

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goohsen: — Thank you, Mr. Speaker. I am happy today to rise to add to the long list of petitions that have been presented over the past week or so. Now with regards to the GRIP (gross revenue insurance program) program, the very same points are made in the petition that were made in the previous ones, so I won't read it in detail. I think that everyone here knows pretty well what it's all about, so if a page will come, we will have them present it.

Thank you.

Clerk: — The following petitions for private Bills are hereby presented and laid on the Table:

by Mr. Kowalsky of the Ukrainian Catholic Council for the Ukrainian Catholic Eparchy of Saskatoon in the Province of Saskatchewan; and

by Ms. Hamilton of the Regina Exhibition Association Limited of the city of Regina in the Province of Saskatchewan.

INTRODUCTION OF GUESTS

Ms. Stanger: — Mr. Speaker, to you and through you I'd like to introduce to the legislature a constituent of mine and a former member of this House, Mr. Bob Long, and also was minister of Highways. We are very pleased to have him here and hope he enjoys his stay with us and please help me welcome him.

Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. To you and through you to the House, I would like to introduce 23 grade 6 and 7 students from the Alameda School in my constituency. They're seated up in your gallery, Mr. Speaker, and I'll be pleased to be meeting with these students after question period for pictures. I would ask all the House to welcome them here today.

Hon. Members: Hear, hear!

Hon. Mr. Wiens: — Mr. Speaker, I'm pleased to introduce to you and through you to the other members a class of grade 8 students from the Rosetown Central High School accompanied by Mr. Schwab and Mr. Wiebe. I hope you enjoy the session here this afternoon and I ask the members to join me in welcoming this delegation from my home school town.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Mr. Hagel: — Thank you very much, Mr. Speaker. Mr. Speaker, having observed events of last week and the

response by some media to one clause of the television guidelines in the new rules — some of that response made tongue in cheek and some not quite so tongue in cheek, Mr. Speaker — and noting the motion before the House to delete the phrase that some media felt inappropriate, I wish to make a private member's statement primarily to the Assembly's friends in the media, Mr. Speaker, which I have put into limerick form:

In regard to this rule that we're ridding,
In response to the media's bidding,
'Twill ensure you the tools
For your jokes, April Fools,
For you see, CBC, we were just kidding.

Ms. Crofford: — Thank you, Mr. Speaker. It's not an easy act to follow, the hon. member, ever, but I want to put today a message of congratulation and encouragement to all of the 1992 graduates in all Saskatchewan high schools of which my son, Orion, is one this year.

The four years of high school are such short years, and I think we're all a little bit surprised when all of a sudden our kids are adults standing before us who are ready to either go into the work force or to go on to some further training or careers, which will be a very big lifetime choice for them.

But we recognize all the efforts that parents and teachers and students put into this, and additionally the parents and the teachers who've gotten together to celebrate in a positive way through safe grad activities after the graduation ceremonies.

So, Mr. Speaker, through yourself and through the legislature, I'd like to wish all the best to the spring 1992 graduates, their teachers, their friends, and their families. And keep up the good work and stick with Saskatchewan. Thank you.

Some Hon. Members: Hear, hear!

Mr. Martens: — Yes, Mr. Speaker, thank you. A public meeting of concerned leaseholders was held at the Ravenscrag community centre on Monday, May 25. This meeting was called to discuss with leaseholders the possible implications of The Critical Wildlife Habitat Protection Act and there were 75 people in attendance.

The main concerns of these leaseholders present was the consultation practices of Parks and Renewable Resources. Leaseholders were notified by form letter and were not given an opportunity to have input into the decision to place all this land in critical wildlife habitat.

Each individual leaseholder should be able to have a one-on-one input into the management and status of his lease. The term "critical" misleads people, as this land is very well managed by leaseholders. They have developed and improved these leases over the years, and good management is to their benefit as to the wildlife.

They passed a resolution saying that the critical wildlife Act be dropped and that this be made retroactive on land already designated; be it further resolved that any

designations be a co-operative effort amongst Parks and Renewable Resources personnel, municipal government officials, individual lessees, and the Department of Rural Development.

Mr. Speaker, as well as those people from Ravenscrag, I have 120 of these people in my constituency who are also leaseholders, and as I sent letters to them through the years, they have indicated to me that the majority of them also are of the same opinion. And I want to thank the Assembly for this time to state this opinion.

Some Hon. Members: Hear, hear!

Mr. Jess: — Mr. Speaker, I am very pleased to rise in this Assembly today to announce Redberry's part in the wellness program. I would like to take this opportunity to show the members of this legislature the co-ordinated studies of people and organizations throughout Redberry. This project was undertaken some time ago as a method of getting the thoughts of the people of Redberry put forward to our government.

Today I had the opportunity to present this document to the Minister of Health. I would like to take this opportunity to thank the Minister of Health for her receptive approach to the health concerns of the people of my constituency of Redberry.

I would also like to take this opportunity to publicly thank my staff and the people of Redberry who contributed to this project. This collection of documents outlined the recommendations of the contributors on health and social issues of great concern to them.

I believe this is the kind of background information that our government requires to develop programs to best serve the health requirements of the people of Saskatchewan. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Mr. Speaker, yesterday in the Kindersley constituency I had the privilege of taking part in a seeding demonstration. There were five companies represented there and my own private seeding unit was there on display.

It was a demonstration of direct seeding which, for the members that aren't aware of what that's all about, it is a new soil conservation related technique to try and demonstrate the benefits of soil conservation in the area. It was very well attended, Mr. Speaker. Something in the order of 200 to 250 people were there taking part in the demonstration.

I think after a number of years of very low rainfall on the west side of the province, it has certainly raised the awareness of soil conservation in the area, and that's why the demonstration, I believe, was so successful.

The program was sponsored by the save our soils program, a program that is jointly funded by the provincial and federal governments, and also the district 40 ADD (agriculture development and diversification district) board and the Brock Soil Conservation

Association. I again say I had the privilege of attending it and taking part in it and I think it was a very worthwhile activity for the area.

Some Hon. Members: Hear, hear!

Mr. Langford: — Thank you, Mr. Speaker. I want to talk to you a little bit about the bud worm problem in Big River. Weyerhaeuser and Environment department are closely monitoring the problem right now of the bud worm. Okay has been given to Weyerhaeuser by the Environment department, which they are closely monitoring. And at this stage they're closely watching to see how bad the infestation of the bud worms will be.

There's approximately a couple hundred hectares of infestation of forest right now in Big River. They do not believe they will have to spray if the weather acts responsible and does destroy the bud worm. So in this, Mr. Speaker, I just want to bring you up to date on the bud worm problem.

Some Hon. Members: Hear, hear!

Mr. Sonntag: — Thank you, Mr. Speaker. I want to talk briefly today and make a statement on the farm financing situation. I have personal experience, as you may know, in the credit union system for over 12 years and also born and raised on a farm, so I think that I have a reasonable background of this.

And I just simply want to say that I believe it's high time for some co-operation from all parties involved. There's an absolute necessity for the Hon. McKnight and the Farm Credit Corporation to accept the proposed six-year leaseback proposal, and also the federal government has to be prepared to absorb some of the cost.

The people of the constituency of Meadow Lake have always pulled together when it required. And I want to close, Mr. Speaker, by saying that it's time for our federal minister to pull together and respond positively to the grave financial situation that is faced by many of the Saskatchewan farmers today. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Government Agreement with Crown Life

Mr. Devine: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier and it relates to his government's practice — and I might say dangerous practice — about talking about the financial deals in the absence of complete knowledge, and in part I suspect it's an attempt to really bad-mouth anything that the previous government has done.

The government yesterday released a number of details about Crown Life which intentionally leave the impression that taxpayers and the people of Regina will not benefit, and frankly this information will do the company harm.

Is it not true, Mr. Premier, that you and your ministers

were completely briefed on this project prior to Christmas and that you had full knowledge of the terms of the guarantee, the proposals for public offerings, and that you were indeed warned then that delays in allowing a public offering would only add additional interest costs to the overall transaction?

Hon. Mr. Romanow: — Mr. Speaker, first of all, the member I believe is in error when he bases his question on the assumption that information has been deliberately revealed by the government with respect to this transaction. I don't believe that to be the case. Some of the officials are not in Regina as of this moment or as of this day, so I can't be perfectly certain about it, but we have none the less indicated that there is no release of the information.

With respect to the Crown Life matter, as with respect to the matters which the former administration was involved in, we have taken the position that we want to take the appropriate time to learn about all the details, investigate all the aspects of the proposed funding and other arrangements and take what other necessary measures are appropriate in this regard to satisfy ourselves that the direction and the aim taken by the former administration with respect to these projects is in the right direction and in the right area. This has been, in the case of some of the projects, a little more complicated because they're complicated and therefore a little more time consuming.

Mr. Devine: — Mr. Speaker, a question again to the Premier. You knew, Mr. Premier, that not to go into the market-place was going to cost a great deal of money, and not to go in quickly. And yet you decided to spend 4 or \$500,000 on yet another study, another analysis of Crown Life, and you did this with Goldman Sachs in New York despite the recommendation of two of Canada's best financial advisors, RBC Dominion Securities and Gordon Capital.

Mr. Premier, will you tell the House why you decided to conduct another costly review and why they refused to take the advice of RBC Dominion Securities and Gordon Capital to allow Crown Life to issue a public offering prior to Christmas and save the taxpayers some money?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, what the hon. member asks I think again is predicated on the wrong assumption. The newspaper story which I think he bases his question on — at least the one that I have is *The Globe and Mail* story of this morning — talks about one of the partners in the arrangement, HARO, being advised on this matter by Gordon Capital Corporation and RBC Dominion Securities Ltd.

That being the situation, it is only appropriate for another party, which is the government — a separate entity — to get its independent advice as well, in the interests of the taxpayers and the financial arrangements. It is in that context that the decisions to which the member refers in the question were made.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, my question is to the Premier. Mr. Premier, you were told that another review would cost 4 or \$500,000. And yet and on top of that, Mr. Premier, you were told that the delay of a public offering could cost up to \$50 million because of interest that would be paid as you continued to study or review or examine again, over and over.

So your decision not to do a public offering is not just a \$500,000 decision, but it appears it could be up to \$50 million cost to the taxpayer. Mr. Premier, will you not admit that the 50 million potential cost overrun, that is a result of your inability to act in a timely fashion on the recommendation of very serious firms who have made the recommendations to you in November, is really just breaking the terms of the original agreement and is going to result in a very expensive bill to the taxpayer.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Well, Mr. Speaker, I obviously do not agree with the statement or the conclusion, I may put it that way, of the hon. member's question. What the hon. member must understand, and I'm sure he does more than anybody on the opposite side does, we're talking here about a multimillion dollar deal. We are talking about the question of short-term financing and long-term financing which involves the people of the province of Saskatchewan in one form or another with millions of dollars.

It would be and is the only prudent thing to do, which is to make sure that the dimensions of the proposed arrangement are fully and properly examined especially by an incoming government. And that appropriate authorities and experts in this field give the independent advice so essential for a decision to be taken. Those that have been engaged, I am advised, have acted with dispatch and with as much speed as the complexity and the importance of the project dictates.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, my question is to the Premier. Mr. Premier, the media reports also see the NDP (New Democratic Party) government leaving the impression that the former government tried to hide the terms of the public offering and that all of a sudden it has turned into a convertible bond transaction.

Is it not true, Mr. Premier, that the proposal for the form of the public offering, a convertible bond offering, came after the election and again came from RBC Dominion Securities and Gordon Capital close to seven months ago, and that your failure to act has severely restricted the company's ability to get on with doing what it wants to do, namely attract new equity to this new firm in Regina?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I do not see it that way, nor to the best of my knowledge do any of the partners see it that way. It's not been communicated to us at all. As they, I think in the newspaper story — I haven't read it in detail — it indicated. Mr. Hill himself is quoted in the context that he sees no problem. I can't find the

exact quotation. And the government responses I think are fully appropriate.

The answer is again the one that I've given. If the hon. member opposite believes that with respect to any arrangement, especially one which involves hundreds of millions of dollars, we as the new government, as anxious as we are to have development in the province of Saskatchewan and as anxious as we are to have new investment in this province, that we should rush into making decisions without appropriate examination of all the terms and conditions, and getting all of the independent advice that is necessary, then I'm afraid we have a disagreement as to how we conduct the business of this government.

We are especially predicated by the financial picture in which we find ourselves. We are predicated to take the positions of careful examination, prudent consideration of options, and making the decisions public at the appropriate time, as we will in this case.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, my question is to the Premier. The handling of this transaction, Mr. Premier, in public like this, and then causing a story to make *The Globe and Mail* seven months later does not leave the private sector with a feeling of good faith. It's not bad enough that they are dealing with this issue through the media, but to do so with a partner who is working with the government on the Piper deal — which also appears to be being negotiated in public and not doing all that well — is causing people across the country to say, what is the Government of Saskatchewan up to?

Will the Premier not agree that the original transaction provided for the loan guarantee to last up to seven years to facilitate loans from the Canadian Imperial Bank of Commerce, but that had the NDP taken the advice of respected investment professionals that I've mentioned here today, the loan guarantee would already be substantially diluted or reduced as we sit here today.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I frankly don't understand where the Leader of the Opposition is coming from on the base of his questions because he predicates his question on a false set of facts.

I have here in front of me a photocopy of the *Regina Leader-Post's* front page story. And this last two paragraphs, very shortly put, is my answer to the premier:

Haro principals say they aren't bothered by the government's new questions about the deal and maintain that while progress has been slower than expected, everything is on course.

"Nothing has changed from the original announcement," Haro president Paul Hill said.

Now, Mr. Speaker, that is the position that the president, Mr. Paul Hill of HARO, takes. That's the story report. But the former premier, the Leader of the Opposition, is

oblivious to those facts and constructs a series of questions based on some sort of political agenda which he seeks to advance.

I say to him: face up to the facts and the facts are as stated in this story. And understand please, that because of the complexity of the deal involved, this is a new government which is going to act in the best interest of not only the partners and the investors, but the taxpayers of the province of Saskatchewan. And that's a refreshing change.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, my question is to the Premier. Mr. Premier, you're finally getting at the point.

It's your dithering that's costing up to potentially \$50 million. And Paul Hill and others would say, Mr. Speaker, that the share offering could have been done last fall, or by the latest January, and you'd save yourself all this money.

Now the question I have to you on top of all this \$50 million is simply this: is it not true that your private sector partners, as well as RBC and Gordon Capital, were prepared, Mr. Premier, for a share offering or public offering of some sort at Christmas time and that it was in fact your government's dithering that may end up costing taxpayers additional financial costs as well as an extension to the loan guarantee period. Isn't that the fact, the truth, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the answer to the question is the one that I have given to the Leader of the Opposition, which I must repeat again. The answer is in this very same story. The answer is that the HARO principals say they aren't bothered by the new questions. I don't know why the Leader of the Opposition should be bothered if they're not. Nothing has changed from the original announcement. That's what Mr. Hill says — nothing has changed from the original announcement.

The position that the . . . (inaudible interjection) . . . No, that's what Mr. Hill says. I'll take his word rather than your word, with the greatest of respect. And it is our position that the government should carefully look at a matter as complex and as financially important to the people of the province of Saskatchewan as carefully and as diligently as we are doing. That's the answer.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, the media has been prompted by the government through Mr. Don Ching, reported that because of the former government's handling of the deal that the government will end up owning Crown Life after seven years. We can only assume that the government's motive for this leak is to discredit the company so much that any potential public offering might be a failure and the NDP can blame the former government again.

Mr. Premier, despite these motivations by the NDP

administration, will you not acknowledge that it would be impossible for the government to own the insurance company for any length of time because the federal regulations just won't permit it?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the point that I want to make here is the one that everybody knows. The government does not intend to own a portion of Crown Life. Anti-government provisions and federal legislation prohibit government ownership, in any event. The government however may in realization proceedings take ownership in trust for subsequent sale if that ends up to be a part of the negotiations and discussions.

Now I mean that was a large part of what your question was based on. And the member opposite knows more than anybody on that side and surely as well as anybody does in the treasury benches sitting here presently, what the federal provisions are. So I don't know why the question was predicated on that.

But let me come back to the other central proposition. This has nothing to do about the former premier's concern about blame-casting, the Crown Life situation. This has to do with what I said earlier. It has to do with the fact that as far as this government is concerned, in a complex basis of negotiations and a complex deal as we have in this nature, that full and careful examination of the implications, the due diligence, the financial obligations — short-term, long-term, medium-term — be examined.

And we have to be especially careful of that, given the extremely difficult financial picture in which we find ourselves, if I may say so — here is now a little bit of blame-casting but justly so — as the result of nine years of your administration.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, my question will be to the Premier. On one hand, Mr. Premier, the NDP government uses the successes of the previous governments, like upgraders, Saskferco, FCC (Farm Credit Corporation), and Crown Life to pump up your economic growth figures. And then it turns around and has people like Don Ching maliciously leak half-truths to the media about the projects.

Mr. Premier, I think it would be fair to the Saskatchewan taxpayer if you and your ministers and your key people who are now running Crown Management Board and others would be fair and prevent and stop talking out of both sides of their mouth. Could you today, Mr. Premier, assure the people of the province, the employees of Crown Life, the residents of Regina, that the Government of Saskatchewan, the NDP Government of Saskatchewan is committed to living up to the transaction and moving Crown Life to Regina?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, again this is an interesting example of how a straw man, or perhaps I

should say in today's world a straw person, is constructed on the basis of a question leading up to the point that the Leader of the Opposition tries to make about the government's intentions.

The one quotation that I see in *The Globe and Mail* by Mr. Ching says this: The government is carefully looking at the matter to be sure it does the right thing, the Crown Management Board Mr. Ching said. There may have been an earlier quotation but nothing beyond that. And then the main story says, but the government is reluctant to comment on the transaction. Period.

Out of that, the Leader of the Opposition constructs a straw person to make some sort of an allegation. I say with the greatest of respect to the Leader of the Opposition, you have really drawn a long bow here, stretched the point beyond credibility.

Clearly we'd like to have as much economic development as possible. We do not dismiss out of hand everything that your administration did. We think that those issues which can work to the benefit of building jobs and security for the people of Saskatchewan in the future should be supported and maintained. If that can work with Crown Life, we're all on side for that. Who would be opposed to it?

And we are asking the questions, not from the point of view of being harmful to it, but we are asking from the point of view of being diligent for the interests of all the taxpayers who in these very difficult times, as you know, ask governments to act with prudence and care.

Some Hon. Members: Hear, hear!

Mr. Devine: — Final question, Mr. Speaker, to the Premier. Mr. Premier, clearly what we want to do is clear this up before the public and before the media so that in fact Crown Life employees and the city of Regina and those that are thinking about investing can feel confident that the NDP administration supports this move.

Two questions: will you put a leash on Don Ching so that he doesn't jeopardize the project any more? And secondly, Mr. Premier, will you document and table in the legislature the interest costs to the taxpayers of Saskatchewan of your studies and your delay? And I believe, if you're paying in the neighbourhood of prime plus anything on \$250 million, it can cost you up to \$50 million because of your delay. Would you table the costs of the delays so the public of Saskatchewan knows exactly what the dithering has cost?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I'm tempted to say again to the Leader of the Opposition that if I take a look at Mr. Paul Hill's quotation which says nothing has changed from the original announcement, and they aren't bothered by the government's questions, he seems to be fairly optimistic. Everybody seems to be fairly optimistic except, for some reason or other, the last few months the Leader of the Opposition has been so doggone pessimistic, and it's so difficult in that environment to get him to be a little bit optimistic. As my colleague says —

you know your own message: you never say whoa in a mudhole. So just say that and break this pessimism and be optimistic.

I say to the Leader of the Opposition and the House opposite: we are working on this as carefully and as quickly as we can, as I'm sure the premier would want . . . the former premier would want us to do. That's the job of a premier and the government. We want economic development, and at the appropriate time when the studies are finished and the announcements need to be made, the costs which are attached to it, we'll examine with a view to tabling as well.

Research into Energy Development

Ms. Haverstock: — Thank you, Mr. Speaker. My questions are to the minister for SaskPower. There's a need in Japan for increased power and they're looking to Canada, apparently for the ability to produce hydrogen from electrical power to meet their needs. This innovative technology is also being pursued by Germany, which would create a whole new market and a demand for electrical power from suppliers like Saskatchewan.

Mr. Minister, given that the federal government has already spoken to Quebec, to British Columbia, and Manitoba, what discussions have you had with the federal minister about research funds available into this technology for our province?

Hon. Mr. Lingenfelter: — The member asks what discussions have gone on on energy development on the provincial level in Canada and around the world. I want to tell you that discussions are in an ongoing stage with Mr. Epp. My colleague from Swift Current and myself met in Ottawa about a month ago, and we spoke of energy options around the world and what Canadians might do, also where we might on a regional basis share information that would have local and regional application but also world-wide application.

So to the member opposite, it's something we're interested in, concerned about, because we believe that in many areas of the world some of the technologies we have have great application. And what has been done in some of the areas, i.e., SaskTel and other Crowns, SaskPower is looking at those opportunities as well.

Ms. Haverstock: — Thank you, Mr. Speaker, to the same minister. Given the development of these kind of innovative technologies — and I'm talking specifically about the containment of hydrogen that can then be shipped and turned into power — and all the potential international market demands, how can your government conclude that Saskatchewan's energy supplies are indeed sufficient to carry us into the year 2003?

Hon. Mr. Lingenfelter: — The studies done by the corporation, the Billinton Report which was commissioned by the previous government along with the experts in the corporation, would indicate that the power supply needs that we've indicated that are on the drawing board and being commissioned — that is Shand 1, about 260 megawatts of power; the potential of Shand

2, another potential of about 260 megawatts; we believe a hundred megawatts from co-generation; 90 megawatts in conservation, a bit of a wind project — that those projects that are on the drawing board will take us to about the year 2003.

We've then looked at and are in fact setting up an institute in Saskatoon which will look at the power needs for the province from the year 2003 to the year 2020. So the expression that our power needs are basically met to the year 2003, that is the new power coming on plus the institute being established to the year 2020, is done with the best experts in Saskatchewan and from across the piece.

Ms. Haverstock: — Mr. Speaker, to the same minister. It's most interesting how you're selectively attempting to choosing some things from the Billinton Report, but you also choose to ignore others.

The Billinton Report also recommended the AECL (Atomic Energy of Canada Ltd.) deal, and of course what you're suggesting now is that their prediction of 2003 is an accurate prediction.

Mr. Minister, in view of the increased demands for arrangements that will be made — perhaps with Germany, perhaps with Japan, the fact that Manitoba is saying that it doesn't have enough power and may have to buy some from the province of Saskatchewan, if it in fact follows through with Japan — this could place on Saskatchewan's energy supplies a much different kind of colour. And I ask this government again: will you admit to your mistake about cancelling the AECL deal?

Hon. Mr. Lingenfelter: — There's two points that I want to clarify, Mr. Speaker, I think, in terms of keeping our facts straight in the House. I want to indicate that Billinton did not recommend the AECL deal. That's completely false. And the member opposite, whether she's just not up to speed on the Billinton Report or whether she's attempting to mislead the public, I want to say that the Billinton Report did not recommend the AECL deal and you should clarify that.

Secondly, the AECL deal contained a couple of points that many people in Saskatchewan were concerned about. One, the commitment to building a CANDU 3 reactor, 450 megawatts, that we don't need at least until the year 2003. Why would we start spending a billion dollars to build a nuclear reactor when we don't need it for another 10 years? That doesn't make any sense.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — That was the main point in the AECL agreement. The second main point was dumping of nuclear waste as a disposal site in Saskatchewan. Many people are concerned about that as well.

So what we've done is we've rejected the commitment to a CANDU 3 reactor. We've rejected using Saskatchewan as a dump site for nuclear waste from around the world. You may support that, but we don't, and many people don't.

But we are also moving and discussions are ongoing with AECL for research on nuclear medicine, irradiation of food — all of those areas. And I'm sure that at some time in the near future there will be further discussions and announcements made about AECL, and work that can and will be done in Saskatchewan.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 27 — An Act to amend The Rural Municipality Act, 1989

Hon. Mr. Lingenfelter: — I move first reading of a Bill to amend The Rural Municipality Act.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

STATEMENT BY THE SPEAKER

Decision on a Question of Privilege

The Speaker: — Before orders of the day, yesterday I deferred my decision on a question of privilege raised by the Opposition Deputy House Leader.

The member makes two points in his question of privilege. In the first point the allegation is made that someone improperly removed files from the storage of the member for Arm River. This, it was said, interfered with the member's ability to do his duties and therefore constituted a prima facie case of privilege.

In the second point, the member argues that the use of these documents in the debate that took place on May 25, 1992 constituted a contempt of this House.

I think the Deputy Opposition House Leader realizes that an accusation of theft is a serious matter of a criminal nature, for which this House has no power to adjudicate. Of course when criminal activity affects the dignity of this Assembly, then it is within the penal jurisdiction of the House to punish for contempt in appropriate cases.

For the Assembly to take such action however, there must be conclusive evidence of such a breach. The question of whether the documents were stolen can only be determined by normal criminal procedures. In the meantime we have two versions of events. I have no option but to accept each member's explanation and consider this whole matter as a dispute between two members over facts.

The second point made by the member was that the use of the documents by the minister in the Assembly constituted a contempt of the House. It is my view that a contempt of the House could be found only if the documents used had been illegally obtained and this was known by the member using them.

As I said earlier, the Chair is not in a position to determine whether the documents were illegally obtained.

I therefore find no prima facie case of contempt or breach

of privilege has been established.

I do want to point out, however, that the use in debate of private correspondence between another member and his or her constituent should be treated as an ethical question, which I invite all members to carefully consider.

That is the end of my statement.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 21 — An Act to continue SaskEnergy Incorporated, to make certain consequential amendments to certain Acts resulting from that continuance and to validate certain transactions involving SaskEnergy Incorporated

Hon. Mr. Lingenfelter: — Thank you very much, Mr. Speaker. Mr. Speaker, at the end of my remarks I'll be moving second reading of The SaskEnergy Act. It's my pleasure today to rise in the House and outline the role that we believe SaskEnergy will play in Saskatchewan's economic future. Our government is committed to finding innovative solutions to meeting Saskatchewan's energy needs and SaskEnergy ... The SaskEnergy Act is part of that initiative.

Mr. Speaker, SaskEnergy will be established as a free-standing Crown corporation by the Bill that we are dealing with here today. With this status, SaskEnergy will have its own identity enabling the Crown corporation to carry out its mandate more effectively for the people of Saskatchewan.

While in opposition, Mr. Speaker, we fought hard to keep SaskEnergy in the hands of the people despite the previous government's plan to privatize SaskEnergy. That struggle is over and I'm proud to say that our natural gas utility still belongs to the people of Saskatchewan.

Some Hon. Members: Hear, hear!

(1415)

Hon. Mr. Lingenfelter: — Mr. Speaker, it's fair to say that our province, the province of Saskatchewan, is in dire economic straits. It is time for crucial decisions; Mr. Speaker, I say for smart decisions. Regaining fiscal integrity means using our resources like natural gas as part of overall economic strategy.

Today's environmental concerns require new solutions for tomorrow. Natural gas is the most environmentally friendly fossil fuel and our province is fortunate to have vast a supply. Our government is determined that natural gas play a key role in our search to fulfil Saskatchewan's energy needs. Mr. Speaker, SaskEnergy will lead the way in achieving some of these goals.

Through its provincial-wide network of natural gas transmission and distribution pipeline, SaskEnergy serves

over 291,000 customers. The corporation continues to provide Saskatchewan residents with the second lowest natural gas rates in Canada.

Rapidly changing technology, together with a competitive market-place, requires continuous upgrading of skills. SaskEnergy's people have effectively met this challenge, enjoying one of the best safety records in the country while transporting record volumes of natural gas on its system. System upgrades, such as last year's Rosetown to Regina pipeline expansion, have enabled the corporation to go on to increase operational efficiencies.

Mr. Speaker, the proposed legislation follows the recommendations made by the Saskatchewan Financial Management Review Commission to establish SaskEnergy as a Crown corporation. Crown corporations must be accountable to the people of the province, and the previous government's practice of using them to hide the debt has ended. Establishing SaskEnergy as a Crown corporation will make it subject to the same financial reporting requirements as all other Crown corporations. The Crowns and all other areas of our government are going to be open and accountable.

Mr. Speaker, The SaskEnergy Act will ratify all the corporation's previous transactions since 1988. Our government has taken measures to correct improper transfer of assets and debt from SaskPower to SaskEnergy. The net gain of \$226 million was determined to be inappropriate by SaskPower's auditors because it did not allow and follow generally accepted accounting principles.

Mr. Speaker, the Act will establish a new Crown corporation within Saskatchewan to be known as SaskEnergy Incorporated, providing it with the required statutory power to carry out the corporation's mandate.

Mr. Speaker, TransGas Limited will remain a wholly owned subsidiary of SaskEnergy Inc., and will be recognized as part of the agent, the Crown operating the transmission system.

Mr. Speaker, SaskEnergy Incorporated and TransGas Limited will have full franchise rights to purchase, distribute, sell, manufacture, produce, transport, gather, compress, and process stored natural gas.

Armed with this mandate, SaskEnergy will continue researching non-traditional natural gas applications. The electrical energy options review panel recommended that co-generation be studied as a viable alternative to Saskatchewan's energy needs. SaskEnergy will participate in co-generation projects to meet the future electrical demands, resulting in further economic development throughout the province.

More opportunities will be created for SaskEnergy as natural gas usage continues to expand. SaskEnergy will have the responsibility to maintain a secure supply of natural gas for all Saskatchewan customers. The province is strategically located to take advantage of existing transportation corridors, and these factors will enable the corporation to develop interconnections with other

pipeline systems, expanding into additional markets and increasing natural gas storage facilities.

Mr. Speaker, the corporation we intend will play an aggressive role in promoting natural gas as an environmental energy source in a variety of home, business, farm, and industry applications. Working with the appliance dealers association, SaskEnergy will aim to increase the use of natural gas appliances which are cost-effective and environmentally friendly.

Mr. Speaker, environmental awareness will present growth potential as customers shift to natural gas — as I've said, the most environmentally friendly of the natural resources we have in the province to consume for energy. SaskEnergy will set new standards in the greening of Saskatchewan.

Mr. Speaker, I say natural gas will be the fuel of the '90s and SaskEnergy will be a leader in promoting the use of its environmentally sound fuel source. Clearly our commitment to save the environment has to be backed by action, and SaskEnergy is ready for that challenge. The corporation is on the threshold of setting new, responsible trends in energy consumption.

Mr. Speaker, SaskEnergy will continue to pursue the benefits of natural gas as an alternate vehicle fuel. The corporation is involved in converting fleet vehicles throughout the province to natural gas and doing a study on setting up permanent natural gas fuelling stations throughout the province.

Mr. Speaker, this proposed legislation will establish SaskEnergy as a major provincially owned corporation. The public made it clear in 1988 they wanted public ownership of this utility and transmission. And, Mr. Speaker, we are giving the public what they asked for in the last election.

As I have indicated, this corporation will play a major role in providing Saskatchewan citizens with a secure and yet competitive supply of natural gas while contributing to the economic development needed to secure our future. I've asked all the members of the House to join with me in supporting the new proposed SaskEnergy legislation and establishing this new and exciting Crown corporation.

Mr. Speaker, with that, I move second reading of The SaskEnergy Act.

Some Hon. Members: Hear, hear!

Mr. Martens: — Thank you, Mr. Speaker. I have a few observations I'm going to make and then I'm going to adjourn debate.

Some of the observations that the member from Elphinstone made as it relates to energy, I believe, need to be expanded on. One of the items, that the energy component of natural gas is probably the cleanest that we have in term of the fossil fuels, and I think that it's important that we use them to the greatest amount of their potential.

I want to say, however, an observation that the minister

made that some of this would be used in making available electrical energy and the types of things that we can do with natural gas, I want to point out that I believe it's the only natural gas conversion to electricity station in the province of Saskatchewan is located in my constituency. And that, Mr. Speaker, is the most expensive form of power in the whole province.

When all of the other sources are used, then the people in the south-west turn on the natural gas electrical energy component. And I want to just say that perhaps we have to take a serious look at whether that is the most efficient and effective way to generate electricity.

Mr. Speaker, I want to point out to the Assembly that I fundamentally believe that the public as a part of a personal and private initiative should be allowed the opportunity to set up as a part of an investment opportunity, the transmission portion of SaskEnergy. I still believe that that's the right thing to do. I've always believed that that's the right thing to do.

How to develop an industry when the government is strapped for cash. As we've heard for the last six or seven months, they're strapped for cash for farmers; they're strapped for cash for a whole host of items. And now they're going to say, we're going to borrow the money to make the investments in the distribution process in the province of Saskatchewan.

Mr. Speaker, this whole discussion is a very interesting one. I find it interesting from the point of view that the minister also said that he wants to have more sales of natural gas. Well I agree with that.

I just ask him why he cut the program for selling gas to people along the various areas that they had already established that they were going to do for this year. We had people who were prepared to become involved in a natural gas distribution focus. Buffalo Pound I believe was one place that was supposed to be done; it was cancelled. All of these are additional sales opportunities for the SaskEnergy Corporation, and I think that they should be established and enhanced.

We need to have as a part of a development for an opportunity for SaskEnergy to use that as the most effective, clean, environmentally friendly fuel, we need to have that given to the people of Saskatchewan. And I believe that the natural gas distribution's focus that we have to rural Saskatchewan — small urban, and farmers of the province of Saskatchewan — was an effective way of doing a number of things: reducing the costs to the farming community; reducing costs to small urban centres.

I'll give you an example of reducing costs — the town of Bateman for example. Mr. Jim Bateman told me this when I opened up his natural gas distribution centre in the little town of Bateman. He said, we have reduced the cost in our schools, we have reduced the costs in our local community arenas, our sports complexes. We have reduced the costs of these very effectively, Mr. Speaker, by reducing the amount of cash that is required to operate these facilities. And that, Mr. Speaker, is the kind of things we need to have.

Small communities throughout this province in the last 10 years have been provided that opportunity and a very important part of the function of SaskEnergy. That is not the part that this opposition believes should be allowed with the private sector to control. I believe that we have large, significant opportunities for transmission of gas to other locations that could enhance the opportunity for not only people to work in this province but could deliver a better, probably, a balance of payments to our treasury for the opportunity that we would have to develop and allow people to earn money rather than the government to earn money.

And that, Mr. Speaker, is the point that we want to make and we will be making that further in our discussion here as we go through the second reading speeches. And therefore I move to adjourn debate.

Debate adjourned.

Bill No. 1 — An Act to amend The Clean Air Act

Hon. Ms. Carson: — Mr. Speaker, at the end of my remarks today I'll be moving second reading of The Clean Air Amendment Act. I'm pleased to address the House today about the urgency of protecting the environment of Saskatchewan. We are here today to introduce amendments which will strengthen environmental protection laws in this province.

There could not be a more appropriate time than now to address these critical issues. We are living in a period when federal, provincial, and municipal governments are making concerted efforts to protect the environment in which we live. The United Nations in its Brundtland report in 1987 calls for a commitment to pass on our resources to our children in the best possible condition. This will be for the benefit of future generations.

I am pleased to be speaking to these issues today because it is the job of the minister in this government to protect Saskatchewan's natural environment.

Compared to other parts of the globe Saskatchewan has been spared environmental catastrophes and the need for many major clean-ups in operations. This is because we have neither a concentration of industrial smokestacks nor a high density population. But we do have an abundance of natural resources to protect — rich agricultural soils, fresh water, clean air, timber, and minerals. We also have a significant reserve of non-renewable resources which we must conserve to make them last — oil, natural gas, coal, and hydro power. Our problems then are still manageable. We are not by and large . . . they are not, by and large, problems of environmental remediation but most often of environmental protection. Therefore our focus today must be on protecting what we have.

As our society becomes more knowledgeable about the global environmental crisis, we recognize that resources, particularly non-renewable ones, are valuable and limited. We must all make changes — changes to our life-styles, changes to the way we conduct business and run our institutions, and changes to the way we govern

our province.

We must protect our environment wisely and comprehensively because our decisions, individually and collectively, affect the lives of Saskatchewan people now and in the future.

Environmental protection does not mean ceasing to live here, nor does it mean halting development. We need to develop our resources and to generate wealth to support a healthy society. What we need is a means to bring economic and environmental activities into harmony. We can do this through sustainable development.

Sustainable development is a new concept for many people. It means ensuring that while we use our resources to meet our needs, we must not jeopardize the ability of our future generations to meet their needs. To enhance sustainable development, our province requires a commitment of all Saskatchewan people — the public, business, industry, farmers, educators, and this government.

(1430)

To integrate all our efforts, this government must be committed to principles of openness, consultation, public involvement, and partnership with all sectors of the society.

Today in this spirit of working together, we are tabling amendments to current legislation in order to upgrade environmental protection in this province. It is our hope to raise environmental standards which we all must follow.

The first proposed piece of legislation is a Clean Air Amendment Act. The existing Clean Air Act preserves our air by prescribing standards for activities which pollute the air. Fuel burning equipment, incinerators, and industrial sources are regulated for smoke particles and other emissions. These units must have a permit. Non-compliance can result in an issue of orders against an offending operator. Various exemptions are already included in this Act.

The Clean Air Amendment Act before us today will fill some gaps in regulation and enforcement. It'll eliminate legislative overlap and remove administrative obstacles.

First, treatment facilities for crude oil were never intended to be exempt from permit requirements under the existing legislation. However, the wording of the present exemptions is unclear. These amendments will clarify the exemptions so that these facilities will be subject to proper regulation.

Second, the jurisdiction of the Act now overlaps the jurisdiction of The Environmental Management and Protection Act. Both cover the licensing of refuse burning at municipal landfills. These amendments will eliminate the overlap by making burning at municipal landfills exempt from this Act, but burning will still be covered under the EMPA (Environmental Management and Protection Act).

Finally, the proposed amendments broaden the legal authority to enforce pollution control orders through injunctions and to levy environmental fees and charges based on the amount of emissions released into the air. With these amendments we can effectively keep Saskatchewan's air quality high.

Mr. Speaker, like the two pieces of legislation that will follow, this Act represents important changes in response to recent global concerns for environmental protection. We are fortunate to have a rich, productive land. We want to be good stewards of all our natural resources — our land, our air, and our water. It is our shared belief that a healthy environment is everyone's responsibility.

To ensure a sustainable future, we must begin to practise sustainable development now. It is my job to commit myself and my department to a spirit of co-operation with all people of Saskatchewan. And I ask all members of this House to join me in supporting the passing of these amendments to improve environmental protection.

Mr. Speaker, I hereby move second reading of The Clean Air Amendment Act.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. I would like to comment on this legislation. I think that it's extremely important for us to protect the air in Saskatchewan. I also suggest that it is equally important, since there are not high walls erected between each and every province, that we should be concerned not only from province to province with an overall policy developing across the nation, but be concerned world-wide as well.

And I'd just like to take a few moments to go back and to help people understand what I was trying to get at earlier today with regards to hydrogen development. Hydrogen, if in fact we as a province can become participants in this, can make a significant contribution to ensuring that we have clean air throughout the world. Because when hydrogen is burned, the only result from it is water. It's one of the reasons why Japan and highly-populated areas like Germany wish to have research into this and why it is they are willing to put research dollars into Canada in order for Canada to become a supplier of hydrogen for them in their energy production.

And I do hope that this government will take upon itself a determination, if you will, to ensure that this kind of thing is explored, because this kind of development will ensure that world-over we will have the kinds of pure air and far fewer environmental concerns that we're faced with today. Thank you, Mr. Speaker.

Mr. Martens: — Thank you, Mr. Speaker. I want to add a few remarks to the remarks made by the member from Greystone and just say that there has to be a balance between protecting an environment and the costs involved in relating to protecting the environment. We have to be very careful what we do. And I'm a firm believer that we need to protect the environment.

I spent some time in the Soviet Union or Russia, whatever you want to call . . . or whatever they call the country

today. I spent some time there in Kiev and Moscow and St. Petersburg, and I found out some very interesting things. One of them was that it was a pleasant winter, just like we had. It would snow in the morning. And every one of the cities that I was in, in the morning the snow would come down, and by middle of the afternoon the ground and the sidewalks and the roads were just almost like a tar on the whole of the area that we were in. And these are large, large centres — two and a half million, five and a half million, and over ten million people.

What we need to do is consider what we're doing, but we also have to consider what's happening internationally. I firmly believe that we can cut down to almost zero in our environment the pollution that we put into it. And if some of these countries increase by a fraction of 1 per cent, they will almost . . . well they will exceed all of the environmental protection that we've put into the process. Countries like China, countries like Russia, countries like India — they probably put more carbons into the air than any other . . . in one day than we would put in 10 or 15 years.

So we have to take that into consideration in this sustainable development. A sustainable development has to be also a focus that we have. We want to enhance all of the areas of environment, but we do not want to put at risk some of the things we are doing.

And I believe, for example, another area that we talked about with the city council in Kiev. I told those people there that I'd come from just north of the Black Sea and that my grandfather had lived there, and he talked about the vineyards and the olive trees and all of the things that they grew there. And a member of the city council that we were talking to, he said to us, he said, you know if you had stayed there, we'd have probably grown up as neighbours. He said, you go to that area today and the land is completely destroyed by the fact that there are so many pollution . . . or pollutants in the water and in the ground that nothing seems to want to grow there today. Now that's only three generations removed, Mr. Speaker, and therefore it's important for us to consider this.

However, we have to realize that it's a very serious problem internationally and we have to be very careful how we deal with it. I'll give you another example. We in the province of Saskatchewan as farmers put sulphur in our ground in order to enhance the opportunity to grow. Well, Mr. Speaker, in the eastern part of North America they want to take the sulphur out of the air in order to have some benefits accrued to the lakes and the rivers and the natural resources because the fish are dying.

And that's, Mr. Speaker, the complexity of the area that we're talking about. We put sulphur in to make . . . because we have a shortage of sulphur; in other parts, they want to take it out. And that's, Mr. Speaker, the complexity that we have in dealing with the clean air, with environmental control over various areas. We have to be careful. What we have to do . . . and we have to have some balance between an economic rationale for doing it and the cost that it is to the people involved.

So with that, we were going to review the remarks of the minister, and the critic for the department will be making

some observations at the next session. So I move to adjourn debate.

Debate adjourned.

Bill No. 2 — An Act to amend The Ozone-depleting Substances Control Act

Hon. Ms. Carson: — Thank you, Mr. Speaker. The second set of changes we propose to current environmental legislation are contained in The Ozone-depleting Substances Control Amendment Act. I will be moving second reading of the Act shortly, Mr. Speaker.

The original legislation is concerned with protecting the ozone layer. This layer of our upper atmosphere acts as a screen to shield us from over-exposure to ultraviolet rays of the sun. Increased exposure to ultraviolet radiation can cause skin cancer and cataracts in animals and human beings. It can also bring reductions in crop yields.

The present Act requires amendment to respond to this growing concern. For example, scientists are now warning you that ozone depletion may be more serious than originally suspected. Current research identifies man-made chemicals called Halons and chlorofluorocarbon, or CFCs, as the chief culprits. Because of this new urgency we need to increase our efforts to control the substances that break down ozone.

First, the proposed amendments will expand regulation-making authority to govern the destruction of ozone-depleting substances. We will also allow certification of the people who handle these substances, that is, those who sell and service air conditioners, automobile dealerships, provincial agencies, and the government departments, technical training institutes and other groups and officials who may handle CFCs or Halons. Their adoption of industrial codes, standards, and emission levels will also be ensured. Environment staff will be able to regulate the maintenance of records by all those who handle these substances. Finally, expanded authority will allow the charging of fees and cost recovery initiatives.

It is crucial that we act now before the earth's ozone layer suffers further damage. We recognize that Saskatchewan's contribution to holes in the ozone may be relatively small, but it is in our own best interest, that is our global responsibility to save the ozone layer now.

Mr. Speaker, I hereby move second reading of the ozone-depleting substances amendment Act.

Mr. Martens: — Thank you, Mr. Speaker. We're going to take a look and review the remarks and some of the other areas that we need to take a look at in reviewing this Bill. We're going to review the remarks of the minister and the critic will be making an observation or two at the next session. So I move to adjourn debate.

Debate adjourned.

Bill No. 3 — An Act to amend The Environmental Management and Protection Act

Hon. Ms. Carson: — Thank you, Mr. Speaker. I want to talk about amendments to The Environmental Management and Protection Act. Again, Mr. Speaker, at the end of my remarks, I will be moving second reading of The Environmental Management and Protection Amendment Act.

The original Act deals with pollution control. It is also enabling legislation allowing the government to regulate the storage, handling, control, transportation, disposal, and destruction of harmful materials. The Act needs amendment in order to: (1) bring it up to date with developing environmental technologies; (2) comply with the federal legislation; (3) increase monitoring; and (4) expand regulatory-making authority.

The amendment Act which we have tabled will address four important needs: first, the amendments will enable the government to prescribe regulations which introduce fees and charges for pollution; second, these amendments will expand the authority to monitor the storage of hazardous substances. The construction, operation and decommissioning of storage facilities need to be monitored, and tradesmen and companies who install underground storage tanks should be certified. These amendments are consistent with my department's recent implementation of the new hazardous substances and waste dangerous goods regulations.

Third, the amendments introduce new definitions that are consistent with the legislation in other jurisdictions. For example, we recognize and adopt the term "waste dangerous goods" as it is used in other legislation.

And fourth, right of entry provisions will be enhanced to allow environmental officers to have quicker access to property when pollution standards need to be enforced. We should not lose sight of our main goal, that individuals, industry, and institutions will be largely self-regulatory. This legislation will set high standards for industries, institutions, and agencies and when necessary control and regulation . . . pollution may be harmful to the environment.

Public consultations and meetings with stakeholders have convinced us that Saskatchewan people have given this government a mandate to improve environmental protection in the areas covered in all of the legislation examined here today: air quality, the control of ozone-depleting substances, and environmental management and protection.

Mr. Speaker, I now move second reading of The Environmental Management and Protection Amendment Act.

(1445)

Mr. Martens: — Thank you, Mr. Speaker. I want to make a few remarks on it and then I'll adjourn debate.

I want to indicate that we have a couple of very serious concerns about this Bill, and I'm going to point them out and I hope that the minister would take this into consideration.

This Bill was proposed originally by us when we were in government and I understand a little bit about it. And I also understand, Madam Minister, some of the things that are required by the Bill. I want to point out that there is what I would consider a dangerous trend beginning to evolve. And I want to point out in this Bill and in the Bill that she's bringing forward the rights of individuals, I believe, are being erased. And I think that we should very seriously consider some of these areas.

For example, if the minister in Bill 3 wants to, she can choose to enter land or a building that he or she is anticipating is harming the environment. Well that's fine; we did that in the old Bill. However, the disturbing part is that the NDP have chosen to delete an important right about a person's personal property. The Bill allows the minister to enter the land or building without consent from the owner of the property.

Now, Mr. Speaker, that may be the way they used to do things in undemocratic systems, but in a democratic system I don't believe that that's the way it needs to be done.

The bottom line is that the power is in the hands of the minister and is removed from the hands of the individuals. And I don't think that that's right. It allows the minister to designate a person to use whatever means the minister finds necessary to break through the door to the building or the fence around the land, all in order to gain entry without the consent of the owner. So the minister can cause damage to the premises she wants to inspect, and I don't think that she would be the one that would be carrying the responsibilities for repair.

Why is this necessary, Mr. Speaker? Previously, if consent were not given to the minister or inspector, a court of law had to issue a search warrant. That's why it is done. That's the way it's done in a democracy. Then if the occupant or owner did not comply, and only then, could force be used.

Now, Mr. Speaker, I find it very hard to believe that this government consulted with any organizations in drafting the Bill. Certainly no civil rights groups where this is involved have been asked or anyone else who cares about the very basic rights and freedoms we should all be able to count on. Why not ask the court for an opportunity to search the premises? Why not ask for an opportunity to do an investigation?

The police, for example, have to have a warrant to enter a facility on my property. Why wouldn't it be the right responsibility of the government to insist that a warrant be used as a method to convey the opportunity for search in a place like that? We require that policemen require a warrant.

In fact, Mr. Speaker, an observation I want to make about the *Journal* last week showed us how the various media are going to be required to submit photographs or video of events that took place. For example, in the riot in Toronto, they will be required to make that available to the police. However, they will be required to do that on the basis of a warrant being issued by the court.

And I don't think it's the right of the government or the minister to go in and seize property on the basis of a whim. You can do that through the court and that is the way the system in a democratic system works. And I think that we need to have that opportunity protected. I see it being eroded in this Bill, and I see it in a number of other Bills equally being eroded. And I think that that's a fundamental responsibility on our part to point that out to the minister, and we're going to do that.

Another thing, the minister can choose what the fine will be. The minister can be . . . if she wants to choose one company or another, she can assess a \$50 fine on one and a \$500,000 on another. And what if she doesn't want this industry to grow and develop? She can make a point of putting a high fine on it and it will squelch it. And that, Mr. Speaker, is exactly what I think could happen. I'm not saying she's going to, but that's the possibility that could happen. And I would seriously say that we need to have some restrictions on the capacity of the department to infringe on the personal rights and freedoms of individuals.

I want to make my last point, and that is this. The opportunity for this Bill to succeed will hinge itself on the basis of the charter of rights on individuals. And rights of individuals are seriously being infringed on in relation to the kinds of things that you're doing here, Madam Minister.

And that's also going to be a part of your costs in defending that position when you do go on someone's property and take it and require changes when you do not have, number one, a legal right to be there; and number two, you are infringing on that person's right. And then if you cause damages when you do not have a right to be there, that, Madam Minister, will also cause serious problems and you will have to defend yourself in court in relation to that.

And it will cost the government money, Mr. Speaker. And that's what I think we have to be very aware of. There is a balance here. And I have spoken about this to various members who investigate criminal action and RCMP (Royal Canadian Mounted Police) and city police. They are highly trained and they are trained in specific areas. And one of the things that they tell me over and over again, there must be reasonable grounds to provide an opportunity for them to investigate. And those reasonable grounds have to have some respect for property and some respect for the rights of the individual. And that is what they go by, and they've been trained for that.

Now, Mr. Speaker, there are a lot of people that are going to have to be trained in order to have this environmental assessment done on whether the individual has the right to enter that property or whether he doesn't. And that, Mr. Speaker, is going to cost money. Now I'm not saying that that shouldn't be done. However what we have is again an infringement on the rights of individuals that is, I believe, very, very serious.

And therefore, Mr. Speaker, we are going to be discussing this further with other agencies, and we're going to be looking into it from that perspective in a very serious way. And therefore, Mr. Speaker, I move to adjourn debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

Bill No. 7 — An Act to amend The Assessment Management Agency Act

Hon. Ms. Carson: — Thank you, Mr. Speaker. The Assessment Management Agency Act amendment 1992 increases the amount to be paid to the Saskatchewan Assessment Management Agency for 1992 by the provincial government by 6.4 per cent over the amount paid in 1991.

This amendment sets the amount of the 1992 provincial payment at \$7.5 million. The increase will help in meeting SAMA's (Saskatchewan Assessment Management Agency) cost this year in preparing for reassessment. SAMA is presently undertaking a round of consultations with local governments, reviewing the anticipated impacts from its more recent proposed changes to the assessment system.

The impact reports being presented to municipalities should give them a sound basis on which to determine whether the reassessment proposals will be acceptable. The government will be looking for confirmation of general, local government support before moving ahead with legislative amendments necessary to implement the proposals.

Mr. Speaker, I move second reading for this Bill.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I just want to make a couple comments before moving adjournment of debate on the Bill as it's being presented for second reading today.

Just to comment, first of all, we realize the fact that it does take extra money for any group or agency to perform their duties. And we also are quite well aware of the concerns out in rural Saskatchewan, specifically in small town Saskatchewan, regarding implementation of the new assessment that is being proposed by SAMA.

And certainly, Mr. Speaker, there are a few things . . . the Bill itself doesn't really get into all the meat regarding SAMA, other than to give them some more money to perform their duties and obligations. And I don't see a lot of problems or major problems that we'd be looking at regarding this specific Bill, Mr. Speaker, but we certainly will want a little more time to review it, and so I ask leave to adjourn debate.

Debate adjourned.

Bill No. 19 — An Act to amend The Contributory Negligence Act

Hon. Mr. Lingenfelter: — Thank you very much, Mr. Speaker, I appreciate that. Mr. Speaker, I'm pleased to rise today to move second reading of The Contributory Negligence Amendment Act, 1992. This amendment overrides an old common law rule called the merger rule.

A common law judgement against, or a settlement with, one of several persons responsible for the same loss or damage was a bar to action against the other. This applied even if the judgement against the first person could not be enforced.

This Bill provides that where two or more persons are responsible for the same loss or damage, the person who suffered the loss or damage may deal with them separately. A judgement against one or a settlement with one does not preclude an action against the others.

Mr. Speaker, this amendment makes our law consistent with other provinces and is long overdue in correcting an injustice of common law. Mr. Speaker, I therefore move second reading of an Act to amend The Contributory Negligence Act.

Mr. Toth: — Thank you, Mr. Speaker. Again, Mr. Speaker, having taken quick perusal, just a quick notice of the Bill that's presented before the House, and I believe many of the procedures that are being implemented by this Bill were some of the procedures that I remember going through in legislative committee.

I don't see any major problems with the Bill itself. But just before we give the nod to go into committee, I think we should review it a little more fully, and so, Mr. Speaker, I ask for leave to adjourn debate.

Debate adjourned.

Bill No. 20 — An Act to amend The Surface Rights Acquisition and Compensation Act

Hon. Mr. Lingenfelter: — Mr. Speaker, I'm pleased to rise today to move second reading of The Surface Rights Acquisition and Compensation Amendment Act. Under the authority of The Surface Rights Acquisition and Compensation Act, the Surface Rights Board of arbitration plays a central role in managing the important and ongoing relationship between Saskatchewan farmers and oil producers.

One aspect of the overall function is to act as the central depository for hearing transcripts, lease arrangements, and various other documents which legislation requires the board to keep and have custody of.

This legislative amendment will expand the regulation making authority of the Lieutenant Governor in Council to allow for regulations prescribing a tariff or fees for the production, reproduction, or transmittal by the board of any documents or records that it is required by the Act to keep.

This amendment reflects this government's ongoing commitment to sound fiscal management at all levels of government. Mr. Speaker, I move second reading of an Act to amend The Surface Rights Acquisition and Compensation Act.

(1500)

Mr. Toth: — Mr. Speaker, thank you, Mr. Speaker. Mr. Speaker, we do have . . . my critic has some questions to

raise regarding this Act, and certainly we want to take a little more time to look over the Act and make sure we're well acquainted of what the Act is doing . . . with what it's doing. And so, Mr. Speaker, at this time I move to adjourn debate.

Debate adjourned.

Bill No. 23 — An Act to amend The Summary Offences Procedure Act, 1990

Hon. Ms. Simard: — Mr. Speaker, I'm pleased to rise today to move second reading of The Summary Offences Procedure Act, 1992.

The Summary Offences Procedure Act, 1990 is the legislation which establishes the procedure relating to the administration of provincial offences. It includes rules that govern the issuance of tickets for these offences, the options by which persons served with a ticket may respond, the method for processing tickets through the court system, and the means by which fines will be enforced. A large proportion of offences covered by this legislation are traffic related offences.

The most significant change to the legislation removes the ability to register in the fine option program directly with the ticket. There is administrative work involved with each fine option placement. In addition the province pays a fee to fine option agents for each placement.

The change to the legislation is expected to reduce the numbers of persons who choose to register immediately in the fine option program rather than pay the specified fine amount indicated on the ticket. This will reduce costs associated with the program.

This change will not prevent anyone who wishes to work off a fine from choosing this option. The government believes that the fine option program provides an important alternative to fine payment, especially for those persons who do not have the means to pay a fine.

All persons who are fined as a result of convictions for provincial offences will still have the option of registering in the fine option program. However, the registration would be later in the process, after the person has been convicted and fined by the court, or after the person has received a notice of default conviction as a result of failing to respond in any way to a ticket.

The other amendments to the legislation are aimed at improving certain aspects of the administrative procedure relating to provincial offences. For example, the requirement that informations which are analogous to tickets for parking offences be sworn by a judge or justice of the peace as being removed.

The current Act adopts the summary conviction provisions of the Criminal Code if no other procedure is specified. This requires an information to be sworn. For parking offences, however, the swearing of an information is a rubber stamp procedure. A provision already exists for provincial offences for which a summary offence ticket is used that eliminates the need to swear an information on a ticket.

It is incongruous to require parking tickets to be sworn when documents for more serious offences are not. Consequently this requirement is being removed.

Another amendment will extend the failure to appear charge, which now applies to failure to appear at trial, to situations where a defendant fails to appear after making a promise to appear at the court. This occurs where the person fails to appear at the trial and is subsequently arrested and brought before a justice who does not charge the person with the offence of failing to appear at trial because the person promises to appear at a new trial date.

If the person again fails to appear at the new trial date, the only alternative is to again arrest the person and obtain another promise to appear, or to charge the person with failure to appear under the Criminal Code. The latter method is often chosen, but it is inappropriate to create a criminal offence and criminal record because of failure to appear with respect to a regulatory offence.

The other proposed amendments essentially provide for a resolution where a particular charge for an offence is stalled indefinitely at some stage in the process because the Act does not provide an adequate method of resolving the situation.

These changes provide for a time limit within which extensions for time to pay a fine may be obtained, a means of bringing before the court rather than convicting a defendant who fails to appear at trial, but whom the prosecutor believes may have a good defence to the charge, and a procedure for having an appeal for municipal bylaw offences dismissed where the appeal has been abandoned.

It is anticipated that the proposed changes to this legislation will result in a more streamlined, effective, and efficient procedure that does not in any way prejudice the rights or options now available to a person who receives a ticket for a provincial offence.

Mr. Speaker, I move second reading of an Act to amend The Summary Offences Procedure Act.

Mr. Toth: — Thank you, Mr. Speaker. I've listened to the minister as she has outlayed the background behind the Bill that's before us and there are some questions that I think we'd like to certainly take a look at.

I can appreciate the fact that the Bill is going to simplify the process of paying fines and I remember going through some discussion re this format about a year and a half ago as well, Mr. Speaker. And so in light of the few questions we would have and addressing even the fine options program and just looking at the concerns that may arise from the bill, Mr. Speaker, I now ask for . . . I now adjourn debate.

Debate adjourned.

Bill No. 24 — An Act to amend The Queen's Printer Act

Hon. Ms. Simard: — Mr. Speaker, I'm pleased to rise today to move second reading of The Queen's Printer Amendment Act, 1992. The Queen's Printer is the official

publisher of statutes, regulations, and government notices and proclamations. The *Saskatchewan Gazette* is the official publication in which government notices, proclamations, and regulations are printed and distributed to the public.

The purpose of this Bill is to authorize the Queen's Printer to charge fees to a person on whose behalf notices are required to be published in the *Gazette*. Under various Acts such as The Business Corporations Act, notices are required to be published by a statutory officer in the *Gazette*. While the notice is printed on behalf of a person, there is authority to charge a fee to that person to recover the costs of publication.

As mentioned, the amendments give the Queen's Printer the authority to charge a fee, and if the fee is not paid, to not publish the notice. The Lieutenant Governor in Council retains the power to direct the Queen's Printer to publish a notice even if the prescribed fee is not charged. This amendment will allow the Queen's Printer to fulfil its statutory obligations in a manner that reflects this government's ongoing commitment to sound fiscal management.

Mr. Speaker, I move second reading of An Act to amend The Queen's Printer Act.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I don't think we have a lot of problems with the Bill as it is presented as well, but just to give us a little more time to peruse the Bill and make sure that we aren't overlooking something, I move to adjourn debate.

Debate adjourned.

Bill No. 25 — An Act to amend The Real Estate Brokers Act, 1987

Hon. Ms. Simard: — Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of The Real Estate Brokers Amendment Act, 1992. The purpose of this Act is to ensure the consumer protection provisions of The Real Estate Brokers Act, 1987 function as intended.

The first problem this Act addresses is protection of consumer deposits in real estate transactions. A recent judicial decision has identified a problem with the definition of a trade in real estate. As a result, consumer deposits on making an offer to lease or purchase real estate may not be protected by the fund until the offer is accepted. This Act will ensure that consumer deposits are protected by the real estate assurance fund from the time an offer to lease or purchase real estate is made.

In addition, limitation periods for consumer claims against the real estate assurance fund will now be included in the Act instead of being set out only in the regulations. Including these provisions in the Act will promote greater consumer awareness of the time periods in which claims against the fund may be made.

Mr. Speaker, I'm pleased to move second reading of An Act to amend The Real Estate Brokers Act, 1987.

Motion agreed to, the Bill read a second time and referred

to a Committee of the Whole at the next sitting.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 10

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Penner that **Bill No. 10 — An Act to amend The Crown Minerals Act and to make consequential amendments to certain other Acts resulting from the enactment of this Act** be now read a second time.

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, the more that the opposition has looked at this Bill, the more concerned we have become with it. Mr. Speaker, I've sat in this legislature now for some three weeks and listened to minister after minister in this government claim that they have consulted widely with groups that they are involved with, that they have consistently gone out and done their homework. Yet they refuse, Mr. Speaker, when placed on the spot, to tell us exactly who they have consulted with.

In the case of this Bill, Mr. Speaker, I'd like to indicate to the Assembly today that there was no consultation with the groups that are involved in the various industries located in this province and indeed outside — an absolute denial by any of the industry groups that this minister has gone out and done the work that should have been done ahead of time.

I'm going to make a case, Mr. Speaker, during my remarks of why that consultation is so absolutely necessary to the province of Saskatchewan and why it is so absolutely necessary to the groups involved — people, men and women, companies, many Saskatchewan based, that are major employers in our province, that are major contributors to the wealth of this province.

These people, Mr. Speaker, oftentimes don't have enough money of their own to ensure their livelihood as an ongoing company. They rely upon the confidence of investors, both within our province, our country, and indeed world-wide, in order to carry out the mandate of their particular companies.

The Saskatchewan Mining Association, for instance, Mr. Speaker, flatly denies that there was any consultation, Mr. Minister, with them before this Bill was presented. In fact, it wasn't until the critic stood in this legislature for the first time on this very action that a Bill . . . a copy of the Bill was delivered to the association the next day, Mr. Speaker — not before its introduction, not before establishing the principles in the Bill, not before setting out how the Bill would actually operate.

No, Mr. Speaker, the minister sent a copy of the Bill the day after the critic told him in this legislature that we needed more time to consult with those organizations that would be most affected.

And I say to the minister, as one who has had some experience in this area, that there is always a very fragile

balance involved with these various groups of people in maintaining viability and in maintaining the thousands of jobs and the tens of millions and indeed hundreds of millions of dollars that these organizations, through their member companies, contribute to the over-wealth of this province.

Mr. Speaker, those groups are very . . . Mr. Minister, those groups are well known to you, your staff, and the people in your department. There has always been, at least for the last 10 years, a very close, consultative relationship with these groups and the individuals around them.

(1515)

Not only were they not aware of the Bill, they have some very serious concerns, Mr. Speaker, once they have had the opportunity to view the contents. This Bill has some complex retroactivity attached to it. I am not sure, Mr. Speaker, about all of those ramifications. Some of it seems to be very obtuse, and I'm wondering, Mr. Speaker, if that isn't intentional.

In my two years as the minister of Energy and Mines in this province, the attempt was always made, Mr. Speaker, to explain in fairly clear English to the people most affected by government legislation exactly what the intentions were, not only today, tomorrow, next week, a year from now, but indeed one of the things that is absolutely essential, whether we're talking about oil and gas, mining, various sectors of mining, potash, uranium, is that these people all work in the international market-place; they all have to have some type of long-range predictability to their industry in order that they may go out, invest very large sums of money — very large sums of money — in order to ensure that the raw products and resources of this province continue to be successfully exploited in a reasonable manner.

But along with that exploitation the people that directly work in those industries will have some comfort that their job is not on the line tomorrow; that the people who invest their money in these ongoing enterprises will have some reasonable expectation of a return on investment; and that the people that sign contractual arrangements, contractual arrangements, Mr. Speaker, that indeed sometimes spread over a number of years, that those contractual arrangements can be fulfilled in a reasonable manner.

The very fact that retroactivity in this Bill, Mr. Speaker, is hidden away in the coming-into-force sections, I think underlines the secretive principles at play in this Bill. And, Mr. Speaker, I do not understand the motives for that.

The minister has stood in this House and given his word on many occasions that no changes would occur to the legal regimes governing the industry, without plenty of consultation, without plenty of advance warning. Indeed on debate in third reading on another Bill in this House this week, Mr. Speaker, the minister made the comment that if he has talked to them once he has talked to them a hundred times.

Well the members of the opposition would definitely like

to know, Mr. Speaker, who was involved in those hundred consultations. Because I can tell the minister that I have made a lot of phone calls in the intervening two days, phone calls to all sectors of society affected by this Bill, and I have yet to find these hundred consultations. I have yet to find a half a dozen consultations.

And I am saying to the minister very early on in his tenure in this portfolio, that if you continue to treat the people affected most directly, most directly in this way then, sir, you will not contribute to the ongoing growth and well-being of our province. There are remedies, Mr. Speaker, that can . . . and can be taken by the minister before this Bill continues through the House. The minister can pull it from the order paper and proceed with those promised consultations.

Mr. Speaker, the opposition is not trying to be unco-operative on this issue in the legislature today. In fact many Bills, as you have noticed, have gone through this legislature with very little debate, unimpaired, in a true spirit of co-operation. But, Mr. Speaker, the industries affected by this Bill are of such magnitude, the number of people employed in these industries is of such magnitude, that it would be absolutely irresponsible to the opposition today, Mr. Speaker, to not make the minister aware of what people in Saskatchewan and indeed across Canada are saying about this particular piece of legislation.

We cannot have this legislature, Mr. Speaker, simply transferring authority from this body to individual ministers. As we go through this Bill we find a number of instances where everything will become at the discretion of the minister. That is not a casual matter, Mr. Speaker, in dealing with issues of such magnitude.

In fact I wouldn't be surprised, Mr. Speaker, if members of the media will not be talking to the members of SEPAC (Small Explorers and Producers Association of Canada), the small producers in our province; if they will not want to talk to IPAC (Independent Petroleum Association of Canada), if they will not want to talk to the Saskatchewan Mining Association, if they will not want to talk to the Canadian Petroleum Association, if they will not want to talk to the people in the various communities that are so directly affected by these industries.

Mr. Speaker, some of the consultation that I have done with the industry groups tells me some things. It tells me that a retroactive period of two years is scary to people in the industry. It's scary because the minister the other day in committee indicated that he had now launched into a royalty review.

Well, Mr. Speaker, I can tell the House today that no one out there that is affected knows anything about a royalty review. No one has had the opportunity to make any comments. No one has been asked for their thoughts on a royalty review. No one in the department that these people have talked to seems to have any details of how long the royalty review will take, what parameters will be attached to it. Is it only going to do with uranium, is it only going to deal with potash, is it only going to deal with the natural gas business, is it only heavy oil, is it light oil, is it only the oil produced from horizontal drilling? None of

these questions have been answered, Mr. Speaker.

So we see a Bill that allows a minister retroactivity for two years — retroactivity couched in very vague terms. As one person involved in the oil industry said to me, they find that very disconcerting because they were thinking about making some investments in the province of Saskatchewan, investments that will probably take two to three years to come anywhere close to a break-even proposal.

So we make the investment . . . and I'll put it in the vernacular, Mr. Speaker. He said, all of a sudden two years down the road we're having our pants pulled down because the minister has that power in this Bill. We've gone out and convinced investors to invest in our project. We've sunk all this money in, and this minister has the ability to undress us two years down the line.

It's very interesting, Mr. Speaker — and this is another thing that has really got people wondering — that in this Bill, the minister refers back to a real date of infamy in this province, back to 1974 in Bill 42. Now I don't know if that was intentional, that the minister wanted to send out some kind of a signal, particularly to the oil and gas industry, but if the minister didn't realize the significance of Bill 42 to that industry and this province, then I would suggest that he talk to some of the people that went through that experience.

That experience, Mr. Speaker, basically saw the oil and gas industry in this province shut down. It saw all the drilling rigs head for other jurisdictions. It saw unacceptable royalty expectations from the government of the day. It saw an industry that was absolutely devastated until 1982, because of Bill 42. And yet the time frame that the minister includes in this Bill is back to that time.

And if the minister doesn't think that that doesn't make people involved particularly in oil and gas feel very uncomfortable, then I would suggest he probably should have picked a different date in order to do his retroactivity to.

Mr. Speaker, I have talked to people in the mining business. One individual says, well we've been told sort of second-hand that this will only apply to the uranium industry. And yet I look at Bill 10, Mr. Speaker, and I find no reference specifically to the uranium industry.

Another individual tells me, well we've been told sort of off hand that this only applies to the potash industry. And no where in the Bill, Mr. Speaker, do I find anything that specifically refers to the potash industry.

So it's no wonder, Mr. Speaker, that — as we make these phone calls, as we do some consultation with people most affected by this Bill — that they feel a certain degree of unease because nothing is spelled out. One group is told one thing. One group is told another thing. And because all of it seems to be speculation, or at least the minister and his staff remain very vague. And the few people that they've talked to — everyone, everyone, Mr. Speaker, that is concerned with this piece of legislation is becoming very, very uneasy.

As I said at the beginning of my remarks, Mr. Speaker, upon initially looking at this particular piece of legislation, it did not seem that onerous. But the longer that it goes on, the more people that have a look, the more people that become informed, it seems the stronger the opposition.

Mr. Speaker, this Bill has a section under section 23 that specifically speaks to the minister limiting the amount of monies which individuals or individual companies can garner from leases. Now the minister may have some very legitimate concerns with certain companies. Those concerns, particularly in the south-east area of our province, have been around a long time. And I won't mention individual companies in this legislature, Mr. Speaker, because I don't think that's fair to them, but there have been a few of our corporate citizens who over the years have given many ministers of Energy reason to be a little exasperated at times.

What the minister is saying here today though in this Bill, Mr. Speaker, is that it doesn't matter what contractual obligation has been made, either first party to second, second party to third — as is the case very often in the oil industry — or indeed first party to a half a dozen other parties through subleases, through working-in agreements, through pool sharing, that the minister will interject himself into those signed agreements and he will overrule them, he will set limits on the amount of remuneration, and he will do that retroactively up to two years, if necessary.

Is it any wonder, Mr. Speaker, with ramifications that strong in this particular piece of legislation, that investor confidence is not high these days in the industries affected in the province of Saskatchewan?

I had a phone call, Mr. Speaker, from an individual who I got to know in my days as minister, one who has played a fairly active role in Saskatchewan's oil patch for a goodly long time, who informed me that after taking a look at this Bill, he is strongly considering putting up all of his properties in the province of Saskatchewan for sale. And that is because, Mr. Speaker, this individual relies heavily upon other investors in order to carry on the exploration and development that his company has done in this province, employing people, providing jobs.

And I might say, Mr. Speaker, given that Saskatchewan, because of the nature of our production, has the highest royalty regime in all of North America today . . . the highest royalty regime in North America today, Mr. Speaker. And this individual has paid a goodly share of monies to the coffers of Saskatchewan that he is now considering putting all of his properties up for sale because of the uncertainty viewed in this particular piece of legislation.

There's the whole question, Mr. Speaker . . .

(1530)

The Speaker: — Order, order. Why is the member on his feet?

An Hon. Member: — With my apologies to the member from Thunder Creek, I would ask for leave of the Assembly to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kluz: — On behalf of my colleague, the member from Melville, I would like to introduce 25 grade 8 students from Ituna High School that are seated in your gallery, Mr. Speaker. The teacher is Mr. H. Martin, and the bus driver is Walter Petrowsky. And being the neighbouring MLA (Member of the Legislative Assembly), more than likely I have some students up there as well. I'd like all members of the Assembly to greet them here today.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 10 (continued)

Mr. Swenson: — Thank you, Mr. Speaker, and I would also like to pass on my greetings to the students in the gallery. I'm glad that you could make it today.

As I was saying, Mr. Speaker, there are so many areas in this Bill that upon further review are causing concern out there, that I believe that the minister should seriously, seriously consider reviewing the process that he has embarked upon.

He's launched into a whole new area for Saskatchewan in this Bill, and that is the question of deeper rights. Traditionally the land sales in the province of Saskatchewan have been on the basis of a tract of land, often a quarter section, that goes from the surface to the bedrock. And all intervening layers of sedimentary rock and formations have been there for the successful bidder to develop.

It has been the practice, Mr. Speaker, in Alberta for some time after a lot of consultation with industry, a lot of regulatory development, to allow the expiration of deeper rights. It has never been in the province of Saskatchewan.

I can appreciate the minister wanting to explore it because new drilling technology, particularly horizontal technology, has allowed companies to go down and go horizontal through formations that previously were very poor producers. They were that way, Mr. Speaker, for a number of technical engineering geological reasons.

We have many formations in the province, Mr. Speaker, that have good initial production but then have sand infiltration, as an example, in some of the Kindersley fields. It quickly dries the production up to two or three barrels per day. Being able to, for instance, go horizontal through Viking sands and be able to keep the production of that well on track has a lot of merit.

We've had the situation in south-east Saskatchewan where the pinnacle reef has been difficult to exploit with conventional drilling. One must be very accurate in the drilling. It's deep oil. It is below the existing producing areas in many cases. New technology, new drilling techniques have allowed people to be far more accurate in their access to some of this deep oil. The Mark discoveries in the Ceylon area are a prime example of a company using the most advanced technology available to them to access some of those deeper pools.

Mr. Speaker, to have deeper rights ensconced in legislation with this Bill with all of the other things attached to it when there has been no consultation with the people most affected, is very dangerous, Mr. Speaker. It says that the minister may without any prior consultation go into south-east Saskatchewan, for example, and apportion out mineral rights below the two primary existing pay zones that we have in that area and sell them off to another company. And he may do this without consulting with the people most affected above.

An Hon. Member: — Five years.

Mr. Swenson: — The minister says from his seat, five years. If he knows anything about the time involved, the seismic work, the geological, the geophysical work that is necessary, and some of the horizontal drilling and the expense that goes with that work, he will know that five years oftentimes is the lead time. If he would go and consult with people like Mark Resources and others that have gone after some of the deeper pools in southern Saskatchewan, he would know that some of that work had gone on way beyond five years.

And I go back to my earlier comments made by a member of the industry, Mr. Speaker, who said you go out, you make that investment, you do your geophysical work. And all of a sudden two years from now the minister defrocks you because someone in the cabinet has decreed we're going to get some more money out of these boys. We're in a jam because we've gone off and made an insurance investment in Manitoba or Alberta, and it hasn't worked out right.

Mr. Speaker, I can think of a number of reasons, given a number of reasons from the path that I have seen the government of the day taking where the necessity may come about where they will go to the Minister of Energy and say, we want you to use Bill 10 to do a quick and dirty on the folks in the oil and gas business or the mining industry in this province.

And I hate to think, Mr. Speaker, that that is why this Bill is so intentionally vague, so intentionally vague. If we're talking about uranium, why don't we spell uranium out. If there's a problem with uranium mining and royalties, then the minister should spell it out in the Bill, not have people in the potash industry or the gold industry wondering, is this intended for me.

And it's that vagueness, Mr. Speaker. It's the retroactivity. It's a royalty review that no one has heard about or been informed about that has people really wondering what exactly the government is up to. Is this the thin edge of the wedge, Mr. Speaker? Is this the thin edge of the wedge for

some . . .

The Speaker: — Order. Why is the member on his feet?

Mr. Whitmore: — Mr. Speaker, may I have leave to introduce guests?

Leave granted.

INTRODUCTION OF GUESTS

Mr. Whitmore: — Mr. Speaker, to you and through you to the Legislative Assembly, I would like to introduce today 37 grade 7 students from the Delisle Composite High School. Their teachers today attending with them are Mr. Glenn Key and Mr. Marv Schultz. Chaperons are Judy Bentley and Elaine Miller.

I will be meeting with them later for photos and drinks, but I would like to have the Assembly welcome them here today on their tour of the Assembly and I think Regina.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 10 (continued)

Mr. Swenson: — Mr. Minister, it would be absolutely unfair for this Bill to go into Committee of the Whole without you taking the proper time to consult with people in this province.

Mr. Speaker, the members of the oil industry, the members of the gas industry, the members of the mining association don't sit in this Chamber as we go through Committee of the Whole and ask the minister questions. They expect that those questions have been placed to the minister prior to. That the members of the opposition will be asking some very fine points attached to it where the minister can clarify exactly what the intent is.

But the intent of some of the regulations . . . because always it's the attached regulations, Mr. Speaker, and how they operate that determines how the Bill functions. And that is the way it should be. That is the way it should be that both sides have done their consultative work, that there has been some consensus achieved.

You will never make everyone happy, Mr. Speaker, in the oil and gas business. You will never make everyone happy in the uranium business. You'll never make everyone happy in the potash business. You are dealing with individuals; individual's concerns come to the light. But by and large the practice has been to try and arrive at some kind of a consensus that is manageable.

And, Mr. Speaker, that takes a lot of effort. I know it will mean that the minister will have to spend untold hours talking to people, listening to opinions — some of which he may not agree with, some that he may have a fundamental philosophical difference with. But, Mr. Speaker, I say to you and this Assembly that there are simply too many lives involved here. There are too many

jobs. There are too many families. There are too many communities involved to be flippant about this, to not do the necessary homework.

One only has to go across the southern part of our province — Estevan, Weyburn, Swift Current, Gull Lake, Maple Creek, up the entire west side. Every major community, Mr. Speaker, has people that work in these industries. One only has to go across northern Saskatchewan and see that mining is a very major employer, an excellent employer I would put to you, Mr. Speaker.

One only has to be in the mining camps of Cameco and the other uranium companies. One only has to be in the gold camps, to go through the kitchens, to sit and eat with the people that are working there, to realize that those are very good jobs. People are treated in a respectful manner. The native employment, aboriginal employment has been going up on a consistent basis. The people that didn't have access to good technical training, the people that will have jobs and the job training that will further them in their lives for years and years and years have been benefitting. To know that you don't treat those people in a haphazard and retroactive manner because the very lives and jobs of those people is affected very long term.

I would suggest to the minister that there are probably uranium contracts coming out of northern Saskatchewan that are of 10 years in length — long-term contracts to hydro facilities in eastern Canada, power plants across the United States, power plants in the Pacific Rim. Those contracts, given the price of yellowcake today, do not allow ministers two years down the road to all of a sudden retroactively change the rules and not expect a massive dislocation of people employed in those industries. And, Mr. Speaker, the minister may say, well that's not the intention at all. That simply isn't what is on the government's mind.

Mr. Speaker, in designing legislation affecting those industries, one must be fairly specific because otherwise people are on edge. Their investors are on edge. And I suggest to you, Mr. Speaker, that when the people that invest their money in these companies and organizations are on edge, then the taxpayer of Saskatchewan had better be on edge because the tens of millions of dollars of royalties and taxes and personal income tax and spin-off jobs that are affected by those industries are affected, and then the taxpayer of this province should be on edge.

And that is why the taxpayer of this province said Bill 42 was wrong. It wasn't consultative. It didn't take into consideration the communities affected by it. It simply hacked and chopped its way through much of Saskatchewan society, Mr. Speaker.

(1545)

You know, Mr. Speaker, it's always been unfortunate in our province that our two major cities, Regina and Saskatoon, are so far away from the majority of our resource production. Saskatoon has a strong potash presence that has grown over the years and does make people aware of what that industry goes through.

And certainly the uranium industry has tried, Mr. Speaker, I think over the last eight or nine years, to make Saskatoon aware of the presence that it plays in this province. We have seen the location of Cameco's head office in Saskatoon. We have seen a number of the other companies that formerly were located in Denver or other areas relocate to Saskatoon because they know the importance of informing our large, urban areas of the impact of those industries.

And it's always I think been the difference maybe, Mr. Speaker, between Alberta and ourselves, is that both Calgary and Edmonton are almost within the range of a gunshot to the producing areas of that province — that you can look from downtown Calgary and see the fields of Turner Valley; that it's not far from downtown Edmonton to Leduc.

And I think that's why that province has been so successful, Mr. Speaker, perhaps in exploiting those resources — exploiting them so that the people of that province understand what it takes to make them tick, what type of legislation is necessary, what role they play in the environment of that province.

And I think, Mr. Speaker, in this province of ours, where we tend to think of places like Maple Creek, Richmond, places that don't hit the news every day in Regina and Saskatoon papers, that we don't necessarily put enough thought into some of the things that we do when we really greatly influence the lives of the people in those communities and in fact the community itself.

Mr. Speaker, it was one of the reasons, I think, that Saskatchewan felt very strongly about having the heavy oil upgrader at Lloydminster on the Saskatchewan side of the border — that the impact of that upgrader and its potential to use Saskatchewan feedstocks and at the same time generate economic activity in north-west Saskatchewan was a signal maybe to the rest of our province that yes, Saskatchewan is a major player, that our heavy oil reserves, if they can be exploited, have the potential to make Saskatchewan the Saudi Arabia of North America. The 385 billion barrels of heavy oil, if it can be exploited properly, will make Saskatchewan an energy giant in the North American context.

And I think, Mr. Speaker, if we are to achieve that, it means that some of the new technology associated with heavy oil, the ability to horizontally drill in combination with water flood, with fire flood, with using CO₂ (carbon dioxide), which is particularly adaptable to heavy oil because of the way that it acts as a solvent in the parent rock, means that there are going to be tremendous amounts of money invested or necessary to invest, Mr. Speaker, to unlock that 385 billion barrels of oil.

It means that even though the costs have been coming down from somewhere around a million and a half dollars in the Lloydminster situation — you can probably do a horizontal well now for 6 to \$700,000 because the formations are relatively shallow — it still means, Mr. Speaker, that if you are to unlock literally millions of barrels of oil a year, you are going to need tremendous amounts of money and investment.

That investment, Mr. Speaker, with the things that I see in Bill 10, are going to be very edgy. They're going to be edgy because the minister has not taken the time to go out and clarify to the people affected exactly what is in his legislation. It's not content, it's intent of this Bill that has people worried, Mr. Speaker — it's intent. And so far no one out there seems to know exactly what those intentions are.

And I say, Mr. Speaker, that if this government is truly serious, truly serious about standing in this legislature day after day and telling us how consultive they are, how modern they are, how open and accountable and honest they are, then show it to the Assembly. But before you bring in a Bill such as this, that you take the time to go out and use all of those pretty words with the people most affected by legislation such as this.

Go out and enunciate what your consultive process means, what your open process means. Don't come into this legislature and say that you've . . . if you've spoken to one you've spoken to a hundred, and then have the opposition phone around for three days and you can't find anybody that the minister's talked to. That's not open, that's not consultive, that's not being honest with the folks out there. And I say, Mr. Speaker, that you're affecting the lives of far too many people to not practise what you preach.

If you don't intend on breaking contracts, spell it out. If you don't intend on playing jiggy-pokery on the royalty side, spell it out. If you don't intend on involving the oil and gas industry in this Bill, only uranium, spell it out. If you don't intend on involving potash, spell it out.

And for goodness sake, Mr. Speaker, before you start taking Saskatchewan's advantage away, which we've enjoyed for the last number of years, probably being the leading jurisdiction in North America for the advancement of heavy oil technology, before you would say to people like Sceptre Resources, who have probably drilled the most successful well in the heavy oil areas of our province — still flowing, I understand, in excess of 1,000 barrels a day — that you don't say to them and their investors, I'm going to pass a piece of legislation in this legislature that uses executive power to come in a couple of years from now and tell you I want a different piece of the pie, or I want to regulate you in a different manner, or I want to take your deeper rights away from you and give them to somebody else.

Because, Mr. Speaker, the minister hasn't spelled that intent out to that company or any other. And that's why, Mr. Speaker, we really wonder. We really wonder on this Bill why it is so intentionally vague, why we should be expected to go into committee of the whole asking the minister clause by clause, questions that have been left intentionally vague, questions that he has either neglected simply because he's new at the job, to ask the people most affected, or because — and I hope this isn't the case, Mr. Speaker — because he doesn't want to talk to the people involved because of the kind of questions they might ask and the kind of answers that he might have to give.

And I believe the member from Swift Current is an

honourable man. People in that area tell me that he has a long history of being honourable in that community. People in the oil and gas industry tell me that the member from Swift Current has been an honourable man. And I say to the minister, why would you want to sully your reputation in a community known for its oil and gas production, known for being a community that has taken that industry and been very progressive with it, when all you have to do, sir, is go out and talk to the people most affected.

That all you have to do is get a hold of their member agencies and sit down and explore with them their ideas on this Bill. Explore with them perhaps some reworking of the Bill that would give comfort, that would say to them over the next two or three or four years, because the minister and his government have legitimate obligations to meet, that perhaps like the former government did when reducing the royalty holiday period, that it will be done over a 24-month period of time. That a 2-year holiday will go to a 1-year holiday, that each month goes by there is less holiday — and it goes from 24 months to 23 months to 22 months.

But at least, Mr. Speaker, people knew that when they were going to go out and drill a well and it was going to take so many days to drill a well and so many days to bring it on production and maybe so many days to hook it up to the existing pipelines or so many day of trucking associated with the production, that over that period of time — with their projections on what the WTI (Western Texas Intermediate) price is going to be, what the natural gas price was going to be — that they could have some confidence of meeting the payroll, of a return on investment. That that particular company would be around next year and the year after and the year after that.

That they would continue paying Saskatchewan people very good wages. That those people would continue paying income tax. That the local store would keep on having a flow of people through it. That maybe somebody in a metal-bending business who was associated with the industry would keep their employees. That type of approach allows people to plan. There's no retroactivity attached to it. It's spelled out. People go through the process of managing their business and their lives and there's nothing scary.

Mr. Speaker . . . (inaudible interjection) . . . I sure hope so. Because there's a whole lot of people out there, Mr. Speaker, are going to be terribly disappointed in this minister and this government, if the minister, if the minister doesn't take the reasonable road and do what his government has preached over the last seven months, do the reasonable thing and talk to the people most affected.

Mr. Speaker, Saskatchewan's ability, Saskatchewan's ability to stay in the forefront of so many ventures, means that these industries have to be . . . have a predictable process.

If Cameco is going to deliver the laser technology that they've developed to refine uranium ore, if the CRISLA (chemical reaction by isotope selective laser activation) process is going to go forward, if horizontal drilling is going to go forward, if Saskatchewan's ability — as a

government says — to develop co-generation with natural gas and some of our major industries and cities is to go ahead, then it's absolutely necessary for a minimum, they tell me in the business, of say 25 megawatt generating plant to be economically viable. If a 25 megawatt generation plant under co-generation is going to go ahead, these people can't be undressed by the minister two years down the road. It simply would not be acceptable financially or ethically, I think, Mr. Speaker, to have those kind of provisions available to the minister without consulting with the people most affected.

I say to the members opposite, Mr. Speaker . . . and I heard some chirping about the environment from members opposite. If the environmental agenda, if taking CO₂ stack gasses from the power plants of southern Saskatchewan and injecting them into the Midale field or any of the other existing oil fields in our province is going to be achieved, then there are going to have to be tens of millions of dollars available to do that undertaking.

Those tens of millions of dollars aren't going to come, Mr. Speaker, from people that are edgy and concerned about their investments. They aren't going to come from people that are concerned about a minister's ability to retroactively do things. They aren't going to feel good about a minister's ability to break contracts and limit the amount of remuneration, even though those contracts may have been signed years in advance.

(1600)

Because I can tell you, Mr. Speaker, the potential is there. The Midale field has produced a hundred million barrels of oil for the province of Saskatchewan since the early '50s. The Midale field has another hundred million barrels of oil locked in because existing enhanced oil recovery does not remove it very efficiently.

But if the stack gasses from the power plants of south-east Saskatchewan can clean up our environment, help us meet our requirements under the federal green plan, and at the same time unlock a hundred million barrels of oil that has the highest royalty regime in North America attached to it, then I say the taxpayer of this province will be well served; the environment of this province will be well served; power generation in this province will be well served; and it is a win, win situation.

And, Mr. Speaker, that environmental concern is not going to be looked after if the government insists on bringing in legislation that is vague, that is open-ended, that goes back to the days of Bill 42, because it simply will not work. You've burnt those folks once, and you burnt them bad. And they aren't about to be burnt again.

And I think the minister, if he went out and talked to them, could rectify the apprehension that exists out there today.

Mr. Speaker, I would not be standing in this legislature speaking at some length on this issue if the people affected had not been calling, if the people affected had not been making representation.

So I say to the government today on Bill 10, you have a very clear option before you. You can live up to your

rhetoric, or you can proceed to push. And, Mr. Minister, I give you the opportunity now to stand on your feet and tell this legislature that you're pulling this Bill from further consideration until you have done your job and gone out and talked to the people that are most affected by it in this province. Will you do that, sir?

Mr. Boyd: — Thank you, Mr. Speaker. I'm pleased to be able to enter into this debate on Bill No. 10.

Mr. Speaker, I'd like to explain to the people who may be watching the proceedings this afternoon that we're debating what is called the second reading of a Bill. Second reading is the stage where members of the Assembly discuss and explore the principles of the Bill presented by the government. At this stage we try to determine whether this Bill in its various provisions operates on sound principles, and whether in a general sense this Bill should be supported.

The reason I want to explain that to the viewers this afternoon is that many of the remarks I'll be making will not be about mining or owning mineral lands, which is what this Bill talks about in its specifics. Rather I'll be discussing the broad principles of this Bill, principles which I believe offend much of what is important to the values of Saskatchewan people.

Mr. Speaker, among the operative principles in this Bill is the principle that the NDP cabinet minister will be the judge and jury in matters related to mineral lands. Another is the idea that the minister, a single person, can retroactively change the law. And another, Mr. Speaker, and this really is contained in the principle of the whole Bill, is that individuals within Saskatchewan in businesses are either too incompetent or too evil to be trusted with their historic rights and freedoms.

Mr. Speaker, this principle is simply a continuation of the principle that has been put forward in every major law and policy that this government has implemented since the day it was elected.

Bill 10 continues with this campaign to take away from Saskatchewan people their rights and to give the minister the absolute discretion to do as he pleases.

Mr. Speaker, we see this business of increasing the power of the cabinet ministers take on several forms in this Bill. The minister for example will acquire the power to simply have an opinion that the person or the business is doing something that reduces the amount of money the government should be receiving in taxes.

If, just in the opinion of the minister, if that is what's happening, this law would give the minister the right to simply send those people or businesses a bill for the extra amount the minister thinks he should take. There's no recourse for the person who is the target of the minister's opinion. He just receives a bill and must pay up. The Bill does not provide for any disagreement, any method of appealing. If the minister has an opinion, then this law says the minister is right, and the person must simply pay.

It is very reminiscent of a remark made by the Associate Minister of Finance the other day, Mr. Speaker. The

minister said, and I quote: if I think it, then it is so, end quote. If he thinks it, then it is so. The government is applying that principle in Bill after Bill and in this Bill we see this afternoon. If the minister simply thinks someone should pay more, it will be so. And that person will pay more with no argument accepted, none whatsoever.

Now, Mr. Speaker, this is undoubtedly true that there will be times when unscrupulous individuals will try to cheat on their taxes. That is even more of an inevitable result when the government continually increases taxes, continually takes more money out of the pocket of the people of the province of Saskatchewan. As they do that, particularly in hard times, the incentive for cheating probably increases somewhat.

At this point, Mr. Speaker, that people are accused of cheating have always had the right to have a hearing on that matter, to put forward their own evidence and to have an impartial decision arrived at whether or not they have indeed cheated. This Bill says such a process is not necessary, Mr. Speaker, because the government has said if the minister thinks someone is cheating then they must be cheating, and they must pay.

I find it incredible that a government would even present a package of ill-conceived measures to this Assembly like this Bill, Mr. Deputy Speaker. It would like to claim that the only concern the opposition has is to defend the interests of the big oil companies. That's always what they like to present to us; we're only apologists for big business, big oil companies.

That's the kind of logic that they're hoping the people of Saskatchewan will accept. But the fact is that the principles in this Bill affect every man, woman, and child in this province. The fact is the plan to increase the power of cabinet ministers at the expense of Saskatchewan people is already in full swing and this Bill is just one more manifestation of that plan.

No one is as well suited to judge our people as an NDP cabinet minister. That is what this Bill and others on the order paper, that's what those kinds of Bills say to the people of Saskatchewan, Mr. Deputy Speaker. No one can provide a jury that will be of equal to an NDP cabinet minister, so we just have to relieve the people of that inconvenience. If the minister thinks it, then it is so.

This Bill also includes a rather dramatic implementation of the principle of retroactivity, Mr. Deputy Speaker. Retroactivity principle is one that says that if you don't like the way the law was ten years ago, two years ago, two decades ago, then you just go ahead and pass another law that says that it never was that way after all. So in the case of this Bill, if the minister doesn't think it was so, then it shall never have been so.

The type of retroactive legislation that's been presented in this House, Mr. Deputy Speaker, I think is the kind of retroactive legislation that people have a great deal of difficulty accepting in a free and democratic society, Mr. Speaker. We see the principles that they espouse of retroactivity being put forward in a number of Bills, not just this one, but also in others, such as the farm legislation. So far, we haven't seen that legislation being

put forward. We've only seen copies of an affidavit that they presented to the court in Melville suggesting that they will have deemed people to have received notice of intention.

That's the kind of principle that has been espoused in Bill after Bill after Bill by this government, and again with respect to this Bill. The Bill that we see here actually pretends to go back and change two decades of history. Snuck into coming-into-force provision, this Bill states that the law will deem regulations — regulations, Mr. Deputy Speaker, mind you, not statutes — regulations that were in force on January 1, 1974 to have been in force for the 20 years since then.

I'm not sure what the government's intentions are with that, but I think the people, particularly the people in the industry affected, would like to know what the government has in mind in that area. They continually — this government — want to put forward legislation that deems things into existence. And I think that's the concern that us members of the opposition have, as well as the general public in Saskatchewan has.

In other words, they are repealing any legal actions that have happened in two decades that would not legally have happened had they not been done before January 1, 1974.

Just as we've seen in other Bills, this same type of retroactivity is being presented again in this one. Imagine, Mr. Speaker, when we speak about retroactivity, if a government had ever been elected that didn't like the fact that labour unions had been legally recognized and collective bargaining had been in place for the last number of decades, could that government simply cancel, deem, Mr. Deputy Speaker, deem that that kind of legislation never happened in this province?

The same principle of retroactivity that this Bill would allow that government to pass a law that deems the laws and regulations governing unions had never existed. And the minister could simply decide, in his opinion and his opinion alone, that the salaries and benefits of union members should have been . . . what they should have been over the last number of decades and bill them for the difference. The same principle applies to that as what's been provided in this Bill, Mr. Speaker. It is exactly that same type of principle.

Another example would be to say that the law protecting homesteads have never existed and sending a bill to all the farmers of the province for rent for their homesteads for the years that have gone by — same type of principle. You go back retroactively and decide for one reason or another, in the opinion of the minister, that someone hasn't paid enough tax over the last number of years and send them a bill. That's the kind of legislation that's being presented before us today, Mr. Deputy Speaker.

Mr. Speaker, not being a lawyer, one has to wonder about whether these measures are even constitutional, retroactivity laws such as what we're seeing here. Can it be constitutional in this country today that we can so casually remove the rights of people?

I know the NDP has consistently opposed property rights, and we even have the quote from the current president of SaskPower, Jack Messer, saying: property rights is simply a myth that has been imposed on us. Well, Mr. Speaker, I think property rights, individual rights and freedoms, go exactly to the heart of a democratic society. It's that type of thing that people fundamentally believe is the principle on which a democratic society should be founded upon.

This government's lack of respect for property rights is absolutely legendary in the last little while. It doesn't matter what anyone wants; the government will deem what they decide is necessary for the interests of this province, and I would say, Mr. Speaker, more particularly the interests of the NDP Party itself.

What is even more frightening, Mr. Speaker, is how quietly all of this is being done. The government did not consult with the industry about this Bill. The minister did not consult. When they formed government, that was going to be one of the fundamental principles that they said that they were going to put in place. They were going to consult with the industries affected, they were going to consult with the people affected, but yet time after time after time we've seen that they haven't consulted with anyone.

(1615)

Did they consult with farmers of Saskatchewan when they talked about changes in the '91 GRIP Bill? No, they put together a little committee and had them decide for themselves what they were going to do. The farmers that were here on the grounds of the legislature, they weren't consulted with. I wasn't consulted with, as a farmer. None of the back-bench NDP members were consulted with, just as I'll bet they weren't consulted with respect to this Bill either.

They weren't consulted, I would suspect, in all of the provisions that are put out in the budget either. That's why we see things happening like one of the columnists, Mr. Dale Eisler, reporting in there that they're almost ready to jump down the foyer here, they're so concerned about what's happened in the budget. They know very well that about two-thirds of them will never have another opportunity to serve in this House as a result of this type of Bill and the budget that this government has presented.

An Hon. Member: — Just wait and see.

Mr. Boyd: — Just wait and see, the member says, just wait and see. The people of this province I'm not sure can wait that long to see this government bring forward another election. There won't be anybody left in this province as long as we see legislation like this kind presented. The oil companies will be chased out; the potash companies will be chased out; the lumber companies will be chased out. The farmers are being chased out daily by this government's actions.

We talk about what's happening in agriculture. It's the same type of thing that this Bill wants to bring forward on the oil companies and the mineral companies in this province. That's the kinds of things they want to do to people in this province.

They fundamentally do not like private property rights. They don't like private individuals owning businesses. They don't like private companies owning and acquiring property in this country. That's the problem with these people, as I see it, Mr. Speaker. They don't like that kind of thing in this province. They want union people to run the whole place. They want government to run the whole place.

That's why we see, despite what they claim about a budget that's going to put this province in order, we see increased spending — another \$100 million going to be spent more in this province than was spent before. They talk about fiscal restraint, Mr. Speaker. I don't think they know what the word means, fiscal restraint.

These people, Mr. Speaker, bring forward Bill after Bill after Bill that talks about retroactivity. They talk about taking the rights away from the mineral owners and oil companies. That's the type of thing that this Bill does, Mr. Deputy Speaker. That's the type of thing that we see in this Bill.

I'd like to tell you a little story about when I was going to high school. We had a principal of the school then. I think, in all fairness, I think everyone would recognize that went to school at that time in that particular school that that principal, he felt that he was the dictator of that school. Everyone had to listen to his word . . . (inaudible) . . . Didn't matter what he said. They had to bow to his will.

And, Mr. Speaker, I think that's the same type of thing that we're seeing in this province today being presented by this government and this minister — the same type of thing, a Bill that brings in all kinds of retroactive actions, all kinds of retroactive provisions that no one will have any recourse to.

The minister himself will decide whether people should have to pay more and retroactively go back and get it. That's the type of thing that we're seeing in this Bill, Mr. Speaker, and I think it's the kind of thing that the people of this province will in four years time summarily kick these people out of office for. That's the type of things that they will do.

The industry representatives were not consulted. The minister says that they were consulted. Well I'm sure he probably called them up and said, we're going to talk about a few things that we might consider doing. But did he give them any indication of what was going to be in this Bill? Absolutely none, Mr. Deputy Speaker.

The industry representatives that we have had the opportunity to consult with, they said they were not consulted about this Bill in any way, shape, or form. Certainly the minister called them. At least he provided them with that kind of courtesy and spoke to them. But I don't think he spoke to them about the provisions that are outlined in this Bill. If he did speak to them about the provisions in this Bill, I think he would've found that the people of the industry would not have been happy about what's being proposed here.

The people that I had the opportunity to speak to in the oil

industry that are in my constituency — a constituency that has a great deal of oil and gas presence, Mr. Deputy Speaker — they say they were not consulted. They had a courtesy call from the minister about a few things relative to the industry, but they most certainly weren't aware of the provisions of this Bill.

And the only way they became aware of the provisions of this Bill was when one of the members, our Energy critic, took it upon himself to send them a copy of the Bill. That's the only way they had any indication of what was going to be in this Bill. The minister, a couple of days later, sent them a copy too. But it sure didn't do any good because they'd already received it from one of our members.

That's the kind of consultation that this minister suggests that he puts forward. That's the kind of consultation he decides that the people in the industry need to have. Call them up, give them a courtesy call, tell them that we're going to do a few things, minor little adjustments — don't worry about it — and then bring in this kind of legislation. That's the kind of consultation that they get in the industry, Mr. Speaker.

It's interesting, I think, that the members opposite . . . they don't like it when we continually and continually and continually point out about the lack of consultation. They know very well the industry wasn't consulted, Mr. Deputy Speaker. They weren't consulted themselves. They had no indication, I would suspect, of the provisions of this Bill, and if they did, they most certainly don't understand them. Because if they did understand them, I think it would go against the grain of a number of those folks opposite with respect particularly to retroactivity.

I would have to ask some of the back-benchers, do they agree with retroactive legislation? Do you agree with it?

An Hon. Member: — Yes.

Mr. Boyd: — He agrees with it. There's one member spoke up. He agrees with retroactive legislation. That's interesting, I think, Mr. Deputy Speaker. This Bill talks about the oil and gas, the rights of the oil companies and mineral companies in this province. And that's the kind of thing that makes the oil companies and the mineral companies in this province so concerned, is when there's members like the member opposite that spoke up and said he believes in retroactivity. That's the kind of thing that they're concerned about. This Bill deals with retroactivity and that's the kind of thing that they're concerned about.

Will this Bill be removed? Will this minister decide to take this Bill . . . bring it back and give the industry representatives an opportunity to speak with him about it and consult with him about it? I doubt it very much, not especially when we have members like the one opposite spouting off about he believes in retroactivity. We'll never see that in this legislature, that they'll repeal this Bill, because they believe, they fundamentally believe in retroactive legislation. If people don't accept it, we just deem it to be so. That's the kind of thing that they believe in. If people don't believe that they're doing the right thing, well we'll just deem it to be right.

That's the kind of legislation that we're seeing — no information, no discussion, no consultation with the industry that's being affected by this Bill, Bill No. 10. As I said, the first opportunity that the industry had was an opportunity that our energy critic presented them with — an opportunity to see the Bill firsthand. That was the first opportunity, when we presented it to them.

I believe that these type of measures — retroactive legislation — go against all of the principles that a democratic free society should have. As my colleague says, scare the industry out. There's no question that that's exactly what this Bill will do.

The people that are affected in the oil industry, particularly in a field like the field that I represent in the Kindersley area, that's a field that is a very marginal field, Mr. Speaker. The well production there ranges from one barrel all the way up. The average production is about three barrels. There's about 1,500 people directly employed in the industry out there.

And when I speak to the industry representatives out there in the Kindersley area, they're telling me this is exactly the kind of thing that will drive them out of this province. This is exactly the kind of thing that they expected from this government and this is exactly the kind of thing that they're starting to get from this government.

Mr. Speaker, I think this Bill . . . had the minister given it a little more thought, if he gave it any, he would have realized that these are the type of Bills that worries the industry representatives. The companies out there tell me that these type of provisions are the types of provisions that drive them out of the province and want to go into another province like Alberta.

The members can be as sanctimonious as they like about what's going on here in the legislature, but the folks out there — the real folks, the ones that are earning a living in the oil and gas industry and the mineral industry — they're the ones that really matter in this province with respect to a Bill like this.

I don't, quite frankly, care what the member opposite says with respect to the oil and gas companies. I was elected to represent the Kindersley constituency, and a large per cent of the people in that constituency are people associated with this industry. And they are the people that are being affected by legislation being presented here . . . (inaudible interjection) . . . Well, we'll just see about the election, the next time we have an opportunity to have that election, whether or not there'll be a Conservative member representing that constituency again. My prediction is that there will be a Conservative member representing that constituency again and there will be a heck of a lot less NDP members representing it.

An Hon. Member: — The polls in Kindersley are going . . .

Mr. Boyd: — The polls in Kindersley . . . Let me tell you exactly: they're doing exactly that with respect to NDP support. The polls in Kindersley last fall told us that the NDP ran third — the only constituency in the whole province that the NDP ran third.

And I'll tell you the reason why they ran third in that constituency. They ran third in that constituency because exactly the reasons we see like are being put forward in this type of Bill. That's why they ran third in that constituency.

The oil and gas companies, the farmers, the business people, they all realized by past experience what this type of government will put forward. They're close enough to Alberta, fortunately in a lot of respects, to have firsthand opportunity to see what a free enterprise government is able to do for them. And that's why they elect Conservative member after Conservative member.

Mr. Speaker, this government, I believe, does not fundamentally believe in democratic rights. But, Mr. Deputy Speaker, democratic rights do indeed apply to them. They do indeed apply to this government as well as any other government in this country.

Mr. Speaker, this Bill goes beyond just applying to the Exxons of the world. It applies to the small oil and gas companies. It applies to the small little companies like are out in Kindersley that are trying to eke a living out on a very marginal field, the swabbing type companies that are trying to recover oil that the bigger players have decided is uneconomic for them.

For the most part, in the Kindersley field, most of the major companies have pulled out. The field is too uneconomic for them with their high costs associated with running larger companies, that the smaller companies are the ones that are picking them up.

I can think of one company out there that has just recently purchased a couple of hundred wells — very, very marginal wells. But they feel through enhanced recovery and swabbing techniques that they can make a living on those fields. And when we see this type of regulation being brought into effect, that very type of thing that calls again into question whether or not these companies will be able to survive.

The NDP believe that they must control, absolutely control the interests of those type areas. Mr. Deputy Speaker, that's the way this government thinks and reacts. Retroactive legislation, deeming of notices to people, the taking of the rights of the individuals. This Bill, Mr. Speaker, is just another step down the road of socialism — just another step down that road.

This Bill and others presented by this government is a clear indication of the way this government of socialists believes this province should proceed. And I believe fundamentally that that is the reason why the people of Saskatchewan, given another opportunity, will reject these folks. They will reject them because of the types of things that they're doing with respect to legislation such as this one. That's the type of thing that will turn the people of this province away from this government.

Thank you, Mr. Deputy Speaker, for the opportunity to speak to this Bill. I'll let it go at that.

(1630)

Mr. Goohsen: — Thank you, Mr. Deputy Speaker. I wish I could say that I were happy to get on my feet to speak this afternoon, but it isn't a happy moment to have to discuss the kind of thing that's going on in this Bill.

We had been so readily and totally assured the other day that this kind of thing was never going to happen. We sat in this very Assembly and listened to members opposite assure us that 50 cents on the last Bill per acre would only be an insignificant little tap on the petroleum industry — just such a little bit they wouldn't even notice — and that nothing more was going to be done. There wasn't in fact any great plans to restructure the entire royalty package. We were told that in this very Assembly.

We were told that through the election campaign. We were all assured of it. And yet what have we got here? An insidious plan that is developed with such a cautious manner that you almost could not see what was coming until you examined it very closely. Such a plan so as to give people powers beyond the reason for any democracy to demand of one or two individuals; the devious nature to propel into society a Bill that provides the opportunity for a dictatorship in a democracy.

That's what it's all about, and that's why we are so displeased with having to talk about such a thing. We are assured that it won't happen, and it's within days thrown in front of us — all the way from labour Bills to farm Bills and now to oil royalty Bills. Every time we have a new Bill come forward here, we find that unless it is just a housekeeping matter, if it's something to do with anything important, it is a total flip-flop of what we have been absolutely assured — perhaps days, sometimes months — but absolutely assured by this administration that it would never happen, it would never be done. And here it is again, Bill 42. I'm sorry to say that I'm old enough to remember Bill 42 from the '70s, and here, Mr. Deputy Speaker, we have Bill No. 10, a disguised Bill No. 42.

Can you imagine these people, Mr. Deputy Speaker, trying to pull this off under the guise of being something new and something constructive when in fact it is the old Bill 42 that destroyed the oil patch and the whole industry in Saskatchewan in the 1970s — destroyed the industry.

An Hon. Member: — Read it.

Mr. Goohsen: — I have read it in absolute detail, word for word. The member across chirps away that we haven't read it. Well we've got it right here, the explanations, the Bills. We've even got pieces of paper here that tell us about Bill 42 from the '70s. We've got everything you could imagine about this thing, and it's all here. And I tell the member across the way we have read it, and that's why we're so concerned. If we hadn't read it very carefully, we would never have detected the deceit in this Bill.

We can deem anything to have happened that we please. We can just simply declare that all of a sudden something else happened that nobody else ever thought of. That's an amazing approach to democracy, Mr. Deputy Speaker.

I recall last fall when we were campaigning there was a

lot of people in our area. You have to understand that we have quite a bit of oil and gas activity in my constituency. And a lot of those people were expressing concern. And the NDP candidate had made some overtures in some debates that we had had. These were public debates with all the party candidates involved and he said something to the effect that the royalty structures were going to be re-examined and that they would be rewritten. And then he passed on to other matters.

Someone in the crowd, of course involved with the petroleum industry, twigged on this. And they said: say, what exactly do you mean by this? Well he said, it's not right the way it is now. We're going to have to go and fix it all up.

Now I alluded to this matter just a few days ago in this very Assembly. And the members opposite said they were not only not responsible for what that candidate had said, but they seriously doubted that what he said was true. And that in fact if it was, they were never going to do that. And now we've got this Bill in front of us that says exactly what he had told us in the election campaign in October. A sequence of events that cause such complete concern out there, Mr. Speaker, that in fact the petroleum industry phoned him up and asked him for a private meeting. And they've granted that meeting.

They called in an expert from the NDP and the petroleum business — so-called expert, their expert. And he went to Richmond, Saskatchewan and they held a meeting there under lock and key of closed door — supposedly — with petroleum officials and with the NDP candidate and with their so-called experts. And they explained in the cloak and dagger situation what they really meant so that they could calm the industry down because the tide was beginning to turn against them in that area.

Now, Mr. Speaker, we find out that all of the things that were rumoured to have come out of that meeting and all of the things that the candidate actually said were in fact true. He was being an honest man. He was telling it the way it was. And the industry was assured that he really didn't know what he was talking about, and this government assured us that he was not telling it the way it was.

And yet we have this Bill that proves that what he said then was right and what he had said about this happening — the things that would've cost them many more seats if it had become generally known — this very thing they denied that they would ever do, they now are doing it.

We wondered very seriously in our constituency, Mr. Speaker, why Mobil Oil was suddenly selling out a lot of their properties last year. It seemed odd to us that a big company with interests that had been in the province for many years would suddenly be evacuating the area. And so we tried to get to the root of the situation and find out what was going on.

But of course the industry people are polite and they are dignified people, and they weren't about to say anything too much, but there were some rumours that started. And the rumours that were going about were that they anticipated an NDP government would be elected. And

in that anticipation, the fear of that alone, they believed would cause them to lose money in this province. And so they were selling out everything they could sell as quickly as they could. And the things that they still own, I have been told just recently, are for sale as quick as they can find a buyer, but they haven't been about to find one.

They anticipated. And that tells us something, Mr. Speaker, about what's going on with this kind of an approach in government to industry. We are sending a message outside of our borders that is driving away investment dollars, driving away industries, driving away people with expertise and money — because of a fear.

This Bill represents the same thing that's going on when a minister stands up in this Assembly and says he's going to tear up a thousand kilometres of road. It's not that the roads are so important, but it's the message that he sends out to the whole world. Do people in Ontario who hear a thousand miles or a thousand kilometres of road are going to be tore up, do they have the impression that this is a prosperous province with a tourist industry that would be good to come to? My goodness, we're going to go out there and go out into the wilderness to go fishing and there won't be any roads because they're being tore up in this poor, backwards province.

It might be that those people don't realize how many thousands upon thousands of miles of roads that we've got and that maybe a few taken up here or there might not matter. But the message they got was that this province is tearing up roads, that it's backwards, that it's not a good place to come to.

So we sent them a message and we've done the same thing again with this Bill to the petroleum industry around the world, that this is not a province that's open for business. This Bill tells the petroleum industry that we are closed for business now, closed for business because if you pass this Bill you can deem anything that you want to have happened. The minister has dictatorial powers. He can go back retroactively to 1974.

Suppose we put this in the context, Mr. Speaker, of what it might be to, say, a schoolteacher. Suppose all of a sudden you passed a law that said the Minister of Education will now have the right to retroactively, for 20 years back, charge you double your pension contribution. And you are now responsible for each year for 20 years back to put up the money for doubling your pension contribution because he deemed that you didn't give enough, that the province might be going broke or something, and that you should give some more. How would you like that? Tomorrow morning you wake up and the Minister of Education says you owe thousands of dollars. Does that send some kind of a message to you about what the people in the petroleum industry are thinking when they hear about 20-year retroactive legislation?

What chance, Mr. Speaker, do you think that you could have any investor confidence in our province when we pass a Bill such as this. We've got a whole lot of new technology arriving in the petroleum industry.

My colleague alluded to swabbing and one of my other colleagues alluded to horizontal drilling. And there are

some older technologies: the water flood, for example, and the fire flooding. These technologies cost a lot of money but they can bring about the recovery of oil and petroleum products where it is not economically feasible to do it in any other way. But it's a long-term plan and it takes a long time to get your money out of it.

So when you say that you're going to have two-year retroactive decision making on these kinds of royalties that are attached to these new types of developments, then you totally destroy the incentive for those people to try that technology because it takes maybe 5 or 10 years for them to put it into place and it might take even longer than that to ever consider getting their money out of it to break even.

And whether the people across the way like it or not, if there is an industry in this country that can't make a profit and if they can't make a profit, are they ever going to come to our province? Is there an industry in this country that you know of that would come to our province to deliberately lose money? If you assure them that they can't make it, if they're guaranteed to go bankrupt, how many do you know that are going to come?

I have one farmer friend over across the way that probably is saying something to the effect that maybe he might as a farmer, but then we farmers do things a little different sometimes — we stick with it when everything else is lost. And I can take the humorous note out of that because we do farm at a loss a lot of years. That's not the way it works with the industry.

And it's the same in the mining industry. We've talked about the mining industry, about potash. We've talked about uranium. And the reality is that this Bill covers all of those areas, Mr. Speaker. It covers the uranium industry, because retroactively again the minister can take the power to do as he pleases. And I know he sits over there very sanctimoniously thinking to himself, I'm a good Christian, honest man. I'd never do that. But what assurance do we have that he will be the minister while this Bill is still in effect next year? Absolutely none.

He might have all of the best intentions in the world to do absolutely everything correctly and rightly, but if this Bill passed gives wrong powers to that man even though he himself won't use it, what assurance do we have that next year someone else who might not be so diligent and so kind and so respectable will be in that job? What assurance? None whatsoever.

Once you pass that law you're stuck with it until they repeal it or until you have a new government. And we're looking at four years or three and a half or whatever down the road. And that, Mr. Speaker, is just too long to take a chance on what could happen to this entire industry.

(1645)

I want to put perspective into this thing for folks in my constituency, to get it down to the home level, down to the people level again where it hurts and where it's real.

In my constituency we have basically four industries. We've got gas and oil and cattle and wheat. You could

call wheat, grain farming. And you'll wonder why did I say gas and oil as one each. Well the truth of the matter is that gas and oil are sort of divided in our constituency into two distinct industries. On the west side of our constituency the gas fields are in themselves an industry. And while you dig a hole to get gas the same as you do for oil, the process of delivering it through the system and the whole concept of developing a gas field is a lot different than developing an oil patch, a lot of different problems. You'll see some of the same folks working in it, but in reality there's a lot of difference there.

And the remarkable thing, Mr. Speaker, is that because of the very nature of this industry to need, the petroleum industry, the gas and oil part of it, to need to be on agricultural land, or Crown land, somebody else's land — they don't buy the land, they lease the minerals under the ground and then they come onto the property. The property's owned by somebody else and there's a natural collision effect to people from those industries.

And back 20 and 30 years ago, those collisions happened very often. But there's a remarkable thing that's happening over the past few years, and that remarkable thing is that these two industries that used to smash into one another and have so many obstacles — all the way from environmental considerations, to livestock getting killed in Texas gates, or run over by trucks — these industries have started to intermesh and they've become one. They are like two hands clasping and hanging on for dear life in our economy today.

And that has happened in an evolution that, if we'd have thought about it, was natural to happen. That evolution is that the farm boys out there, as the economy and agriculture got worse, started working for the industry, the oil industry, the gas industry. Gradually, as they worked there, they found that the money they were making was good money and it helped with their farms.

At the same time, the government of the day, of the past years, brought about the gasification of rural Saskatchewan and the very same gas wells that these farm boys were working on to develop was now the source of energy going through the gas line system to the farms. And they were finding that their hog barns were being heated by the very gas that they were helping to deliver.

And so the whole concept of these two industries, not to mention the cash flow that goes with surface leases and all those other kinds of things that are involved, but the whole thing started to mesh together and they became sort of like one. And so you will find an awful lot of difference out in the country now than what you saw 20 years ago. In fact you will see farmers now fighting for the rights of the petroleum industry. If I'm not proof of that I can take you and find others — fighting for one another.

And another remarkable thing, Mr. Speaker, is that you will find people in the oil patch having lived with us in our agricultural setting long enough so that they now understand us. So there's enough farmers and ranchers and their sons and daughters who are working within the industry, that we've become very knowledgeable about one another and very protective of one another. And they will defend our needs and our rights. And I know that

some day if my rights need to be defended, those are the folks that will be behind us.

All four important industries within our constituency are worried, desperately worried, about the effects of what Bill 42 did in the '70s and the reintroduction of this Bill here now. And as they became aware of the fact, through this province, that this is in fact happening, they will be letting you know about that. I have absolutely no doubt in my mind whatsoever of that.

You wonder also about the effects of little things. The other day, I said earlier, 50 cents was said not to be anything to worry about per acre, and yet we've got a situation where 56 wells have already been capped south of Leader. And I asked the members opposite their opinion about that and they flippantly said, well they were probably not productive enough to be worth having.

Well the truth of the matter is that we haven't been able to get a documented statement as to exactly why the owners would close those wells in. But we do have a rumour out there that the individual said that he simply could not stay in business if the new proposals that he believed were coming were going to happen. Because 56 gas wells, even though they're drilled, are a long way from making money and being productive.

A whole network of pipelines and collection systems along with a whole network of water filtering, of straining and cleaning has to be done to that product before it can be put into those lines. And he said, in the stories that I've heard from home from some very knowledgeable people out there, that he is not prepared to invest that kind of money in Saskatchewan to bring that field into production if he's not going to be allowed to take a profit out of it and to make it operate.

And when he sees this Bill I'll bet you he just stands there and goes, thank goodness I made that decision and walked away. Because really when he sees what is happening in this province right now with this Bill, he's going to thank his lucky stars if he can be out of here — Alberta bound.

And then we've got the service industry, Mr. Deputy Speaker. We can talk for a long time about what this Bill is going to do to the service industry and to the jobs of this province. If you think that this Bill isn't going to affect people, think about how many young people are not going to have jobs if all these wells that were planned before are now not drilled. Starts right at the bottom, right at the base.

And I asked the minister the other day how many oil wells and stuff like that have been drilled in the past while. Well he didn't know right away, but he's going to get me that information. But I happen to have some reports from the Canadian Petroleum Association that show that there haven't been many wells. Last fall we were told there was going to be 125 wells drilled in our area. They've all been cancelled, I guess, except a few.

And what has that done to jobs in the area? Well, Mr. Speaker, believe it or not even at the drilling stage a lot of

young farmers go out and get those jobs as drillers. They start right at that fundamental basic start with the industry. Not to mention who gets the jobs when those oil wells or gas wells are brought into production, in servicing those wells and in operating them — well operators. They operate them so well in fact that the industry doesn't go out of the province or any place else to look for people to do that; they come and look for the young farmers in the communities where these are located and they ask them to come and do those jobs.

Those jobs are not going to exist if the industry is not growing and expanding. You may have a basic field where people have invested so much time and money already that they can't walk away from it; they will stay. But the reality is that the new ones won't be coming. And we've got an awful lot of important technology, horizontal drilling, that could go on in this province, that could develop more oil, that could bring in better gas fields.

It's just absolutely amazing when you think about the dollars that we're about to lose in international competition. The people's needs for money grows greater every day. Absolutely phenomenal amounts of money are needed to run our health care system and our education system, and where are we going to get that money? From a bunch of broke farmers? From a bunch of school teachers and nurses who are on fixed wages, who have costs of every kind? They're being bled to death already by taxation in this province and throughout this country, and it's about time we recognized that we need a bigger tax base.

The way to make the province work is to encourage these industries to come in and build the base of taxation so that you have more dollars to tax on, rather than to drive them all away.

And it makes me just wonder, when people tell me that they've consulted with somebody and in fact we find out that that's not the way it was. We've had all kinds of reports in the last month. I can't believe the piles of paper that are mounting up on my desk and the phone calls I get. It's unbelievable the amount of people in this province that are saying, somebody said we've been talked to and nobody ever came to us. Or if they did, they talked about something else. They may have discussed the weather, they may have discussed the price of rice in China, but they never discussed what they were going to do in Bill 10 or anything like that. Absolutely no discussion going on with people.

We've got contractors that are just amazed at what's going on. And we've got a petroleum industry and a mining industry that is totally in the dark as to what was going on in this Bill. And they will be absolutely shocked to the bone when they find out what a minister will be able to do to them with 20-year retroactive decision-making power — 20 years back. How would you like to have the income tax department pull your tax files back for 20 years and examine them with a fine-tooth comb and no rights to limitation? How would you like that? Most of you probably had written for rights to have them tore up.

And then you will deem that they were assessed too low if they didn't find anything wrong. They'll deem that you should pay some more. It looks very much to me like, Mr. Speaker, like that we're looking at a situation where we might in fact just deem that royalties weren't high enough.

Or are they after Saskoil's assets again? Maybe this is a cheap way to take over an industry that they once owned and would love to have back. If you can force them to go broke by retroactively deeming that they didn't pay enough royalties and force them into receivership, you can take them over for nothing, can't you. Is that your secret plan?

What kind of devious methods are you going to use to take control of everything in this province again, from a land bank right down to Crown corporations owning the oil industry, and take over the potash mine as well?

And here you have, Mr. Speaker, the ammunition to do exactly that. The ammunition to drive them into bankruptcy so that they cannot exist in this province on their own, and so that they can be taken over by expropriation for taxes not paid or by any other method when they go into receivership.

There is no question in my mind that this government has devious thoughts behind everything that they do. Their motives are becoming clear to us now because we suspected it before and now it's becoming proven.

Every time they said no, we'd never do that, we'd never do this, we wouldn't have anything to do with that, and then they throw a Bill on the table that says they're doing exactly the opposite. And this is not the first one. All week long we're seeing this kind of thing.

Well, Mr. Speaker, it gets pretty discouraging when you read this kind of a Bill and you find that people were supposed to be consulted with, that weren't. You find that people in the mining industry, the Saskatchewan potash industry, the uranium industry, the gas industry, the pipeline industry — all under attack from this administration.

We hear stories, Mr. Speaker, about the bank owning 400 oil wells in one area, and I'm not going to name the bank because I don't want to embarrass anybody. I just wonder, if this Bill increases royalties by just another little bit, along with the little bit of 50 cents we got here a couple of days ago, I just wonder if those wells will be capped and put out of production.

Is it not pretty likely that if a company that's in the business couldn't stay in business producing oil and had to let those oil wells go back to a bank through bankruptcy, isn't it pretty likely that they're in an economic situation that is very borderline? And isn't it pretty likely that a borderline operation like that is even going to cause them to be written off and shut in and have the bank say, that's it; we give up; we're walking away; we're not going to operate them.

And then where do the people work that worked on those wells? And if it's 400 in one area, if it's 400 in one area,

how many is it in another area?

My friends in Burstall and Richmond and Fox Valley all depend on this. Fox Valley is probably one of the driest places in all of Saskatchewan. And yet that town has only got a few people less than it had in the last census. This Bill is going to be devastating to that community.

Mr. Speaker, I just read in the Shaunavon paper the other day a whole list of the census numbers of how many people were gone from the 1986 census to the last one, 1990 or '91. Anyway the figures were very high for most towns, but in Fox Valley only a few people have left because the gas industry has been there, and it's been growing. It's been expanding.

Those folks built a new curling rink last year. I was there and helped them cut the ribbon. They put up a new hotel, motel. How about that? Richmond — a little town like that — my colleague says they have a car dealership, and he's right. You can't even keep car dealerships in some of the bigger towns in Saskatchewan, but in that small town you've got enough people working, enough working people that need trucks to work in the oil field and the gas field that they can keep . . .

The Speaker: — Order. It now being 5 o'clock this House stands adjourned until tomorrow at 1:30 p.m.

The Assembly adjourned at 5 p.m.