply, your grievance before supply, how can you ask for grievance before supply when you're not even supplying any money? I mean, it doesn't make any sense.

It is simply an item in here, Mr. Chairman. It's a statutory item. Now if the member has a perfect right to raise questions with regard to SaskTel, the process of this legislature has been you ask those questions in the Crown Corporations Committee.

And for the hon. member to say that if it's a year old, you can only deal with ones that are a year old, well surely he knows the rules; he's been in here a long time. If you ask a question in question period, you can then refer it to Crown Corporations Committee and get into the current year. He should know that.

**Mr. Chairman:** — Just for clarification, there's no item for general administration. There's no vote; it's a statutory. It's not an item-by-item issue, so there's no general questions on the internal workings of SaskTel.

**Mr. Lingenfelter:** — On a point of order, Mr. Chairman, I want clarification, because my understanding is even though there's no money being spent, we can ask questions that are framed in such a way as to why there is no money there and why there was \$9 million. But you can ask other questions that relate to it. I just want you to confirm that that's correct, and that there are general questions that you can ask, and whether or not the minister wants to answer that, that's another story, but we can continue to ask questions that are relevant to that issue.

**Mr. Chairman:** — Certainly the members can ask questions relevant to the issue that is in the book.

**Mr. Trew:** — Thank you, Mr. Chairman. In the book we see that there is zero money to be voted for SaskTel this year. That is directed related, as the Minister of Justice stated not 10 minutes ago in this House, it is directly related to the TeleBond issue. I would like to ask some questions about the TeleBond issue because that's why there's no money in here.

As my colleague from Regina Centre points out, we have some very grave concerns with a TeleBond issue that pays a very high rate of interest, that uses something in excess of \$2 million to advertise, pays fees to sell these bonds. There's an incredible cost for this, and I'm wondering what the advertising campaign costs, the cost of 24 town hall meetings, mail-outs . . .

**Mr. Chairman:** — Order, order. I find that question irrelevant to what is in the book.

**Mr. Trew:** — Can I attempt to explain why I think it is relevant? Is that . . .

**Mr. Chairman:** — The advertising or the promotion of the TeleBonds is not relevant to the statutory item in the *Estimates*.

**Mr. Trew:** — Thank you, Mr. Chairman. What we see here is a government of secrecy, a government that does not want to be responsible to the people of Saskatchewan despite the fact that there is a vote in the *Estimates*, in the 1989-90 *Estimates*, that we are talking about tonight. Instead we are seeing a government that is committed to covering up and not allowing us to ask questions. You show me one single year where SaskTel has ever been cut off after a scant five minutes. It has never happened in the history of SaskTel.

SaskTel estimates in this legislature deal with a current

year, not as in Crown corporations where we're always dealing at least a year behind. We can ask general questions in the current year, and what we're seeing here is a blatant attempt to muzzle the opposition. I'd like to know what you're hiding.

**Mr. Chairman:** — Order, order. I must explain again to the member that this is not a vote. It's a statutory item, as lots of other Crowns in the *Estimates* book. They're printed in the book for information, but they're not a vote. There's no item 1 for general questions.

**Hon. Mr. Andrew:** — These are not estimates. There's not a vote. There's no vote; there's no vote. The Chair has ruled that, and the Chair's ruled that for 15 years. There's no vote. An hon. member said, we've done estimates. There is no vote, Mr. Speaker, and there is no dollars even, here. And if we want to simply sit, and the hon. member talk and talk and talk, well then, fine and dandy.

**Mr. Trew:** — Mr. Chairman, last year there was a \$59 million vote here. There was a statutory advance of \$59 million last year. This year there is a zero — zero — advance. We've already established what the government is. Now we're just haggling over price. And I would like the opportunity to ask some questions about that difference in the money. Why was it? I can even try at a little different angle perhaps. Why was it that there was a \$9 . . . (inaudible interjection) . . . I'll wait for the minister.

**Mr. Chairman:** — Your asking . . . Just for clarification to the member for Regina North, this was a statutory item last year also and there was no vote.

**Mr. Trew:** — There was a discussion.

**Mr. Chairman:** — A discussion but no vote.

**Mr. Trew:** — Thank you, Mr. Chairman. I will stand corrected. The Chairman is quite correct. I stated there was a vote and you are quite correct, sir, there is no vote. There has always been discussion over this. Said discussion has always lasted as long as the opposition — by they New Democrats, Conservatives, or Liberals — have ever wanted it to go on. The opposition asks the questions and the government is supposed to answer them.

So I'm going to come at it from a little different angle that might be more acceptable to you, Mr. Chairman. Last year, Minister, there was a \$59 million budgetary item here, statutory advance. Why the difference from last year, \$59 million, to zero dollars this year?

**Hon. Mr. Andrew:** — I've answered that question three times, Mr. Speaker. Last year it was borrowed through the government Department of Finance, the borrowings outside the province; this year the money was borrowed through TeleBonds through SaskTel. And that explains the difference. That's the only . . . that's the difference. It was borrowed through TeleBonds from the people of Saskatchewan. The details as to where that money was spent, how it was spent, what was paid, what were the advertising, those are all questions for the Crown Corporations Committee.

**Mr. Trew:** — Minister, how much money was raised by the TeleBond issue in total?

**Hon. Mr. Andrew:** — Mr. Speaker, the TeleBond issue does not come under this particular section. I indicated five times to you already tonight there was \$106 million raised through that bond; 59 million last year, \$106 million this year — not through the government, not through Finance borrowings, but through SaskTel's own borrowing of TeleBonds.

**Mr. Trew:** — So there was \$106 million worth of TeleBonds sold. What was the cost to SaskTel of selling that \$106 million worth of bonds?

**Hon. Mr. Andrew:** — Mr. Speaker, he's asked that question six times. Those are details to be put to the Crown Corporations Committee of SaskTel into the details of it. All I simply said is a legitimate question, if he wants to discuss why it was 59 and now is zero, the answer to that is SaskTel did their own borrowings. The details of the answers and discussions following that are properly directed to SaskTel at the Crown Corporations Committee.

**Mr. Shillington:** — Mr. Chairman, this is a complete exercise in futility. We have a minister who doesn't, quite frankly, know the time of day, and we have officials who are not familiar with the detail of this. I think, therefore, it is out intention not to pursue this endlessly, but just let me make our position clear.

Tomorrow morning I understand the first thing that's going to come up is SPC (Saskatchewan Power Corporation). There the vote 152 for them is 180 million. It is our position — for the chairman's benefit, that on page 96 — it is our view that tomorrow morning we have the right to ask the minister questions, and will be asking him questions with respect to SPC. As I say, this tonight is a complete exercise in futility. We have a minister who does not know the detail, and officials, I think, who through no fault of their own don't know the detail — they don't work there.

Mr. Minister, to say that we are unhappy with being unable to get any information with respect to SaskTel is to put it mildly. Mr. Minister, it is a corporation which went for decades without being in any sense controversial. It is now at the centre of quite a number of controversies. We can't get it before Crown corporations because your people won't agree to it. We can't discuss it here because, again, you will not answer the questions. To say we are unhappy about this is really to put it mildly, Mr. Minister.

Mr. Minister, this is part of a pattern of conduct on your part. Whenever you get into the slightest bit of difficulty you don't give us any information. You get into some difficulty with respect to GigaText, with respect to other developments, you don't give us any information. You won't give us any information here. As I say, Mr. Minister, we're not going to carry this on endlessly because I don't think you have the information. I don't think you know the answer to the questions we're asking, and I don't think your officials can be much help to you. But I say to this House and to this Chamber, tomorrow morning the Minister of SPC will presumably be here and there is

going to be an unholy row if we don't get some answers tomorrow morning to our questions with respect to SPC.

(2345)

**Hon. Mr. Andrew:** — Mr. Chairman, if I could refer the hon. member to page 1376 of *Hansard*, April 4, 1979, and that's where the ruling of the Chair was established at a time when the NDP were in government and let me read to you what the Chair said:

I have been fairly lenient as is my bent in these committees. But I should clarify something because I think some of the members are operating under the wrong assumption and maybe we can resolve this by explaining how this operates here (talking about statutory votes). We are not voting. There is no vote for \$20,800,000 dollars. That has already been appropriated. This is information that is put into the estimates for the information of the members and in which questions, general questions, are allowed. The place to ask detailed questions about this particular item is Crown Corporations Committee. In other words, this isn't a vote as a vote in the Department of Industry and Commerce is a vote, or where you specifically ask questions. This money has already been appropriated — we deal with the general information here and specific information in Crown Corporations Committee.

That is precisely what I answered. That is exactly the rules as established back in 1979, ten years ago when the hon. members were in government.

**Mr. Shillington:** — My only comment to the Minister is I want to thank you for that eloquent argument. It was of assistance to us and will be tomorrow morning if we get into a row over SPC. That's exactly the point I've been making, Mr. Minister.

**Mr. Chairman:** — I'd like . . . Order . . . (inaudible interjection) . . . Yes, I'd like to know that too, but anyway . . . I'd like to thank the Minister and his officials.

The committee reported progress.

The Assembly adjourned at 11:48 p.m.