

The Assembly met at 2 p.m.

ORAL QUESTIONS

Prayers

ROUTINE PROCEEDINGS

NOTICES OF MOTIONS AND QUESTIONS

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I give notice that on Wednesday next I will move first reading of a Bill to amend The Environmental Management and Protection Act with respect to the ozone.

INTRODUCTION OF GUESTS

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. As you probably have heard, the ministers of Agriculture from the prairie provinces have been meeting in Saskatchewan and in this building today, and we are meeting with other ministers in Ottawa on Thursday and Friday with our federal counterparts.

Three of the ministers are in your gallery, Mr. Speaker, and I want to take the opportunity to introduce them to you and to members of the Assembly. The Hon. Glen Findlay is Minister of Agriculture from the province of Manitoba.

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

**Hon. Mr. Devine:** — The Hon. Ernie Isley is Minister of Agriculture from Alberta.

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

**Hon. Mr. Devine:** — And the Hon. Shirley McClellan is Associate Minister of Agriculture of the province of Alberta.

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

**Hon. Mr. Devine:** — Thank you, Mr. Speaker.

**Mr. Upshall:** — Thank you, Mr. Speaker. On behalf of the opposition side of the House, I too would like to welcome the ministers and associates visiting our legislature. I presume that you in Alberta and Manitoba go through many of the same things we do in Saskatchewan with regards to agriculture, and I hope you enjoy your visit with us today.

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

**Hon. Mr. Hodgins:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and to all members of the legislature a person from the Naicam area. We have the administrator of the town of Naicam, Ruby Lindsay. Ruby was in this morning with a delegation from Naicam and from Spalding, meeting with the Associate Minister of Health, and we had a very good meeting this morning.

I hope that Ruby and her delegation has a good stay here in Regina and a safe trip home.

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

Rise in Farm Credit Corporation Interest Rates

**Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Agriculture. Mr. Minister, you've done it again. You told us . . .

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

**Mr. Upshall:** — That's right. You've done it again. You told us you were going to go down to talk to the Farm Credit Corporation about restructuring loans to farmers. And so they have. And so they have. As of today, loan rates for FCC (Farm Credit Corporation) have increased by one-quarter of one per cent. Good job, Mr. Minister. But I can say on behalf of the Saskatchewan farmers, thanks for nothing.

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

**Mr. Upshall:** — My question, Mr. Minister, is: can you tell this House whether or not that you knew that this increase was coming? And if you are so in touch with the farm crisis in this province, why, can you tell me, have you failed again to stand up for the interests of Saskatchewan farmers and protecting them from high interest rates?

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

**The Speaker:** — Order.

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. I share with the hon. member the concern with respect to high interest rates. Part of the budget in the province of Saskatchewan for the last several years has been addressed to lowering interest rates for farmers, cash advances at zero per cent interest rates, or 6 per cent money, nine and three-quarter per cent money, and various programs to protect people. I believe it's now between 350 and \$400 million savings in interest rate protection alone in agricultural programs. So I certainly share with the hon. member that interest rates have been significant in the damage they've done to local people. And Saskatchewan has put its treasury in the face of banks and credit unions, FCC, and other people to make sure that we could provide some relief.

With respect to the federal and international interest rates, the hon. member knows that the province of Saskatchewan does not control those rates, and it is in the Bank of Canada and it's internationally. We're looking at 4 or 500 basis points between the difference between provincial and Canadian rates and international rates. Those, as well, hurt a great deal, Mr. Speaker.

So the ministers that are here today have agreed with me that in our meeting with the federal Minister of Agriculture, that's one of the key areas that we'll be focussing on — lowering interest rates, not only to farmers but to everybody in western Canada.

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

**Mr. Upshall:** — New question, Mr. Speaker. Mr. Minister,

the FCC rates increased by a quarter of 1 per cent in December, and a month ago they went up by three-quarters per cent. There are about 24,000 FCC contract holders in Saskatchewan and about 5,400 of those are in arrears. You said that you talked privately to the lending institutions asking for greater flexibility. But now, on the other hand, you and your federal counterparts are doing exactly the opposite to what you were asking them to do — becoming tighter and tighter in asking for more interest rates, higher interest rates.

Mr. Minister, can you tell me why you do not show some leadership to the farmers of this province and illustrate that by demanding the federal interest rate in FCC be reduced, and show some leadership on your own through ACS (Agricultural Credit Corporation of Saskatchewan)? Thank you.

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

**Hon. Mr. Devine:** — Mr. Speaker, as you know, we are in the process of bringing in agricultural groups and, in part, to redesign the Agricultural Credit Corporation of Saskatchewan, including the interest rate part of it, and restructuring and the guarantees.

I met this morning, Mr. Speaker, with the SARM (Saskatchewan Association of Rural Municipalities), with the Saskatchewan canola growers and the cattle feeders, the pork producers, stock growers, and the wheat pool, the farmers union and the United Grain Growers, and flax growers. And the consensus there was to reduce farm interest rates, to do the kinds of things that we would like to see in ACS, to make sure that same message is directed towards the federal government and indeed the international governments because of the subsidy wars and high interest rates.

Mr. Speaker, I can only say to the hon. member, and I'm sure all members of the legislature, Saskatchewan has put its reputation on the line in front of other provincial colleagues in terms of putting our treasury there to protect people against high interest rates. We're going to continue to do that, Mr. Speaker. And we have certainly encouraged the federal government along with our provincial counterparts to reduce the rates with FCC and interest rates in general.

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

**Mr. Upshall:** — A new question, Mr. Speaker, to the same minister. Mr. Minister, I've been in this legislature since 1986, and every time you say something, you're either negotiating or in the process. But during your long process, we're losing thousands of farmers off the land every year.

Mr. Minister, you say on one hand you're giving, but on the other hand you're taking. And I'll tell you, if you add up all the cuts and the increases that farmers have to pay, they outweigh anything that you've been giving them. And it's a fine little routine to be in, but it certainly isn't helping the farmers.

My question to you, Mr. Minister, is this: have you had any correspondence with the Prime Minister indicating to

him that this rate makes absolutely no sense, and will you table that correspondence today? Or, Mr. Minister, are you waiting for a consensus to come and hit you over the head to tell you that this is going to be very negative with respect to farm income?

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

**Hon. Mr. Devine:** — Mr. Speaker, I can say to the hon. member, as a result of meeting with the prairie ministers of Agriculture, there is a telex going to the Minister of Agriculture federally this afternoon. We will be meeting with him on Wednesday night, Thursday and Friday of this week, on interest rates, on the price of grain, on drought and deficiency in terms of income. And all those will be put into one package and placed before the federal government, Mr. Speaker.

The combination of the things suggested by people who we met with this morning will also be presented. And indeed, Mr. Speaker, a consensus is important. We had a consensus here the other day in terms of a resolution in this House that we all talked about; we all stood in our place and we all voted and sent that message to Ottawa. The prairie ministers are meeting today, right here in Saskatchewan. There's a consensus there.

Farm groups met this morning and there was a consensus that high interests are a very significant problem, plus the price of grain, plus drought. We put all those together, Mr. Speaker, and yes, when we speak here on agriculture it represents an awful lot more than Saskatchewan. Most times, Mr. Speaker, it represents western Canada and, from time to time, the whole nation.

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

### Emergency Assistance to Farmers

**Mr. Koskie:** — Thank you, Mr. Speaker. I want to direct my question to the Premier, the Minister of Agriculture. As you will be aware, the federal Finance minister, Michael Wilson, was in Saskatchewan, and indeed in Saskatoon, where he said that the funds for emergency assistance for farmers is in fact in reserves. He said all that it takes now is an agreement for a cost-sharing by the federal . . . by the provincial government, their participation.

I want to ask you: will you tell this Assembly today how much your government has been asked to put up towards this package of assisting the farmers in this crisis, and whether or not you have agreed to participate in providing immediate package for the farmers?

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

**Hon. Mr. Devine:** — Mr. Speaker, the ministers met today and agreed that any deficiency payment is a federal responsibility alone. We're dealing with international interest rates, we're dealing with prices internationally that are being . . . we're taking on the treasuries of Germany, of France, of Great Britain, the United States.

And quite frankly we don't see the state of Montana financing the international export enhancement

program. We don't expect to see the Alberta treasury or the provincial treasury of Manitoba or Saskatchewan take on international treasuries.

We're saying, we have put our money up, and you see increases in the amount of money we've put into agriculture and a great deal of protection. The federal government bears some federal and international responsibilities, and protecting people against price wars and interest rates falls squarely in the lap of the federal government.

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

**Mr. Koskie:** — Mr. Minister, I want to be perfectly clear so the farmers of Saskatchewan know where you stand. You have been advocating a \$500 million spring pay-out. Is it the position of the Government of Saskatchewan, the Minister of Agriculture, the Premier, that he is not intending to participate in spite of the request for the federal government that you participate? Is that your position? Can it be perfectly clear to the farmers that you are not intending to participate in any federal package?

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

**Hon. Mr. Devine:** — Mr. Speaker, we just jointly agreed on a resolution in this House, asking the federal government for \$500 million now, \$400 million later, and another billion dollars in the contingency fund, and it said absolutely nothing about the provincial government.

Now you voted on it, you stood in your place and you stood there and said, I agree, the federal government should put up \$500 million, \$400 million, and a billion dollars. I agree with that resolution. We all said it, we all signed on it, and we sent it down east.

Mr. Speaker, that's our position. The federal government should come up with \$500 million now. You will see in our budget, our expenditures are large and increasing in agriculture, but this responsibility on international prices and interest rates falls squarely in the international lap, and that's a federal government responsibility.

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

**Mr. Koskie:** — Supplement to the Premier. Mr. Premier, I ask you a simple question. Have the federal government asked you for a participation, and are negotiations still continuing, whether or not you're going to participate; and is the federal payment dependent upon your participation?

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

**Hon. Mr. Devine:** — Mr. Speaker, the telex that will go today, that the hon. member and his colleagues have asked for, says that it is a federal responsibility that the federal government come up with the \$500 million and the \$400 million this year for our farmers. And on top of that, Mr. Speaker, you will see in our budget that we have made substantial commitments to agriculture, not only in the past but certainly now and in the future, and you'll see that on Thursday.

So, Mr. Speaker, I say to the hon. member, the motion that he voted on here, the 500 and the 900 and the billion dollars, is all a federal responsibility, Mr. Speaker, and we'll hold them to that responsibility.

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

**Mr. Koskie:** — A new question to the Premier. Mr. Premier, you will be aware that during the 1988 fall election of the federal government they promised a drought payment during that election, and part of the delay, a very significant part of the delay, was that they demanded that you as a province participate. And the Minister of Finance stood in this office and indicated that he indeed was participating.

That was the agreement then; that was the cause of the delay. I ask you again: is the federal government requesting participation by your government, and is your position that, despite the fact it will delay and maybe not prevent any assistance to the farmers, that it's your position that you will not participate?

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

**Hon. Mr. Devine:** — This . . . just so that I understand, just so I understand your question, so the hon. member is clear: are you recommending that we make the payment and then we then go to Ottawa and ask for . . . (inaudible) . . . paid back? No? Well come on, I mean, what are you recommending?

I stood in here and . . .

**The Speaker:** — Order, order.

**Hon. Mr. Devine:** — Mr. Speaker, I said to the . . . introduced a resolution here that asked for money from the federal government. The NDP, Mr. Speaker, as I understand it, are standing up and saying . . .

**The Speaker:** — Order, order. I must interrupt the Premier, unfortunately, because there are two or three other members who are trying to answer the question on both sides of the House. Now let us allow the Premier to answer the question.

**Hon. Mr. Devine:** — Mr. Speaker, if the hon. member is suggesting that Saskatchewan should offer to pay in place of the federal government, I have to disagree with that. If the hon. member . . . if the NDP are saying, well, Mr. Premier, you're holding this up because you're not paying your fair share, then you're saying, right, Saskatchewan should pay. Now if the NDP are going to be on position that Saskatchewan should pay this program because of international prices, because of international interest rates, then I have to disagree with my hon. colleague.

What I'm saying is, I want to see their money; I want to see their cash — \$500 million dollars now, \$400 million dollars later, and a billion dollar contingency fund that carries on, and you will see Saskatchewan standing behind the farmer, Mr. Speaker, you will see, day in and day out, and certainly in this budget and in future budgets.

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

**Mr. Upshall:** — Thank you, Mr. Speaker. Supplementary to the same minister. Mr. Minister, my question to you is this: Mr. Mazankowski said in a reply in Ottawa a few days ago that he was negotiating the terms of this deal. Can you specifically tell me whether those negotiations are (a) whether or not to participate, or (b) for an actual dollar amount of participation? Can you answer that please?

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

**Hon. Mr. Devine:** — Mr. Speaker, I can say to the hon. member, I'll make it as clear as possible. A telex is going out today and you can have access to it. It takes Saskatchewan, Manitoba and Alberta provincial governments' position, saying the federal government has responsibility for injecting cash into the western Canadian agricultural economy. They have that responsibility. Alberta's just come down with their budget. Our budget will come down on Thursday night and you will see our own contributions; federal government, cash, and our own contributions will both be there, Mr. Speaker.

Now I will say to the hon. member, I am not, unless he's . . . if the members opposite are recommending that Saskatchewan put up money first, or Saskatchewan make the payments in place of the federal government, then I'd like to see them stand up and make that recommendation, because we're not about to do that, Mr. Speaker.

#### Cut-back in Hog Production

**Mr. Mitchell:** — Thank you, Mr. Speaker. I have a question for the Premier, the Minister of Agriculture. Intercon is apparently going to cut back its hog buy by 1,000 animals a day, Mr. Premier, and that would be about 30 per cent of the hog production at the Intercon plant. And that of course will seriously hurt Saskatchewan hog producers and will quite likely result in lay-offs at the plant.

Now the downswing in the market that is the cause for this, is in large part the countervailing duties that have been imposed by the United States government on pork. And this was a problem that was supposed to have been addressed by the free trade negotiations and the free trade agreement.

The question I have for you, Mr. Premier, is: what have you got to say to Saskatchewan hog producers who were betrayed by the free trade negotiations on this question of countervail . . . (inaudible interjection) . . . I'm sorry, that's a fact. The Prime Minister said that was the purpose for the negotiations, and the hog producers seemed to buy it, that it would solve the problem of the countervailing duties, and it did not do so. And what do you say to hog producers about your uncritical support of that free trade agreement which was such a failure?

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

**Hon. Mr. Devine:** — Mr. Speaker, I have asked my

Associate Minister of Agriculture to meet with Intercon officials to get the full details. I just heard briefly about it at noon today.

I will say to the hon. member that it has nothing to do with free trade agreement, and the hon. member knows that. And the minister and his colleagues laugh on the other side of the House because they don't understand that tariffs are associated with trade and a trade agreement that you'll reduce the tariffs.

And if, in fact, that you run into various kinds of action that would be associated with dumping or countervail, it's not because of tariffs, it's because of subsidies, And they're not related. And as a lawyer, you probably should know that, that they are not connected.

So the free trade agreement has to do with tariffs; it is not to do with countervail. And we each have our countervail laws and we each have our anti-dumping legislation, and ours is the same as theirs. So it's not even in the agreement associated with the tariff reduction, Mr. Speaker. So the hon. member is saying, well he assumes that this is associated with the free trade agreement. We'll find out. I'll ask him and the minister will find out, and if it has nothing to do, we will certainly be prepared to report back to the legislature and clear up this misconception that you have that it's related to the free trade agreement.

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

**Mr. Mitchell:** — A new question, Mr. Speaker. Mr. Premier, you must be the only person in this province connected with trade or hog production that doesn't know that the Prime Minister said that the purpose for the free trade negotiations in the first place, the reason why Canada went in, was to solve this problem of countervailing duties being imposed upon our goods. Now he said so.

**An Hon. Member:** — Show me.

**Mr. Mitchell:** — I'll show it to you. Okay.

Now I want to ask another question. You told . . . You were the one who encouraged our farmers to get into hog production — were your words — that's where the future is. And now we have producers all over the province who are raising hogs that they will have difficulty selling, based upon this decision of Intercon that we heard about today, and we will have packing plants laying off staff.

My question is: on what basis did you decide to tell the farmers of this province that they should get into hog production, and how did you get yourself into a position where you were promoting this trade deal which was supposed to be for the benefit of hog producers and other producers, when in fact there was no real protection in that agreement on the countervailing duty weapon in the hands of the United States government?

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

**Hon. Mr. Devine:** — Mr. Speaker, is this ever interesting, because the hog board and the hog producers were afraid . . . were in favour of the free trade agreement. The head of

Intercon, Mr. Fred Mitchell, said that he would increase the jobs by 150 if he had the free trade agreement.

Now, Mr. Speaker, the hon. member, the member of the legislature for the NDP says that the hog producers are going to be hurt as a result of the free trade agreement, and Intercon is going to be hurt as a result of the free trade agreement, and both supported lower tariffs as a result of the free trade agreement.

So now he's coming up and saying, well it really doesn't have anything to do with tariff; it's something called dumping or countervail, which is associated with subsidies on either side of the border, which could be in Quebec or it could be in British Columbia or it could be some place else.

And he's trying to bring that back and say, well, as a result of the free trade agreement, Saskatchewan hog producers who have benefitted out of access to the United States market are hurting. Well, Mr. Speaker, I would say to the hon. member, he'd have to go to the Saskatchewan hog producers marketing board and the chairman who was in my office this morning and met with me, and to Fred Mitchell who's the head of Intercon, and convince them they don't want access to the United States market with lower tariffs.

Well, Mr. Speaker, I'll just say to the hon. member, it just leaves a slight impression that what, with the greatest respect, there's a fair amount about the hog industry and anti-dumping and countervail and tariffs that the hon. member might have to brush himself up on a little bit here.

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

**Mr. Mitchell:** — I'm not sure, Mr. Speaker, in asking a new question, how I should interpret that last remark. If you're suggesting that I wasn't born and raised on a farm in Saskatchewan, then you're wrong — you're wrong.

I'm going to just ask you one more question. The American hog producers are now looking for subsidization under the export enhancement program. And if they get such protection, then Canadian producers will be in even worse shape.

Last Friday I understood your Trade minister to say to the House that your government is prepared to use article 701, subsection 4, of the free trade agreement as a weapon to protect our producers. And my question for you today is: are you able to tell this House what steps you plan to take in order to use that article to protect our producers from the effects of the export enhancement program?

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

**Hon. Mr. Devine:** — Mr. Speaker, I will give the hon. member credit. Now he's getting closer to the free trade agreement, and his previous discussions were not connected ... (inaudible interjection) ... Well, he's admitting it now.

Let me just say to the hon. member, when we're dealing

with the Europeans and now Americans on the export enhancement program, there's an area that we're prepared to take them on every way that we can, Mr. Speaker — provincially, jointly, with the prairie hog producers or the prairie provinces and the federal government together to make sure that we don't get caught in the cross-fire.

They're using the excuse that they're taking on the Europeans, not us. Well, Mr. Speaker, I can say that we export most of the pork; we export most of the grain. Therefore our markets, traditional markets, have been more vulnerable as a result of the export enhancement programs and the various kinds of subsidies in Europe. So yes, we're prepared to take those on and we're prepared to look at the kinds of things that we can do to make sure that they don't cheat and take the kinds of markets we've had.

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

**Mr. Mitchell:** — Mr. Speaker, a final question to the same minister. Mr. Premier, are you prepared to go this far? If the United States is going to persist with this export enhancement program in plain violation of that article 701(4) of the free trade agreement, are you prepared to ask the federal government to cancel that agreement, to abrogate the agreement in the event that the United States refuse to abandon the export enhancement program and refuse to comply with the terms of the free trade agreement?

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

**Hon. Mr. Devine:** — Mr. Speaker, I want to get this clear. I want to put you on the spot here just so that we know what you're talking about.

Are you prepared to cancel the whole free trade agreement as a result of ... out of a hog export subsidy? If that's what you're saying, I want to make it very clear so that I know that you're prepared to cancel all that for ...

Mr. Speaker, if you will allow me, I will ask the hon. member a question to say he would cancel that on that basis alone.

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

**The Speaker:** — Order, order.

**Ms. Atkinson:** — Mr. Speaker, with leave, before orders of the day I would like to address a few remarks about the fact that Agnes McPhail, the first woman parliamentarian, had her 100th birthday on Saturday.

Leave granted.

## ANNOUNCEMENTS

### Tribute to Centenarian

**Ms. Atkinson:** — Thank you very much, Mr. Speaker. As all parliamentarians know in this country, Agnes McPhail was the first woman ever elected to the House of Commons in 1921. She was elected under the banner of

the United Farmers, which later became the Progressive Party. On Saturday people in Ontario, particularly in her home county, celebrated the fact that Agnes McPhail would have been 100 years old.

Mr. Speaker, Agnes McPhail was way ahead of her time. In 1948 Agnes McPhail was talking about day-care legislation in the Ontario legislature. Agnes McPhail spoke of many, many social reforms, including unemployment insurance, pensions, and numerous other social programs that have now become well-known and well established in Canada.

Agnes McPhail was a pacifist and very interested in peace. In 1951, I believe, she was sent with J.S. Woodsworth to Geneva to the League of Nations to talk about peace in the country. At that time there were numerous poets, writers and singers talking and speaking of the need for world peace.

Mr. Speaker, I think it's appropriate that we recognize our first woman parliamentarian in Canada, and therefore I appreciate very much the legislature's agreement of leave to myself in order to recognize Agnes McPhail.

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

**Hon. Mrs. Smith:** — Thank you, Mr. Speaker. On behalf of the government side of the House, let us add our agreement to the minister from Saskatoon . . . member from Saskatoon Nutana. Well I think we need more women ministers.

In keeping with the spirit of the resolution, I would simply say that in Canada, and in democracy in fact, it has been a slow struggle for the participation of women in the democratic process. However, gains indeed have been made. And when I think of what it must have been like a hundred years ago, 50 years ago, for women to take on the process and get involved, then we can only say that we admire the personality with the tenacity to get in there and do the job that she did.

So, Mr. Speaker, with that we concur.

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

## ORDERS OF THE DAY

### SPECIAL ORDER

### ADJOURNED DEBATES

### ADDRESS IN REPLY

The Assembly resumed the adjourned debate on the address in reply which was moved by Mr. Toth and the amendment thereto moved by Mr. Pringle.

**Hon. Mr. Wolfe:** — Thank you, Mr. Speaker. I'd just like to say that I'm pleased to rise again to address the throne speech, and very pleased because we have an honoured guest here, one Hewitt Helmsing. I spoke briefly about our progress in the field of health care on Friday, and I'd like to just remind the members opposite of some of the achievements that we've had over the past 10 years. I

spoke about 14 hundred million dollars being spent on health care in this province in the current fiscal year, and that it's one-third of the provincial budget and that it's up some 90 per cent over the course of the last eight years.

Hospital services are up substantially. They're up to \$600 million. A lot of the members opposite don't know, but we have over 7,000 hospital beds in this province — probably more hospital beds in this province on a per capita basis than any place in Canada or North America, or possibly the world.

We have 1,100 new nursing department positions to help staff those hospitals. We have 2,000 new or replacement beds either constructed or in the planning and construction phase at this time. We have a lot of progress made across this province in construction. It includes not only the rural areas but it includes the cities. There's been great advances made at Regina General Hospital, St. Paul's, University, City Hospital, Pasqua, the cancer clinic in Saskatoon. We've had advances in Saskatchewan alcohol and drug abuse, the Calder centre, and Whitespruce, the Wascana Rehab Centre, St. Joseph's Hospital in Estevan — the list goes on and on.

We've taken the lead in health care. And recently we announced a pilot project, a pilot project to address a concern of many of the people of this province, and that being breast cancer. A lot of the members opposite probably don't know, but about 500 people each year develop breast cancer in this province, and about 150 women die. It's the leading cause of death from cancer in Saskatchewan in women.

The progress has been great. There's a lot of things that still need to be done, and we'll continue to work towards them. But as I told the members opposite last day, more health care doesn't necessarily mean better health. And one of the things that we all have to come to grips with is the fact that maybe we should look at different kinds of bench-marks. Rather than more drugs and more dollars and more beds, possibly the need for less would be a more appropriate way to go. And we have to work together towards those common goals.

I spoke a little bit about health promotion and the kinds of things that we should be doing there. I talked a bit about the drug plan and the progress that we've made and the fact that more drugs don't necessarily relate to better health. There was an increase of close to 85 per cent in the use of antibiotics or anti-infectives in a period of 1977-1978 to 1985. And that didn't necessarily mean better health.

I spoke a little bit about the advances in technology and how good our health card was, and how we could possibly advance that in the years to come, to do things with admissions and other related things that could be a help to all of us.

I spoke a little bit about the dental plan and that now we have professionals in some 36 communities which previously did not have professional services at the local level. We talk about the progress that's been made in providing those professional services to all the people of the community — not just the kids in the schools but the

adults and the seniors and everyone.

I'd also like to speak briefly to the advances that we've made in the special care home sector, especially in light of their convention being in town this week. The advances have been substantial. Probably one of the most significant advances is the fact that special care homes are no longer under Social Services. I think that it speaks well to the progress that we've made, and it speaks to the respect that our seniors deserve, and the proper place that they really belong.

The increases in funding have been close to 70 per cent in the last eight years. We've over \$210 million. A lot of members opposite, a lot of people in this province probably don't know, but we have over 10,000 special care home beds in this province, the highest per capita in the country. Thanks to the work of the members on this side of the House, there's been an awful lot of beds that have been replaced and an awful lot of new construction. Some 2,400 beds, either new or replaced, and the list goes on and on.

And nurses and people to work in those special care homes have been available, too. Close to 600 special care home positions have been provided in the past eight years. The advances have been great. There's more to be done, there's no question about that.

Seniors are an enormous challenge; they're also an enormous responsibility. They're our forefathers, they're the people that built this province, and we must continue to address their concerns. Home care funding has increased over 100 per cent and now we provide home care to most of the province. In the beginning of the early '80s we served only a small portion of the province.

I spoke a little bit about SADAC (Saskatchewan Alcohol and Drug Abuse Commission) and a threefold increase in funding to address the problems of alcohol and drug abuse. I didn't speak to waiting lists, and I notice that the member from Saskatoon is making a little bit of noise over there, and I wonder if he needs to be reminded about his comments about moratoriums and waiting lists and how they might be used.

I don't have the quote, but it seems to me that there was some comment of the member opposite previous, when he held the health portfolio position, that it might be a way to efficiently manage the health care system or something like that. But I would like to report to him that those waiting lists have come down substantially in the last few years, mainly because of new beds and because of day surgery and a few things like that. But the list goes on and on.

I spoke about seniors, and one of the things that we've done is we've been able to introduce a chiropody program, a first in this province, to address some of the needs of seniors. We've also expanded community therapy, and we continue to work to try to address the concerns and the pressures for occupational therapists and physiotherapists. But we go on and on.

I was very pleased today to see that the members opposite finally decided to get a little bit back to their roots and talk

a little bit about agriculture. As I said on Friday, agriculture is our roots, and the challenges in agriculture are enormous, and we are working very, very hard to try to address some of those.

Some of the fundamental problems with agriculture lie in things like farm debt, and the debt in this province is well over \$5 billion. The interest on that debt alone could be something like 700, \$750 million a year just to service the debt.

It's an enormous challenge, an enormous challenge for us all. There's a need for change. There's no doubt about that. There's a need for change in agriculture. The days of the past when people like Gordon MacMurchy talked about seeding everything to wheat, I think, are days that we'd just as soon forget about, to be quite honest with you. It's time to diversify.

We heard a few comments today about the pork industry, and I'd just like to speak briefly about the pork industry and how it's one of the simplest ways that this province can diversify. Maybe rather than exporting just our raw products, just ship our grain out of the country, and maybe if we turned a lot of it into meat, maybe that would be a much, much better way. If we were to turn our grain into hogs and slaughter them here and export the finished products, that that would be a way of the future.

And there's been an enormous amount of progress made there. Thanks to the work of the members on this side of the House, there's been a whole lot of things done. We could talk about the cattle industry and the increases in slaughter in this province and how the numbers have increased from possibly less than 100,000 at the beginning of the '80s to numbers that reached close to 400,000 towards the end of the '80s, and how a lot of those cattle are slaughtered here and how the jobs that are created at Canada Packers and Intercon have created jobs for our youth and opportunities for everyone. And maybe it's time that we continued to process and process all our products, not do what was done in the past, mainly ship our grain out of the country.

I could go on and on about agriculture and I'd like to do that. I'd also like to give the members on the opposite side an opportunity to speak.

But I would like to say that the theme of the throne speech is basically people and their futures, communities and their futures, economic development, diversification, stabilization of the communities, fiscal responsibility.

The future growth of Saskatchewan depends on the achievement of economic growth and diversification of the province's economic base. It will depend on giving people the opportunities they need to succeed and develop to the fullest of their human potential. It will depend on securing and stabilizing our communities. It will depend on physical responsibility at all levels of government. And it will depend on how we as people of this province work together to meet those challenges and how we step forward. Because that is the major theme, or themes of the throne speech, Mr. Speaker, I gladly support the throne speech. Thank you very much.

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

**Mr. Solomon:** — Thank you, Mr. Speaker. Before I get into my Speech from the Throne, I'd like to just take this opportunity to congratulate you, sir, and your new bride. I understand you have been recently married, and I wish to extend to you my personal congratulations and very best wishes for many happy years together. It's a very important step in one's life and I find it personally very enjoyable.

Mr. Speaker, I'd like to raise a number of things with respect to this Speech from the Throne. I see right off the bat that we have another effort by this government opposite who more and more people across this country are referring to as the Keystone Cops of government.

I have been doing a lot of travelling outside this province, and, I may add, Mr. Speaker, at my own expense. And I have an opportunity to meet more and more people in the oil business and in the mining business and business in general, people who deal with this government on a day-to-day basis and from time to time who have head offices outside of our province. And it's almost unanimous in their appraisal of this government that the Keystone Cops description of government fits, and is attributed to this government and suits them very well.

(1445)

They are very discouraged with the way this government has been operating in terms of accountability, in terms of managing the province and dealing with many issues which are important, not only to residents of this province but to the people who operate businesses here as well.

I've witnessed, as the rest of the province did, Mr. Speaker, an effort last fall by the Premier of re-juggling his cabinet. And it came to mind that it was very similar to an event that happened in the United States not long ago. I guess the analogy I have drawn from this reshuffling of cabinet would be similar to what people are now calling the Jimmy Bakker-Tammy Faye Bakker cabinet shuffle, where Jimmy Bakker, who is the Premier, stands up and says, forgive me, I have sinned; if you vote for me one more time, I won't bankrupt this province again. If you vote for us one more time, we won't sell our Crown corporations off at half their value again. And if you vote for us one more time, even though we have sinned in terms of giving away our assets, we won't do that again, Mr. Speaker. Just give us one more chance. And if there's anything left that we can do to help you out as a people, we will.

And then the Premier waits for three months after this Jimmy Bakker-Tammy Faye Bakker cabinet shuffle because nothing he did since that shuffle and before has improved his standing with respect to the people of the province of Saskatchewan.

Now we see this throne speech doing just what the pollsters said that this government should be doing, and that is to change their ways; to act like a real government; to be competent, or create the perception that they're competent; to be accountable; to be honest, and to get rid of some of the waste they've been involved in. And of

course what this Speech from the Throne says is exactly what the pollsters and the majority, the vast majority of the people of this province are saying, in that the only way that this government can change their standing is to have an election and provide some new people to run this government, not the 100 people that they're trying to collect through this Consensus Saskatchewan, but in fact to elect a new government to run the province of Saskatchewan, rather than this incompetent bunch.

So we're looking, Mr. Speaker, at a Speech from the Throne that tries to create a public relations perception that, if one was to read this and not know the history of the government, would feel quite good about it, in terms of the perception. But what we're faced with right now, Mr. Speaker, unfortunately, is a very poor record — eight long, lean years of Conservative government in this province that have shown day after day and time after time their inability to govern and their inability to manage the resources and the budgets of this province.

We have seen on page no. 3 a reference that they want, and I quote:

People have said they want to see better management of our resources. They want waste eliminated. They want their governments to make sensible choices, provide strong leadership and renew their commitment to service and efficiency.

And I don't think that's something that is incorrect. People do want that. And they've seen through this government's experience, and they've been under the thumb of this government for so long with respect to their programs that they want some of these things corrected. For example, Crown corporations is the latest example — I'll go through the litany in a few moments of the image the people of this province have of this government — but the Crown Corporations Committee is an example . . . is a committee through which the government is held accountable for the Crown corporations that the people of this province control through the government.

Yet we have seen, Mr. Speaker, the Crown Corporations Committee meet only 23 days last year when the House was sitting for about 110 days. So we met for about 20 per cent of the time. And the last 30 days of the legislature the Crown corporations never met one day. And that wouldn't be so bad if we had dealt with the business of the major Crown corporations in those only 23 days. But what happened is that for 23 days this government dragged its feet in terms of bringing forward major Crown corporations that the people of this province have significant investment in and significant interest as well.

The House was adjourned last August 30 on the assumption and on the agreement between the two House leaders that the Crown Corporations Committee and the Public Accounts Committee — two very important committees which hold this government accountable — would meet intersessionally to go through the financial statements and the expenditures of these Crowns and these government departments, the many departments and agencies the government is responsible for.



Well as of December 21 we hadn't heard back, so as co-ordinator for the Crown Corporations Committee for the opposition, I dispatched a letter to the chairman of the Crown Corporations Committee as well as to the House Leader, reminding them of this deal, of this gentlemanly arrangement, this commitment of the government to meet intersessionally. We did not hear back. I had to contact the House Leader's office again in January a couple or three times. Finally February 7 or 8 or 9 rolled around and they got back to us and said, well that commitment we made to you is really not a commitment. We're going to be sitting again pretty soon, maybe March 19, and when that occurs we'll resume the sitting of the Crown Corporations Committee.

Well we've been sitting in this legislature for one week, Mr. Speaker, and we have not heard from the Crown Corporations Committee chairperson. Indeed I'm not certain whether the government has appointed a new one yet, because we haven't been informed as yet as to whether there has been a new appointment.

But I want to just go through a couple of points on this Crown Corporations Committee and what this government has done in terms of not bringing forward these major Crowns. The Crown Corporations Committee, for the information of many people out in the public, is a committee which reviews the financial statements of each of the Crown corporations that the government is in control of.

We have not seen Crown corporations come before the committee to review their expenditures in any great detail, and the major Crowns that have not been reviewed are as follows: the Potash Corporation of Saskatchewan has not been reviewed, and that's been privatized; SGI (Saskatchewan Government Insurance) has not been reviewed for 1987 nor 1988, and that was on the books to be privatized last spring; Saskatchewan Mining and Development Corporation has also not been reviewed, and that's been privatized; the Saskatchewan Computer Corporation has been privatized. We want to know who got the deals and who got the benefits of the give-aways in all of these corporations. As well, SaskPower has not been reviewed because that was an attempt last spring and last summer of the government to try and sell off SaskEnergy.

We want to know some of the details with respect to the restructuring of SaskPower and the re-financing of the debt that they have been very modestly making reference to.

We have not dealt with the Crown investments corporation, which is the holding company of all of the Crowns which, if you look very closely at, has accepted significant hundreds of millions of dollars of debt transferred to it from corporations like the potash corporation.

What this means to the taxpayers of this province, Mr. Speaker, is that the Crown investments corporation or the Crown Management Board, as the government refers to it as, has assumed hundreds of millions of dollars in more debt from corporations like the potash corporation and SMDC (Saskatchewan Mining Development Corporation), yet they've sold off their equity for no

money in return to the private sector. So we are stuck with the debt and we don't have the assets. And that is why the Crown corporation capital debt has sky-rocketed from \$2 billion in 1982 — which, by the way, was a self liquidating debt — to one where we're now over \$9 billion, but we've lost over half of our Crown corporations that made profits over the years which retired their debts. So now we're stuck with the \$9 billion of Crown corporation capital debt as well as the \$4 billion in operating debt, but we have no revenues from these Crown corporations to retire those debts.

So who's getting stuck with the bill? We have no assets, no revenue-generating assets to pay down those debts because they've all been sold off. Yet the Crown Corporations Committee hasn't been called by the Keystone Cops of government opposite to review these expenditures and to answer questions with respect to accountability. Yet they bring forward the Speech from the Throne, and they're asking us to be supportive and co-operative in some of the honesty and good management in their commitments that they want people to believe that they're serious in putting forward.

Yet their commitments they've broken, just on this one Crown Corporations Committee exercise, very clearly and at the detriment to the public. They have been shrouded in secrecy with respect to these privatizations. And we cannot get the information by asking the ministers questions that are responsible for selling off these Crowns through this committee because they haven't met.

So now we're stuck with 1987-1988 annual reports. The 1989 annual reports have yet to be tabled in this House, and we're looking forward to them.

And we want to know as well . . . we haven't covered SEDCO, the Saskatchewan Economic Development Corporation. This corporation has hemorrhaged money, has lost money every year this government has been running it, and they've been losing tens of millions of dollars every year.

And we want to know who's getting the benefit of these deals. We know that Pocklington has got it; we know that GigaText has received 5 or \$6 million; we know Supercart International and Joytec; we know that the game farm in Indian Head-Wolseley, the son of which was a principal of the minister opposite, Mr. Graham Taylor, who is gone. And we want to ask questions of these officials and the ministers with respect to these very secretive deals that are costing the taxpayers tens of millions of dollars just in the last two years alone. We also want to get to the bottom of the Cargill deal, which I'll be talking about in a few minutes.

So, Mr. Speaker, here we have a commitment made by the members opposite to meet intersessionally to discuss these important questions with respect to the Crown corporations and their privatizations, yet they act as if it never happened. In the Speech from the Throne there's not one reference to privatization. And we wonder about that, Mr. Speaker. Perhaps it's not a very good word for them to be using now. But they have come up with a new one and they call it Consensus Saskatchewan, or as my

colleague, the member from Regina Centre, referred to it on Friday as ConSask, short for Consensus Saskatchewan. But they're trying to con the people of this province into believing that there will be some consensus.

Well, Mr. Speaker, we all know that the Speech from the Throne is strictly a public relations effort. There has been no resolve of the government, through this speech, to bring forward legislation which will introduce better times for the taxpayers of this province. Quite on the contrary.

But I think, Mr. Speaker, the consensus of the people of Saskatchewan is that they want leadership. And the government opposite have created this, this consensus very easily . . . or I should say over a long period of time. The government opposite has been the author of this consensus because they have not shown leadership, because they have been incompetent, because they've wasted millions and millions of taxpayers' dollars, and because they've mismanaged the entire economy. Everything they've touched has turned to stone or to red ink — every single effort. The only thing they haven't bothered with has not been in their own jurisdiction. Even that they've been trying to work at from time to time.

So we've seen, Mr. Speaker, a little consensus developing in this province. And a consensus, through the Oxford Dictionary, says that it's a general agreement in opinion for the majority view. And I believe very seriously, Mr. Speaker, that the majority opinion, the majority view of all the people of this province, when they look at the deficit, when they look at the betrayal of the promises this government has made over the years, when they look at the competence, and the out-migration, and the bankruptcies, and all of the economic indicators, will be that the government opposite has failed. That's the consensus.

And the consensus of the people of Saskatchewan feel is that because of these failures, they want to change the government of the day. And I just want to go over for two minutes the economic indicators, just to prove my point with respect to their incompetence and their mismanagement.

We've seen the deficit, as I referred to earlier, rise to \$4 billion in operating. We'll likely be four and a half billion by the time the budget is brought down in the next 10 days. And we've seen the Crown corporation capital debt increase to \$9 billion, which is, when you consider it, Mr. Speaker, \$13 billion in total debt for a population of a million people. That's just outstanding. The burden . . . just the interest of that alone is \$1.3 billion a year in interest. For a million people that's \$1,300 for every man, woman and child just on a 10 per cent interest payment alone. If you've got a family of four, you're looking at over \$5,000 a year just on the interest of that debt. People don't understand the massive debt that we're stuck with. But the consensus on that, Mr. Speaker, is that this government has burdened the taxpayers with debt far more than we can stand for far too long, and the consensus is that that debt has to be relieved very quickly.

We've had a number of promises this government has made over the years. They've promised to reduce the

personal income tax by 10 per cent. We've seen new taxes, and the total tax result is 100 per cent increase in personal income taxes since 1982. We've seen the promise of the gas tax. The Premier out here stood in the front of the buildings in 1982 and said that as long as there's a Conservative government in Saskatchewan there will never, ever be a gas tax.

(1500)

We have not only seen the gas tax reintroduced, we've seen it increased to over 45 cents a gallon from 28 cents a gallon — a 50 per cent increase. So, we've seen betrayal of these promises.

We heard about the elimination of the sales tax. They promised in every one of those campaigns opposite to eliminate the 5 per cent sales tax, and I suppose they did, they did eliminate the 5 per cent sales tax. Unfortunately, they increased it by 40 per cent and made it a 7 per cent sales tax.

So we've seen all of these promises made and these promises broken, and they've betrayed the people of this province, and the consensus is that they've had enough of this government's betrayal. That's the consensus of this province. And I believe that the hundred people they choose will provide them with that consensus.

We've seen out-migration figures, a total of about 24,000 people leaving the province of Saskatchewan, a net migration loss just in the 1989 year alone, which is the second highest loss of population in the history of our province. And the sad part about that is the majority of those people were young people.

We've seen total bankruptcies increase up to 1,600 bankruptcies in the province last year, which was a 32 per cent increase over the 1988 year which was the previous record year. So they broke their own record by 32 per cent, a world class record, if you will. That's the terms I would like to use.

We've seen housing starts — 1988 was the worst on record for housing starts in this province, but that was a record that was only short-lived, because in 1989 they broke the record again. And in 1989 there were 1,906 new housing starts in Saskatchewan, and that's the second lowest ever recorded, and certainly the lowest in the last 20 years. In the first two months of 1990 alone there were only 82 new starts, which is a 47 per cent decrease over '89. So the 1989 record year will be short-lived before this year is out as well.

So I've gone over, Mr. Speaker, a number of economic indicators that the people of this province would have a consensus on as a result of the government's efforts opposite. The consensus is the government has failed in every one of these. And we can talk about the waste, the ministerial assistants that they have, and the number of ministers they have in their cabinet and what it cost, and the patronage of former Tory MLAs like Paul Schoenhals and Paul Rousseau and Gordon Dirks and Jack Sandberg and Keith Parker and Tim Embury and Bob Andrew and Taylor and Childers, and on and on and on. What you conclude from this and what the consensus is from the

people of the province of Saskatchewan is that every living, breathing Progressive Conservative in this province has received some kind of patronage appointment or some kind of government job or government contract.

And finally, Mr. Speaker, we get on to the accountability with the auditor and the public accounts, and I'm sure my colleague from Regina Victoria will be making some passing remarks and very serious remarks with respect to that. And in the Speech from the Throne, Mr. Speaker, they also talk about on page 14, and I quote:

To avoid even the appearance of any wrongdoing by my ministers, my First Minister will implement a set of guidelines for the ethical conduct of Cabinet Ministers and Legislative Secretaries. These guidelines, enforceable by the Premier, will be made public.

And that's what this Speech from the Throne says, Mr. Speaker. Well it's like closing the barn door after the horses have left, Mr. Speaker. And let me tell you how serious this is. In 1986 during the campaign I was knocking on a lot of doors in my constituency, and I might add that there are about a hundred families whose families . . . one family member are employed by the police, either the RCMP or the Regina city police. And over the course of time I got to a fair number of these homes and spoke to a number of the families, and it seemed to me that they were volunteering in a large number their support for the NDP in the 1986 election. By no means were they unanimous, but in the past in my campaigns they've been very quiet and very neutral on the doorstep. But many of them were saying to me that they were going to support the NDP in the next election.

And finally after a number of people had said this to me, I said: well, sir, I'd like to believe that it's because you have such a fine candidate locally who's running that that's why you're voting NDP — and I'm sure that was part of the reason — but I want to know the real reason, sir. And this police officer said to me, well, I can't be too specific, Mr. Solomon — at that time I wasn't a member — but I can tell you this. Let me put it to you this way, he said. During the course of our business hours, we've met all of the Progressive Conservative MLAs. And I got to thinking about that. That's all he had to say to me. And that was the time of Colin Thatcher and a few of the Conservative members opposite's former colleagues who have left this House in disgrace.

And that to me, sir, was an example of what this government's record has expressed to people very clearly. It's confirmed to them their incompetence and their mismanagement and the corruption that is involved in this government. And this little Speech from the Throne reference is clearly too little too late. The Premier said this back in 1983 and '84, and we're still waiting for it six, seven short years later.

So, Mr. Speaker, that's all the comments I want to make with reference to that paragraph. But I want to take a couple of minutes, if I might, to raise some information and ask some questions about the Cargill deal.

As critic for the Crown investments corporation, I see this Cargill arrangement, Mr. Speaker, as a bad deal for the taxpayers of this province. And I want to read into the record some information and express some of my comments regarding Cargill so that the people of the province of Saskatchewan might better understand why I and my colleagues believe that this is not a very good deal for the taxpayers of this province.

And I want to start by asking: who is Cargill? Many people in this province don't know exactly who Cargill is. Well I have a photocopy of *Fortune* magazine, September 11, 1989, and it makes reference to Cargill, and this is a list of the billionaires club in the United States. And number one in the billionaires club are two individuals named Cargill MacMillan Jr. and Whitney MacMillan.

And these two individuals own 60 per cent of Cargill Inc., whose sales reached in 1988, I believe, as it says here, about \$47 billion Canadian — \$47 billion Canadian. Now that may sound like a lot of money, because it is a lot of money. If you took the four western provinces in Canada and put their budgets together, their budgets in total would be about half of this \$47 billion annual sales for Cargill incorporated out of the United States. They had a very modest profit, however — about \$340 million Canadian. That was pretty modest. I'm sure they have ways of working things around.

But many people don't know this, but there's a corporate group in this Cargill Inc., a small group. Some people refer to them as the hit team. Some of them refer to them as the planning department. But what in reality exists with Cargill is a group of individuals, very well educated, very skilled in looking around for good deals for Cargill. This group looks around for governments who have very deep pockets. They look in the Third World. They look in eastern Europe. They look in western Europe. They look all over the world and try and figure out what governments are in desperate need for help; what governments, as a result of being in desperate need of help, will contribute a fair amount of money towards a project.

And what we've seen, Mr. Speaker, is that this group in Cargill have put Saskatchewan on their top 10 list of people and governments who have deep pockets and not a very broad-based business sense, even though they project to be business people, Mr. Speaker. So we've got this little hit team out of Cargill, and they're doing a very good job for their employers and they're doing a very profitable job for their employers, and they've seen Saskatchewan as being in one of the top 10 provinces or governments or potential business partners, as they might call them, in order to subsidize Cargill's sales and profits.

In a book written by Dan Morgan entitled **Merchants of Grain**, on page 171 it discusses some of the aspects of Cargill. And I'm just getting on with building a little profile of Cargill for my colleagues in the House.

The members opposite are just sitting there on the edge of their seats waiting for more information on this, and I'm sure they're anxious, and I'll get to it right away.

Cargill headquarters in Minneapolis is, in fact, the

global command post for a multinational commonwealth of 140 affiliates or subsidiaries in 36 countries. Cargill's money may be thousands of miles away (this book continues); but the decisions are made in Minneapolis, or rather, in the woods outside of it. In 1978, the company moved 900 employees into a tiered, tent-shaped office building with 350,000 square feet of space in Wayzata, fifteen miles outside of Minneapolis and a seven-minute drive from Lake Minnetonka. Top executives continued to work in what is commonly called "the castle", a 63-room replica French chateau close to the new building.

It seemed an odd place to locate the headquarters of a grain company. Inside were thirteen fireplaces and sixteen tiled bathrooms. Outside were lush lawns. Its most castlelike properties were the steep, gabled roofs.

So that's what the *Merchants of Grain* say about Cargill. And they talk in here about, as well, Cargill's strategy for making deals. For example, and I quote this little article, Mr. Speaker, if I might:

In the late 1950s, the company had had the idea of building a soybean-processing plant in Norfolk, Virginia. This seemed like a wise move at the time, since Midwestern soybeans could be processed there and sold as meal to the expanding broiler industries of Georgia, the Carolinas, and Maryland's Eastern Shore; or the beans or meal could be exported if prices abroad were better. However, the Southern Railroad spoiled this scheme by instituting "Big John" rates that overnight lowered the cost of shipping beans or meal from the Midwest to the South, and the Norfolk plant was unable to compete for the southern broiler markets.

The point this book is making, Mr. Speaker, is that Cargill will look at the deals, look for the business partners, gather the cash, get the most advantage to them, and they'll try and get into markets that are subsidized by a government, like the Government of Saskatchewan through Saferco, get into the market, get their toe-hold in, make their profits at the expense of the taxpayers, and whether the thing flies or not, there's certain guarantees they will have had with the deal. And I'll be asking some questions about that later on, Mr. Speaker.

But who else is Cargill? We have Cargill . . . I have a little note here. I believe it's from the library in Ottawa, and it's concerning the contributions to the PC Canada fund by Cargill. And Cargill is a friend of the Conservative Party. Many people would be shocked to hear that, but indeed it is. As a matter of fact, in 1984 Cargill gave the PCs \$15,454.24. And of course there's a gentleman in '84, Mr. Kerry Hawkins, who is involved with Saferco through Cargill, gave a thousand dollars.

In '85 that declined to \$10,000. It wasn't an election year so they gave the government opposite \$10,000. But Mr. Kerry Hawkins continued his support of Cargill with a thousand dollars.

Then we've seen in 1986, Cargill give \$10,892.72 and Kerry Hawkins gave once again a thousand dollars.

In 1987 Cargill gave, not 10,000 or 15,000, Mr. Speaker, but \$20,225.20. I don't know what the government opposite did with the pennies, but it seems to the government opposite thousands of dollars are pennies, so the pennies are probably not that important. And of course Kerry Hawkins appears on the library's information as being a donator to the PC fund of another thousand dollars in '87.

Then we get to 1988 and Cargill gave the PCs \$15,000. And we see Kerry Hawkins again giving a thousand dollars to the PC Party.

And we're looking forward, Mr. Speaker, to seeing the 1989 rates because that's when Cargill struck the deal. The deal came up in 1989. That's when it was announced and signed.

And so we've seen, out of the large numbers of dollars that Cargill has provided the PCs opposite, I'd be very interested to know, as would the people of this province, how much more they'd be giving later on in 1989 and in 1990. Maybe they might shock us and give a little less, but I'm not too certain. We're looking forward to getting those details, Mr. Speaker.

So we've seen . . . That's the profile of Cargill. They're a modest size company. It's the largest U.S. private corporation. As a matter of fact, *Forbes* magazine lists Cargill as the largest private corporation in the U.S., the second largest in the U.S. next to Cargill with modest sales of about \$30 billion Canadian is Safeway. So Cargill is about 50 per cent larger than Safeway, and Safeway is the second largest U.S. privately owned corporation. Now, Mr. Speaker, that's the history or the profile.

(1515)

What I'd like to talk about now is a bit of the history of Cargill. As people will remember, 1989 in the spring, to be exact April and May, the government opposite introduced privatization legislation for SaskPower and SaskEnergy, and they wanted to sell off SaskEnergy. The government's opposition, actually the Queen's loyal opposition opposite, led by our leader, the member from Riversdale, objected to this privatization of SaskEnergy in a very strenuous way. And we wanted to confirm our feelings by taking a number of days to travel throughout the province, by letting the bells ring, in obtaining a consensus. The government of the day did not wish to do a consensus. They wish to obtain a consensus now over the next eight or 10 years.

So during this heat that was being applied to the government opposite from the public, from the opposition, from everybody in the province except perhaps Cargill, they came up with a little deflecting plan. Well how do we get out of this mess? Well obviously we're not going to be able to cancel SaskEnergy privatization right now, but maybe we can throw some tidbits out to the people out there who are looking for jobs in the public and get their mind off this SaskEnergy debacle.

And what do they do, Mr. Speaker? They held a press conference, and the Premier called a press conference to announce a press conference project. And we referred to it at that time as a press conference project, because here he was in the middle of a rock and a hard place as Premier of this province, as an incompetent Premier of an incompetent government, saying, well, we're going to build this megaproject, this great Cargill fertilizer plant out by Belle Plaine. So they call this press conference and at the press conference he outlined the details of the plan. Well it's going to cost \$350 million, it's going to be a 50-50 deal, and of course like all the projects we're involved with, it's going to create hundreds and hundreds and hundreds and hundreds of jobs. And that was his commitment to the people of this province.

Of course at that time, Mr. Speaker, as critic I said, well just a second, Mr. Premier, this seems to me a very dangerous way to strike a deal. Are there any other details you can provide us? He says, well the project is being negotiated, and the final details will be announced at a later date. We're just announcing the principles of the project.

And the reason I said, Mr. Speaker, was a dangerous way to undertake megaprojects, or economic development, was because once you've made an announcement as a government, made a commitment to build something in partnership with another government or another company in a joint venture operation and you haven't finalized the details . . . if you're in a tight spot, your partner will take advantage of that and cut a deal for their benefit.

Well of course the Premier said, oh no, those pitfalls will never happen. So here we see, Mr. Speaker, we see as the details of the project were released . . . only after questioning in this House we find that the 50-50 deal wasn't really 50-50; that it was going to be \$60 million taxpayers, \$50 million Cargill, and the taxpayers would guarantee a loan of \$230 million.

We asked for more details. The Premier kept saying, well, no more details. We said, well that doesn't sound 50-50 to us; it sounds like we're taking the gas for \$290 million, taking the risk for \$290 million. Cargill's taking the risk at \$60 million and is getting all these guarantees, and where's the details? Where's the feasibility study, the break-even point analysis? Where's the market agreement? Where are all these things that will show that it's going to be a good deal?

And of course the Premier said, in due course they'll be announced. As a matter of fact, he said September. So over the summer we raised some more questions. We asked about the guaranteed rate of return for Cargill because that was the industry rumour at that time. The deputy premier at that time, the member from Souris-Cannington, stood in this House and said, there's no deal. There's no guaranteed rate of return, he said, for Cargill.

He walks out of this House, goes into his lounge and phones Saferco and Crown investments corporation and he says, cut the deal. Cut the deal but get away from that

guaranteed rate of return. They're asking me questions in the House and the media are waiting to ask me questions outside. So he goes out there and tries to kill the deal over the phone.

But things unfolded, Mr. Speaker. Things unfolded on this deal that showed that even though the deputy premier tried to rearrange the arrangement, which was already cut in Cargill's favour, it didn't materialize.

Finally, eight months after the announcement, nine months after the announcement, in February of 1990, the Premier announces the details of the Cargill fertilizer plant at Belle Plaine. Not all the details, mind you. Just the tidbits that the media, he was hoping, would report. Just the tidbits that the people of Saskatchewan would bite on and not worry about it down the road.

Well we saw, Mr. Speaker, the tidbits, and here they are. The tidbits he announced in . . . By the way, at the same time at his side was Kerry Hawkins; he was the person I referred to earlier who gave all that money to the PC Party over the years. He's probably neutral politically, but he likes the PC Party, but maybe it was tax credit money.

**An Hon. Member:** — Thousand Dollar Kerry.

**Mr. Solomon:** — My colleague, the member from Moose Jaw North, refers to him as "Thousand Dollar Kerry."

But, Mr. Speaker, we see the details announced. Instead of being \$350 million project, it's no longer \$350 million; it's now \$435 million, an increase of 24 per cent in eight months. Instead of having a 50-50 deal like the Premier said we would have during the course of the heat of the SaskEnergy debate, it's no longer 50-50.

As a matter of fact, Mr. Speaker, it's a very bad deal for the taxpayers of this province. This project alone is going to cost \$3.4 million per job created. This is what the bottom line of the project is: \$435 million is going to be spent to create 130 full-time jobs, which amounts to \$3.4 million for every job created. Tory economics, Mr. Speaker.

We've seen the bad deal, and here it is, Mr. Speaker: \$65 million is put in by Cargill for 50 per cent of the ownership and equity and control; 64 million is put up by the taxpayers, cash up-front equity, for 49 per cent. But the government guarantees the balance of \$305 million, so Cargill puts in 15 per cent and gets 50 per cent of the equity. The taxpayers of the province of Saskatchewan put up initially a risk of 85 per cent of the total amount of the project for only 49 per cent in a minority share.

And one financial institute, yet unnamed, gets 1 per cent for a measly \$1 million. So for four-tenths of one per cent equity, they get leverage on that million dollars up to 1 per cent. So here we have, Mr. Speaker, a very suspicious deal.

Now the Premier at the press conference, with his good friend Kerry Hawkins, says that this is a state of the art arrangement. And he called it, "A state of the art joint venture management agreement." And he called the financial arrangement, and I quote again, Mr. Speaker, "An excellent financial deal."

Well the questions I have for the Premier, Mr. Speaker — and I'd like him to perhaps stand up today and respond to these — is if it's such a state of the art joint venture management agreement, could he table this agreement to prove that it's a state of the art agreement? And if it's such a great deal, who is it a great deal for? Is it a terrific financial arrangement for Cargill? Or is it a terrific financial arrangement for the taxpayers of Saskatchewan? I doubt that. I think Cargill has the leverage on this one.

And, Mr. Speaker, the question that was asked at the press conference, another one was asked by one of the media people: Mr. Premier, if it's a white elephant, what do we do with the plant? And the Premier's response was, well, we'd have the plant. We'd have the plant, he said. And my question to the Premier is, well yes, we'd have the plant, but we've also got the assets from GigaText which is \$150,000 out of \$6 million that we spent. So what do we do with this plant if it doesn't work?

We've got Supercart. We have an investment in Supercart. What do we have as a result of that one going belly up under the administration opposite?

Kerry Hawkins, the representative from Cargill, went on to say, "It's a very complicated deal. " We can't announce the details. But why is it complicated? Why is this deal so complicated? Is it to keep the truth away from the public? Is it to keep the truth secret, like this government has always done with its fiscal arrangements.

Every dollar it's invested and every dollar it's spent through the Crown corporations, through the privatizations, through their polling, through their travelling, through all of their handling of funds, has been done in as much a secret cocoon as possible. And that is hiding from the people of this province, hiding from the opposition and not being accountable to the taxpayers of this province for the money they're spending.

So I think, Mr. Speaker, that that's why the deal is not being tabled. But the PCs have failed to disclose, I might add, on many occasions in the past, financial dealings. For example, the GigaText dealings, Supercart, Saskatchewan Transportation Company, and even the Co-op upgrader.

And there's a story behind that Co-op upgrader, Mr. Speaker. We have seen upon requests, no answers. We've asked them for a tabling of the Co-op upgrader deal with NewGrade Energy, and they haven't tabled it. They said it was going to cost \$150 million, and it was a 50-50 project with the Consumers' Co-op Refineries Ltd. And we said, fine, we have no problem with an economic arrangement. Unfortunately there were two things wrong with it. One, it was done in haste. The deal was cut in 1986, prior to the provincial election of 1986. And secondly, they haven't released the details.

And now what's happening is we're getting some details trickling out of the Minister of Energy's office that now say the government opposite has had to spend \$65 million in the last eight or 10 months to help subsidize the Co-op upgrader, because of some of the problems it's having.

Well why weren't these arrangements made public so the people of Saskatchewan would know that when they get into a deal, whether it's for the economic good of the province or not, how much taxpayers' dollars are going to be at risk? We'd like to see more of that coming, or some of it coming.

So we want to know, Mr. Speaker, where is the deal? Have the taxpayers' best interests been served and protected? Where is the marketing arrangement?

The industry rumours are, the fertilizer industry rumours are that the Cargill corporation has a marketing arrangement whereby they receive a marketing fee for every tonne of fertilizer produced. It doesn't matter if the company makes money or not. Now if there's a marketing agreement that's guaranteeing a market fee to Cargill regardless of the profitability of the company, let's have a look at it. Let's see what it's going cost the taxpayers of this province and what further liabilities will taxpayers have. Who pays for the construction cost overruns? We want to know the answers to that. They haven't provided answers to that, Mr. Speaker. Who is liable during the construction period?

In the event the company is losing during its operations, who is liable for the operating losses? Is it the taxpayers of this province? And if so, why and for how much?

Where are the feasibility studies, Mr. Speaker, on this Cargill fertilizer plant that shows it's a deal that'll make some money — if not make money, at least return the investment the taxpayers have put in — and certainly not expose us to tens and maybe hundreds of millions of dollars of further liability?

And finally, Mr. Speaker, why was not an environmental impact statement undertaken for this plant? There's a lot of questions that arise with respect to the environment on this plant. For example, their water consumption. There are industry statements made that this plant will consume between 15 and 20 per cent of the daily supply of water used in the city of Regina. Twenty per cent of our supply is going to be used at a Buffalo Pound, yet they say, oh no, it's not going to be that high. But where are the documents which prove this, Mr. Speaker?

They haven't given us any kind of reason to be complacent on this. And their track record has shown that every time they've made a statement they've done the opposite, or they've misled people when it comes to environmental impact statements; for example, the Rafferty dam.

There's also speculation that the soil on which the plant will be built is not sufficient for a fertilizer plant; it's not adequate. It has to be a clay base, but it's a sandy soil base out there. So they will have to haul in clay. What impact will that have?

So we are looking at, as well, waste water, Mr. Speaker. Where does the waste water go from this plant? These are questions that the government has failed to provide to the public to ensure that what they are cooking here with Cargill is a reasonable, economic and environmental project which will benefit the people of this province.

We also have some concern, Mr. Speaker, with respect to dumping the product in the United States, vis-a-vis the free trade agreement and, of course, the countervail actions which might arise to that, not only jeopardizing Saferco and the Cargill fertilizer plant but jeopardizing the entire industry in Canada as we know it today, because that's where a significant percentage of fertilizer is exported to from Canada.

And of course the rumours in the industry are very hot and heavy that Cargill is indeed provided with a guaranteed rate of return. And we want to know, Mr. Speaker, whether that's the truth, and if it is, how much this is going to cost the taxpayers of this province.

(1530)

So you see, Mr. Speaker, very simply put, a government that has come forward trying to trick the people of the province just one more time into believing that they are a government of consensus, they are a government of fair-minded men and women. Well we know from their track record, Mr. Speaker, that that is as far from the truth as you can possibly be and still stand in this House and say that it is. I mean, it's just so far away, Mr. Speaker, that it's unbelievable.

And you may think that what I'm saying is rhetoric, but let me just point out one other aspect. I have here, Mr. Speaker, some documentation from the Canadian Council of Nitrogen Producers. This is a document which is well researched, that has covered a lot of the points that I have made, in far greater detail than I have, but it supports basically the premise that I have put forward and the thesis that I've put forward, and that is that this Cargill is a bad economic deal for the people of this province.

And I just want to say, Mr. Speaker, that the member from Weyburn there is very interested in this speech because he knows that on Saturday night in Weyburn city, there was an NDP nominating convention at which over 500 people attended, and they were excited and we had a terrific nominating convention. The people there were wearing the member from Weyburn's name, lapel pins with X's on them — I don't know what that meant. And the member ... I can't say his name; it's unparliamentary, Mr. Speaker. But the point is, Mr. Speaker, this Weyburn nominating convention, the people that were there were enthusiastic; they believe there's going to be a change in this province, and the consensus of these members is that the opposite government has to be defeated in the next election, and really quick.

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

**Mr. Solomon:** — There were many people at that convention that were ex-friends of the former member ... or the member opposite as well.

Mr. Speaker, the Canadian Council of Nitrogen Producers says, and I quote from their documentation:

This plant would not be built without the participation of the Province.

We believe the Saskatchewan Government is

operating on a series of overly-optimistic and unrealistic cost and market assumptions. In particular, the government has over-estimated the economic viability of the plants and it has underestimated the potential damage to existing privately financed Canadian producers both directly ... and as a consequence of possible U.S. trade actions.

And in this brief, Mr. Speaker, it goes on to make four points. One:

There is nothing in the history and development of the Canadian nitrogen industry which suggests that government financial assistance is required to encourage any reasonable investment.

Number two:

The industry has expanded to meet market demand on its own.

And number three:

The inevitable impact (of the Saferco plants) will be predatory pricing, lower plant production levels, more idled capacity, net industry losses and plant closures. (And) Saferco will be hurt along with the rest of the industry.

And that's the point of my remarks today, Mr. Speaker: how much will Saferco and the taxpayers of this province be hurt as a result of this quickly and hastily put together deal of the government opposite with respect to Cargill?

And it goes on to talk about a number of items, but it says in this one page, Mr. Speaker, and I quote:

We can only conclude that the Government of Saskatchewan has entered into a one-sided arrangement in which most of the risks and liabilities are assumed by the public sector. The Saskatchewan taxpayers are being committed to a project whose benefits may turn out to be short term, transitory, and mostly out of province. We believe the economic viability of the Saferco project is very much in question.

So, Mr. Speaker, I appreciate having had the opportunity to speak on this matter, and I can tell you that I will be supporting the amendment put forward by the member from Saskatoon Eastview, and I will be opposing the motion put forward by the government. Thank you very much.

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

**Hon. Mr. Klein:** — Mr. Speaker, it's indeed a privilege, Mr. Deputy Speaker, for me to join with my colleagues and the members on the other side of the House to participate in this debate on the Speech from the Throne. I join in congratulating the mover of the speech, my colleague from Moosomin, as well as the seconder, my colleague from Nipawin, on a job very well done.

Now, Mr. Speaker, you know we've heard a little bit of

rhetoric from the opposition in saying that, you know, they couldn't understand, that they hadn't much to work with and all the rest of it. Well I want the members opposite to know that, as was outlined in the Speech from the Throne delivered by Her Honour our Lieutenant Governor, when the members opposite degrade or knock that speech in any way, many of my constituents in Regina South believe that that's a personal insult to her high office, and the way that the opposition carves their words and degrades the tone of that speech, Mr. Deputy Speaker, the people in Regina South feel that, I suppose, it's very unfortunate that they would take that kind of an attitude on behalf of Her Honour.

I believe that the Speech from the Throne carried a significant message, and I intend on speaking at some small length as to why, and explain to them. Perhaps the members opposite in their rebuttals to what I might have to say, Mr. Deputy Speaker, could then tone it down somewhat, keeping in mind that it is a major document delivered.

I would want to begin by advising you, sir, that the constituents of my constituency of Regina South have tremendous respect for the manner in which our government is facing the urgent major challenges confronting our province and the steps that are being taken by our government to meet those challenges. And clearly the Speech from the Throne outlined that.

The new decade has already seen extensive and unprecedented change presenting major challenges for all of us in our province. Our people have been hurt by the huge subsidies received by farmers in the European Economic Community, and in the country, our friends to the south of us.

Our competitors in the agricultural markets of the world have hundreds and hundreds of millions of dollars of supporting them in subsidies. And the effect of that, Mr. Deputy Speaker, is very important on our agricultural industry because agriculture is still the very base of Saskatchewan's economy. And the staggering amount of dollars put forward by these countries has had a significant effect and has never been more severe on our agricultural community than now.

All of us, all of us are being hurt by the economic impact of this crisis on our farming community, not only farmers but business, labour, the professions, both urban and rural areas. And as the throne speech put it so well, the world has declared economic war on Saskatchewan. But the people of this province have faced crisis before, and I've spoken on this many times before, and we have risen to the occasion. We have successfully met challenges in the past, just as we will handle this one.

As rich as we are in resources, our greatest resource of all is still our people. Those who settled our frontier lands over the past hundred years, they never had it easy. They came here from all parts of the world for a new beginning, for a new life for themselves and for their families. And I know that my ancestry and my heritage, Mr. Deputy Speaker, is of Polish descent. And my grandparents came from that great country to establish here in Saskatchewan, and I was born here in Saskatchewan. Matter of fact, my

wife too is of Polish descent. And I proudly say to the ethnic community as we travel around Saskatchewan and our city, and I think everybody is aware of this, we now have two grandsons that are fifth generation Polish. We're very proud of that heritage.

But these settlers from all walks of life, from all nations, came here to share and develop in the great resources of our province, to start new lives, and they suffered many hardships. They managed to prevail, and over the years developed a rising standard of living. And now we, as their descendants, will carry on in the face of the new challenges that we now have before us as we enter indeed a new decade, indeed a new century. As second, third, and fourth, and fifth generation Canadians, we'll succeed, just as our forefathers did. We have always pulled together in times of crisis and will do so again. Together we'll face these challenges.

And that's what the speech indicated, Mr. Deputy Speaker — togetherness. And that's exactly what the opposition fails to recognize in that document. And together, all of the people, with the exception, I suppose, of a handful of members opposite, we will face these challenges with the same sense of hope, of conviction and co-operation that has kept us strong in the past. We must now decide on a plan and a strategy, and how to meet and overcome these challenges and take advantage of new opportunities before us.

Our people want to be involved in this process. Nowhere in the western people is the spirit of involvement and co-operation greater than among those of us who call Saskatchewan home. As I've said, people are our greatest asset. And they are eager to become involved in making choices about the future of our economy, of our society, and be active participants in the whole process of change.

Our government is providing the leadership for an unprecedented process of public involvement in the affairs of our province. Our government is giving every sector of Saskatchewan's society the opportunity to participate with their ideas, with their suggestions and recommendations for the future development of our province, Saskatchewan.

Appropriately, it's called, Mr. Deputy Speaker, Consensus Saskatchewan. And it will be developed into the most extensive consultation with the public in the history of this province. People working together, people working in partnership with their government to develop the future of their province.

Of course without even taking the time to study it, the Leader of the Opposition dismisses this major initiative, as do all the members opposite. We hear the old refrain that it won't work. Of course that old refrain, emanating from the benches opposite, is prevalent during any discussion, during any plan, during any process that you put forward. The NDP probably is the single most political party afraid of change. They always have been; they always will be.

So this whole area of public involvement and dealing with the public in consultation is totally unfamiliar to the NDP. It always has been, and perhaps it always will be.



Their biggest claim to fame, I suppose, whenever they have held the office here in Saskatchewan, is big government where the government makes all of the decision and where the public be damned: who cares?

Now the member from Regina Centre sits there and, you know, again speaks from his seat and doesn't want to listen to the remarks that I have to make. My remarks are right on; they're exactly what we're talking about. We don't have to unnecessarily talk about the things that the member is very articulate on. Last year in a long session we heard him articulate to no end on the Alamo and on kiddie TV programs and all the rest of it. That puts his thinking into perspective, and that's what the people of Regina Centre know that their member is famous for. But to speak on a relative topic and stand in his place and say something meaningful, and criticize in a meaningful way, or to come up, Mr. Deputy Speaker, with some alternate plan, that's not in his make-up. And why isn't it? Simply because he won't go out and consult with his constituents, and it's unfortunate.

But we should not expect him to understand any program, and he's still going on, babbling from his seat, now Mr. Deputy Speaker, and I can, you know, hardly . . . He was referring in his remarks — and I was hoping to have the opportunity to study *Hansard* — where he had some significant findings of budgetary dollars that were missing. Did he do any study, or does he have any real fact or material? No.

(1545)

I will speak later about a little fib that I was involved in publicly in the *Leader-Post*, a little fib, and I'll speak to that in a moment. But in the meantime, as I sit here and listen to other members when they get up and babble without any kind of a consultative process or any meaningful debate, and just pull a figure out onto the air and say, well this has been cut by 40 per cent or that has been cut by 50 per cent or whatever, it's more than that.

If you shift things in a budget process, that isn't a cut. So when he says that Urban Affairs was cut dramatically, he has no substantial proof for those kind of statements. Certainly, as far as it relates to the numbers that were in the book . . . and now he's trying to prove his point. But he can't prove it in debate, that's the unfortunate part. He doesn't have the oratorical skills that are required to stand in his place and do that in a proper debate, but rather he would choose to babble from his seat and prove his point there.

Well in any event, it's unfortunate. But we should not expect the NDP, Mr. Deputy Speaker, to understand any program that would involve people in a decision-making process. And when they were in office, it was take it or leave it, period. This is how government operates. This is how it works. This is what will happen.

Later in my remarks, I will speak for a moment on my new department, on my new portfolio, on exactly how the consultative process . . . and the member from Saskatoon South is laughing. And I've got some remarks for him as well in that thing. And I know why he's laughing and

giggling there, but we'll face him because undoubtedly he will say something smart, that he thinks is smart, when I speak, but in any event . . .

All of us are really too familiar with the heavy handed treatment — that's the easiest way to say it — that we all received at the hands of the NDP with their big government, their big government of the past. And boy did I ever live with that big government. You try, as a little operator of family businesses, to get by with the unbelievable amount of bureaucratic red tape that was in existence when we were trying to operate our family operations, Mr. Deputy Speaker.

We almost had to hire a host of lawyers and a host of accountants to deal with the problems that they put in front of small business. And why did they do that? Why did they put all of those obstacles in front of small business . . . (inaudible interjection) . . . Now he's accusing me about a credit rating. Well I'll put up my credit rating against the credit rating of some of the members opposite that tried business and failed. And why? And why they failed — because they don't understand business. The NDP never have and never will.

Now the member from Regina North West wants to compare. Any time. My skills versus yours; my business acumen versus yours. Any time. Why don't you stand up in this Assembly the way I do and speak on behalf of small business? I'll tell you why. Because your record isn't there. Your membership in the chamber of commerce isn't there. Even some of the people in those benches, Mr. Deputy Speaker, that are in the legal fraternity don't belong to the chambers of commerce. And I ask, why not? Why not? Do they hate the business groups that much? Probably. And yet now we can't help seeing in the media the new Leader of the Opposition claiming to be the great white knight for the small-business community in this province.

And all of the business community that went to share a dinner with him and the fact that it had to be moved to larger premises and the like — balderdash! And interestingly enough, the opening remarks of the Leader of the Opposition to my friends in the business community, and he said, if you think that you're nervous, think of how I feel. Can you imagine the leader of a political party being nervous and afraid to speak to members of the business community? Virtually unheard of. Virtually unprecedented.

So enough said about the business community unless they choose to speak more. And I could speak at some length about it, but I had some remarks that I would like to stay with, Mr. Deputy Speaker, in the short time that's available to me this afternoon.

But my main point, Mr. Deputy Speaker, all of us are all too familiar with the heavy handed treatment that we received at the hands of the NDP with their big government of the past. And the people of this province don't ever want that again.

Mr. Speaker, in my remarks today I want to put on record some initiatives and programs that my department, my

new department of Consumer and Commercial Affairs, to underline how eager and how enthusiastic the people of this province are if you give them the opportunity, if you are prepared to share with the people of this province that opportunity, as we have since 1982 and as we will concentrate in the future to play a key role in the management of their public affairs.

And of course all of this is absolutely foreign to the NDP. And it strikes quite a nerve because we're getting quite a chirp from the members opposite as my remarks continue. They don't believe in giving the public any voice in the affairs of the province. And they laugh out loud because you're striking a nerve, you're hurting them, Mr. Deputy Speaker, and they have no recourse but simply to sit back and giggle.

The public — who cares! That's their attitude. Their big government will do the thinking for the people of this province. That's the way they behaved when they were in office before; that's why they were turfed out; that's why they will never be back. All that has happened in the past year, all that has happened in the past year in eastern Europe has completely passed them by, just completely passed them by. The people of eastern Europe have spoken out against big government in their countries, just as the people of this province have done when they turfed out the NDP. It's ironic, Mr. Deputy Speaker, but perhaps the fight for freedom to tear down the walls of socialism began right here in Saskatchewan in 1982.

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

**Hon. Mr. Klein:** — Ah, they laugh. Even members opposite acknowledge that, and I appreciate that they recognize that, Mr. Deputy Speaker. Back in 1982 there was a wall built by the NDP right around this province, a wall that stopped investment because the government had to do it all. Conversely, a wall that stopped trade because the government of the day had to learn to trade on their own as best they could, you know, keeping in mind that the flow of investments had stopped.

The government had to do everything. There was no members of the business community would come in and invest in NDP Saskatchewan. If it turned out to be a good idea, they'd nationalize it. Conversely, they believed that, you know, they could have the expertise to merchandise everything from Saskatchewan, so they would hire more people in government to do all of the exports for everything.

Well the people of Saskatchewan realized that that doesn't work, so they tore those walls down in a democratic process. They destroyed the NDP. They decimated them to the point of eight sitting members left in opposition. The people did that. The people of Saskatchewan tore down those walls. Now we have seen those same walls coming down on the eastern bloc, beginning of course with the large, famous wall and continuing right through one socialist nation after another destroying socialism, throwing away socialism, and throwing away big government; the people coming to the conclusion that socialism does not work and they have lived with it long enough. Saskatchewan arrived at that point a long, long time ago.

Trade, a necessity for Saskatchewan, an absolute necessity. When this province first began, Mr. Deputy Speaker, trade was a necessity. Our forefathers recognized that even before the formation of Saskatchewan as a province — our people recognized that. Our resources so abundant, our ability to work freely to produce much more, produce much more of everything than we could possibly use — we had to depend on trade. So the people of Saskatchewan in 1982 said we'd better learn how to trade freely; it's a necessity for Saskatchewan. We have to trade freely, not only with the rest of our provinces, we have to trade freely with the United States of America, and we have to trade in this huge global village in which we now live, throughout the world.

Then when you take that, the next step — and I will speak in a moment a little more at length about how can you trade freely if you don't have Saskatchewan presence in other countries. And that's a great question. And yet when our government establishes a presence in another country, what happens? The NDP, and with the remarks that I have just said, understandably will not accept it. And why would they? They condemn this government for trying to create an absolute presence in another country that is really required if indeed we want to expand the trade relationship throughout the world.

Mr. Deputy Speaker, right now we in Saskatchewan are a major player in the Canadian free trade agreement with the United States. And it's simple because we depend on trade. And why wouldn't we then have a free trade agreement with the largest market that's available to us? The friendliest border in the world, totally unmanned, and we want to trade freely with them. Why wouldn't we, with that opportunity?

And all the members well know that our former colleague, Bob Andrew, who is a trained lawyer by profession, in his former capacity as minister was one of the most knowledgeable people in Saskatchewan on the free trade agreement and how it affected Saskatchewan and how we could best use that agreement for the good and welfare of our province.

Well I ask you, I ask this Assembly, what better qualifications for his new post in Minneapolis than that? Our own Saskatchewan representative in the United States, exploring new markets, total familiarity with our province, a recognized expert in the free trade agreement, firsthand, in the city of Minneapolis in the United States of America. And yet they sit back there and say he's unqualified. It's unbelievable that they would make that kind of a statement.

I should mention that in this global village we now live in I understand that new technology and knowledge changes, expands, doubles, perhaps every two months or so. And so Saskatchewan presence world-wide is absolutely essential. And I will go on to explain why.

Today I would like to share with you a few of my observations on my recent trade mission to the Pacific Rim. But before I begin on the results of that . . .

**An Hon. Member:** — Nine months of summer.

**Hon. Mr. Klein:** — Yes, the member mentioned it, nine months of summer.

I would like to begin first of all with an apology, Mr. Deputy Speaker, to the media and others. I've had a little fun with a statement, not attributed, but rather that I made concerning nine months of summer in our province. And actually I have to admit that I'm rather pleased that the media seemed to play with it as they did, because as much as I would like to think that I may have been able to convince five million people listening to that radio show that there was indeed nine months of summer here, I think that that remark . . . I don't believe I could win that argument in that.

So I'd like to quote from a recent editorial in the *Regina Leader-Post* who perhaps sums it best up where they attribute me with just a little fib. And I read from the editorial:

Saskatchewan cabinet minister Jack Klein's little fib about nine-month-long prairie summers (uttered during a radio interview while on a recent trade and investment mission to Hong Kong) appears a minor slip of the tongue . . .

Well they were kind, and rightfully so. The members giggle and that's fine. It indeed was not a minor slip of the tongue; it was a major slip of the tongue. And unfortunately that happens to all of us except if you're perfect I guess, and I certainly am not perfect.

But in terms of the entire interview, Mr. Deputy Speaker, we were indeed talking about British Columbia and Ontario, and that was dominating the interview and I certainly had that slip of the tongue. In any event, I do sincerely apologize for that error. I certainly meant no harm. I had no intention of being misleading.

(1600)

And if I did indeed offend anybody at all, I regret that. And I would like to see this apology placed on record and I bring it forward today.

But continuing on with my observations of that recent trade mission to the Pacific Rim, both from a political perspective and from my thoughts as an independent business person . . . and if the members opposite would pay a little attention perhaps they could learn a little something about business. It's something that they've never had the opportunity before. So pretend you belong to a chamber of commerce and pretend that a minister of the Crown is speaking to you about business, and you might just pick up a few points. Matter of fact, you might pick up enough points that you could talk about it at one time, but you'd have to study it a little bit.

But in any event, the first thing that I noticed on my first visit to the Pacific Rim, Mr. Deputy Speaker, was indeed the distinct lack of image that Saskatchewan had in the three countries that I visited — Hong Kong, Japan, and Korea.

It's not that Saskatchewan was never heard of. I mean, these people are intelligent. They know; they've heard about Saskatchewan. But by and large they had no idea of what to expect. They had no idea about our infrastructure. Did we indeed have roads and sidewalks? Did we indeed have hotels? You know, what happened? Was our land flat? Did we have any trees? That kind of thing.

An extremely poor knowledge of our total economy, certainly as it related to the specific areas of concern that either of those countries may have had, whether it be agriculture or oil or potash or uranium. Yes, they were aware of that, but it was limited to that very narrow, focused degree.

They had absolutely no idea, Mr. Deputy Speaker, of the industry involved in our province. They had absolutely no idea, as the NDP don't, about the necessity of trade by our province, how important it was to our economy, and why we had to trade even more freely.

So that the underlying thing in all of this, Mr. Deputy Speaker, was that we had to dispel the myth that we have no infrastructure, that we have no beauty, that we are winter-bound year-round, and the like. We must counter the image that Saskatchewan is permanently cold or uninhabited, that there is no question that we have to let the rest of the world know about our tourism plant, about our great country in the north.

Our members from the north would be absolutely, totally disappointed, if they had the opportunity to meet and visit with these leaders in the other countries, as to the lack of knowledge of the beauty and the sports fishing and the commercial fishing and the fur trapping and all the like that goes on in our northern half of our province.

And it's this kind of thing that we require. It's a presence that we need more than anything else.

There is serious competition, in these countries, between our provinces. I mean — B.C. and Ontario, Quebec, Alberta, Saskatchewan — we're competitors. And yet, we have to work under the global network of the federal government because after all Canada is the nation that deals with these countries. It's not Saskatchewan the province, but it is Canada the nation, so that the federal role is prime.

But it's awkward for the federal government because there is no open warfare among the provinces. But the presence is so vital because it's awkward for the federal government when we travel into the various countries and we see Ontario or Quebec represented with a staff of 15 or 20 in each country. We see B.C. and Alberta represented with a staff of five or 10 in each country. And here is Saskatchewan, limited to a presence only in Hong Kong, and we have a total complement of four.

It's no wonder we have a great deal of difficulty selling this province. And when we try to establish a presence, the opposition hoots and hollers and screams about it. How do you expect to sell this province if you don't get out . . .

**An Hon. Member:** — By telling them that there's nine months of summer.

**Hon. Mr. Klein:** — Oh, by telling them there's nine months of summer. Now the member from Regina Centre seems to harp on that. I've made a public apology. I have no qualms about it. I have no hesitation about it. You want . . . this is the rhetoric. We'll probably keep hearing about the nine months of summer from that member for the next three or four years, except he's not going to be a member that long, so it doesn't really matter.

But in any event, if that single remark, without offending any of the people, took 5 million people in Hong Kong by surprise and got them to pay attention . . . At least, Mr. Deputy Speaker, we got them to listen to the word "Saskatchewan" and got them to recognize that we weren't winter-bound for 9 or 10 or 12 months of the year, as a lot of people felt we may have been.

Why should we be ashamed to sell our province? We don't have to have any shame at all, Mr. Deputy Speaker. We should be proud. So now when we appoint Graham Taylor, a former cabinet minister, a man . . .

**An Hon. Member:** — Where is he?

**Hon. Mr. Klein:** — He's in Hong Kong. The member for Moose Jaw says, where is he. He's in Hong Kong; everybody knows that. The appointment has been made. Who better to sell Saskatchewan than a former cabinet minister who is totally familiar with every square inch of this province? I'm not ashamed of the fact that Mr. Taylor represents our province in Hong Kong. As a matter of fact, I'm very proud of it. And as a matter of fact, we should have more Graham Taylors and more Bob Andrews and more Paul Rousseaus right around this entire world selling this province. And, Mr. Speaker, I have no hesitation in saying that, because you can't sell it from your desk here, and you can't have the government selling it all by itself.

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

**Hon. Mr. Klein:** — Mr. Speaker, all three countries I've discovered as well — and that's why presence is so important — all three countries are different from each other. Hong Kong different from Japan, different from Korea — different problems, different goals, different objectives. You don't learn that by telephone calls; you don't learn that by letters or faxes. You learn that by visiting with the officers and the officials from those countries, Mr. Speaker.

Hong Kong. My immediate impression of that country — one of the very easiest of all countries for our private sector to join in and develop a joint venture with. Their business community is anxious for new opportunities. They're searching the world for new opportunities. They are major importers. Why? They don't have the resources that we do. They are major world exporters, but they have to import everything first, manufacture it, and then export it. It's a very exciting, vibrant business community for our Saskatchewan entrepreneurs to visit and to talk with.

And yes, we have a presence there and that makes it

easier, so that if any of the business community are interested in establishing contacts or making a link with Hong Kong, relatively easy for them to do that because we do indeed have that presence.

The government of Hong Kong is extremely co-operative, and in my visit there I was not denied any formal meetings or discussions that I at all required or asked for from their government. And that was a very encouraging kind of discussion to have where we could sit down and seriously talk about different problems that existed in Saskatchewan or that existed in Hong Kong, or what the feeling was or what the mood was, and all the like, and it was a very good feeling to get along so well with their government.

But it's now interesting to see as well, Mr. Speaker, Japan buying into the Hong Kong market-place. We have in Hong Kong an active alumni association from the University of Regina and some from the University of Saskatchewan. That again helps the Saskatchewan business community. And of course all of Canada is active in searching out business investor funds from Hong Kong, but again this is a federal program. And the federal government have invented for the good of all of Canada, certainly all of our provinces, Saskatchewan included, simply an excellent program of attracting investor dollars to flow into this country. Saskatchewan can certainly use those investment dollars.

But as I mentioned in my earlier remarks, their business community, being so anxious to establish here in Saskatchewan, have caused quite a flood onto the existing system of immigration approval.

And I try to understand the federal situation with that regard, but some of the waiting periods are totally unacceptable to us as a government, and hopefully Saskatchewan can figure out some kind of a system and work together with our federal counterparts to hasten that process and speed up the process of immigrant approval so that those funds could flow into, certainly into Saskatchewan. Because it can be very well used right now, these equity dollars that we could put in, while Saskatchewan pays quite a price on high interest rates in the business community due to the hot economy of central Canada. And we will work with the federal government in that, Mr. Speaker, so that we can overcome any of those problems.

There was some perception regarding the fund raising problems in Hong Kong prior to my going there. And as I arrived there, it was easy to determine why, Mr. Speaker, that problem or that perception of a problem could have existed. It appears that a prime method that the Hong Kong people use in putting these funds together, Mr. Speaker, is one of networking, where the senior member of a family, perhaps the father or the uncle or some such head of a household, becomes interested in an investment in Canada. And their family is doing rather well, so over a dinner or a family gathering or the like, the head of the family starts convincing the little cousins and the brothers and sisters that this would also be a good investment for them, and that's perhaps where the perception of some of this problem begins.

But in any event, in our discussions with the Hong Kong government . . . and I wish the member from Regina Centre would listen to this. He knows absolutely nothing about business. I'm trying to give him a little informative information on the fund raising. He's a lawyer as well. I mean, most lawyers understand that business immigration thing. I don't think you know a darn thing about it. I'm trying to tell you a little bit about it, and all you can do is sit there and giggle. Why don't you pay attention and learn something for a change.

Now when I was meeting, Mr. Speaker, with the government in Hong Kong, it became apparent that the Hong Kong security commission became interested in some of the perceived problems as well regarding this networking and the like. We expressed our opinion that as far as the Government of Saskatchewan is concerned, and certainly the Government of Canada, we would be prepared to work with the Hong Kong security commission to help establish some rules that they would be comfortable with, because after all it affects their people.

So I understand that the Hong Kong government is now in the process of establishing some rules, and this is good. And Saskatchewan looks forward in working with the Hong Kong government in seeing that those rules would be put in place and carried out.

Of course, Mr. Speaker, as much as I wanted to go and visit Taiwan on that trip, because of the tender situation that exists between the federal government and the government of Taiwan, we . . .

**The Speaker:** — Order, order. I think it's safe to say that the hon. member has attempted to give a speech and he's being interrupted, quite loudly at times, by some hon. members, and I ask them to pay him the courtesy of allowing his speech to continue.

**Hon. Mr. Klein:** — Well thank you, Mr. Speaker. I think it's kind of enjoyable when they interject every now and then. Obviously I strike a nerve and I just . . .

**The Speaker:** — Order, order. I believe that we should just . . . The members . . . The attention has been called to a misdemeanour, if we may call it that, and I ask the hon. member to make no more reference to it and just continue his speech.

**Hon. Mr. Klein:** — Thank you, Mr. Speaker. But we do look forward in working with the Hong Kong government. And perhaps one day the federal government will be able to overcome its situation with Taiwan and we look forward to being able to go in and visit that country as well.

But Japan was the second country that I visited during that mission, Mr. Speaker, and unfortunately Saskatchewan does not have a presence in Japan. And I say unfortunately because of the economic conditions that exist in Japan and the opportunity that exists for a government, such as Saskatchewan, to be able to work with, and put deals together with, that would greatly affect the future of our province. To establish an office in Japan would be extremely expensive. And I suppose that

if we did that, it would have a real howl of complaint from the NDP. But I can assure you, Mr. Speaker, that whatever the expense was to set up a presence in Japan would be returned tenfold or a hundredfold or a thousandfold in very short order.

One simply has to pay a visit there, a short visit as I did, to understand their economy and exactly why they become so important and such a major player in the economic development of the entire world. I read recently where a trading company in Japan was prepared to buy out the national debt of Brazil. Now if you can imagine, one trading company in Japan trying to salvage the entire national debt of the country of Brazil. Just unbelievable, but that's the kind of wealth that they have.

They have many executives in Japan, Mr. Speaker, that earn big, huge salaries in comparison to what we have here — probably in the area of 2, 3, and \$400,000, many millions of people earning that kind of money. So that as they've established their homes earlier on in life, they're not caught up with the huge expense of buying a home right now, because even with the command of those salaries they certainly couldn't buy a home within a reasonable working distance of their larger cities — certainly not within two or three hours.

But we see the expansion of the Japanese companies into areas of Canada such as Whistler or in Banff, where they indeed take over golf courses and ski areas and the like. And you wonder why they do that. Well I can give you an example of golf courses in Japan where, to join a golf course, the joining fee is \$3 million. And then after the joining fee is paid, it probably costs another 4 or \$500 to play a game of golf.

Well these executives, although they may be able to pay the green fee, certainly can't assimilate that kind of a saving, a \$3 million saving, to be able to go and join the club. As a result, it's simply easier for them to travel abroad, visit Canada, go skiing or play golf, fly there, return home, pay the fees in Canada, and still save money from what it would cost them to do at home. So that's the reason that they're taking over a lot of those resort areas, and that's the understanding.

So part of my mission was to try to convince one of these Japanese companies to invest in the tourism plant in Saskatchewan, because if we could create that kind of interest, if we could indeed convince one of these Japanese companies to . . . and the member from Saskatoon shakes his head, no. Well let me tell you, that possibility is there. And if they came in and made that investment, it would be great indeed, Mr. Speaker, if we could see bus loads of Japanese visitors touring Saskatchewan and visiting us and dropping all those badly needed tourism dollars into our economy. Because they are there and that can happen, or as they visit Banff. It's not much of a trip to go from Banff even by bus into the areas of Saskatchewan that they would like to see, or indeed into northern Saskatchewan.

But these huge trading companies that operate within Japan, Mr. Speaker, are interested in huge megabuck projects, is about the best way to describe it. There are smaller companies now that are enjoying joint ventures

to some degree of success.

I know that some of the people that accompanied me, some of the private sector people that accompanied me on that mission, did very, very well with some of the smaller trading companies as far as it related to their products here in Saskatchewan vis-a-vis shipping them to Japan.

But government assistance is absolutely necessary, in my mind, if the business community in Saskatchewan would like to do business in Japan. We as government must open the doors. We must encourage these huge trading companies to come in to joint venture with our people and to increase our manufacturing sector or to increase our tourism plant or whatever investment we could get so that we could encourage both the influx of dollars coming in as well as the visitors that would come.

Very briefly, Mr. Speaker, I'll touch on Korea, which was my final country. And again, Saskatchewan has no presence. And all of these trips, Mr. Speaker, are just simply to point out why trade offices around the world are absolutely mandatory by this province if we want to see our economy grow, if we want to see Saskatchewan's economy prosper, if we want to see our country diversify so that Saskatchewan can indeed offer a good quality of life to the young people of our province — and if I can be permitted to be selfish for a moment, to give a good quality of life to my grandchildren that are very rapidly starting to come of age in this great world and in this strong province of ours.

But Korea, again no presence by Saskatchewan. A huge population, a major importer of Saskatchewan uranium, and they know about our uranium, they know about our potash. In Korea, Mr. Speaker, they are obligated to put another nine nuclear energy plants into that country. They have no way of supplying their tens of millions of people with electrical power other than nuclear reactors.

And I asked them if they had a problem with that, with promoting nuclear reactors to their people. They said, well it's very simple. When the people have to do without electricity, they recognize very quickly the importance of nuclear reactors, because it's either that or no electrical energy.

None the less, I was very happy to learn that of the new nuclear reactors, three of them were going to be Canadian Candus, and that was good news to us. And the president of the Korean electrical company that I met with, were entertaining the signature of a long-term uranium supply contract to feed these reactors, and again the importance of uranium to our Saskatchewan economy.

But basically in Korea, many, many government restrictions. To some degree the Government of Korea reminded me of the old NDP — very protectionist for their own economy, making it very difficult for the ordinary business person to go in and do business, because they have some strange notion of how all this would work.

For instance, on our mission were representatives of

Prairie Malt. Now Korea is very protective of their barley industry, and as a result will not allow the importation of barley into Korea. And it's unfortunate because they can't raise enough barley for their dairy herds and beef herds, but let alone have a good malt for their beer, and beer is a big industry there, and they have a private company and of course they have a Crown company as well.

But in any event they will not consider, at least they haven't, but perhaps now after my visit they are giving it some consideration, that malt, malting barley, will be considered a finished product and will be allowed to be imported into the country of Korea. And hopefully the federal government will be able to open that one door and, without affecting Korea's intention of keeping out barley, still allow Saskatchewan malt to be imported into that country. That would certainly be great news to that private sector plant that we have in operation here in Saskatchewan now.

But again we had some private sector business people with us to Korea, trying to crack that market. We were able to help them to some degree, but again the presence of government, the presence of a Saskatchewan office, if you want to do business in Korea, is absolutely mandatory.

Now the member from Moose Jaw North, he doesn't want to hear any of this. But in any event, Mr. Speaker, it is absolutely mandatory for our government, if we want to succeed in trade and trade practices right around the world, we have to increase the presence of Saskatchewan or we will be lost in the dust.

The other governments of Saskatchewan, the other province of Saskatchewan, have a good presence in all four countries, while we only have one small office in Hong Kong. And we're just going to have to simply do something about it, and I'd like to see the members opposite come to some conclusion that perhaps that would be a good idea.

Continuing, Mr. Speaker, I would like to take this opportunity now to share with you, as well as to inform my constituents of Regina South, by making a few remarks concerning my new portfolio of Consumer and Commercial Affairs. Obviously I just spoke for a moment on trade.

I can tell you, Mr. Speaker, that consumers and major consumer associations, many various special interest groups, do not share the view of the NDP that my role is that of a part-time minister. Now as a matter of fact those interest groups are extremely disappointed with the attitude of the members opposite in the way that those members opposite diminish the importance of the roles of those interest groups and the roles that those interest groups play in this province as they will help this government mould the future direction of Saskatchewan.

Consumers association, very, very important association, not only in Saskatchewan but throughout our country. And they shouldn't be knocked in any way, shape, or form. Also the financial institutions and the like. They don't see the role of Consumer and Commercial Affairs at all as being a part-time role. It plays a vital role in ensuring

integrity, fairness, and balance in the Saskatchewan market-place, a fair and equitable market-place where buyers and sellers can exchange goods and services with confidence, and that is a corner-stone of a stable economy.

Mr. Speaker, our government is committed to economic expansion and diversification, as the Speech from the Throne outlined. Saskatchewan Consumer and Commercial Affairs' goal is to ensure that a level playing field exists for both consumers and business, and it's demonstrated through a range of innovative and effective initiatives and programs.

I guess, firstly, consumer protection. And in that area Saskatchewan enjoys an enviable reputation as a leader in the area of consumer protection. And it's accomplished through a balance of effective legislation and education programs as well as through a very important process not familiar with the members opposite. We call it consultation.

We emphasize education and prevention as a priority, recognizing the need for some protective legislation. We strive for better and not for more legislation. But yet some examples of our legislative leadership are The Consumer Products Warranties Act. Now, Mr. Speaker, that was first pioneered in Saskatchewan and was the first piece of legislation of this type in North America. It has been adopted now by four other provinces. The Direct Sellers Act was the first of its type in Canada, licensing door to door sellers. Three years ago our government amended this legislation to provide even greater protection to many vulnerable consumers and unfortunately including some of our seniors. And we did that by extending the Act to include telephone solicitations and to provide a 10-day cooling-off period.

We've become involved in consumer economic living skills education. And again Saskatchewan is the recognized leader in consumer education in Canada.

Consumer economic living skills education provides Saskatchewan residents with the knowledge and skills that they require to function effectively in our highly complex and changing market-place, and I spoke of that earlier. All Saskatchewan citizens can benefit from effective economic living skills to manage personal finances, to analyse market-place alternatives, to solve problems, and to interact competently — all very important sections of quality of life.

The department has developed and delivers across the province programs in education and self-help resources to meet the needs of the general public as well as special target groups, such as low income and low literacy Saskatchewan residents, seniors and young people in school who need this kind of help and information and who want that kind of help and information.

(1630)

Now I know that my constituents of Regina South will be very pleased to hear what this department does to some degree, Mr. Speaker, and I will try to . . . I have tied in

some of the remarks from the Speech from the Throne and now I will tie in these. Because I would like my constituents to note that the high calibre of the department's education and information print materials now enjoys national recognition and demand. And we are currently in discussions with education publishing companies to publish our materials for international sale. And I'm sure people of Regina South would like to hear that. This will of course generate some revenue for our government and will permit us to provide more of these excellent education print materials to the people of our province, to the people of Saskatchewan, at no cost to them.

I would like to mention just a few of the exciting education programs and initiatives that we are currently involved in. Economic living skills for high school students, and it's my intention to visit the high schools in Regina South and talk about this one, Mr. Speaker. And I think that the young men and women in the high schools will really be interested in this little program.

And we're doing it in co-operation with five other provinces in Canada. And our department, my department, is co-ordinating the design of an activity-based curriculum supplement for students in grades 10, 11 and 12. And this resource is being designed to be used as a supplement to the existing curriculum in our Saskatchewan high schools. It will provide those young people with an introduction and orientation to the economic realities and the possibilities of our society, as well as provide a base of practical knowledge and skills to manage money effectively and to solve problems in the market-place.

And I know that those young people, as they wait for their summer vacation and to earn their badly needed spending money and the like, will be interested in this kind of a topic. Because as they earn those dollars, they'll want to learn how they should handle and manage their money. They'll want to, perhaps, put some away for their future and their universities or whatever their future may hold, or indeed to just be able to spend it properly and be able to budget properly.

Another one we call market-place living skills education, and that's designed for low income people. And we're currently designing a collection of new educational tools for people on social assistance in our province.

We've heard a lot about that recently, Mr. Speaker. And again, in consultation with self-help agencies, community groups and Saskatchewan Social Services, we will be delivering educational programs and resources to welfare recipients that will assist them in managing their resources effectively and in helping them with their problem solving of the market-place.

Now, that's a very big problem for them. You might not think that that's such a big problem, but if you've never been exposed to that, it's a major problem for them to learn how to buy, where to shop, how to spend, how to budget.

And you take it very lightly; you believe that that's not necessary. Well, unfortunately I believe that it is, and

you'd be well-advised to talk to some of those welfare recipients that need that kind of help. And don't sit there in your seat and criticize, because it is a good program and they're waiting for it and we'll deliver it to them.

Another one, Mr. Speaker, and the member from Saskatoon University in his Speech from the Throne, as I listened to what he had to say, expressed some concern about this particular item that I will speak on now.

But along with expressing his concern, Mr. Speaker, he coupled his concern with a demand from my department. Well obviously he, as many others of the members opposite, has not again, they have not done their homework and they're not aware of what we are already doing, because here this member from the Saskatoon University is asking for something that's already in place. And I'm sure that if he pays attention to what I am about to tell him on this item, he'll be delighted to hear what we're doing.

But we call it choose to conserve. And the consumer in the environment in co-operation with Saskatchewan Environment and other departments, we have just finished the design of a fine new self-help education tool for individuals, families, and school use which has been developed specifically to provide practical ideas to all of us as consumers as to what we can do to protect our environment.

Now this education tool, Mr. Speaker, will enable consumers to make wise decisions about their life-styles, and that will have an impact on our environment. For example, and this is what the member referred to and he should know it, packaging of products is a federal government responsibility. While it is that federal government responsibility, Mr. Speaker, we can assist consumers in choosing those products that are least damaging or are environmental friendly to our province.

Another item, Mr. Speaker, is the senior in the market-place. And the seniors continues to be of particular concern to us as they tend to be more vulnerable in the market-place. And I know that in Regina South I indeed have many, many seniors that I enjoy visiting with, and I will be speaking to them and they will be awfully interested in what I have to say now.

In the upcoming year, my department will be providing increased focus to the delivery of special education programs for seniors, touching on such topics as money management and investment — very important to them as they're growing older — important information on wills and estates, purchasing special aids such as hearing aids and the like. And that will be coming along over the next year, Mr. Speaker.

And finally, the other initiative which we have undertaken that is contributing significantly to the stability of our economy is the introduction of industry self-administration. Now, Mr. Speaker, I am proud to let you know that under our government, Saskatchewan has pioneered this concept in Canada and in North America.

And like most ideas, the self-administration idea is basically a simple one, something that the NDP never

cherished very much. And I hope that they pay attention, because self-administration gives an industry responsibility for its own general administration, including such things as licensing and fee collection, education, establishing and maintaining professional standards, and overseeing consumer protection compensation funds and the like.

It gives them their own self-administration in those areas. And this is operating very successfully in three industries in our province today, Mr. Speaker: the insurance industry, which comprises of general, hail, and life insurance companies; the real estate industry; and the funeral services industry.

And by the establishment of industry commissions and councils, our government has given back into the hands of those industries, into the hands of the people who know most about their businesses, the responsibility for the administration of their day-to-day affairs.

Now through the Superintendent of Insurance the government does however retain final authority, under legislation, so that consumer protection is enhanced, and yet in no way has consumer protection been compromised.

And that's been quite a change from the old system that was in operation under the former NDP government, Mr. Speaker, which was basically direct government control and direct government intervention. But the people in those industries concerned were indeed asking for those changes.

Through the consultation process, which is normal to this side of the House, we listened to them. And as a government, we then introduced amendments in recent years in The Saskatchewan Insurance Act and in The Real Estate Brokers Act to facilitate self-administration of those two industries. It's a program and a policy that we hope to extend because we believe that there could be several other areas that could do the same thing, because in a moment I will tell you why it's good news for the province.

Recently I had the pleasure of attending a meeting of the new insurance councils of Saskatchewan. It was a meeting that took stock of the new system of self-administration of the insurance industry that has taken place in the past four years. It all began back in 1986 and our government, working with the insurance industry, brought in amendments to The Saskatchewan Insurance Act. With these amendments, the new system of self-administration of the insurance industry was born.

Under the new program, the insurance industry assumed responsibility for all licensing, for all fee collection, and ensured that educational qualifications and standards were met. Our government, through the Superintendent of Insurance, retained final authority under the Act, as I mentioned a few moments ago, and any discretionary powers that may be needed. That was so that there would not be a compromise for the consumer.

There was a clear need for a new system of administration. The rapidly changing market-place was



not being properly supervised by the old system, which was basically direct government intervention, direct government control. As I mentioned at the beginning of my speech, Mr. Speaker, just simply more large government.

The old system could not reflect these changes, could not adapt to the new realities. And as I mentioned earlier as well, we are now living in a global village. This whole world of ours is just compressed into neighbourliness, and the old system just couldn't keep up to the changes, to the demands, to the expectations that the new world, this new global village, is living with. So the people who know the most about the insurance business were at best only indirectly involved in the day-to-day administration of the laws governing their affairs.

The industry was therefore calling for change, and at the same time there could be, as I mentioned, no compromise in consumer protection. Nobody can afford to erode consumer confidence in the insurance industry and the market-place and still survive. Technology and the global market-place dictated that the Saskatchewan insurance industry and the laws governing it change, or face the prospect of being unable to compete effectively in an intensely competitive market-place.

The world of financial services is changing enormously. There has been a lot of hard work put in to make this very simple idea the success story that it has become, and yet so often in our history we have discovered that these simple ideas turn out to be extremely successful if handled properly, if handled carefully, and if dealt with in an honest fashion. So as I mentioned, there has been an extreme amount of hard work put in to make that very simple idea of self-administration the success story that it has become.

Consumer protection has been enhanced by improved education and by standards in the industry. Public confidence has increased. On the other side, taxpayers no longer have to foot the bill. And that's where I said, Mr. Speaker, the good news of self-administration comes in. Because with self-administered plans such as that, taxpayers no longer have to foot the bill for the day-to-day supervision of industry professionals, and why should they? Why wasn't it something that the prior administration couldn't have thought of a decade ago — just a sound, simple idea like that?

That new system of self-administration came out of the industry, out of consultative process between the industry and this government, something that the members are not familiar with — the industry and government working together, sharing ideas, sharing concerns, in the finest of Saskatchewan traditions.

The new system of insurance councils is an outstanding success. It's truly unique and it is a successful program of self-administration done in that Saskatchewan way. It's such a success that it is now being studied and copied, Mr. Speaker, by not only other provinces across our country, but indeed by some states south of the border. I should tell you that there are three insurance councils in all — the general insurance council, the hail insurance council, and the life insurance council.

(1645)

And with the kind of public savings generated by the new insurance councils, our Department of Consumer and Commercial Affairs has been able to assume now, new responsibility.

Now there's the member from Regina North West. Now, Mr. Speaker, I'm explaining to him exactly how our government is compressing and saving dollars, saving taxpayers' dollars for the taxpayers of our province, because it's with this self-administration that we're saving the money that our department can now assume new responsibilities at no cost to the taxpayers.

Now the NDP, Mr. Speaker, they don't care about that. They'd rather expand the government. Now they can sit there and listen to me speak because if it's not me, they're going to be listening to somebody else. My constituents of Regina South are extremely interested, Mr. Speaker, in hearing exactly what I'm going to be doing with my department and how I'm going to be saving them taxpayers' dollars.

So that with the kind of public savings generated by the new insurance councils, our department has been able to assume new responsibilities without asking the Minister of Finance for additional funding.

**The Speaker:** — Order, order. The hon. member had already had an opportunity to speak in this debate, and if he had more to say, I suppose he should have said it at that time. I would ask him now to allow the member for Regina South to continue.

**Hon. Mr. Klein:** — Now I know that that information, Mr. Speaker, is welcome news indeed, not only to the taxpayers of Regina South, but to the taxpayers of the entire province. And in the past few years, we have enjoyed similar success in the self-administration of other industries in our province — in the real estate industry, for example.

And you know, Mr. Speaker, I was in the real estate industry for about 10 years and I worked my way through the presidency of the Regina real estate association, and later I served on the board of directors of the Saskatchewan real estate board and the like. And my background in the real estate industry is quite extensive. And it seemed so simple.

I was in the real estate business during the term of the NDP when they were in office. Now we approached them with this kind of a situation but they wouldn't hear of it. We offered that we could, so to speak, police our own system. We could educate our own brokers. We could handle the licensing. We could save the government of the day an awful lot of money. We wouldn't need this many civil servants. We could do all of that. That was the voice of experience talking but they wouldn't listen to us. Why would they?

But when our government came along, after 1982, we indeed listened to that industry. We indeed gave the real estate industry the self-administration that they were

looking for, and again, without compromising consumer protection. Because that entire industry services the people of our province and services them very well in perhaps what the majority of their consumers will do is make the largest investment of their history and that is the investment of their own home.

So, Mr. Speaker, it's these kinds of things . . .

**The Speaker:** — Order. I'm going to ask the hon. member for Regina North West to please refrain from interrupting the hon. member from Regina South. It is not courteous and I'm sure he is well aware of that.

**Hon. Mr. Klein:** — So those initiatives, Mr. Speaker, have realized savings for the department that I presently am in charge of, Consumer and Commercial Affairs, and permitted the department to assume those new responsibilities without the necessity of acquiring additional funding.

My government, Mr. Speaker, is deeply committed to the security and the stabilization of all of our communities. We have been and we will continue to build partnerships with the Saskatchewan people and their communities. And our department demonstrates that commitment in a number of ways.

And I have told my constituents in Regina South a little bit about how we affected them as an individual. And now I will go on and describe just a few broader programs in detail in the hopes that they can use those as well, Mr. Speaker, because this is vital as we go and consult with the people throughout the province in determining with them exactly what the consensus building will be.

And I'll describe first the consumer education community program. In 1984, Mr. Speaker, with the establishment of the consumer education community program, Saskatchewan led the way in innovative extension programming by calling on and training volunteers from the public in communities across the province to deliver those education programs.

Now throughout my career as I have moved through various portfolios, Mr. Speaker, I very quickly learned to work with and respect volunteers in any area, in any post that I've held. Volunteers always held a significant amount of work and advice and enthusiasm that they did freely because of their interest in whatever particular field they were in. Saskatchewan has more volunteers per person in terms of population than any province in our country.

And that's another reason, Mr. Speaker, why our government is so popular with these volunteers, because they know that so long as we are here, they've got a chance of being heard. They've got a chance of working with the government and being responded to, and the like. So that in area after area after area in our various agencies and in our various departments of government you can see how volunteerism comes to the fore. So we work with these volunteers in delivering these consumer education programs.

Now in addition to permitting the department to reach

more people with education programs, our volunteers — and at the moment, Mr. Speaker, we have 75 — they also serve as emissaries from the government to a range of special interest groups. And as well, they provide insight and input and ideas and recommendations regarding their priorities and other priorities, regarding direction that the government should take, needs in education and information programming for all of the province. And that's exactly what we're talking about when we talk about Consensus Saskatchewan, and that is, working with these people and responding and responding to their needs and taking their advice.

Now to administer this particular program, Mr. Speaker, the department developed a comprehensive and innovative volunteer management program, including a policy and a procedures manual on the use of volunteers in the public service. And that's been very highly used and very highly acclaimed.

In the past year, Mr. Speaker, our volunteers have permitted us to deliver close to 300 programs to more than 5,000 Saskatchewan residents. Now they might think that 5,000 Saskatchewan residents is not significant; 5,000 Saskatchewan residents are a significant number.

**An Hon. Member:** — Is that how many left this month, Jack?

**Hon. Mr. Klein:** — No. But when we are working with 300 volunteers, to talk to 5,000 Saskatchewan residents, you have to admit that that's a pretty good batting average.

And these programs range from various important things, Mr. Speaker, programs ranging from money management and budgeting sessions, for pre-marriage courses, right through to food buying. Courses for low income residents, financial planning and investment courses for middle income residents. All of these things, very, very important educational process to the consuming public of our province.

Because as our province grows and diversifies and our economy expands and their quality of life and their life-styles continue to improve, they will require this information, Mr. Speaker. Proper investments, proper financial planning, how to shop, will be very, very important, not only for them but for their children as well. And that's why, as I mentioned earlier, I'm anxious to get into the school system to talk to those young people about their futures.

A second thing that we do — and I know that there's going to be an awful lot of people in Regina South interested in this, Mr. Speaker — and that is industry co-operation and community consultation. That's going to be a key one for all of us in this province. And it has the objective of establishing and enhancing co-operation and working relations with industry and communities. And as a lot of our economic diversification and economic plans unfold and we want to work with communities, it will become extremely important to work with the communities and to work with the industries to ensure that all of that combines into a good, solid, effective way of working.

And we take a proactive stance, and that includes the identification of co-operative ventures. Now members opposite might be surprised to hear that, but co-operative ventures we have no problem with. We worked with the Co-op refinery in establishing the upgrader. We don't have a problem with co-operatives, and that's going to be very important is the identification of co-operative ventures.

Cost-shared initiatives. That will be extremely important, where community and industry, Mr. Speaker, can work together on cost sharing of certain initiatives; the inclusion of appropriate industry or community groups right at the conception stage, so that when ideas come together there will be no surprises. Everybody will be aware of what each other is doing. They'll be able to work together; they'll be able to accomplish things; they'll be able to do a lot of economic diversification and economic development in these communities if we get together at the conception stage in the development of the new programs and the new resources.

And the training of industry and community volunteers to deliver the education programs that I spoke of earlier — extremely important to work with these volunteers in the consultative process and to listen to them. And this is in addition, this is in addition, Mr. Speaker, to the industry's self-administration councils and commissions that I have already spoken of.

Now the member from Moose Jaw North, again chatting from his seat, doesn't care to listen. I have a very important message to carry to my constituents, something that I was hoping that they would pay some attention to, particularly as it relates to the observations that they've made regarding my new portfolio.

Now when I get up and I try to tell the people of Saskatchewan and my constituents about the work that this department is doing, they seem to have no interest in hearing it; begs the question why, Mr. Speaker, but in any event, I will continue.

The work that Saskatchewan Consumer and Commercial Affairs does has been summarized in the new mission statement, which is to build consumer and business integrity and confidence. So the work that we do with and for consumers — and I'm speaking here of our education programs as well as our investigation and mediation role in helping them solve market-place problems, and in the roles that we perform for business such as incorporations, licensing of industry groups, and so on — my department also provides direct assistance to consumers and to businesses in protecting and enhancing their economic well-being.

Mr. Speaker, each year we are in contact with every business in Saskatchewan, and I can tell you that that pleases me to no end, because each and every business in this province, I will have the opportunity of being in contact with.

We have close to a half a million contacts for the distribution of our education resources, courses, and the handling of consumer complaints with the people of Saskatchewan. The demand for our services and for our

programs continues to grow, Mr. Speaker, and I think that we can expect that this will continue to be the case as the Saskatchewan market-place and our Canadian society . . .

Mr. Speaker, as I was mentioning, with me being able to be in contact with each and every business in this province pleases me to no end.

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

**The Speaker:** — It being 5 o'clock, the House stands recessed until 7 p.m.

The Assembly recessed until 7 p.m.