

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Pringle: — Thank you very much, Mr. Speaker. Mr. Speaker, you will recall that two weeks ago, in the presence of some business people from Saskatoon Eastview, I had the honour and the privilege of presenting some 2,400 names of petitions of residents. Today, Mr. Speaker, I would like to present another 4,237 names of residents of Saskatoon Eastview and area, representing some 6,637 residents, business people, seniors, and other residents opposing the relocation of the liquor store in Market Mall to the inconvenient spot on 8th Street, opposing a loss of a service and opposing the concern about hardship to the businesses in the area, Mr. Speaker.

These 6,637 names were gathered in three weeks, Mr. Speaker, and I would say that that represents a very strong voice of consensus. There are more names to follow, Mr. Speaker. We will continue to present names in the legislature until this situation is satisfactorily resolved.

The Speaker: — Order, order. The hon. member, I wish only to bring this to his attention that in presenting petitions to keep your remarks extremely brief, speaking directly to the petition, and not raising any issues which may be construed as debate.

Mr. Pringle: — Thank you, Mr. Speaker. I appreciate your ruling and I would just like to say then that these 6,637 petitioners — 6,637 petitioners — would like the government to reverse its decision to move the liquor store. Thank you very much.

Some Hon. Members: Hear, hear!

INTRODUCTION OF GUESTS

Hon. Mr. Devine: — Thank you, Mr. Speaker. I just wanted to take the opportunity to introduce a young fellow in the Speaker's gallery who had the opportunity to help me in some of the lobbying in Geneva and in Brussels with respect to the agricultural trade.

His name is Hugh Treimans and he's been vice-president of the canola growers association of Saskatchewan. He joined me along with members of the wheat pool, the hog board, and the wheat growers association in our deliberations in Geneva and in Brussels, and I just welcome him to the legislature today.

Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to members of the Legislative Assembly, a group of Saskatchewan residents who are concerned about the federal government's moves to privatize and close their post offices.

These guests are from areas like Indian Head, Shellbrook, Woodrow, Gravelbourg, Glentworth, Silton, Lafleche,

Wood Mountain, and Wilkie and others. And I would ask all members to welcome them to the legislature today.

Hon. Members: Hear, hear!

Hon. Mr. Lane: — Thank you, Mr. Speaker. It's my pleasure to introduce through you to the Assembly, some 51 grade 4 students from White City School. White City, of course the school is quite famous in the province. It has one of the most imaginative programs dealing with the Pacific Rim. The awareness of the students at White City has been greatly enhanced by that particular program. And as I say, the school has become certainly quite well-known throughout the province because of that program and the imagination shown with it.

It's with a great deal of pleasure that I welcome them. They are accompanied by teachers Cleone Nurse-Phillips, Marg Cross, Mrs. Soeder; chaperons, Mrs. Tetreault and Mrs. Sanderson.

Mr. Speaker, I will try and meet with these students after question period, certainly for pictures. I look forward to enjoying a visit with them, Mr. Speaker, and I ask all hon. members to join with me in welcoming the students from White City School.

Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker. I would like to on behalf of my seat mate, the hon. member from Pelly, to introduce to you and through you to the other members of the Assembly, a group from Assiniboia School in Kamsack. They are from grades 4 and 5; they number 34; they're in the east gallery, Mr. Speaker. I expect to meet with them for a few minutes for drinks and maybe some questions, and pictures. They are accompanied, Mr. Speaker, by their teacher, Mr. Kondratoff and Mr. Reilkoff.

And I would ask all the members to help me welcome this group and wish them a safe journey home.

Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Speaker. It gives me a great deal of pleasure, Mr. Speaker, to introduce through you and to the members of the House, some 28 grade 6 students from Watson Elementary School. They are accompanied by their teacher, Bernice Gerspacher; chaperons, Greg Empey and Lorraine Hleck. I'll be meeting with the students following the question period for pictures and drinks and questions.

I ask all members to join with me to give a warm welcome to the students from Watson Elementary School.

Hon. Members: Hear, hear!

Mr. Hopfner: — Thank you, Mr. Speaker. It's with pleasure that I can introduce through you and to all members of this legislature, some guests from Neilburg, Saskatchewan in my riding. They're from the Wheatland Christian School. There's six students from grade 2 to 7 and seven pre-schoolers. They're accompanied by their

teacher, Byron Loewen, and chaperons, Rawlyn Thiessen, Danny Toews, and Don Toews.

I'd ask all members to proudly accept my guests from Neilburg, Saskatchewan.

Hon. Members: Hear, hear!

Hon. Mr. Tusa: — I too have an introduction to make to my colleagues this afternoon. I wish to introduce to the Assembly a former member of the Manitoba legislature. He is Mr. Ken Dillen who was the member for Thompson, Manitoba during the Manitoba government of 1973 to 1977. I understand he now resides in Saskatoon. He's in the Speaker's gallery.

Please welcome him to our legislature.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Closure of Rural Post Offices

Mr. Koskie: — Thank you, Mr. Speaker. I have a question I'd like to direct to the Premier. And, Mr. Premier, it was just two years ago when your side of the House joined with us in an all-party motion condemning the federal government for its policy of privatization in the closing of rural post offices across Saskatchewan.

The effect that you have had in respect to the lobbying, Mr. Premier, lobbying your federal cousins, is made clear by the fact that more and more post offices are being closed. And today we have over 50 people that have come from throughout the province, protesting against the continuation of the closure and the privatization of rural hospitals.

My question to you, Mr. Premier, is this. Were you indeed serious in your government's condemnation of the post office closures, or were you simply paying lip service to that idea and really doing what you do best, is to roll over and play dead for Brian Mulroney government?

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Thank you, Mr. Speaker. This afternoon from 1 o'clock till I just came in the House here, I had the opportunity to meet with approximately 15 of the representatives of the post offices from around Saskatchewan. We discussed different ways that we could in fact be helpful in maintaining the federal presence of post offices in rural Saskatchewan.

I have offered to go with them to look at the postal service, the franchised postal service, to see what it means to their community and how it works. I have also, Mr. Speaker, I have also written many letters to the federal minister and to Canada Post. I've had the opportunity over the last few years to meet three or four times with Canada Post officials. In fact we talked to Canada Post officials within the last week about closures of post offices.

We have done what I believe the best that we can to maintain the federal presence of post offices in rural

Saskatchewan, to maintain the base for community development out there. I believe is needed three things: one is the schools, one is the elevator systems, and one is the postal system.

I believe, Mr. Speaker, that we will do everything we can and have done everything we can to maintain that. I've offered to work with them to make that a better way.

Some Hon. Members: Hear, hear!

Mr. Koskie: — New question to the Minister of Rural Development. Mr. Minister, I'd hate to see what would happen if you weren't trying because we see what is happening when you're trying.

I want to ask you, Mr. Minister, are you aware that in Saskatchewan has already lost over 50 rural post offices as a result of Brian Mulroney's privatization and closure of rural hospitals? That's the most in any province in Canada. And a further 60 are slated for closure.

I ask you, Mr. Minister, how in the world do you expect the people of Saskatchewan to believe that you are fighting to save post offices in the light of those statistics and what's happening today?

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Well, Mr. Speaker, certainly rural post offices have closed over the years in Saskatchewan. I've lived out in a small community called Etomami where the post office closed many years ago. The small towns around Hudson Bay back in the '70s, the postal service left them, and some of those, as I told the people this afternoon, that some of those have closed.

It's due to several things. Some is due to the distance we travel, the roads that we have now that we didn't have then, the different services that are required, and we go to those centres for our services.

At the same time, I sincerely believe that we must maintain the federal postal presence in rural Saskatchewan if we're going to maintain the community base there to develop the things that we've been working on, like the rural development corporations that we're setting up to develop communities, like the rural service centres we're setting up to make those the centre that brings in to that kind of development. That is part of . . . an integral part that's needed to make rural Saskatchewan a better place to be.

Some Hon. Members: Hear, hear!

Mr. Koskie: — A new question, Mr. Speaker, to the minister. Mr. Minister, while you diddle there'll be no rural communities left to have any services if you allow this erosion of services to be withdrawn from rural Saskatchewan.

Mr. Minister, this privatization mania of the federal government, it can't be justified on economic terms when you consider that it's going to close out the Yorkton hospital, which makes a profit, and privatize it.

An Hon. Member: — Post office.

Mr. Koskie: — Post office. Nor does it make any sense, Mr. Minister, does it make any sense in respect to services, because people under privatization of postal services have to travel as far as 90 kilometres to pick up their mail. It doesn't make sense economically; it doesn't make sense in so far as providing better services. I say to you, Mr. Minister, it can only be justified on the ideology of your counterparts in Ottawa, that is, privatization.

I ask you, Mr. Minister, the people of Saskatchewan have spoken clearly. They've indicated they want a stop to the closure of postal services in rural Saskatchewan, and I ask you to reject the ideology of your counterparts in Ottawa and stand up for the people and the wishes of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Well, Mr. Speaker, first of all we don't close hospitals; we build hospitals in rural Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — The second part is that we don't close nursing homes; we build nursing homes in rural Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — The third part, Mr. Speaker, is that I wrote a letter to the Hon. Harvie Andre, May 14, to the minister in charge of Canada Post. And I wrote the letter, and I read it to the . . . I give a copy of it to the folks that were in talking with me from this afternoon. I'm just going to read a bit to what I said in it. I think maybe that would explain the position that we have taken in regards to the federal postal service:

The postal service has always been viewed as one of the few benefits our rural residents receive for their federal tax contributions. Urban dwellers have long enjoyed door-to-door deliveries, access to mail collecting programs, and retail outlets from which stamps and money orders could be purchased . . . (inaudible) . . .

And I could go on to say, but I'll just end by — there was more to it than that — but I end by saying:

I strongly urge you to reconsider both the process, and the entire initiative towards conversion of the post offices to postal outlets.

I believe it is in the best interests of rural residents to maintain the federal presence in rural Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. Mr. Speaker my question is to the Premier. Mr. Premier, perhaps the problem is that you refuse to speak and that minister isn't listened to in Ottawa.

And my question is this: your federal counterparts in the commons committee studying the privatization of the post offices use their majority to push through the Conservative position that privatization of post offices should continue. Can you tell this House, Mr. Premier, whether or not your government has done a study as to how many more post offices we stand to lose if this privatization mania continues, and what the impact will be on rural communities? Can you answer that, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Mr. Speaker, as I said earlier in the first questions, that I met with Canada Post three or four times in the last couple of years, as well as talking to them many times. We have a list, as the opposition has, they sent it to me, a list of the post offices that were proposed to be closed. It was sent to me in the estimates by the member from . . . yes I did have a copy in my office; I didn't have it here.

I want also to go on to say that, as I said a moment ago, I sent a letter to Mr. Harvie Andre just recently stating a very strong position taken by this government in regards to the federal presence of post offices in rural Saskatchewan. I believe, with the help of these people who are here and other people in rural Saskatchewan, we cannot only maintain our federal postal service, but we can build a stronger and better rural Saskatchewan, which would make it better for our young people for today and for tomorrow.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you. Mr. Speaker, I have another question and I'll address it again to the Premier. Mr. Premier, the Prime Minister of New Zealand told the House of Commons in Ottawa, that if the post office was privatized it would mean an increase of 50 per cent in postal costs in rural communities, an 80 per cent decline in the number of post offices, a 38 per cent decline in the number of employees, and the reduction or withdrawal of rural delivery services.

Moreover, Mr. Premier, in 1989 the U.S. Postmaster General said the U.S. Postal Service should be a public service and not a service for profit. The chairman of the British post office echoed similar comments. And my question is this: why do you continue to back the erosion of this important service?

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Well, Mr. Speaker, I think I've made it very clear and I made it clear to the people who met with me this afternoon that we support the federal presence of post offices in rural Saskatchewan.

We also have supported much more than that, Mr. Speaker. We support the building and redeveloping of our communities which is as important as you will ever find out there. If we want to maintain young people in rural Saskatchewan, we not only need our federal post offices, we need the schools and we need the hospitals and we need the nursing homes and we need our elevator

systems and we need economic development and diversification which is industry for our small communities.

And while I'm speaking on that, Mr. Speaker, at the same time I just want to say that in the last three to four months we have announced 40 new small industries for rural Saskatchewan, help for them to assist that. That builds rural Saskatchewan; that maintains our postal service.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. My question is again to the Premier and I want to say, Mr. Premier, what you support is PC privatization and not the people who come here to ask you to help save their rural post offices. That's why you won't stand on your feet and defend them.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Premier, at the end of question period today we intend to ask leave of this Assembly to debate a motion that may save rural post offices. And you will know that that requires unanimous support, and I'm asking you if you will instruct every one of your members on that side of the House to give its consent and support the action. I want to know will you stand with the people of Saskatchewan on this issue, or will you stand with the PCs in Ottawa and your agenda for privatization? Will you stand with the people of Saskatchewan, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Mr. Speaker, we have discussed this many times in estimates; we've discussed it many times in question period. More important, Mr. Speaker, we talked with the people who are really out there in rural Saskatchewan. The folks that were in here today, the other folks that are involved in the postal service itself directly, and the people that use it. Those the important thing. And at any time, Mr. Speaker, we would debate the postal service, the importance of it to Saskatchewan, the importance of it to rural Saskatchewan, the importance of it to Canada as a whole.

Some Hon. Members: Hear, hear!

Funding to Alleviate Hunger in Saskatchewan

Mr. Prebble: — Mr. Speaker, my question is for the Minister of Families. Mr. Minister, the hunger crisis worsens in Saskatchewan. I want to give you the example of the Prince Albert food bank and the statistics for March. March of 1986: 817 people using the food bank; March of 1988: 1,243 people using the food bank; March of 1990: 1,631 people using the Prince Albert food bank.

Now, Mr. Minister, in the face of this crisis, a large number of community organizations are trying to feed hungry families in our province and many of them are telling me that they have not yet seen any of your \$740,000 that you've allocated this year to fight hunger.

And my question to you, sir, is this: in the face of this crisis in which 22,000 children are relying on food banks every

year in Saskatchewan, why is it that 60 days after the budget has come down, so many community organizations have still not received any money from your government to fight hunger in this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Mr. Speaker, I've just returned from North Battleford, where they made the announcement with the City of North Battleford to give them \$60,000 for two workers to work the streets of North Battleford, to work with the hungry people, and to work with the young people who are forming gangs in North Battleford. They identified that as their primary concern in North Battleford, so I just return, having made that announcement. I expect to make a similar announcement in Prince Albert in the near future. And we've also been dealing very closely with Saskatoon regarding their CHEP (child hunger and education program) program, and we'll continue to deal with them almost on a day-to-day basis.

The figures that you've been using on the hunger issue are greatly inflated. Everyone knows in this province, everyone knows in this province that there's very difficult times in rural Saskatchewan. I spent the last four or five months talking with groups of people throughout this province. I've talked to school boards, sent letters to all the school boards, sent letters to all the ministers in the province, and talked with a variety of people involved in the feeding programs in the province. They know what has to be done. They have communicated that to me. I've taken that information to cabinet and we're in the process of developing a program that we think will respond to the issue of hunger in the province.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, a new question to the minister. Mr. Minister, your tardiness in getting this money out to community groups is another indication of your lack of commitment to tackling the problem of hunger in the province of Saskatchewan, and that is compounded, Mr. Minister, by the inadequate amount of the money. In fact, half of the \$740,000 is coming from Ottawa, so that means you're only putting \$370,000, Mr. Minister, into the program. You know it's cost shared under the Canada Assistance Plan Act.

Now, Mr. Minister, my question to you is this. In light of the fact that if you look at the city of Regina and you take your \$740,000, and then look at the fact that non-government organizations in the city of Regina alone are serving one and a half million meals a year, will you not acknowledge, Mr. Minister, that that simply represents 50 cents a meal, just for the city of Regina, with no cost for staff or kitchen facilities, Mr. Minister, and nothing for the rest of the province? Isn't this \$740,000 just window-dressing, Mr. Minister, and nothing more in the face of this crisis?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Well as usual your figures are wrong. The \$740,000 are not 50-cent dollars in terms of federal government support. There's no support from the federal government on the \$740,000. That \$740,000 will go

directly into the mouths of the children of this province who are hungry. And I tell you, no one in this province is more committed to solving that problem than I am.

We won't solve it only with food. We have to talk about education. We have to talk about parenting skills. We have to get the community involved in this particular project. This is, after all, and this is not a children's problem, it's a community problem. The more the people of this province understand this problem, the better it will be to solve the problem. We will spend \$740,000 directly into the mouths and the stomachs of the children of this province to feed them. The program is well under way and will be announced in due time.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Supplementary question to the minister, Mr. Speaker. Mr. Minister, you are in effect standing by, doing nothing, while the hunger crisis worsens. That's what you're telling us today. And you know it's obscene, Mr. Minister . . .

Some Hon. Members: Hear, hear!

Mr. Prebble: — It is obscene that a government would pay one man, Mr. Chuck Childers, the equivalent of your entire program to feed hungry children in this province.

Now, Mr. Minister, just three months ago, we saw the community of Carlyle open a food bank for the first time. Just over a year ago, the community of Melfort opened a food bank and they're now feeding 50 families a week. This is a rural crisis as well as an urban crisis, Mr. Minister.

And my question to you is this, sir. When in fact will you stop this band-aid approach to tackling the hunger problem and put in place some real solutions? — a lunch program for children in areas where hunger is a demonstrated problem, a full employment program in this province, and an income supplement for the working poor. When will you do that, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Let's take them one at a time. Now let's, first of all, deal with the hunger issue. Secondly, let's talk about full employment or diversification. Okay? You asked two questions; you're going to get two answers.

Seven hundred and forty thousand dollars have been set up by this cabinet to solve the problem — not to solve the problem — but to respond to the problem of hungry children in this province.

As I said, I've spoken to virtually every school board in the province, written letters to all of them, had meetings in Saskatoon, Regina, Moose Jaw, Prince Albert and Saskatoon, where the issue seems to be more extreme than it is in other areas. We have met with them; we have devised a plan with them, a plan that we think they will accept. As a matter of fact, some of them are very happy with the plan that we will put in place in due time.

Now I mentioned just a few minutes ago and apparently you weren't listening — I was in North Battleford today,

where we gave them \$60,000 for two street workers. These two street workers will do a couple of things. First of all, they will deal with one on one with the young people of North Battleford who are homeless, who are directionless, who are on drugs and alcohol and who are having family problems at home. Secondly, they will be involved in the community to develop the kind of programs, the support that these young people need.

Okay, now the second question. You talked about full-time jobs. You know, when I was growing up in this province, all my friends left this province because there were no jobs here. Because all the NDP did was buy things and not create any jobs. The only way to create jobs is through diversification. That is the direction this government will go. We will build an infrastructure in this province.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Final supplementary, Mr. Speaker. Mr. Minister, we don't disagree with your appointing two street workers to work in North Battleford. What we are saying, Mr. Minister, is that we've had food banks forming in communities like Lloydminster and Lashburn. We've got 2,700 children a month relying on the Saskatoon food bank alone, Mr. Minister.

And in the face of all this, Mr. Minister, you have only allocated \$740,000 to the problem. Why, Mr. Minister, instead, don't you decide that you'll not only put dollars into a school lunch program in this province but that finally you will provide an income supplement to the working poor in this province, that would allow so many working people, who are now living far below the poverty line, to be able to make a decent income in this province when they're working full time, Mr. Minister, when will you commit your government to that?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — There are 3,000 students who are fed in this province every day, 2,000 of them in Regina. Those programs have been going on in this province since 1972. Fortunately all of that money has been coming from the government since 1972, so the government opposite was also involved in the feeding programs — didn't enhance the programs but were involved in the feeding program. Those programs continue.

To a large extent, they are in the community schools in the province, but at the same time, there are those community groups who understand the problem and who are supporting the community schools and other feeding programs. That will continue; that program will be enhanced. That's what we're dealing with now with the community schools and with the school boards and with the community operations.

You talk about real jobs. Every diversification program that has been initiated, that has been introduced by this government, that government has opposed. For instance, community bonds — you've opposed community bonds. The only way to stop the food banks in this province is to give people jobs. I agree with that. I couldn't agree more

with that. Give them jobs, they don't have to go and buy food. They make real money, they go home proud, they've got self-esteem. The only way to do that is somehow or other create jobs. We're doing it through diversification and community bonds.

Funding for St. Peter's College

Mr. Rolfes: — Thank you, Mr. Speaker. Mr. Speaker, I have a question for the Minister of Education. Mr. Minister, this question concerns your government's grievous underfunding for advanced education in Saskatchewan.

I have here, Mr. Minister, a letter from the Reverend Andrew Britz, St. Peter's College, a parochial school in Muenster affiliated with the University of Saskatchewan. The Benedictine order which runs this school is extremely concerned because its government grant on a full-time student basis has fallen from \$1,910 in 1985 to \$1,610 last year and to \$1,521 in this coming year. Mr. Minister, this is less than what they received in 1982-83.

Mr. Minister, since you say that this budget places an emphasis on distance education and regional colleges and junior colleges, can you tell me why St. Peter's College is receiving less today on a full-time student basis than it did in 1982-83?

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Well, Mr. Speaker, as we well know, the member opposite likes to play fast and loose with figures, and I have no reason to believe those figures today any more than I would any other time.

I would point out . . .

The Speaker: — Order, order.

Hon. Mr. Meiklejohn: — Mr. Speaker, we continue to be committed to education in this province, and that's evidenced by the amount of money that we have put into our budget for this current year. We are increasing the amount of money to regional colleges throughout this province so that we can have more accessibility to students in rural Saskatchewan. We are also increasing the amount of money to our universities and to our technical schools. We are committed to all levels of education in this province, Mr. Speaker.

But at the same time we have to be committed to the taxpayers of this province, and the increases that we give for all of our educational institutions have to be in line with the ability of the taxpayers to pay.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Minister, I'm very disappointed that you are saying that the Benedictine monks are dishonest in the figures that they have supplied to you and myself. Mr. Minister, I happen to know the Benedictine monks in Muenster. It was my Alma Mater and I have a great respect for that particular college and the job that they have done.

Mr. Minister, you have lots of money. You say it's a matter of priorities. You have lots of money for the Cargills; you've got lots of money for the Chuck Childers; but you have very precious little money for the parochial schools and for education and schools like St. Peter's College.

Mr. Minister, last week I indicated to you very clearly that you have \$700,000 for Cadillac offices for your executives, but you've got precious little for St. Peter's College. Mr. Minister, they are predicting a hundred thousand dollar loss this year. The Benedictine fathers simply can't afford that.

Will you, Mr. Minister, write to Reverend Father Andrew Britz and guarantee him that you will cover that \$100,000 so that they will not have to contemplate the possibility of shutting down St. Peter's College which has been in this province for 70 years serving the young people of this province? Will you guarantee that?

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Well, Mr. Speaker, I am fully aware of St. Peter's College and the tremendous job and the service that they provide. I visited St. Peter's College on many occasions. I do not question their figures. I haven't seen any figures from St. Peter's College. I question the figures from the member opposite, Mr. Speaker.

And further to the misinformation that he likes to put forward, he again raises the topic of \$700,000 for corporate offices. I pointed out to him, and maybe he needs to go back and take a look at *Hansard*, Mr. Speaker, because it was clearly pointed out that the corporate offices in this province for SIAST (Saskatchewan Institute of Science and Technology) \$60,000 was in fact spent in Regina and about \$200,000 in Saskatoon. Now how that adds up to \$700,000, Mr. Speaker, is beyond me.

The other money that was indicated in that particular figure was what was paid for lease costs. So again he tries to mislead everyone with putting forward these figures. I will be very happy to meet with the people from Muenster and St. Peter's College to take a look at their operation. I have no doubt that they will be there for many, many years to come yet, Mr. Speaker, providing a very valuable service to the young people in that part of the province.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 30 — An Act respecting the Saskatchewan Heritage Foundation

Hon. Mrs. Smith: — Mr. Speaker, with leave, I move first reading of a Bill respecting the Saskatchewan Heritage Foundation.

Motion agreed to and, by leave of the Assembly, the Bill ordered to be read a second time at the next sitting.

MOTIONS UNDER RULE 39

Closure of Rural Post Offices

Mr. Koskie: — Mr. Speaker, before the orders of the day, I want to move, with leave, pursuant to rule 39, a matter of urgent and pressing concern to the citizens of Saskatchewan. That motion reads, Mr. Speaker:

That this Assembly urges the Government of Saskatchewan to end its tacit support for the federal government's deliberate policy of closure and privatization of postal services in rural Saskatchewan.

I so move, with leave, Mr. Speaker.

Leave not granted.

Canadian Constitutional Debate

Hon. Mr. Devine: — Thank you, Mr. Speaker. With leave of the Assembly, I would like to move a motion of national urgency associated with the Canadian constitution and the debate that's going on across the nation as we speak, Mr. Speaker.

Leave not granted.

TABLING OF DOCUMENTS

Mr. Rolfes: — Mr. Speaker, before orders of the day, I'd like to table in this House a letter that was addressed to me from Rev. Andrew Britz of St. Peter's College and a copy of which was sent to Ed Tchorzewski, Eric Upshall, Murray Koskie, and Ray Meiklejohn. This letter was dated May 24, 1980 and I'd like to table this letter in the House.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

MOTION UNDER RULE 16

Diversification of Saskatchewan Economy

Mr. Muller: — Thank you, Mr. Speaker. At the end of my remarks, I'll be moving a motion to be seconded by the member for Moosomin.

Mr. Speaker, in our talks with the people across the province, myself and my colleagues have heard time and again how concerned people are about the stability of their communities. This is especially true in rural areas where most of the towns are completely dependent on agriculture. The problems faced by the farming sector in our province has threatened the very existence of some towns and villages.

The rural way of life is in danger and becoming a way of the past, Mr. Speaker. The erosion of the rural way of life is something that frightens people and it is something that angers people and it is something that I can assure you many people are bound and determined they will stop at all costs.

In fact a whole group of people who are greatly concerned and deeply committed to a strong Saskatchewan are sitting around me on this side of the House right now. All of us have seen the damage that is

being done in our constituencies. Years of drought, low grain prices, and international trade wars have hurt our friends and our families.

The crisis in agriculture has struck very close to home for all of us and has made it very clear that this province can't live by wheat alone. The dramatic effect that the downturn in the agricultural sector has had on the provincial economy has shown us all how very dangerous it is to leave all our eggs in one basket.

The only way that we can solve the economic problems that we face as a province is through the diversification and development of our economy. And we need to diversify on a provincial level, and we need to diversify on a community level.

The government has made the economic development and diversification of Saskatchewan a top priority. And there have been obvious benefits as a result of the economic policies that are in place. Ask the people in Prince Albert whether diversifying is a good thing. Ask the people in Moose Jaw whether diversification is going to work for them. Ask any number of people across this province who are working today, whose communities are strong and full of promise as a result of diversification efforts that have taken place in their towns.

Ask the people out there who have worked with the government. Those people had good ideas that they were able to act on and make good because of the support and encouragement they received from the government.

People all across Saskatchewan have benefitted from the economic policies that have been put in place by this government, and I for one am proud to be part of these efforts that are building the province of Saskatchewan and making it strong.

But like the old saying goes, Mr. Speaker, the chain is only as strong as its weakest link, and right now the weakest link in Saskatchewan's economic chain is our rural area, those towns who have always been so dependent on farming to survive.

(1445)

One of the most innovative economic diversification programs ever put into place, The Community Bonds Act just recently introduced into this House, Mr. Speaker, is geared toward strengthening those links, building an economic base in those communities that isn't entirely founded on agriculture.

Community bonds are an excellent instrument that will allow people in towns and cities all across the province to diversify their economies with their own ideas, their own cash, and with the needs of their communities in mind. As a result of the community bonds, we will be looking at the diversification projects in processing and manufacturing, new developments and growth across the province. And this will take our communities and our province as a whole away from total dependence on agriculture as the only means of survival.

Agriculture will continue to make up the larger part of our

economy into the foreseeable future, but I am sure we all agree that the difficulties heaped on farm families over the past few years have given us cause to reconsider and reason to believe that our future lies in a well-rounded, broadly based economy.

And I'd like to spend a little more time talking about the community bonds, Mr. Speaker, because I'm so excited with the possibilities this program represents for the people of the province. One of the greatest benefits, Mr. Speaker, is the fact that nobody will be going into debt to finance these projects. The projects will be financed the old-fashioned way, with cash. And the investors will have the security of being backed by the provincial government.

One aspect of the whole community bond idea that I find to be very attractive is the fact that all of the effort and all of the energy required to make these projects work will come from the very people who know what makes their towns tick. Those men and women know what will and what won't work in their community. Who could possibly be better than them to develop a viable project and who could possibly have more interest in ensuring that these projects work.

It just makes good sense, Mr. Speaker. Jobs will be created in the community, by the community; friends and neighbours will be working together to provide a future for their town, for themselves as owners of new business. People investing in the future of their own community, working with each other and backed by the provincial government in an effort that will diversify their economies and provide strength and stability in their communities.

I'd like to say, Mr. Speaker, it just makes good sense. We can just look around for instance to some of the major projects that have certainly helped diversify Saskatchewan. We've got the pulp and paper mill in Prince Albert. We've got the new Millar Western pulp mill going into Meadow Lake. We've got the fertilizer plant going to Belle Plaine. We've got the bacon plant in Battleford. There's many, many diversification programs and projects that this government has helped to bring about. The upgrader in Regina is probably one of the greatest things that this government has ever done. The opposition promised for years, they promised every little town — they promised many little towns, in fact every little town — an upgrader but they never did build one.

We built one in conjunction with the co-operatives in Regina. I mean they wouldn't even think of dealing with a co-op. I mean, they could never think of dealing with a co-op. I guess that's even against their philosophy. They had to do it all themselves. They couldn't even deal with people who are involved in a co-operative, to build something that would support jobs and people in Saskatchewan, to upgrade our heavy oil to make gas and diesel fuel for our agricultural projects in this province.

It's just one of many, like my colleague from Rosthern said, it's just one of many projects that this government was committed to in this province. And I've named a number of other ones. We make our own cable in Moose Jaw; we make our own natural gas pipe. Buy Saskatchewan is another positive thing — that Crown

corporations are buying from Saskatchewan manufacturers and supporting our own local economies to help out Saskatchewan.

The member from Athabasca seems to be trying to interrupt me a bit, but he knows himself that diversification is a big thing. And certainly the Millar Western pulp mill in Meadow Lake I'm sure will have some effects for himself and some of his constituents in Athabasca.

And with that, Mr. Speaker, I move:

That this Assembly commend the Government of Saskatchewan for its many innovative economic policies which have provided Saskatchewan people with the resources and instruments needed to maintain the stability of their communities by stimulating growth and diversification of the economy at the local level.

It'll be seconded by the member from Moosomin and I so move.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it's indeed a privilege and an honour to again stand in this Assembly to address the motion that we have presented before us today — a motion, Mr. Speaker, which talks about the ideas that this government has been working on for the past number of years, in diversifying our economy and indeed creating opportunities so that the youth of this province will have something to look forward to through job creation and through the resources that we would create and through the ideas that many people across this province have, and I believe with a little incentive and a little initiative that we can provide, certainly provide greatly for our province.

Mr. Speaker, the motion we are debating gets right to the heart of what your government is all about. Your government, Mr. Speaker, is interested in giving Saskatchewan people control over their own resources. And working with them to give them the tools, the information, and the assistance they need to start new industries and strengthen their communities, is what we have been doing for the past number of years.

And what has been the result? Mr. Speaker, when you look back over the past number of years and you see that there's been a 600 per cent growth in our manufacturing sector, I believe it's something that we can all be proud of in Saskatchewan. Not just the government, but all people of Saskatchewan can be proud of the fact that industry and the industrial growth has grown by that percentage, and 600 per cent is certainly not a small figure to sneeze at.

Mr. Speaker, when I talk about industrial growth you can ask, well what basically is taking place. Well if you'll just take a moment to look around the province and really see what we have developed. Mr. Speaker, in this province we are now producing recreational vehicles, bacon, fibre optics, tractors, mushroom manufacturing, and many other products, Mr. Speaker.

And, Mr. Speaker, I recall a meeting I attended on behalf

of the Minister of Rural Development recently. We were out talking to small businesses and talking to people, leaders within our RMs and towns of how small business can develop in our province. And at that conference there were a number of people just displaying some of the different businesses they had set up, some of the different ideas. One individual had taken the garden produce and gotten into jam processing, and she was selling her product, selling jams that she was making locally right in her home, out of the home. It was a way of diversifying and adding to their family income. Another individual had taken a trade that she enjoyed a lot, and that was knitting, and she began knitting more than just for family but even putting the product on the market and selling it.

So it shows, Mr. Speaker, that there are people around this province who, if given the opportunity, are certainly willing to diversify and to add to their income.

Saskatchewan people are opening up food processing shops, taxi cab companies, toy manufacturing shops, and a whole list of other ventures. And I'm really proud when I talk about toy manufacturing. There is a couple in my constituency who've really taken an interest in toys and restructuring and refurbishing toys, and are setting up a little business of bringing in the parts to reassemble and to rebuild toys. And they have built themselves quite a little business in our province and they're expanding beyond the borders of our province into western Canada and indeed to all of Canada. And it's an idea that they developed on their own with some help from government and local people that enhances the idea and the diversification of their farm economy.

Mr. Speaker, there are people in this province and some, especially those that we may have in the opposition, at many times unnecessarily pessimistic and glum about the future. But I believe, Mr. Speaker, that this province has a lot to be proud of, a lot that we can look forward to, a lot that we can offer, not only to our residents but as a province in the great country of Canada.

When you look closely at our economy, really look carefully at what industries we have established and our human and natural resources, and it becomes very clear that Saskatchewan's future is bright and full of promise.

Mr. Speaker, by diversifying we have established a healthy, competitive infrastructure of industries that are ready and able to make Saskatchewan an economic leader in Canada. But of course we all realize we are not out of the woods yet. We still rely too heavily on farming and resources like oil, potash, and uranium, and with international markets dictating prices and when the weather doesn't totally co-operate as in the farming sector, we know the devastation that happens in our economy or the problems that we face.

The effects of the recent droughts and low prices have clearly shown that we must diversify beyond our total dependence upon agriculture. So we must continue to promote new industries throughout the province. And we are doing that through programs like the community bonds legislation just recently introduced in this House and introduced by the Premier to leaders right across the province last Friday.

Mr. Speaker, as I talk to many of my local leaders, the RMs and reeves of RMs, and local mayors and business people and chamber of commerce presidents, and over the past number of months as we've been leading up to the announcement of the community bonds, many people have been looking forward with real interest, renewed interest.

And I find, Mr. Speaker, that there are many people looking for ways of promoting and building and accessing funds. And I believe I'm not going too far out on a limb by saying that Saskatchewan per capita I understand has one of the highest rates of savings anywhere in the world.

And so, Mr. Speaker, when you look at our community development bonds and the fact that people can take some of their savings and put it into their local community, I believe it will go a long way in helping each individual community identify ways in which they can diversify and add to and strengthen their community.

Mr. Speaker, the community development bonds do give Saskatchewan people control over their own future. Saskatchewan people will decide what new industries they want to build and will play an active role in running those industries. They will have, Mr. Speaker, direct on-hands control. Community bonds will put Saskatchewan money to work right here in the province, to create new industries and strengthen cities, towns, and villages all over this province.

Saskatchewan equity will fuel these new ventures, rather than debt, and I believe that is very important, Mr. Speaker. We must fuel through equity, not debt. We know the problems that debt can bring or the problems associated with debt. And that is very important when you consider that over 50 per cent of new businesses fail within the first five years largely because of excessive debt loads.

Under this new program, Mr. Speaker, the chances of success will be greatly improved because these new industries will not be overburdened by a large debt. And this will be further improved by the intensive reviews which each project will go through to ensure its economical viability.

Now what of the investors, Mr. Speaker? What do they stand to gain from buying these bonds?

First, they risk nothing. Every dime they invest is guaranteed by the provincial government, and the industries they invest in will stimulate huge amounts of economic activity in their communities which, Mr. Speaker, they then will receive an investment from their own investment. There will be more jobs both direct and indirect — more people to buy groceries, homes, cars, and services, and more taxes for towns to collect to build better streets and recreational centres and whatever else is needed in rural Saskatchewan or even indeed all of Saskatchewan. Saskatchewan young people will have good reason to make a life for themselves in their home towns.

And in addition to these benefits, Saskatchewan people who invest in community bonds will be able to provide directly from their investments when these industries grow and prosper. Mr. Speaker, all residents of the province then will have an opportunity to profit and to gain from these investments as they prosper and grow.

Now, Mr. Speaker, as I indicated, there are people, and I run into them every day, who . . .

(1500)

The Speaker: — Time has expired.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. As I read through this motion, it leads me to wonder, Mr. Speaker, just when this motion was written. It would almost make one believe that this motion was written prior to 1982, before this government took over the reins of government, because clearly if you look at the motion as it reads, this government is commending itself for stimulating growth and diversification of the economy at the local level.

Well, Mr. Speaker, let's take a close look at what's happened in Saskatchewan since this government took power, because really this motion has nothing to do with the reality of the economic conditions of Saskatchewan. It has nothing to do with a real growth in our economic position with respect to other . . . (inaudible) . . . provinces in Saskatchewan. And I would want to say to you, Mr. Speaker, the reality in Saskatchewan is that this government has virtually brought our economy to its knees.

Now, Mr. Speaker, when they talk about economic diversification, I wonder what kind of economic diversification can be created when you see 152 family farms disappear in 1989. I wonder what kind of an economic diversification caused 1,566 bankruptcies in Saskatchewan. Mr. Speaker, the reality of what has happened is clearly not indicated in this motion.

Mr. Speaker, I see this government moving towards rural community development bonds now, after nine years, eight years of governing. But what have they done, Mr. Speaker, since 1982? What has been the tool that this government has used for developing our economy and building this province and building a strong economy? What tools have they used?

Mr. Speaker, since 1982 their friends have been the Weyerhaeusers of Tacoma, Washington and the Cargills, one of the biggest multinational corporations in the North American continent.

Mr. Speaker, what they've done is ignored small businesses. They've ignored rural communities. They've ignored working men and women of this province. They've totally avoided using one of the most credible tools and credibility built on action, because that's what we've used, Mr. Speaker, over the years in Saskatchewan to build this economy to what it was in 1982 when these people took over government.

Mr. Speaker, when you drive through rural Saskatchewan and you look at downtown Saskatchewan, you can see that whatever this government has been doing since 1982 just clearly hasn't been working. There's been two goals: privatize, privatize, and bring in the big multinationals. That's what they've been about, Mr. Speaker.

Mr. Speaker, when you look at the number of young people who are leaving this province, when you look at the amount of young people who look for opportunities for employment in Saskatchewan and travel from one end of this province to the other but find that there simply are no opportunities for them in this province, how then can the member stand up and commend the kind of government that has caused those problems, Mr. Speaker?

Mr. Speaker, they've not only destroyed this economy, they've lost credibility. I note in the past couple of weeks they've decided that they would have these Consensus Saskatchewan meetings throughout the province and they've got a hundred people out to listen to people's concerns. But do you want to know something, Mr. Speaker? And it's sad. It's sad that the people of this province don't even have enough faith in this government's leadership and this government doesn't even have enough credibility that people will attend those meetings to tell them how they really feel about what kind of government that they've delivered and what future direction that they figure government should go.

Because, Mr. Speaker, this is not the government that they want to lead them in the 1990s. They're looking for new ideas and they're looking for fresh people because they know that this government is worn out; it's tainted with scandal and corruption and mismanagement. And, Mr. Speaker, they want an end to it.

They're not looking for a way, a political means for this government to maintain power. They want them defeated. Mr. Speaker, they've seen nine years of right-wing privatization and they've seen nine years of supporting multinational corporations. And they've seen the give-away of assets and they've seen their children leave this province. And I say to you, Mr. Speaker, they're not about to come to meetings and tell these people how they can maintain power.

Because, Mr. Speaker, what they're waiting for is an election. They're waiting for an election so that they can at the polls explain to the members on the other side of the House exactly what they want done. And what they want done, Mr. Speaker, is this government defeated. They want a new government in place, a government that will listen to their concerns and a government that can deliver a sound economic base to the people of our province.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, you can go through every form of indicator in terms of what you would use to gauge whether an economy is working. You can go through population growth figures, and they are down. So clearly that hasn't worked. You can go through the number of new houses that start. Those figures are at the

lowest ever, I'm sure, in this province.

You can go through vacancy rates for apartments. And I just noted in Prince Albert we've got one of the highest vacancy rates for apartments. And it's simply, Mr. Speaker, because people don't live in this province. People are leaving the province to find employment opportunities other places.

If you look at StatsCanada's reports with respect to the number of jobs that are created, new jobs in this province, you'll find that this PC government has been a dismal failure. When I talk with business men and women throughout this province and I ask them, how is business, they'll tell me, never poorer, a lot of them. And it's because you've taken the money out of the hands of people, the disposable income out of the hands of people who used to buy consumer goods but who can no longer afford that. Those people have just barely enough for the basics, and some of them don't even have enough for that and have had to leave this province in order to find a better opportunity somewhere else.

And I say, Mr. Speaker, shame on this government, shame on this Premier. I say, shame on the PC Party for allowing these people to destroy this province as they have in the last few years.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, there will be no one on this side of the House supporting this motion because this government is not being clear and being honest with the people about what's happened in this province.

The people of this province know what they want. Mr. Speaker, they want an election. They're demanding an election because they want an opportunity to replace these worn-out, tired politicians with no vision for Saskatchewan's future, no vision for Canada's future. They're tired old politicians and the people of Saskatchewan want them gone.

And I would say to you, Mr. Speaker, instead of standing in their places and patting themselves on the back for delivering the kind of government that is totally out of phase with what they're speaking about in their motion, they deserve to be defeated, Mr. Speaker.

And I want to say, Mr. Speaker, as long as I stand in my place in this House, I'll be speaking against this kind of mismanagement. I'll be speaking against the kind of destruction of our province that this government has perpetrated.

And, Mr. Speaker, my colleagues have more to say on this motion, so I will take my place and I will allow them to continue with the debate. Thank you very much.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — Thank you, Mr. Speaker. Of course as we look at this motion that we can commend the Government of Saskatchewan for its many innovative economic policies, and it goes on, Mr. Speaker, it's very easy and enjoyable for me to get up and speak on behalf

of this motion.

I think that as I visit my constituents and travel around the province, people all around the country, they know what our record is. They understand how freely we can talk about the many different success stories that abound throughout the province since our government was elected back in 1982. And occasionally every now and then it's very refreshing for me to have the opportunity to stand up and talk about some of the real success stories in our province, in our communities.

And when I say the success stories in our province and our communities, Mr. Speaker, I'm not particularly referring to the success stories of our government, but rather as it relates to my friends in the private sector, my friends in business.

And it's them, they're the ones that are the real success; they're the ones that create the employment. And as I have publicly said many, many times, they're the ones that enjoy the profits of their labour, and well they should. And that's why they're in business. That's why they take that risk — to either make or break it, so to speak.

And they recognize that unfortunately the way business is that sometimes those risks cannot be overcome, and unfortunately some of their business ventures do fail. But by and large they reap the rewards and the benefits that go along with that opportunity — that opportunity that's provided for them in this great country of ours and in this great province of ours, Mr. Speaker.

And it's particularly a pleasure for me to follow the member from Prince Albert-Duck Lake. And unfortunately there's really not enough time allocated to me in this debate this afternoon to really put to rest some of the many inaccuracies or stories or whatever he refers to on his agenda, as he gets up and tries at a feeble attempt to represent the business community in this province, Mr. Speaker.

If he could come up with some meaningful type of a criticism, some other alternate for the government to consider, something that the business community could relate to, I suppose that that would probably make some sense and some understanding. But it seems that all of the members opposite, all they can come up with is the hollow cry of call an election — call an election.

Well, Mr. Speaker, the calling of an election, whenever that may be, certainly isn't going to help the business community. It isn't going to stabilize the communities out in the province that we're looking for. And if any of the business people would ever hear that hollow attempt at what they make when the NDP try to represent them, it's just an indication that they're probably the last ones in the world, Mr. Speaker, the business community, that would like to see an election at this time. Because they recognize that the members opposite really have not come to grips with the reality of the modern business world.

And when they speak of building the province, they know nothing, Mr. Speaker, of building. They know of buying; they know of creating Crown corporations. They know nothing of building stability in a community. And that's

why to some degree it's really unfortunate, as you saw how our government over the last number of years has introduced many forms of community stabilization instruments. The bonds — the power bonds, the telebonds — that the people of our province, Mr. Speaker, invested in and invested proudly and for many, many reasons.

The money that they invested in their communities right here at home in Saskatchewan; the interest stayed in this province. And they spread that interest around their business community in their own home towns throughout our province. Interest didn't leave Saskatchewan and go to Toronto or go to New York or wherever it would have gone as the NDP formerly did.

(1515)

Now, that in itself, that one particular form of instrument is something that unfortunately the NDP should have thought of a long time ago. But they didn't. As a result, the community stabilization was never there. They would day-dream for the business community, a few meaningless little programs like how to rebuild a main street or something like that. And all that did was encourage a small business operator in a small community to spend some more money on his building and dress it up. But did that really help him create jobs? Did that really help him be a success? I don't think so.

But as I continue on and think and reflect on what the member from Prince Albert-Duck Lake had to say, again openly condemning Weyerhaeuser, one of the best corporate citizens in this province and certainly one of the better corporate citizens that is available to him in his own community of Prince Albert. And how he can stand here and openly criticize them — and then that would carry over, Mr. Speaker, that he's criticizing those people that work for Weyerhaeuser and all the rest of it has to be; if he's criticizing the business and the company itself, he certainly has to criticize the employees in there.

And as I talk to the business people throughout Prince Albert, I get interestingly enough the same kind of a situation from the people in Prince Albert, whether they be organized businesses — and when I say organized I'm talking about the chamber of commerce — or whether they be independent business operators without any affiliation to any particular interest group. It's not unlike the same situation that I get back from North Battleford where the bacon plant has really helped to again stabilize that vibrant community of North Battleford, Mr. Speaker. And North Battleford has a lot to offer to this province. It begins with their businesses. It extends through tourism. They've got a community there to be very proud of, the same as Prince Albert does. It extends into tourism as well, both of them being gateways into a tourist industry. That also helps to stabilize these communities.

And yet the member from North Battleford proudly stands in his place day after day after day condemning the bacon plant in his own town. And when he does that, Mr. Speaker, there is no question that along with criticizing that business, it therefore stands to reason that he also criticizes every single person that works in that bacon plant, every single person that's delighted to have that

take-home salary, every single person that works in the bacon plant in North Battleford or that pulp mill in Prince Albert that spends their money throughout the businesses across those communities are being criticized by the members opposite, Mr. Speaker. And somehow when they stand in their place and, as a result of this criticism, seem to indicate that it's some form of credibility for them, that's the farthest thing from the truth.

And what's happening now and what we see happening, Mr. Speaker, is that the business community can see through that veil that the NDP offers, where they are trying to prove to the business community that they are now the champion for their cause. Well, they're not; they're starting to realize it. The business community is starting to realize it.

And as they do, it then stands to make an awful lot of sense that the consumer, the customer of those businesses also see then right through that veil that the NDP is trying to carry of championing business. Because as they stand in their places, not understanding business, not caring for business, not trying to help business, it stands to reason that that same careless attitude therefore extends to their customers and to their clients.

I know, too, that I pay an awful lot of attention to the opinions not only of the chamber of commerce but the federation of independent small businesses. That particular organization, Mr. Speaker, that has representation of small businesses of every kind and description throughout this province, many thousands of businesses who that federation represent throughout the province.

And as I meet with their vice-president at the (Canadian) Federation of Independent Business and see what happens there, they bring back to me the problems of the small-business community. And we listen; we in government are truly interested in hearing about the problems out there in the business community and see if we can help them.

And more importantly, when you get the credible organizations such as the chamber, such as the federation of independent small business, they come back to you, not only with the problems, Mr. Speaker, but they also come to you with constructive criticisms and some answers and some responses.

And unfortunately, that's something that the NDP have never been able to do, and that's why their credibility in criticizing or in standing up for the small-business community is becoming a joke throughout the province. They cannot come up with any alternate plans or ideas. They cannot come up with constructive criticism, Mr. Speaker. All they can do is come up with the same empty, hollow rhetoric that they traditionally do of crying for an election.

Now just what does that have to do with helping the business community? What does that have to do with encouraging the Weyerhaeusers of this world or the bacon plant in North Battleford to really go on and expand and be a service to their community as well as exporting their products right around the world, Mr.

Speaker?

And these exports then again in turn, along with creating employment at the local level, they create employment in the transportation industry. And as those trucks or railcars or whatever the mode of transportation may be, Mr. Speaker, they in turn support small businesses. And it goes on and on and on.

The Speaker: — I must advise the member that his time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to address a few words to the motion that is before us. And, Mr. Speaker, if the problem wasn't as serious as it is, it would be a joke that a member on the government side would move such a motion. It's sheer hypocrisy, Mr. Speaker, when you look at the statistics that are available. By the government's own statistics, it is condemned by the lack of success that it has had in diversifying Saskatchewan's economy.

How a member in all good conscience could get up in this House — a member on the government side — and commend the government for providing stability in rural Saskatchewan, you really have to stretch the ball. You really have to stretch it. When you look at the statistics as to what has happened in rural Saskatchewan since 1982, anybody, Mr. Speaker, will tell you.

The Minister of Consumer and Commercial Affairs says, why an election? What good will an election do? Well I'll tell you what an election would do, Mr. Speaker. An election would put some confidence back into the people of Saskatchewan, confidence in a government that will get rid of patronage, confidence in a government that will get rid of mismanagement, confidence in a government that will not put all its eggs in megaprojects, confidence in a government that will invite people back to Saskatchewan. That's what an election will do. We need people that have some skill in providing jobs and creating diversification in rural Saskatchewan.

This government, over the last eight years, has failed miserably in trying to accomplish that. Let's look at it. Let's look at the investments. There is less investment here today, eight years later, than there was in 1982 — less investment today in Saskatchewan than there was in 1982.

An Hon. Member: — Not true.

Mr. Rolfes: — The Minister of the Family says it's not true. The Minister of the Family doesn't know what he's talking about as he doesn't know what he's talking about when it comes to the poor and the hungry in this province. He says they just simply don't exist, they don't exist and that the members opposite, when you see starving hungry children, well they shouldn't be overly concerned.

Yes, Mr. Speaker, I am speaking about stabilizing and providing for the poor in this province. When you stabilize the economy, then you can provide for the hungry, and that is what the Minister of the Family fails to

recognize, that his government has failed miserably.

When you look at the projects that we have in Saskatchewan, and they say well we diversified. Let's look at the NewGrade upgrader; let's look at Cargill, the fertilizer plant; let's look at Weyerhaeuser and the upgrader in Lloydminster; and the Millar Western pulp mill. What is common in all of those, Mr. Speaker? What is common is that the vast majority of the money that is spent on those projects is public money. It's money that has come forward from the provincial coffers. Almost in every case, the government has the majority share. In fact, Mr. Speaker, when you look at Cargill, the government has put in well over 90 per cent. When you look at Weyerhaeuser, the government has put in 100 per cent. When you look at Millar Western, the government has again put in well over 50 per cent. When you look at the NewGrade upgrader, the government has put in 100 per cent.

So, Mr. Speaker, what I'm saying to you is that when we talk about diversification in Saskatchewan, let us recognize that any activity there has been by the public sector, And this government has failed miserably in diversifying rural Saskatchewan.

Let's look at some of the statistics.

The Speaker: — Why is the hon. member for Shaunavon on his feet?

Mr. Gleim: — Could I have leave to introduce some students?

Leave granted.

INTRODUCTION OF GUESTS

Mr. Gleim: — Thank you, Mr. Speaker. It's my privilege today to introduce 23 students and eight adults that chaperoned these students from Mankota today to come to Regina and visit the legislature. There are 23 students; they are chaperoned by Trudy and Olga Williamson, Alan and Elva Raymond, Darcy and Loretta Smith, Roy and Ruby Sayers. They brought . . . they didn't come in a bus, I understand; they brought four private vehicles.

I would just like to welcome all them to Regina and to the legislature. I will be meeting with them right after this for drinks and pictures. And I would just do it in the same manner, I'd like to have everybody in the legislature welcome these students from Mankota.

Hon. Members: Hear, hear!

The Speaker: — The member for Yorkton, why is he on his feet?

Mr. McLaren: — Mr. Speaker, while there's a break in the action, I'd like to ask for leave to introduce some of my guests too.

Leave granted.

Mr. McLaren: — Thank you very much, Mr. Speaker. And it's my pleasure today to introduce to you and through

you to all the colleagues in the Assembly, a group of 40 students from Yorkton. They're with Columbia School, and I might say, Mr. Speaker, that Columbia has a soft spot in my heart because a number of my children attended school in Columbia School as well.

They're seated in your gallery, Mr. Speaker, and they're accompanied today by their teachers, Maureen Pankoski, Joan Dobson, Natalie Bureau — I hope I'm pronouncing your name correctly, and Les Herauf. I'll be meeting with you in a few minutes to have pictures taken and answer any questions that you might want to ask after spending a bit of time in the Assembly.

So I want to ask all members to please welcome my guests from Yorkton.

Hon. Members: Hear, hear!

MOTION UNDER RULE 16

Diversification of Saskatchewan Economy (continued)

Mr. Rolfes: — Thank you, Mr. Speaker. I too want to join with the members in welcoming the guests here this afternoon to listen to the debates in the legislature.

And we are discussing this afternoon the lack of government success. We are discussing this afternoon the lack of government success in stabilizing rural Saskatchewan. And the statistics, Mr. Speaker, as I have pointed out, condemn the government. The government stands condemned by its own statistics — 152 farm bankruptcies in 1989; 1,566 total bankruptcies in 1989 in Saskatchewan; 23,705 net out-migration. In other words we lost 23,705 people in 1989. In 1986, only 1,906 housing starts in Saskatchewan, the lowest, Mr. Speaker, in 20 years in this province — the lowest.

Mr. Speaker, when it comes to jobs we have 5,000 fewer people employed in 1989 than we had in 1988. There are 6,000 fewer young people working in Saskatchewan than we had in 1988. By their own statistics, Mr. Speaker, the government recognizes that they have failed miserably in diversifying and stabilizing rural Saskatchewan.

They have not used the three sectors to stimulate this economy. The history of Saskatchewan and the success in Saskatchewan has always been when we've taken the three sectors or the three engines and have put them to work — the government, the co-ops, and the private sector. This government has totally disregarded, totally disregarded two and almost three of those and have put all their eggs in one big basket, and that is megaprojects.

(1530)

Mr. Speaker, I cannot support the failure and the policies implemented by this government, and I therefore cannot support the motion that is put forward. I therefore want to move, Mr. Speaker, an amendment to the original motion, moved by myself and seconded by the member from The Battlefords:

That all the words after the word "Assembly" be deleted and the following substituted therefor:

condemns the Government of Saskatchewan for its total neglect over the past eight years of local small business and community economic development in favour of an economic policy based on government support for a few large corporations and megaprojects, which has done little to diversify the economy at the local level.

Mr. Speaker, that is what has gone wrong with this government. They have put too much emphasis on megaprojects, almost totally supported by public funds and guaranteed by the province of Saskatchewan. All the risk is taken by the people of Saskatchewan; very little risk taken by people outside of this province.

This province, the history of this province, again as I repeat, is always based on using the three engines of our society — the private sector, the government sector, and the co-operative sector. And until we get back to that policy, Mr. Speaker, this province will not see the light of day. And that can only be done when the people make a decision and an election is called and we vote in a new government.

Mr. Speaker, I move the amendment as I've read, seconded by the member from The Battlefords.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Thank you, Mr. Speaker. I'm pleased to be able to second the motion by the hon. member who just spoke. Mr. Speaker, I thought when the government first put the motion forward they used the wrong word when they used the word "commend". I thought they should have used the word "condemn" themselves because of the hemorrhaging that they've caused to the people in the province of Saskatchewan, in particular in rural Saskatchewan.

When they talk about their diversity and their helping of the economy in Saskatchewan, Mr. Speaker, there's not one single indicator that shows that the economy is doing well in the province of Saskatchewan. It defies explanation by the government. They certainly cannot back up with statistics the rhetoric they use when they say that they're doing good things for the province of Saskatchewan, Mr. Speaker.

We should look at some of the things that they've done in Saskatchewan, Mr. Speaker. NewGrade upgrader: 100 per cent of the funding is taxpayers' dollars and it doesn't work. Mr. Speaker, it hasn't produced one barrel of oil. In fact I am told it's not compatible with the refinery that's there. What genius this government comes up with that they don't put in place the technology that's compatible, but yet put at risk a billion dollars of taxpayers' money, Mr. Speaker.

We have Supercart. Supercart — they were supposed to be a great new company. Government puts a bunch of money into them. It ends up in court, Mr. Speaker. Great success story, but Supercart produces nothing. They don't function in Saskatchewan any more, Mr. Speaker.

You have Joytec building golf simulators. All of a sudden

Joytec gets money from the province of Saskatchewan and they move from outside the province. And what does the now Minister of Education say about that? He says nothing about it. He was the minister in charge, Mr. Speaker. He says nothing about people being able to rip off taxpayers' dollars in Saskatchewan and no recourse for the taxpayers of Saskatchewan. They stand by and try and use their rhetoric to paint over a very dismal picture, Mr. Speaker.

Look at some of the other ones where they've removed the ability of the province to raise revenues. They've sold off Sask Minerals. Sask Minerals, Mr. Speaker, raised revenue for the province of Saskatchewan every year except once as it came into being in the late 1940s, Mr. Speaker. What do they do? They sell it off to interests from outside the province. The employees want to participate. Employees can't participate. They sell it off to companies from outside the province of Saskatchewan, Mr. Speaker — again losing revenue for the province of Saskatchewan.

Then what do we have? We have Weyerhaeuser. Weyerhaeuser comes along and they give Weyerhaeuser assets of about \$249 million, Mr. Speaker, and to this date no money has been paid to the province of Saskatchewan. No wonder we're four and a half billion dollars in debt on the operating account of the government. No wonder, Mr. Speaker, the third highest expenditure in the provincial government this year will be interest on the debt that that government has created since 1982, Mr. Speaker. That's a disgrace.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Mr. Speaker, it doesn't stop there though. There's more, Mr. Speaker. They often talk about me being opposed to the Gainers bacon plant in North Battleford, Mr. Speaker. The bacon plant is fine. People want to get rid of the Premier of the province, not the bacon plant, Mr. Speaker.

And what did they do in that case? They gave Peter Pocklington \$6 million to build a bacon plant in North Battleford, and who owns it now? The Alberta government owns the bacon plant, Mr. Speaker. Isn't that great — real diversification using Saskatchewan taxpayers' money to give to Peter Pocklington to build a bacon plant. The Alberta government forecloses. They didn't take enough care to protect our investment, Mr. Speaker, and now the Alberta government owns the bacon plant that the taxpayers in Saskatchewan paid for. That's real diversification, Mr. Speaker.

And it doesn't stop there either, Mr. Speaker. High R Door, another venture in North Battleford. After pumping in about \$5 million into High R Door, they go into receivership, placed in receivership by SEDCO, Mr. Speaker, placed in receivership by SEDCO. And an RCMP investigation for commercial crime was underway in that operation, Mr. Speaker. Great diversification, Mr. Speaker.

Then there was GigaText, Mr. Speaker, \$5 million again of taxpayers' money put into a high-flying financier from Montreal, Guy Montpetit, and he flew away with most of

our \$5 million, Mr. Speaker. No recourse for the province of Saskatchewan, no technology that's there — that's real diversification, Mr. Speaker.

Mr. Speaker, there's more than that. There's the STC (Saskatchewan Transportation Company) scandal that's got charges of criminality going on down in Dallas, Texas whenever that's going to come about and through the courts, Mr. Speaker — RCMP investigation again, Mr. Speaker.

There's the Cargill plant, the Cargill plant they want to build at Belle Plaine. So Cargill comes along and says, we'll build you a plant, but you've got to put up almost all of the financing. So we have at risk, Mr. Speaker, \$369 million of taxpayers' money again on a project where Saskatchewan people don't get to benefit. One of their multinational friends gets the benefit, Mr. Speaker.

And remember who Cargill is. Remember back in the 1980s when the Americans boycotted grain sales to the Soviet Union. Remember that, Mr. Speaker? And they called on Canadians to boycott as well. Well Canadians did boycott grain sales to the Soviet Union, and it was to our detriment and the province of Saskatchewan and our farmers not being able to sell their grain, Mr. Speaker.

But what happened? Cargill had ships changing ownership in the ocean and the Soviet Union still got American grain, Mr. Speaker. These are the companies that this government wants to deal with and give our taxpayers' dollars to. We say no, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Mr. Speaker, and the patronage in this government, the patronage runs so deep it permeates all levels of the public service in Saskatchewan. They have tampered with it. They have tampered with it to such a degree that good professional people are almost afraid to come to the Government of Saskatchewan because of the interference by this government, Mr. Speaker. And we don't want to be standing for that any longer.

They have caused rural Saskatchewan to hemorrhage, Mr. Speaker — hemorrhage to the point that it's brought rural Saskatchewan to its knees. And having brought rural Saskatchewan to its knees, urban Saskatchewan also suffers, Mr. Speaker. Have they helped rural Saskatchewan? No, they have not, Mr. Speaker. All they've done is put rural Saskatchewan, in particular the farmers of rural Saskatchewan, into a debt situation that some will never recover from, Mr. Speaker.

And what was the commitment on the March 19 throne speech? The commitment was that we have secured money from the federal government for spring seeding. Well where is that money, Mr. Speaker? Is it the spring seeding loan program which lots of people aren't applying for, Mr. Speaker, because they can't use more debt, because they know more debt will drive them under, Mr. Speaker? And we won't stand for that either.

This economy has to start working, Mr. Speaker, with a government that has a plan, that has a plan to work with the co-operative movement, with the public sector, with

the private sector, and most importantly of all, to work and be honest with the people of the province of Saskatchewan.

Mr. Speaker, governments are often like banking. Banking relies on confidence, Mr. Speaker, and when that confidence is destroyed, the bank will tumble. Well I tell you, Mr. Speaker, government is the same and government needs confidence to operate for the good of people within the province. And this government has destroyed their confidence with the Saskatchewan people. They betrayed the trust, Mr. Speaker.

Mr. Speaker, we know this because when we travel throughout Saskatchewan in our own constituencies or in constituencies that we go out and give some assistance in, the first question that people will always ask you is, when is the election going to be. When is the election going to be so we can remove the villains that have caused the hemorrhaging in Saskatchewan, Mr. Speaker?

Some Hon. Members: Hear, hear!

Mr. Anguish: — Mr. Speaker, the members opposite are struggling for their political lives and so they should be. But their struggle will not be won because they're not on the side of Saskatchewan people. They have done more to hurt since 1982 than any government in the history of the province. And I think it is hypocritical of the government to put forward a motion where they commend themselves for the good job they've done in diversifying the economy in the province of Saskatchewan, Mr. Speaker.

Therefore, I support the amendment put forward by the member from Saskatoon who spoke just previous to me. And I support that with pride, Mr. Speaker. I support that with pride. And I say today, Mr. Speaker, that the hemorrhaging in Saskatchewan will not stop until the Premier calls an election and there's a government in place that people in the province of Saskatchewan can join with and have some harmony and understanding and co-operation and confidence that there'll be government for their best interests, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker. Mr. Speaker, I am pleased to rise in my seat and speak to the motion. I certainly can't support the amendment, Mr. Speaker.

Mr. Speaker, we all know that Saskatchewan has been dealt some pretty severe blows lately, over the past several years. We know that the effect of drought, low commodity prices, high interest rates, and increasing debt have had on Saskatchewan, Mr. Speaker. It would be sufficient to say that these pressures have taken their toll on the province, on our towns, and on our communities.

But, Mr. Speaker, the people have not given up in Saskatchewan. The people of Saskatchewan are very good, hard-working people, and they've not given up yet, Mr. Speaker. It would be very easy for the province to throw in the towel, Mr. Speaker, throw up their hands in

the air and say, I quit. But they haven't done that.

(1545)

Mr. Speaker, the Saskatchewan people are tenacious and strong-willed. Saskatchewan people have a proud history of facing difficult times. We have a proud history of taking bold steps to control our own destiny so that our children and our communities continue to have secure and rewarding lives during difficult times.

And, Mr. Speaker, this government is providing the people of this province the support and encouragement they need to weather this economic downturn. Mr. Speaker, we are implementing policies that are designed to promote economic development and investment — policies which will make Saskatchewan less vulnerable to the cyclical nature of agriculture, Mr. Speaker.

That is why, Mr. Speaker, this government is such a strong advocate of economic diversification. It is one of the most important initiatives this province has undertaken, because we know that through diversification Saskatchewan will have a solid economic foundation.

We know that when we have a strong and diverse economic base, when we can get away from having all our eggs in one basket, our economy will be stronger, more flexible, and more secure. And when our economy is secure, our communities are secure.

Mr. Speaker, the farm crisis in Saskatchewan has in some way or another affected just about everybody in this province. It has threatened the very existence of our towns, villages, and communities, and of our rural way of life. The crisis in agriculture has made it abundantly clear that if we want to save our towns and villages, if we want to weather this economic storm, then we have to decrease our dependence on agriculture.

Mr. Speaker, our strategy is to build and diversify on a provincial and local level, to build on the strengths of Saskatchewan, its resources, and the skills and ideas of its people. Mr. Speaker, the people of this province are our greatest resource. They are very bright and very energetic and they are committed to Saskatchewan. And they have a direct stake in the economic development and diversification of this province.

Mr. Speaker, by capitalizing on the natural potential of this province, by processing our natural resources at home, we are preserving for the people of this province the benefits of those natural resources, benefits which include new industries, new jobs, new revenue, benefits which will result in economic growth and community stability for the families of this province, Mr. Speaker.

And our strategy has been successful. And to demonstrate just how successful, we have had a 600 per cent increase in manufacturing since 1982, 600 per cent increase and this is during the worst economic times we have had since 1930, Mr. Speaker.

We have built our own paper mill in Prince Albert. We have built the cable factory in Moose Jaw. We are processing our own oil and gas. We are processing our

own bacon. We are processing tractors, RVs (recreation vehicles), turbines, computers, and the list could go on and on, Mr. Speaker. Yes, Mr. Speaker, we have accomplished a great deal in the face of difficulty, and our future is assured to be as promising. We are doing even more to make sure that it happens because we know we are not out of the woods yet, Mr. Speaker. We know we have a problem, and we are working on it.

One initiative — and I am particularly proud of — which was just recently announced in the House a few days ago, Mr. Speaker, was the community bond program. Now, the community bond program won't get any support from those opposite because it looks like a success, and that's the last thing you want to happen in Saskatchewan is any success story, Mr. Speaker.

This program is uniquely grass roots, and it has a tremendous amount of potential. It allows Saskatchewan people to invest in community-based industries of their choice. Mr. Speaker, the community bond program will give Saskatchewan people the opportunity to invest in their own community, to invest in their future and the province's future. Mr. Speaker, this program will put Saskatchewan ideas and money to work at home to create new industries and to stimulate and strengthen the local communities.

And it will do it without debt, and it will do it without government money but a government guarantee. And we hear the members opposite talking about the money into Saferco, Mr. Speaker. They know very well all we did was guarantee \$305 million, and we get 1.6 million every year in guaranteed fees for putting that money up. Not 1 cent spent but we get the guarantee back. They know that. They know that we don't have any money in Saferco other than our own share, but they continue, Mr. Speaker, to down-play it, because it's going to be a success. They have no time for anything that's successful. So we know that.

And it makes good sense, the same as the bonds. It makes good sense. They don't like that. Anything that makes sense, they don't like, because they know the only hope they have of becoming government is to down-play everything that's successful. That's fine. Mr. Speaker, I have no quarrel with that. If that's the way they want to be, I have no quarrel with that. Let them go ahead and do that.

In Saskatchewan, the people are making decisions about Saskatchewan and about their own towns and communities, Mr. Speaker — their own decisions. They don't like that because they want to make the decisions, the same as they did for 30 years, and then they come back here and tell us what we didn't do, Mr. Speaker.

Mr. Speaker, these are not ordinary times in Saskatchewan; they are difficult times and they require leadership and vision. And, Mr. Speaker, I can say with confidence that this government has provided that leadership and they are giving the people of Saskatchewan a vision. This government has established an economic blueprint that will strengthen the economic and social foundations of this province.

They don't like it. They don't like that, Mr. Speaker, because it's good for Saskatchewan. Anything that's good for Saskatchewan is not good for the NDP. Like their government, Mr. Speaker, Saskatchewan people believe in the great potential of our province. They believe in the province and they believe in our communities.

Mr. Speaker, our economic policies are consistent with that belief and we will continue on our commitment of strengthening Saskatchewan, strengthening the economy through diversification and growth.

Mr. Speaker, I will not be supporting the amendment and I will support the motion. Thank you very much for your time.

Some Hon. Members: Hear, hear!

The division bells rang from 3:53 p.m. until 4:11 p.m.

Amendment negated on the following recorded division.

Yeas — 19

Prebble	Atkinson
Rolfes	Anguish
Shillington	Pringle
Lingenfelter	Lyons
Tchorzewski	Calvert
Koskie	Lautermilch
Brockelbank	Trew
Upshall	Van Mulligen
Simard	Koenker
Solomon	

Nays — 27

Devine	Neudorf
Muller	Klein
Schmidt	Toth
McLeod	Duncan
Hodgins	Petersen
Smith	Wolfe
Hepworth	McLaren
Hardy	Baker
Kopelchuk	Swan
Martens	Muirhead
Meiklejohn	Johnson
Martin	Gleim
Hopfner	Britton
Swenson	

Mr. Shillington: — Thank you very much, Mr. Speaker. I had sought an opportunity to say a few words on this subject and I'm thankful that it has been provided through this mechanism.

Mr. Speaker, it must take a fair amount of gall for any member opposite to move a resolution congratulating this government.

The Speaker: — Why is the member from Prince Albert-Duck Lake on his feet?

Mr. Lautermilch: — To ask leave of the House to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Lautermilch: — Thank you, Mr. Speaker. I'd like to introduce a group of grade 7 students from East Central School in my riding in Prince Albert. These students are accompanied by their teacher, Mr. Tim Rapko; chaperons, Miss Coreen Ife, Miss Kristie Ife, another chaperon, and Veronica Krakowetz; along with their bus driver, Gordon Stewart.

I'd like all members to welcome them to Regina and to the legislature. I'll be meeting them for pictures and refreshments in a few minutes, and I would like all members to wish them a good stay in Regina and welcome them to the legislature.

Hon. Members: Hear, hear!

(1615)

MOTION UNDER RULE 16

Diversification of Saskatchewan Economy (continued)

Mr. Shillington: — Thank you very much, Mr. Speaker. Mr. Speaker, it must take a fair amount of gall for a member opposite to move a resolution congratulating this government on its efforts at diversification. The truth of the matter is, Mr. Speaker, that this government's whole thrust for the eight years, eight long years it has been in office, eight years — too long years — which it has been in office, have been in the opposite direction.

This government has never sought to work with Saskatchewan's small-business community. Instead, this government's whole thrust since it has been in office has been an attempt to attract what are sometimes called the big smokestacks — large, international, often multinationals. They've tried to attract them to come and do the job for us.

Mr. Speaker, when this government was first elected, it borrowed the phrase from a previous Liberal administration: open for business. This was not a call to Saskatchewan businesses who always knew this province was open for business. This was clearly a call to outsiders to come and do the job for us. Rather than attempting to work, Mr. Speaker, with indigenous Saskatchewan businesses which might have grown, might have produced small industries, some of which will eventually become larger industries, this government sought to get foreigners to come and do the job for us.

Mr. Speaker, that was true in 1982. That is still true in 1990. This government had the opportunity to work with Canadian businesses and establish four fertilizer plants. Those four fertilizer plants did not want a lot of money or a lot of assistance. They simply . . . (inaudible interjection) . . . Well the member from Yorkton is muttering away in his seat.

The member from Yorkton has in fact ardently supported

and promoted the interests of outsiders and it has been at the expense of local Saskatchewan businesses, which is surprising, Mr. Speaker, because that member comes from the city of Yorkton, a city with some viable and vibrant local Saskatchewan businesses. One can mention such things as Leon equipment, Morris Rod-Weeder. That is the kind of thing which this government should be doing, but it's not what this government's doing. This government is not working with Saskatchewan businesses. They've sought to get foreigners to come and do the job for us, and they're still doing it — they're still doing it.

This government had the opportunity to work with a Canadian business and business people which would have produced four fertilizer plants in Saskatchewan. What did they do? They torpedoed that idea and instead went with what I think is a shocking display of irresponsibility with public money. Instead they decided that they wanted to work with Cargill Grain Company from New York. What we now have is not four fertilizer plants financed and owned by Canadian businesses. What we have is one large fertilizer plant financed by the taxpayer and owned by a New York grain company.

If that's what this government calls diversification, then I say to members opposite, your idea of diversification is different than mine. And if you spent any time out of this Assembly in your ridings talking to people, you would know that that is not the Saskatchewan public's idea of diversification.

I see the member from Wilkie making such a sterling contribution from the back of the opposite side of the Assembly. I say to the . . . (inaudible interjection) . . . Well I seem to have hit a rather touchy spot with the member from Wilkie. It may well be because the member from Wilkie has heard some of these same criticisms from his own constituents.

Mr. Speaker, the public have said in every conceivable way possible that they do not want outsiders being given enormous grants and rich — obscenely so — rich incentives and grants to develop our province.

Some Hon. Members: Hear, hear!

Mr. Shillington: — The Saskatchewan people say we want to do it ourselves; we want to be given a reasonable opportunity to do it ourself. That's entirely consistent with the history of this province, Mr. Speaker.

From the end of the Second World War until 1964 we had an office, a government which made no particular effort to attract multinationals, to put it mildly. It did however, Mr. Speaker, work with local Saskatchewan business people, and this province enjoyed unparalleled prosperity, such that in 1964, Mr. Speaker, by the time that government's term of office came to an end, Saskatchewan had the highest per capita income in Canada.

That was replaced, Mr. Speaker, with a right-wing party which had no confidence in Saskatchewan people and which actually coined the phrase, open for business. They got pulp companies out of New York to come and

build pulp mills for us, and they announced any number of businesses by foreigners, some of which attempted to get off the ground and some of which didn't. The end result, Mr. Speaker, that by the time that government left office, Saskatchewan was an economic basket case. Saskatchewan was in serious financial problems.

What happened? During the '70s, yet another government in office which believed in Saskatchewan people, believed that all it had to do was to provide resources to Saskatchewan businesses and Saskatchewan people and they could develop this province in a prosperous fashion. And when that government left office 11 years later, Mr. Speaker, this was a prosperous province with a government which was financed out of current tax revenues and not out of borrowings, in every way almost a model economic state, to be replaced once again by a government which insisted that it had to be outsiders who had to come and do the job for us.

Mr. Speaker, the great failing of this government in the area of economic diversification has been that it basically doesn't believe the Saskatchewan business people and the people of this province have the ability and the wherewithal to do it themselves. That is the essence of diversification, is to work with Saskatchewan businesses and Saskatchewan people and let them do the job.

Mr. Speaker, my colleague from Quill Lakes represents an area which has been a model of economic diversification. One can travel through his constituency as I have done, and in every community, in every community, Mr. Speaker, there is a fabricator, a metal fabricator of some sort, another one producing short-line equipment. Those are local Saskatchewan people, by and large, whose parents and grandparents came to this province, who were given assistance and encouragement during the period that either the CCF (Co-operative Commonwealth Federation) government was in office from '44 to '64, or the Blakeney government was in office during the '70s.

Mr. Speaker, diversification means working with the people in this province. It does not mean providing enormous subsidies out to multinationals in a vain attempt to bribe them to come and do the job for us.

I might also mention Weyerhaeuser in . . .

The Speaker: — Time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Thank you, Mr. Speaker. I wasn't going to get into the debate at all this afternoon, but on some of the remarks members opposite have been making, it has with . . .

The Speaker: — Time has elapsed. Time has elapsed. Order. Just to clarify to the hon. members who seem to . . . (inaudible) . . . the hon. member had eight seconds and he received his eight seconds.

PRIVATE BILLS

COMMITTEE OF THE WHOLE

Bill No. 01 — An Act to amend An Act to incorporate Mennonite Brethren Church of Saskatchewan

Preamble agreed to.

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 02 — An Act to amend An Act to incorporate the Millar Memorial Bible Institute

Preamble agreed to.

Clauses 1 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 03 — An Act to amend An Act to incorporate Grey Sisters of the Immaculate Conception of Pembroke

Preamble agreed to.

Clause 1

Mr. Shillington: — I'd like to ask a question of the member who's piloting the Bill through the House. What are the implications of this Bill and these others for the tax position of municipalities? What provision do these make, if any, for payment and unpayment of taxes at the municipal level?

Mr. Johnson: — That'd be a good question from the member. I don't really know the answer to the other Bills. I know that the particular Bill that I'm piloting through the Assembly is . . . there should be no tax implications at all. It's just a change of name from the Grey Nuns to the Grey Sisters.

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

The committee agreed to report the Bill.

(1630)

THIRD READINGS

Bill No. 01 — An Act to amend An Act to incorporate Mennonite Brethren Church of Saskatchewan

Mr. Swan: — Mr. Speaker, I move the said Bill now be read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 02 — An Act to amend An Act to incorporate the Millar Memorial Bible Institute

Mr. Gleim: — I move third reading of this Bill; Bill shall be passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 03 — An Act to amend An Act to incorporate Grey Sisters of the Immaculate Conception of Pembroke

Mr. Johnson: — I move the said Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

MOTIONS

Resolution No. 4 — The Effect of the Farm Crisis on Rural Communities

Mr. Koskie: — Thank you, Mr. Speaker. Mr. Speaker, at the conclusion of my remarks I will be moving a motion which in essence states:

That this Assembly regrets the abject failure on the part of the Government of Saskatchewan to strengthen the economic base of the province's rural communities and, furthermore, deplores the extraordinary indifference and acquiescence of both the federal and provincial government to the crisis in farm foreclosures which is causing irreparable damage to Saskatchewan rural communities.

I want to say at the outset, Mr. Speaker, that this government does not operate under any economic basic strategy. What this government has since the outset of its election is to run on a litany of slogans and more slogans. They started with a slogan of open for business, that Saskatchewan was the best held secret. Then they moved to Partnership For Progress, and then it was Saskatchewan Builds, and each year, and year after year as each slogan came forward, this province has moved backward economically.

And now what they're attempting to do, Mr. Speaker, is try to involve in the mismanagement and the waste and the deficits of this province, the public, in what they call Consensus 100. And I want to say the people of Saskatchewan are not going to be fooled by any more of their gimmicks.

And across this province while they pay out thousands of dollars for Consensus Saskatchewan, few, very few people are attending those meetings. I hear as many as five people have come out, and I hear that . . . and at Prince Albert they had a big meeting. They had 12 people come out, I think, including the staff. And then they had a major success in Swift Current while they rounded up 70 Tories from southern Saskatchewan.

That's the type of economic policies that this government has. It's a policy built on advertising and gimmicks and electoral success, rather than a strategy of building for the future of the people of this province and the young people of this province.

And, Mr. Speaker, the crisis that exists in Saskatchewan today in agriculture cannot even be described by statistics or by words. The crisis is so great and I've said it here before. Undoubtedly there are 10,000 farmers

guaranteed that are losing their livelihood. Ten thousand farmers are going to be forced off the land and are being forced or have been forced off the land. And many more are edging towards that desperate situation.

Do you realize, Mr. Speaker, what this means? Ten thousand farmers, an average four to a family — that means 30 to 40,000 people will be dispossessed out of the agricultural economy by the inaction and the lack of policy by this government; 30 or 40,000, that means an average of about 300 people for every RM across this province. And they stand and they say, we're helping the farmers. Well I'll tell you they aren't helping the farmers, Mr. Speaker, that have contacted me, and I'm sure have contacted members of the government.

I relate to this legislature where a farm family, the father, helped his sons get involved in agriculture and because of the economic conditions, is losing that land. And the banks held the mortgage, and the banks have foreclosed, and this farm family have leased it back from the financial institution — the bank.

And they went this year again to lease it back because there was no sale for that land, and they arranged a lease arrangement at \$10 per acre for stubble, \$15 an acre for summer fallow. The bank wanted \$25 per acre, cash. He negotiated on that basis, said I need a week to 10 days in order to round up half of the rental value, cash, because they wanted half the cash initially.

While he was doing that, the Royal Bank went out and sought his neighbour to lease that land, right in spring seeding time. And his neighbours came to him and said, are you not giving up the land? Not interested in it? He said, my God, he said, that's my livelihood and my family's livelihood. Of course I'm wanting it. And the neighbours backed off. They said, if you're going to maintain it and work it and then negotiating to lease it again, then we'll not rent it.

And the tragedy goes on and no one is speaking up for that tragedy that's existing. How do you get to a bank, the Royal Bank? — because this man hired himself a lawyer, tried to negotiate another arrangement for leasing that land on a cash basis. And he arranged it, got it, offered the bank full pay-out for the full term of the year cash rent.

And they changed the terms again. Now they said, we want a lease purchase. You got to purchase part of it. He went so far as to get one of his sons and put up some security of his equipment. That's not good enough. That financial institution is turning that family off of the farm land and no one is speaking up for them. And I'm going to get to the reason why not.

And we take a look at this government and they say they're the friend of the farmers. And all that you can see, Mr. Speaker . . . I agree there has been programs, but they have been *ad hoc* programs. What a shame. What a wasted opportunity by that government. Surely in 1985, when the crisis was nowhere where it is today, then this government going into an election said, we'll borrow \$1.2 billion and we're going to give it to whoever signs up — \$1.2 billion — and we're going to reward success.

They weren't looking, analysing, seeing what was happening, because if they had been looking and analysing, that money would have been put into helping those young farmers that got induced into farming by some of the policies of the government opposite which I will talk about. I want to say, Mr. Speaker, that the crisis is real.

And I talked to another farmer, an outstanding farmer that bought some land. The timing and interest rate had nothing to do with management because you could drive into his yard and look at the manicured yard and the buildings and the work that he puts into it. And he tries to deal with the financial institution, the Royal Bank again.

You know what they say to him? We're not going to let you have that land, either a lease or purchase, because the only way that we can get rid of that land is to distance you from that land, because otherwise your neighbours will not go and offer to buy it. We can't get any price. And here the financial institutions are sitting, and they were part of the problem, as the member from Arm River knows.

Take a look. I was practising law at the time. And the banks were putting up 80 per cent of the market value which had no relationship to the productive value. And now they are turning on the farmers, they are bailing out of agriculture in Saskatchewan, and no one is speaking or protecting the farmers out in Saskatchewan.

As I said, in 1985 the genius that we have here as the Premier of Saskatchewan, the agriculture economist, he said we need a long-term program. Well five years later in 1990, we have no long-term program to alleviate the problems.

And all I can say is that the federal government now is saying that they're rushing to get a long-term agricultural program. But let there be no mistake — introduction of a long-term program will be welcome, but let there be no mistake that thousands of farmers are not going to be able to survive nor benefit from any long-term policy. It's too little and it's too late.

(1645)

I want to say, Mr. Speaker, that this government has no intention of saving those farmers that are in financial problems. None of their programs were designed to address the major problems of the high debt of young farmers getting into agriculture during the latter '70s and the early '80s.

I spoke of the production loan which was given out to every individual farmer whether he needed it or not. And I've talked how there was abuse of that program, and farmers spoke of it themselves.

The farm purchase program. When they first were elected here in 1982, one of the first programs that they put into place was a farm purchase program. This was under the stewardship of an agricultural economist called the Premier. And he said, we're going to set up a farm purchase program and we're going to subsidize up to \$350,000 so that young people and parents can establish

their children in farming.

And that agricultural economist forgot a couple of things: that the prices of land in '82-83 was at an all-time high, and on the horizon was decline in prices. And many families and parents have been destroyed by the implementation of the farm purchase program here in Saskatchewan.

It was an inducement at a time . . . an inducement of young people to get into agriculture at a time when the price of land was the highest and the interest rates were equally high. And they were subsidizing it at that time and inducing the prices to go higher. Now that's the agricultural economist we call Premier. But there's no economics in it and there's no sense in that policy.

And many a farmer across this province is paying the price for this misguided policy at that time. Rather than assessing, as any sensible government would do, of the horizon and what was happening in agriculture, they launched forward for electoral success, blew \$1.2 billion and gained virtually nothing, other than to drive those that had a lot of debt into more debt. That was the consequences of the policies that were put in.

And this year the agricultural economist comes forward with another gem. He says, I'll help those farmers this time. And so he sets up a spring seeding loan program, and that offers on the average about 32 cents an acre, is what it's costing the provincial government — 32 cents an acre. And thousands of farmers that I talk about who are under foreclosure or have their call in on their demand note or have indebtedness under other government programs are not even going to qualify.

So how are they going to possibly save those tens of thousands of farmers out there from total ruin?

I talked to farmers again, and they plead with me and they say, is there any way that you can help me? The banks are moving in. I've tried to phone the Premier's office; I get no reply. I tried to get hold of the associate minister; I get no consideration.

And these are farm families, my friends, who are going to be driven off. They have their sons; they're 50, 54 years of age. He said, what other occupation can I possibly do at this age? And I'll tell you, I could take you out there, any of the members of this House, and these are good farmers and they're good operators. But the circumstances are driving them off and our government sits by idly and will not support and maintain the existence of the family farm. And it's going to be a crisis for Saskatchewan; it's coming. It's not going to be irreversible. Any talk about long-term policy is too little and it's far too late, and tens of thousands of people will be leaving rural Saskatchewan within the next year, as many have already left.

The Premier, boy, this spring he said, I'm going down to talk to the financial institutions. And I'm not sure who talked to who, because it's pretty hard for you to talk to the financial institutions, the banks — the Royal Bank or the Canadian Imperial Bank (of Commerce) or the Toronto Dominion or any of the big five — because I think he who pays the piper calls the tune.

And when I was looking through, I wondered how this Premier, this agricultural economist, was going to do when he spoke to these banks down East. And I don't know whether he spoke to them or whether they told him what the policy would be. Because when I take a look at what . . . (inaudible interjection) . . . and the member from Cut Knife-Lloyd is hurting I think. I'll tell you the financial institutions are a part and parcel of the problem. And the banks and the financial institutions are in the pockets of the Tory Party. In fact the Tory Parties are the puppets for the banks and financial institutions of this country.

Some Hon. Members: Hear, hear!

Mr. Koskie: — And I'll tell you why they are. I'll tell you why they are. If you take a look at the corporation donations, this is the agriculture economist talking, the Premier, to the financial institutions. He's going to tell them what to do and what their policy should be.

Well you realize that 1988, this is the record that we have, that the Bank of Montreal donated \$80,000 to the Tory Party; the Bank of Nova Scotia, \$80,000 to the Tory Party; the Banque Nationale du Canada, \$45,000 — \$45,000. Canadian Imperial Bank of Commerce, \$83,000 to the Tory Party.

Let's take a look at a couple other banks here. Yes, Mr. Speaker, there's more to come. Let's take a look at the Royal Bank. Royal Bank gave to the Tory Party in 1988, \$80,110. But they have some subsidiaries, and they threw in a little bit more. Royal Trust Corporation, subsidiary of the Royal Bank, \$76,866. But that's not finished yet. We've got to take a look at Toronto Dominion Bank. Well I'll tell you they're generous to the Tory party too. But why shouldn't they be? Because their policies are designed for the financial institutions of this country. Toronto Dominion Bank, \$86,067.

And the Premier of this province — that's this agricultural economist — he went down and he says, I'm going to shake up those financial institutions. He shook them up all right. They sent him home and told him to get busy and do their policy. And as I've said before in this House, there is not a great difference between the agricultural policy of the Royal Bank and the Tory party, the same basic policy, because the Royal Bank says there's about 40 per cent are about marginal farmers that should go — the majority, the large majority of farmers are marginal and should go. And that's the policy of the present Tory government.

They stand in this House and start talking about how they are diversifying and building and protecting the farmers of this province. How far from the truth, Mr. Speaker.

I want to say that what has happened under the tutorship of this Premier is a national disgrace. They have absolutely destroyed the fiscal management of this province. And I can say here because I remember it, the late Ross Thatcher came in with the same theme "open for business" as this Tory government did. And I didn't wonder why they didn't have the same theme because the late Ross Thatcher had open-for-business too. And then his son jumped from a Liberal and became a Tory

and he took along the package. So there's basically no difference between the Tories provincially and the Liberals of the late '60s.

But I can say one thing is that . . . I can say one thing, Mr. Speaker, is that under the late premier Ross Thatcher, while I didn't agree with his economic policies, I can tell you one thing. He didn't leave the legacy of the horrendous debt behind and the mismanagement of this government.

I think this is almost a crime what the generation, next generation of this . . . of Saskatchewan is burdened with. I don't know how any group of people could assume office and ravage and plunder a province to the extent that this government has done. I don't know why they act so counter to the interests of the people that have built this province.

Do you realize, Mr. Speaker, as has been said before, this province had a surplus of \$140 million when they took over? And today we have a total debt of over \$13 billion and a \$4.4 billion in operating debt alone. They have given away the assets of this province and they call it privatization. Absolutely impossible to believe that this administration is competent either to run a Crown corporation or to privatize it.

And that's the dilemma that we have — the total incompetence — and that's the dilemma that is facing the people of Saskatchewan today, that we have a government that cannot run a Crown corporation, and we have a government that is so incompetent that it cannot even privatize without losing money. And billions of dollars of valuable assets have been disposed of, and a few have profited. There's no doubt, a few have. There've been a few winners. But I'll tell you, the ordinary taxpayer is not a winner. Because while we have disposed of the assets, while the debts have mounted, the taxes have increased and the services have been cut.

I want to say, Mr. Speaker, that the revenues also have decreased under this administration. When we look at the \$4 billion of deficit that is accumulated, what do we find? We find that what they have done and they say look at the oil industry. Boy, it is booming. We are drilling wells, and we're producing more. Look what we're doing with gas. We're producing. We're drilling holes, wells. We're producing. We're exporting.

And when you look at the revenues from resources, what has happened as production has increased and prices have increased? Revenues to the people of this province have gone down. It is estimated that we in 1981-'82 that out of every dollar of value of production of minerals in Saskatchewan, 33 cents came back to the people of this province. That has now dipped to 12 per cent. That's the total amount that comes back to the people of Saskatchewan.

But they say, oh look at Saskoil. What a wonderful job it's doing. It's building a new building. Well I defy anyone to stand in this House and to say that the people of Saskatchewan got more last year out of Saskoil in an expanded version than it did in the last year of operation as a Crown corporation — \$44 million came to the

taxpayers, \$413 million came to the taxpayers in five years of operation of the potash corporation. And that's gone.

(1700)

And so, Mr. Speaker, what I'm proud to do is to move and to draw to the attention of the people of this province, the crisis that is facing so many hard working and dedicated people of this province — homesteaders, young people who took the opportunity to get into farming. My heart goes out to those who today find themselves in the tremendous difficulty and neither government nor financial institutions will lend a hand.

And so, Mr. Speaker, I want to move then, seconded by my colleague, the member from Humboldt, the following resolution:

That this Assembly regrets the abject failure on the part of the Government of Saskatchewan to strengthen the economic base of the province's rural communities and, furthermore, deplores the extraordinary indifference and acquiescence of both the federal and provincial government to the crisis in farm foreclosures which is causing irreparable damage to Saskatchewan rural communities.

I so move, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Hodgins: — Mr. Speaker, I believe that this subject requires certainly a great deal more discussion. I think that's been fairly accurately portrayed on behalf of the . . . Mr. Speaker, I believe that this issue, dealing with rural Saskatchewan has an awful lot that could yet be said about it and I would therefore like to beg leave to adjourn debate on this issue.

Debate adjourned.

The Assembly adjourned at 5:02 p.m.