

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Draper: — Thank you, Mr. Speaker, sir. I'd like to introduce to you and through you to the other members of this Assembly, sitting in the west gallery there, my constituency assistant and my very able campaign manager at the last election, Debbie McDonald and her son Taylore; and two friends and neighbours of Taylore, namely Blake Mulatz and Frank Mulatz. And I'd ask you to welcome them to Regina, sir.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Grey Cup Bid

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, my question this morning is for the Premier of the province. Mr. Speaker, we all knew that if the government continued, and the ministers and the Premier continued to make as many trips as they have been making over the last while, eventually one of them would pay some dividends.

And I'd like to congratulate the government today, Mr. Speaker, on behalf of the official opposition, congratulate them for bringing the Grey Cup to Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Mr. Speaker, as you know, this is the first time that the Grey Cup will be hosted in Saskatchewan, and I'd like the Premier or his designate to provide us with a brief report of the trip to Sacramento and the results of that trip.

Hon. Mr. Lingenfelter: — Mr. Speaker, I am pleased to join with the hon. member in basically congratulating the people of the province and in particular the bid committee that has spent an enormous amount of time and effort in putting together a bid over the last number of months. This is not something that has come up recently. There have been a number of meetings with Mr. Shepherd and Mr. Lipp who have been the promoters; of course, the team through Al Ford and the Regina Economic Development Authority.

The city of Regina were very instrumental in putting together a bid that in the end won the day yesterday in Sacramento. And I think we're all proud of that. Obviously our Premier played — as Mr. Lipp says — a key role in making it happen with a very appropriate speech, talking about the advantages of coming to Saskatchewan. This is a similar speech and recommendation that was given to Sears Canada when the call centre came here, about the advantages

of having relatively low utility rates, second lowest in Canada; a relatively reasonable taxation policy. And I say to the member opposite is the kind of theme that the Premier took to Monsanto a few weeks ago in St. Louis. And the Premier, being the best sales person in the province, has a key role to play in these kind of projects.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, I understand that the Premier's speech was indeed a major factor in the CFL's decision. And we've always known, Mr. Minister, that the Premier is a great campaigner, no question about it. After all, just look around, Mr. Speaker, at the number of people that he was able to get elected almost single-handedly. And there's no telling, Mr. Minister, when he has a good cause to promote he can do well, like he did yesterday.

But I have to remind the government of one thing that hasn't been accomplished under an NDP (New Democratic Party) government. The Riders, the Saskatchewan Roughriders, won a Grey Cup while under the Liberals when they were in government. They won a Grey Cup while under the Tory administration. And yet after all of the years that the NDP has been in office in Saskatchewan, they have yet to be able to win a Grey Cup under the term of an NDP administration.

Mr. Minister, on a lighter side, I wonder if you might be able to give the assurance to the people of Saskatchewan that indeed in 1995 that Saskatchewan will be the host team and the winner of the Grey Cup.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Well, Mr. Speaker, to the hon. member, I'd like to say that it is very important that he recognize the fact that it was an NDP government that got the first Grey Cup to the province of Saskatchewan. And that is something that you, sir, in your party still have to try to achieve.

Now on the side of the issue of winning the Grey Cup, there would be nothing we would like better. And you can be guaranteed we're going to be doing everything in our darned power to make sure that when the Grey Cup is held in 1995 in the fall in my constituency, in Regina Elphinstone, that we will be doing everything we can to make sure Saskatchewan Roughriders are there and winning the Grey Cup.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, I'm sure that the Roughriders take great comfort in knowing that you'll be helping in every way possible, particularly with the things like the training and all of that, I'm sure.

On a more serious note, Mr. Minister, on a more serious note now, has the government provided or

committed any funds or concessions to the Roughriders or to the CFL (Canadian Football League) to bring the Grey Cup to Saskatchewan? And if they have, I wonder if you'd care to report on that today.

Hon. Mr. Lingenfelter: — Mr. Speaker, at this time, as you know, and just so we have a background of the arrangement that exists with the Saskatchewan Roughriders, when we came to office we found that there had been a guarantee given to the Saskatchewan Roughriders by the previous administration, a loan guarantee for about a million dollars, that had never been made public or had never seen the light of day.

In fact it was about six months after we took power that I found in SEDCO (Saskatchewan Economic Development Corporation) there had been a secret arrangement made to give a loan guarantee with no charge or fees attached to it. And this says something about the process that was followed.

Following that, the Roughriders came to us and asked for a further \$1.1 million above the \$1 million that was already in place. We agreed and told the public with the positive and negative ramifications of that, that we would guarantee a \$2.1 million loan guarantee, but that we would charge a fee of 2 per cent for arranging the loan guarantee. And that was done through the Department of Economic Development.

So the people of the province, while they're giving a guarantee of \$2.1 million, are receiving a very reasonable — I might say as high as anyone would get for a loan guarantee — 2 per cent commission for arranging the loan guarantee. That's our commitment at this point.

Future developments that might be needed in that area, if the Roughriders are approaching us I'm not aware of it. But at this point we have, as I have already indicated, a loan guarantee, \$2.1 million at 2 per cent for the loan guarantee. Part of that is an arrangement by the previous administration, part by our government.

Some Hon. Members: Hear, hear!

Livestock Program Proposal

Mr. Goohsen: — Thank you, Mr. Speaker, now while we all know that the Premier is the quarterback of the NDP team, Mr. Speaker, my question is to their drawback, the Minister of Agriculture.

Mr. Minister, for some time now we have been monitoring . . .

The Speaker: — Order, order. I think the member knows that any adjectives like that when referring to a minister are simply not permitted in question period. Order, order.

Mr. Goohsen: — For some time now, Minister of Agriculture, we have been monitoring your moves towards taking over the cattle producers voluntary research and marketing fund. Now quite frankly, Mr.

Minister, we feel your approach is less than honourable. Today we see the issue has been made public and so we want to discuss it with you, Mr. Minister.

And my question is fairly simple. Is it your intention to introduce legislation during this session to combine the horned cattle trust fund and the cattle marketing deduction, and change the committee which administers that fund to include two of your own appointees and the members from the Wheat Pool and the National Farmers Union?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: — Mr. Speaker, we have not yet made a decision on bringing that Bill forward. This Bill was in a response to requests from the Livestock Policy Advisory Committee who recommended that we combine these committees, that we increase the horned check-off fund, the fee, and that we increase the check-off. And those recommendations were made to us. We've been discussing within the industry. There's a good deal of dispute over who should sit on the board and no decision has been made whether or not that will be brought to this House in this session at this time.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Well, Minister, we're happy that you haven't made a decision yet and we hope that you will continue to review the circumstances around it.

Mr. Minister, the Stock Growers' Association and the Saskatchewan Livestock Association have both made submissions to you, completely disagreeing with the proposal that we have heard about. Now they say there is no reason why the Wheat Pool should have representation on a producer committee. The Pool is a major marketer of cattle, not a cattle producer. And the NFU (National Farmers Union), they argue, is a national political lobby and not much more. That is their position, Mr. Minister.

What is the purpose of putting these two groups and two of your political appointees on a committee to administer a voluntary producer fund? Perhaps you could tell us what you think is broken that needs to be fixed, Mr. Minister.

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: — Mr. Speaker, we had submissions from the stock growers themselves asking for the Act to be opened up to increase the fees. I might remind the member opposite that the stock growers are part of the Livestock Policy Advisory Committee that recommended to me to combine those boards. And one of those boards already has farmers union members on it and so on.

But I will repeat to the member that I do not intend to inflame the conflicts that exist between farm groups. We're talking to the farm groups. We haven't made a

decision as to whether or not we bring this Bill in.

Our concern is for the beef industry and that there continues to be adequate funds for research and development in the beef industry. Witness that — 1.3 million in our budget which will be matched by the federal government for a beef development fund and agreement with the industry that we need to increase the check-off to have more money there in order to enhance the beef industry in this province. That's our main concern, not the petty politics between farm groups that you seem to want to get involved in.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Well, Mr. Minister, it seems that if the cattle producers were involved in the committee, you must have a split decision on that committee because they obviously would not have agreed in that committee with the recommendations that I've read in the newspaper. Now we have problems not only with the intent of this legislation, but with the way that you have gone about it. We have been told that you have been less than professional, uncooperative, and very selective in your approach to bringing in this legislation.

Mr. Minister, can you provide a list of groups and individuals that you have talked to in the last few months regarding this issue, and can you tell us about the outcome of the meetings that you have had?

Hon. Mr. Cunningham: — Well, Mr. Speaker, the member opposite will have to ask the stock growers why they advised one thing and signed the Livestock Policy Advisory Committee report to me, requesting the combination of these boards, and now say they are opposed to it. I think you have to ask the stock growers, and they may have had a change of opinion, and I don't know why that is.

We have been talking to all of the groups involved in this, and we are continuing to talk to them. Met with the stock growers, along with ag caucus, representatives of the stock growers and ag caucus just this week. So we continue to meet with groups and try to iron out the differences so that we can get on with enhancing the beef industry in this province and not quibble about who represents beef producers.

I think the Wheat Pool and the farmers' union represent many beef producers in this province, as do the stock growers and as does the livestock association and as do the dairy producers and others. And we want to have everybody's input into how we do research and development and where the money gets spent. And that's all we're trying to achieve, is a balance so that we can get on with enhancing the beef industry.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Minister, are you saying to me that the stock growers and the cattlemen of this province have come into a committee that you set up and agreed in that

committee that the Saskatchewan Wheat Pool and the National Farmers Union and the NDP selected hacks should be allowed to administer their horned cattle fund. Are you saying that they have agreed to that? I'd like you to answer that question directly.

Hon. Mr. Cunningham: — Mr. Speaker, what I said was that the Livestock Policy Advisory Committee on which the stock growers sit recommended combination of these two committees. And upon consultation with the members as to who sits on there, we are now doing those consultations. That was exactly the recommendation of the Livestock Policy Advisory Committee to the minister.

And if there's a dispute and that's what the dispute is over, as to who gets to sit and who represents beef producers, I would tell the member opposite that in my riding many of the beef producers are not represented by any of those organizations. They spend their time doing chores, not going to meetings. And who speaks for them is a question that may have to be decided by elections, I don't know.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Well, Mr. Minister, I wonder if you could confirm some of the rumours that we have been hearing with respect to your conduct with the producer groups that you have been consulting with. Mr. Minister, as I have said earlier, we have heard that you were less than professional when you were meeting with these groups. And I ask you specifically, Mr. Minister, will you report to this Assembly what went on at those meetings? What exactly was said? What did you say to those people and what did they say to you?

Hon. Mr. Cunningham: — Mr. Speaker, we've had many meetings with many livestock groups. What I ask when I go to meetings is confidentiality of the discussions at meetings. I honour that when I go out of the meetings. At the meetings we've had some discussion, and strong opinions have been expressed on all sides on all these issues, and we continue to meet with all the groups.

Some Hon. Members: Hear, hear!

Piper Aircraft Bid

Mr. McPherson: — Thank you, Mr. Speaker. My question today is for the Minister of Economic Development. Many months ago you said you had a list of some 700 companies that your department was pursuing. All you have to do is look around and see there's very little evidence of any economic development coming to our province. For example, let's take a look at the failed attempt to land the Piper Aircraft company. Your government invested \$650,000 and the result was a big zero.

We note with interest that one of the firms your government used to try to secure Piper was a company called G-5 Management. For its services, G-5 was paid \$40,261. Our investigation shows G-5

Management lists its sole shareholder as Mr. Reg Gross, a former New Democrat cabinet minister, close personal friend of the Premier.

To the minister: what is the track record and success of G-5 in economic development that prompted you to hire this company?

Hon. Mr. Lingenfelter: — I want to say to the member opposite that when it comes to economic development, one of the main areas where we're focusing on is regional economic development authorities.

I say to the member opposite that I have had great cooperation from some members of the Conservative caucus in working with them on economic development. I have to say the member from Kindersley, for example, when it comes to the winter games, came to me early. We worked together, not always to the satisfaction of everyone, but there was positive initiatives put forward.

I cannot say the same thing from the member from Shaunavon, who has done little or nothing to work with the regional economic development people in Shaunavon, but instead scurries around behind the scenes, trying to put down anyone who is doing anything positive in his community. I say that's very unfortunate, and you might learn from the member sitting beside you from Kindersley as to how to positively build a community. There's a great deal you could do.

When it comes to G-5, you're right; the main shareholder in that company is one Mr. Reg Gross. His track record — again I refer to Kindersley — my understanding is, did a report on the Eston airport some years ago, has a great deal of expertise in working with aircraft, is a former owner of a spray company. Anyone in the public who knows Mr. Gross, knows he is not only an enthusiast about aircraft but is as knowledgeable about aircraft and the aircraft industry as anyone else.

One thing I will not take is criticism from that member from Shaunavon that he knows anything about economic development.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. I obviously have hit a nerve here. Mr. Gross's company, G-5 Management, is listed as a fund-raising and promotion company. Now I know Mr. Gross did an admirable job when he was raising funds for the New Democratic Party and for the Premier, but to the minister: can you explain what role a fund-raising, promotion company would play in economic development?

Hon. Mr. Lingenfelter: — Mr. Speaker, there are a number of people who work for our government who have a record with the New Democratic Party, there's no doubt about it. Some have a record with the PC (Progressive Conservative) Party, even some with the

Liberal Party.

But what I find interesting is the criticism from that member about new-style politics. The other day in the House, Mr. Ted Yarrton, who was the bagman for the Tory Party and used to bring the booze to the Assembly — it's on record — for Joan Duncan, the former cabinet minister, is here as part of the new team of the Liberal Party. This is the new politics.

And for you to be criticizing because there are some New Democrats who work in a New Democratic government, is a little bit absurd and strikes a note that the member simply doesn't know what he's talking about when he talks about new politics in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. Mr. Minister, your government is more concerned with creating economic prosperity for your friends and party faithful than for the people of Saskatchewan. According to the *Leader-Post*, more than \$650,000 was spent by SEDCO to secure Piper, most of it being accountants' fees. It goes on to say that in addition, the Economic Development minister's department spent \$30,000 on the Piper bid.

To the minister: how much, if any, of that \$30,000 was paid to Mr. Gross and if none, well what was it used for?

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the member clearly that he points out one New Democrat who worked and earned a small amount of money on the Piper project. Some of our other new-found friends who he will want to check into their political background would be Mr. Paul Hill, obviously not a well-known New Democrat, who worked very closely with us.

The record of the business people who work with this government is impeccable — the chamber of commerce provincially, Mel Watson, who says that our economic development strategy, the *Partnership for Renewal*, is the Bible for economic development in the province. Those are his words, not mine. The people who went with the Premier to Sacramento to win the bid for the football Grey Cup to be in Saskatchewan are not well-known New Democrats.

I say to you, Mr. Member, if you would get your head out of the sand and follow even along the lines of the other members of the opposition who are today very happy and pleased with the economic development taking place, you may get a little bit going in your community in south-west Saskatchewan. It's your negative attitude that is causing the problems in your constituency.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. As the minister well knows, it has nothing to do with my attitude when they pulled nearly every service out of

that constituency.

Mr. Speaker, it is obvious your government is not doing the best possible job in bringing economic development to the province. The NDP is no better than the Tories were. It's just patronage, patronage, patronage. To the minister: how many other times has G-5 Management and Mr. Gross been used to attract economic development to Saskatchewan?

Hon. Mr. Lingenfelter: — Mr. Speaker, I believe once more the issue of G-5 . . . they were involved and brought us one project that we wanted to look at and worked with us on Piper. I think one.

But that's one more than the Leader of Liberal Party who promised us to bring one project a week. That's one more. And for that I thank Mr. Gross and G-5 because he's ahead by one of the Liberal leader, the member for Greystone who promised to bring one a week.

Some Hon. Members: Hear, hear!

Tree Pruning Contract

Mr. D'Autremont: — Thank you, Mr. Speaker. My question is to the minister responsible for SGI (Saskatchewan Government Insurance).

Yesterday's *Star-Phoenix* reported that a contract to prune 845 trees in Saskatoon was awarded to an Edmonton tree firm instead of a local company. Obviously many people are asking why we would award such contracts to an out-of-province firm rather than keeping the money in our local economy.

One Saskatoon resident said: if city employees are too expensive, why not hire a local company to do the job instead of sending the money out of the province? And that's a good question, Mr. Minister. Do you know why a local company was not awarded this contract?

Hon. Mr. Goulet: — Mr. Speaker, in response to the member's questions: number one, he should get his facts straight. In regards to the contract, the city of Saskatoon actually sets the contract and bonding requirements, not SGI. The fact that the city has a contract, you know, is outside the province, is the city's business.

In regards to the fact that in the paper also that there was something unusual. Actually the city follows industry standards. So that's the information, you know, for the member.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Well thank you, Mr. Speaker. Mr. Minister, the city sets the requirement that the firms be bonded but SGI sets the standard. The owner of Schwinghammer's Tree Service, a Saskatoon business, blames unreasonable provincial standards for preventing him from being awarded the bid for the tree pruning contract. He said that SGI would not bond his firm unless he had close to \$65,000 in his

firm's bank account.

Mr. Minister, this gentleman's company has been in business for 22 years. He's obviously not a fly-by-night operation, Mr. Minister. I'm sure that Mr. Schwinghammer would like to know why SGI is placing unreasonable standards on bonding to the point where his contracts are heading over the border. Why is this, Mr. Minister?

Hon. Mr. Goulet: — First of all, Mr. Speaker, in response to the question from the member, again I might tell the member that these requirements are based on industry standards. And again I would like to tell the member, it is the city of Saskatoon that sets the bonding requirement, not SGI. SGI would supply a bond to the contractor to meet the requirements of the city of Saskatoon.

In most cases, SGI doesn't require any additional security in the way of a bond if the company has proven experience and financial strength. I cannot comment on Mr. Schwinghammer's case. However if he or any other contractor wishes to bid on contracts, SGI would be more than willing to help them anyway they can.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 27 — An Act to amend The Superannuation (Supplementary Provisions) Act

Hon. Ms. MacKinnon: — Mr. Speaker, I move that a Bill to amend The Superannuation (Supplementary Provisions) Act be now introduced and read a first time.

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

ANNOUNCEMENTS

Hours of Sitting

The Speaker: — Before orders of the day I would like to just remind members that pursuant to the rule changes on Monday that the House will open at 1:30 and not at 2 o'clock.

Appointment of Acting Deputy Clerk

The Speaker: — Secondly, I have an announcement to make and that is that Gregory Putz has been temporarily appointed as the Deputy Clerk of this Assembly.

Hon. Members: Hear, hear!

Ms. Bradley: — Before orders of the day, I ask leave to present a private member's statement on Saskatchewan being awarded the Grey Cup.

Leave granted.

STATEMENTS BY MEMBERS

Ms. Bradley: — Thank you, Mr. Speaker. As everyone knows by now, Regina and Saskatchewan have been awarded the 1995 Grey Cup game. And Saskatchewan people are thrilled, as was our caucus unanimously this morning, and I have the privilege to express our delight.

I have been a Rider fan and season ticket holder for over 30 years. And as many fans, I started in the rookie section, moved to the student section in the corner, finally got to the 15-yard line as a university student, and have now made it into the adult section near centre line.

An Hon. Member: — Soon to be in the senior section.

(1030)

Ms. Bradley: — Yes, I may be in the senior section too at some time. But where I sit at Rider games, there are people of all ages from all over the province sitting there. Right in our own area there's people from Saskatoon, Regina, Lumsden, and Hudson Bay.

The Saskatchewan Roughriders are truly a provincial team. I have rejoiced in the good times, suffered in the bad ones, and, like Rider fans across the country, was absolutely jubilant when we won the Grey Cup in 1989.

I am proud to be just one of the thousands who constitute the greatest fans in Canada. Rider fanatics go right across this country, and now we have the chance to bring the entire country to our province of Saskatchewan to see the Grey Cup.

I can say right now that the 1995 Grey Cup will be some game and some party. The Riders have the greatest tradition in Canadian football. The team has produced some of the greatest players in the CFL, and year in and year out have fielded exciting, competitive teams.

I want to congratulate the Rider organization for over the years giving us Saskatchewan's team. And now we all congratulate them for this fine accomplishment.

To the bid committee, president John Lipp, former president Dick Rendek, Alan Ford, Tom Shepherd, we say well done. We should also thank Mayor Archer and Premier Romanow for their support.

Winning the bid or the game for Saskatchewan was truly a provincial effort. We did not win the bid because we had the most money to offer, but because we offered the Saskatchewan spirit of cooperation, community, and tradition.

I am confident we will host the biggest Grey Cup home-coming spectacular in CFL history. Congratulations, Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Boyd: — With leave, to respond or to reply as well.

The Speaker: — If the member has a private statement to make, I would accept that by leave — not to respond but to make a private statement.

Leave granted.

Mr. Boyd: — Thank you, Mr. Speaker. Once again I'd like to join with the member — and I'm sure it frightens her that I would join with her, and it certainly does me, Mr. Speaker — to congratulate the folks for their successful bid by bringing the Grey Cup to Saskatchewan in 1995.

We all recognize, Mr. Speaker, that the Saskatchewan Roughriders have enjoyed a very proud tradition in Saskatchewan — 84 years of involvement in our province. And the people of Saskatchewan have been extremely supportive of them all the way.

We only have to think back, Mr. Speaker, of the great players, just to name a few that have played with the Saskatchewan Roughriders over time — the Ronnie Lancasters and the George Reeds in their last-minute come-backs that they used to perform on the field, Mr. Speaker, and all the excitement associated with those.

People from all over the province have enjoyed the CFL and indeed the Saskatchewan Roughriders. There's a number of season ticket holders, Mr. Speaker, from way over on the west side of the province where I'm from, and have supported the Roughriders over the years.

So as I say, I'd like to join with the member and the government and all the members of the House today, in congratulating all associated with the bid, from the Roughrider management to the mayor of Regina and the Premier of the province for their very successful endeavours in bringing the Grey Cup to Saskatchewan in 1995.

We hope, we sincerely hope, Mr. Speaker, that the Roughriders will not only be represented in spirit, in fact hosting it, but will be the team playing there that day and will be successful in winning the Grey Cup as well in '95.

Some Hon. Members: Hear, hear!

Mr. Draper: — Mr. Speaker, sir, I crave leave of the House to make a private member's statement on Telemiracle.

Leave granted.

Mr. Draper: — Thank you, Mr. Speaker, sir, and members of the House. Tomorrow the Kinsmen Telemiracle starts and will be broadcast throughout the province on both TV networks and six TV stations over the whole of this coming weekend.

Telemiracle is appropriately so called. It has wrought many miracles over the past 18 years of its existence. I

doubt if there's a better organized and better supported fund-raiser in Canada, and deservedly so.

Many top-line stars of the entertainment world freely give their time and their talents to this, what too many people consider the backwater in a cultural desert. Saskatchewan of course is not a cultural desert or a backwater. And it is organizations of the nature of the Kinsmen and the Kinettes, with their efforts for the Saskatchewan Association for Community Living, the Institute on the Prevention of Handicaps, the Kinsmen Children's Centre, Wheelchair Sports Association, Wascana Rehabilitation Centre, Special Olympics, Heart and Stroke Foundation, and more, that give Saskatchewan the large and sensitive heart that it is renowned for.

As mayor of Gravelbourg, I participated in Telemiracle from Regina, taking my place on the platform to answer the telephone and take pledges. In Gravelbourg we have very active Kinsmen and Kinette clubs, through whose kind offices we obtained the special bus with a wheelchair lift for the use of our elderly, both in and out of the nursing home, and our disabled at the Sarcan workshop. We are all indebted to the Kinsmen, the Kinettes, the Telemiracle, and I wish to put this House's thanks on record.

Thank you, sir.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — With leave, I would make a private member's statement on Telemiracle.

Leave granted.

Mr. Goohsen: — Thank you, Mr. Speaker. Well it would certainly seem a good day for all of us to congratulate some of the better things that happen in our province, and certainly the official opposition would not want to miss the opportunity to talk for a minute about the good things that the Kinsmen and Kinettes of this province do for people. They certainly fill a void in that area of need where sometimes people fall through the cracks of our system and need that little extra help and that little extra boost and to get themselves on the way in life.

Things like wheelchairs for those that can't afford to get them and are unable to get the kinds of service they need through the system are quickly helped by Kinsmen in many parts of our province. I know that construction in private homes is even done at some times with the monies that are raised in order to facilitate those that are handicapped and have special needs.

And so the tradition goes on and it is a remarkable thing how the people of Saskatchewan can and will pull together, Mr. Speaker, when things need to be done. And that is proven by the fact that the Telemiracle program put on every year is such a huge success.

I'm told that the Telemiracle broadcast and the

contributions that are donated through that process are a phenomenon throughout the entire world. There have been many, many kinds of requests for monies through the history of the world and this one is by far the most successful one ever to run in the world. And they have a record there. It's going to be in *The Guinness Book of Records* I'm sure. So we congratulate all those who are involved and we wish them success in their endeavours.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: — Mr. Speaker, as it relates to the questions mentioned — 40, 41, and 42 — I request they be converted to motions for returns (debatable).

The Speaker: — 40, 41, 42, motions for return debate.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 23 — An Act to amend The Land Titles Act

Hon. Mr. Mitchell: — Mr. Speaker, I am pleased to rise today to move second reading of The Land Titles Amendment Act, 1994. The Land Titles Act is being amended for two reasons.

First, these amendments will clear up technical issues that have delayed the use of summary form mortgages. Second, amendments will protect registered and caveated interests in land from off-registry interests.

This Assembly passed amendments to The Land Titles Act in 1992 that provided for the use of summary form mortgages. However these amendments have never been proclaimed because a number of technical issues have arisen.

Under the current process the entire mortgage document must be reviewed and filed in the Land Titles Office. Summary form mortgages will provide for a form mortgage containing standard provisions to be on file in the Land Titles offices. Summary forms can then be filed for specific mortgages identifying unique aspects of the mortgage agreement and incorporating, by reference, the standard mortgage provisions.

Members of the Saskatchewan bar raised two concerns regarding the 1992 amendments for summary form mortgages. First, the bar was concerned that the amendments might prohibit the ability to register, by way of caveat, an interest in land created by a mortgage. The bar was also concerned that the format requirements contained in the amendments might prohibit the creation of a valid mortgage. The amendments before this House today will ensure that the use of summary form mortgages will not restrict the registration of land by way of a

caveat or the creation of a valid mortgage. With these concerns addressed, the use of summary form mortgages can finally be implemented.

Secondly, Mr. Speaker, amendments to The Land Titles Act being introduced today also protect purchasers from off-registry interests. A major principle of our system of land registration is that purchasers who acquire an interest in land from an owner in whose name a certificate of title has been registered are not affected by knowledge of a non-registered interest. Purchasers who acquire an interest in land from an owner with registered and caveated interests have assumed that this same principle protects them from off-registry interests.

However the present wording of the Act does not clearly indicate that this principle also extends to purchasers who acquire an interest from an owner whose interest is registered or caveated, but in whose name a certificate of title has not been granted.

The Alberta Court of Appeal has considered this issue in a court decision and expressed some reservations about the sufficiency of Alberta's legislation. In that instance a company had purchased an oil lease which had been registered as a caveat but there was not a corresponding certificate of title in the vendor's name. To ensure that there is sufficient protection against off-registry interests in Saskatchewan, section 237 of The Land Titles Act will be amended to provide that registered and caveated interests in land are protected from off-registry interests.

Mr. Speaker, these amendments will address technical concerns to allow the use of summary form mortgages to proceed and will ensure that purchasers of interests in land for which a certificate of title has not been issued are protected from non-registered interests.

Mr. Speaker, I move second reading of An Act to amend The Land Titles Act.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. I rise in response to the minister's motion. As the minister has said, this is a very technical question and, Mr. Speaker, it deserves due consideration and some investigation. When you start talking about caveats on land property, I know that there are a good many landowners across this province that have a number of questions dealing with that, both the initiation of the caveat and the removal of a caveat.

Non-registered or off-registered interest in property is also a very complex matter, Mr. Speaker, Mr. Minister, and people need the time to have a look at what these changes will mean to them and what implications are in fact in place.

One of the sections of the Bill that I find interesting and that needs some consideration is the making of this Act retroactive to 1906. I'm sure there is a very good reason why the minister is doing that, but I think that

also needs some exploration, Mr. Speaker, as to why this would be in place.

At this time, Mr. Speaker, I would like to adjourn this debate.

Debate adjourned.

Bill No. 24 — An Act respecting the Convention on the Law Applicable to Trusts

Hon. Mr. Mitchell: — Mr. Speaker, I rise today to move second reading of The Trusts Convention Implementation Act.

This Bill addresses legal confusion about the administration of trusts in those nations which have a civil law rather than a common law system. The concept of a trust whereby a trustee holds property on behalf of beneficiaries is unknown to the civil law system.

For example, a civil law jurisdiction such as France will deem a trustee to be the legal owner of trust funds, thereby making those trust funds subject to seizure by the trustee's creditors. This result was not intended by the creator of the trust and is disastrous for the intended beneficiary.

(1045)

Mr. Speaker, this Bill is uniform implementation legislation. When enacted, it will activate the international trusts convention in the province of Saskatchewan and establish an international protocol for the recognition of the administration of trusts by courts in civil law jurisdictions. As Saskatchewan is a common law jurisdiction, this convention operates substantially to the benefit of Saskatchewan people who have assets held in trust or are trustees of assets held in trust in civil law jurisdictions.

Mr. Speaker, legislation to implement this convention has already been passed in British Columbia, Alberta, Manitoba, New Brunswick, Newfoundland, and Prince Edward Island. Through the introduction of this Bill, the province of Saskatchewan will gain access to the benefits of an important convention to which nations such as the United Kingdom, Italy, France, United States, and Australia are already signatories.

Mr. Speaker, I move second reading of an Act implementing The International Trust Convention.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Again we have another Bill that is fairly complex before us, and I must admit I had no expectations I would be standing in this House talking on a Hague convention.

Dealing with trusts and trustees, Mr. Speaker, is very important. People who place their money with a trustee do indeed need the protection of the law to ensure that their assets are safe from seizure. The trustee in his place also needs protection that the

services he can provide and will perform are protected and that those clients which he has coming forward to him have their assets protected.

This issue needs to be considered, Mr. Speaker, needs time for those parties who will be affected by this to have their input into the situation. Therefore, Mr. Speaker, I would move adjournment.

Debate adjourned.

Bill No. 25 — An Act to Amend The Trustee Act

Hon. Mr. Mitchell: — Mr. Speaker, I rise today to move second reading of The Trustee Amendment Act, 1994. The proposed amendment will provide for the payment of reasonable funeral, testamentary, and administrative expenses before other claims against an insolvent estate are paid.

Currently the Act provides that where the assets of an estate are not sufficient to pay all claims, the claims will be paid proportionally. Any excess expenses are the responsibility of the executor or administrator. The proposed amendments to The Trustee Act will adopt the same approach that is taken by The Bankruptcy Act regarding the administration of insolvent estates. Under The Bankruptcy Act, reasonable funeral and testamentary expenses have priority over other claims.

Mr. Speaker, I move second reading of An Act to amend The Trustee Act.

Mr. D'Autremont: — Thank you, Mr. Speaker. This is an important protection for estates and the executors of the estates. I think this may very well be an excellent piece of legislation, although I do have one concern that people bring forward when estates are being resolved, and that is the administrative costs. And I think that needs to be looked at carefully when protection is given to the administration.

There may well be people within the public who wish to have some comments on this Bill, Mr. Speaker, therefore I would move adjournment of it.

Debate adjourned.

Bill No. 26 — An Act respecting Frustrated Contracts

Hon. Mr. Mitchell: — Mr. Speaker, I rise today, conscious of a sense of anticipation in the House, to move second reading of The Frustrated Contracts Act.

This, Mr. Speaker, is a law reform Bill and is intended to fill a gap in the common law where a contract between parties becomes impossible to perform through no fault or action of either party.

Sorry to let the House down by that statement of the intention of the Bill, considering the title of it, but it is really quite technical. For example, a contract may be frustrated in law where an individual who is central to that contract dies, or in a situation where a natural disaster makes the contract impossible to perform.

Under common law, when a contract cannot be performed the parties are released from further obligations under the contract. However there's no method for ensuring that the parties to the contract share the cost of the frustration of that contract in an equitable manner. Mr. Speaker, this Bill addresses this problem in several ways.

The Act provides for apportionment between the parties of any benefits remaining after the frustration of a contract. The Act provides that all lost expenses under a contract will be apportioned. The Act provides that any arbitration clause in a contract will survive the frustration of that contract to allow parties to seek to resolve the dispute on their own terms.

Mr. Speaker, this Act will only apply to contracts that do not address the issue of frustration by the terms of that contract between the parties. I should also note that the Act is not retroactive and will not apply to contracts which were in existence before this Act is proclaimed.

Saskatchewan and Nova Scotia are currently the only provinces in Canada without this type of legislation.

In 1988 the Law Reform Commission of Saskatchewan recommended implementation of frustrated contracts legislation. We are confident that implementing a joint venture approach to the frustration of a contract so that parties equally share losses and benefits will increase equity in the Saskatchewan market-place.

Mr. Speaker, this government is pleased to introduce this Bill as an important element in its commitment to promote the ongoing reform of Saskatchewan legislation. Mr. Speaker, I move second reading of An Act respecting Frustrated Contracts.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Minister, it seems like you're taking up a new career as a conductor.

Mr. Speaker, this Bill does lend itself to some questions as to the meaning of a frustrated contract. While it may indeed mean a circumstance where both parties are affected by something beyond their individual control, there are a number of people across this province who would look at frustrated contracts in a different manner.

I notice that this Bill, the minister has clearly stated will not be retroactive. And I wonder if there is a particular reason for that, given the consideration that some members of the public and some organizations feel that their contracts were frustrated when it comes to dealing with civil servants' contracts, GRIP (gross revenue insurance program), and the Co-op upgrader.

This Act also binds the Crown, and given the history of this government, I find that one somewhat surprising that it would be in there. Because most pieces of

legislation that have come forward before this government that have any real substance to them have allowed the government to escape from the court imposing some decisions on them, or even having the citizens try to seek redress from the government through the court system. But in this particular case, the Crown is bound, and that is good. But it's unusual for this government to allow that.

Mr. Speaker, this is again another complex issue. Frustrated contracts, while they occur within the province, are not well known and understood by people. Therefore I would ask, Mr. Speaker, that the public be given the time to assess this Bill. Therefore I ask that this Bill be adjourned.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

The Chair: — At this time I would like to ask the minister to introduce his officials.

Hon. Mr. Lingenfelter: — I'm just getting the absolute titles because I wouldn't want to introduce my officials without having the titles correct. But first of all, seated directly behind me is Sharon Roulston, the executive director of administration; and Peter Phillips, who is the assistant deputy of policy in the department. There are a number of other members of my staff who are here with us. I won't take this opportunity, Mr. Chairman, to introduce them, but as they become involved in the estimates, I'll take that opportunity to do it.

Oh sorry, the main person in my staff, my deputy, Mr. Frank Hart. Frank and I have worked together for so long, it just seems like he's my right-hand man, and really in many ways he is.

(1100)

Item 1

Mr. Boyd: — Thank you, Mr. Chairman, Mr. Minister, and welcome to the officials with you today.

In a day of positive news for Saskatchewan, I'm not surprised that you would want to bring forward Economic Development. However as you know, Mr. Minister, your record with respect to economic development isn't all that good. So we're going to have to today, I guess, rain a little bit on your parade of good news with respect to the Grey Cup coming to Saskatchewan. I think we've given you all of the bouquets today that we can give you, and now we're going to have to return to the serious issues that the province of Saskatchewan faces.

Just an aside to that as well, Mr. Minister. It was our understanding that Economic Development was not going to be coming up today, that Environment was

going to be coming up today. And we're quite concerned about that, Mr. Minister, particularly in light of the fact that some of our members — particularly the member that has the critic role for Economic Development, the member from Thunder Creek — is attending a funeral of a past MLA (Member of the Legislative Assembly) in this House, Mr. Minister.

And I'm sure you were aware of that, and it was our understanding that that was going to be set aside to allow for other members who weren't going to be attending the funeral to ask questions of a department that would have been here today, and that would have been Environment. So we're quite concerned about that, Mr. Minister, that there was a misunderstanding. I don't know whether there was a misunderstanding. We certainly hope that it wasn't done deliberately, Mr. Minister.

Now to go to the developments that we're concerned about, Mr. Minister, in this province with respect to economic development, that are on the minds of people today, are things like Piper Aircraft, co-generation, union-only contracting, and labour legislation — a whole host of those types of questions, Mr. Minister.

To begin with, let's start with Piper Aircraft. I'm wondering if you could provide us with all information relative to the Piper Aircraft bid. There was, I understand, some \$656,000 spent on it. I wonder if you could give us a detailed breakdown of the costs associated with it and what benefit Saskatchewan gets out of the expenditure of \$656,000 of taxpayers' money. At this point we see absolutely no benefit to the taxpayers of Saskatchewan. I wonder if you would provide us with details of your travel, of all expenses associated with the failed Piper bid.

Hon. Mr. Lingenfelter: — I'm not sure exactly how to handle the question on Piper. But first of all, let me say on the issue of timing of estimates, we have had Economic Development on stand-by in the list that we have given for some days. And it's absolute news to me that this comes as any kind of a surprise or a shock to the opposition. No one has raised this with me before now and I know our staff had talked about it.

If it's a huge inconvenience, I'm a little bit surprised at that and also not meaning to be here obviously for the reason that the Grey Cup was awarded to Saskatchewan. We made this decision and the negotiations went on in my office to be on today, long before we knew that the bid was successful. So I can quite honestly say I would have been standing here doing Economic Development regardless of how that bid would have gone.

On the issue of Piper and the spending, Mr. Chairman, I may ask you for clarification on this, but this was part of the spending out of SEDCO and this discussion went on in SEDCO review last week. I'm not opposed to spending the time of the committee discussing the spending on Piper, but I would just ask you in terms of what is legitimate in the committee, whether this is

something we should in fact be doing at this point or whether we await the next Crown Corporation Committee, which is coming up very soon, I might add, to complete and to further the debate on Piper.

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Minister, I'm not surprised you don't want to talk about Piper Aircraft. I'm not surprised at all in light of the fact that there was a significant amount of taxpayers' dollars spent on what you people were touting as one of your most important economic development initiatives. It wasn't us, Mr. Minister, if you recall, that held a grandiose meeting down in, I believe, the ballroom of the Hotel Saskatchewan to announce the bid that you were planning on bringing forward. It was you that was announcing it, and I recall the announcement and how you were spinning it to everyone out there that day of how important an economic development initiative this was.

So it comes as little surprise to me, Mr. Minister, that you wouldn't like to talk about it with respect to economic development and the overall strategy that your government has for economic development.

But I think, Mr. Chairman, and Mr. Minister, that it is an important . . . at least it was, in your mind, going to be an economic development initiative for the people of Saskatchewan, so I think it's relevant that we ask questions on the Piper Aircraft deal because it fits into the strategy that you have — or supposedly have — and developed, with respect to economic development.

So I'm wondering, Mr. Minister, if you'll show a little cooperation and provide us with the details of it, and we'll discuss it further.

Hon. Mr. Lingenfelter: — Mr. Chairman, I'm going to ask for your opinion and decision on whether or not the spending in SEDCO, which is really what we're talking about here today, is appropriate or not. In terms of the general discussion about Piper, I've got no problem, and we can spend all day talking about things that happened in SEDCO, and I've got no problem with doing that, but I really would ask the Chairperson to rule on whether or not this is where the committee should be spending its time on what happened in the detailed spending in a Crown corporation.

I intend to spend a lot of time talking about Piper and the spending on Piper and where that money was spent when I'm doing SEDCO. But in terms of the working of the committee, I need the Chairperson to make a ruling whether this is an appropriate use of the committee's time or not.

The Chair: — It's basically up to the minister to determine what falls under the purview of his department. If the minister is of the opinion that expenditures, in this case of SEDCO, don't fall under the consideration of estimates that are before us today, then we have to take the minister's word for that.

The minister has also suggested that there are other

venues under which those kinds of expenditures can be examined. He mentioned the Crown Corporations Committee. I don't know if there are other appropriations in the *Estimates* where those kinds of questions might be appropriately put. But if the minister says that those expenditures don't relate to the estimates that are before us, then we have to take the minister's word for that.

Hon. Mr. Lingenfelter: — I'd just say, I mean a lot of the detail has been released, so it's not as if we haven't already released it to the press. We did that in Crown Corporations, basically unsolicited by the opposition or by the press, because we really do want to give out as much information as we can.

On the whole issue of economic development, you'll know that when governments play a role in economic development there has been a very, very significant mind shift. And I think this is part of the problem in dealing with the opposition members, who believe that government intervention in the economy and the spending of hundreds of millions of dollars, if not billions of dollars, of taxpayers' money to do economic development was the way to do economic development.

But I must say that the result of that, whether it's the construction of the Rafferty dam or the construction of the upgraders here in the province, which continue to hemorrhage huge amounts of money, large amounts of it coming to rest in the provincial deficit, which is the main reason we have a \$15 billion deficit for, what I would argue, very, very questionable results.

If you look at the population of Saskatchewan, which has continually decreased under their administration, from 1985 to 1991, even at a time when they were pumping billions of dollars of borrowed money that was being borrowed on behalf of the taxpayers into the economy in the name of economic development, is a theory of economic development that I think was one of the major reasons that the member from Estevan as premier, and his government, were defeated in 1991.

Now I guess having said that, what surprises me is that still to this day members of that opposition have not only not apologized to the people of the province and admitted their misdirected economic development policy, have not apologized to the public, which is I think what governments should do when they're defeated. I remember very clearly when Al Blakeney was defeated in 1982, shortly after the election he said, look, the people of the province are always right; the direction I was taking them at that time obviously wasn't meeting the needs of the public. And he came clean with the people of the province.

It's interesting that after two years this opposition party, now led by a new leader, still has not admitted to the public the mistakes that they made, still stand in this House every day and say the Rafferty dam was a great idea, digging this huge hole in the ground, over \$100 million spent digging the hole in the ground, with infrastructure all around it, a boat launch up on

the side of the hill which stands as a mark of Tory economic development. People come not to boat in the water in the dam, not to fish in the water in the dam, not to cool the power station, but it's become a tourist attraction to look at this boat launch up on the side of the hill. And you get about 10 people straggling in there a year to look at the boat launch.

What's amazing to me is that this party in opposition has not only not admitted their mistaken economic policy, but continues to push this government to go at haphazard economic development, and therefore, coming back to Piper, is surprised when our government spends half a million dollars doing due diligence on a project with a very strong private sector partner, the Hill family, and comes to the conclusion — each of us, the Hill family spending half a million dollars, we spending half a million dollars — come to the conclusion together and jointly as a partnership, private and public spending on this due diligence, come to the conclusion that the deal wasn't right. The member opposite says, even though you decided the deal wasn't right, you should have went ahead and done it.

Well what kind of economic madness is this? Not only that he is a new member who could skate away from the disaster of the 1980s, which is what I would advise him in his leadership bid he should be doing. Get the heck away from that nonsense of the 1980s. Far from defending it, you should be saying, look, the idea of regional economic development, the idea of local people making local decisions, is the way to go. Get on the bandwagon of what your very community is saying.

Have flexible oil policy, like the Minister of Energy and Mines has done for the Kindersley area and has gotten great support from your Mayor, Darla Dorsett, who has complimented him publicly at SUMA (Saskatchewan Urban Municipalities Association).

(1115)

But none of that. All you do is stand here and say, why aren't you doing more of those megaprojects, and especially those megaprojects that you've proven don't make any sense. Look, this is not a game. This is economic development. And when we do due diligence on projects, it's going to cost money. That's what Piper was about. We did the study, the analysis. And what they wanted for the company was more than Mr. Hill and the government, on behalf of the people, were willing to put into it.

What would you have us do? You argued that we should have went for the project. We went for the project. We did the due diligence on the project. We found that the deal wasn't right for the people of the province. At which point do you think we went wrong? Was it going after the deal? Was it doing the due diligence? Or was it not doing the deal after we found out it wasn't economic to do?

Obviously it couldn't be the first because you were pushing us to go after the deal. I'm sure that you, hon.

member from Kindersley, would not argue about doing due diligence. And we did that.

The only area where it's possible that you would be out of sync with us is that we should have went ahead and did the deal even after we found it was not economically viable. And that surprises me a great deal coming from a new member who should be getting away from that past record of the Tory government that was to do those kind of deals — Trinitel, Supercart, GigaText, Rafferty. And now you're saying on this one, where your private sector partners were saying you shouldn't do it, we should have jammed it under the table like so many of your deals were made and have done the deal.

Maybe the member opposite could comment on which part of the Piper arrangement he disagrees with. Was it ever starting the program, of going for it? Was it doing the due diligence? Or was it, as I believe, that we should have went and done the deal even though people were advising us that it was not a good deal to follow up on?

Mr. Boyd: — Thank you, Mr. Minister. I'm not surprised, once again, that you're concerned about our reasons for wanting to discuss this. After all it is your first major endeavour into economic development and it was an abysmal failure, Mr. Minister. And you and everyone else, I think, in this province recognizes how big of a failure your department has become as a result of it.

This is your GigaText, Mr. Minister, your first attempt. And your first attempt has failed, Mr. Minister. And you chastise people all over the province the moment they suggest to you that it failed, Mr. Minister; and we shouldn't allow anyone to ask questions about the failed bid, Mr. Minister.

Mr. Minister, and you talked about the previous administration and all the while that they were spending, and all of that kind of stuff. And what were you doing while that was going on, Mr. Minister? Do you recall back in the period from '82 to '89, '86 to '89, or '91 specifically for yourself. What were you doing during that period of time, Mr. Minister?

You were standing in opposition benches over here condemning the government day after day after day for not spending more. That's what you were doing, sir. Day after day you stood in your place and said, there isn't enough money in education spending; there isn't enough money in health care spending; the economic development projects are not good enough, not big enough, not everything about them, Mr. Minister. That's what you did, day after day after day. You stood in your place. And we'll produce the quotes for you if you like, Mr. Minister, because I'm sure that there's lots of quotes about your past performance in this House and how you used to stand and chastise everybody for not spending enough.

Mr. Minister, you know and the people of Saskatchewan know very, very well, that had you and Allan Blakeney been elected in 1986, the deficit of

today would be substantially higher, by some estimates as much as \$5 billion higher today than it was then . . . than it is today, Mr. Minister.

You don't have to take my word for it. Ask people like the SSTA (Saskatchewan School Trustees Association) who just put out a proposal the other day saying, three and a half billion dollars would've been the cost of implementing your programs from '86 to '92, Mr. Minister. And you know very well that that's the case. And you'll stand and say no, that isn't the case; we wouldn't have done any of that sort of stuff. But your record is different, Mr. Minister.

Your record says that you would have spent on programs like the 7-7-7. Do you remember that one? Do you remember touting that in '86, Mr. Minister, going around the province and saying how you were going to provide mortgage opportunities for up to \$70,000 at 7 per cent for 7 years. Can you tell us what that little item there alone would have cost the people of Saskatchewan? One and a half billion dollars, it's been calculated at, Mr. Minister. In one single election promise that you people promised to bring the people in '86 election campaign.

So for you to sanctimoniously stand up and suggest that now for some reason you have had a change of heart and that you are the great white captains of industry and the people who are going to bring about proper economic development, I find it absolutely hypocritical for you to do such a thing, Mr. Minister, in light of the fact that you campaigned long and hard in '86 to have spending substantially higher than the previous administration was talking about.

Your record now, Mr. Minister, is what we're talking about — not what happened in '86 or any of the other time frames in Saskatchewan's history. It's the record of today that the people of Saskatchewan are concerned about, Mr. Minister. Things like 12,000 fewer jobs today than when your administration took office in 1991, Mr. Minister.

What do you have to tell the people of Saskatchewan about that economic development record and employment record? What kinds of comfort can you provide the people of Saskatchewan with today for the fact that you have 12,000 less people working in Saskatchewan than there were in 1991 when you took over? What is your answer to those 12,000 people out there that are unemployed today, the less number of people that are working today than were working then? What is your answer also, Mr. Minister, to the eighty-some thousand people out there that are on welfare today, the highest number in the history of the province of Saskatchewan? What is your answer to them with respect to economic development, Mr. Minister? What is your answer to that?

Mr. Minister, as well, you talked about why would we be opposed to due diligence with respect to Piper Aircraft. Did you ever once hear us say that we were opposed to due diligence on the Piper Aircraft deal? Not once from any member of this opposition did you hear anything about it, Mr. Minister.

You suggested at that time, Mr. Minister, that . . . what is it that we were opposed to? We were opposed to things like the grandiose announcement that you put on down at the Hotel Saskatchewan in an attempt, in an attempt, as you said, to scare off the competition. That's the kinds of things, that's the kind of things that you were trying to say to the people of Saskatchewan that day, Mr. Minister — that you and your government were going to fly on down to Florida and bring this thing back. You announced a number of job opportunities that were associated, and hundreds of millions of dollars of investment that it would bring into Saskatchewan. That's what you announced that day, Mr. Minister, and it didn't come about, Mr. Minister.

Mr. Minister, I wonder if you could tell the people of Saskatchewan today, the 12,000 fewer people that are employed today, what your answer to them is for economic development. What is your answer, Mr. Minister?

Hon. Mr. Lingenfelter: — Mr. Chairman, I want to indicate to the member opposite that, first of all, on the one small point on the Piper announcement, when Mr. Hill was being interviewed last week, after we released the numbers of the monies that we had spent and that he had spent on the due diligence, it was not necessarily the government that was saying that we did this as a strategy to affect our bid; it was Mr. Paul Hill.

And when you rant and rave about this . . . and I will circle the **Hansard** and send it off to Mr. Hill because he'll be interested in your appreciation of his business strategy. However with your attack on this joint venture between Mr. Hill and ourselves, what I'd be interested in knowing is where you get off, a member of that former government in Saskatchewan, Conservative government, that led this province from having balanced books for 11 years under Allan Blakeney. You now say that you know more about economic development, and you would have a better strategy than Mr. Paul Hill. Now that's laughable, sir.

An Hon. Member: — Never said that.

Hon. Mr. Lingenfelter: — Yes, it's in *Hansard*, and you talk about producing . . . I'm producing it, and I'm sending it to our business partners that you say, that you as a member of the Conservative back benches, sitting behind the now Leader of the Conservative Party and the former premier, know more about economic development than Mr. Hill. You would have done the press conference differently. Well isn't that brilliant that you would have a better idea how to . . . That's what you're opposed to in this arrangement.

Well I doubt that that's going to shock many people in Saskatchewan that the member from Kindersley says he knows more about press conferences on economic development than Mr. Hill. I know where I'd put my money if I were betting on who could do economic development in the province — the member from Kindersley or Mr. Paul Hill. Because one has a very,

very impressive track record, and being a member of that caucus, the economic development strategies of your party and your caucus stand in stark contrast to that of Mr. Paul Hill.

But I want to comment on one other point in your comments you made a minute ago. And that was trying to attribute debt and deficit record to Allan Blakeney. Now if there's any part of your comments where you lose total credibility, it's saying to the people of the province that if you had elected Allan Blakeney you would have had an even bigger deficit. This, about a man who was in government in 1971 to 1982, and had a balanced budget every year. Balanced budget every year.

And you're going to change history. The member from Kindersley is going to stand here in the House and in five minutes, destroy that record. And just on the flip of his hat say, now if you had elected Allan Blakeney you would have had an even huger deficit than what the former premier of the Conservative Party did for the province of Saskatchewan.

Now where's the credibility? Where's the credibility of an individual who would stand here and say, one, he knows more about economic development than Mr. Hill, who is our private sector partner in Piper, and we should have done it differently and if you had been there you would have done the deal, even though the due diligence says that you shouldn't do it.

I say again to the member, you have not learned from the mistakes made by the previous government. That when you do due diligence on projects, it's no wonder now understanding where you come from, why you did GigaText; why you did the deal with Trinitel; why you did the Supercart deal; why you did the upgrader deals the way you did.

It's no wonder that you would continue on arguing that we should have done Piper even though all the evidence was that we shouldn't do it. But you know better. Sitting there with no studies, no analysis, no knowledge of the aircraft industry. Sitting there as a back-bencher in the Conservative opposition, you know what should have been done and what the private sector and government should have done with Piper.

Well where's the credibility, given your past record on economic development? And I just want to comment on that for a moment.

During the period after the second election, when you were elected on the promise of spending even more money and spending it faster, you spent billions of dollars on so-called economic development — billions of dollars. Do you have any idea what happened to the population of Saskatchewan during that four-year period or the period from '86 to '91? The population of the province decreased by 30,000. Members should know that the population in Saskatchewan during the second term of the Conservatives, 1986 to 1991, decreased by 30,000 people; there were 30,000 fewer people living in the

province when you were defeated in '91 than when you were elected in 1986. And that at a time when you were driving the deficit through the ceiling in the name of economic development.

And even after that, even after spending the money, not getting economic development, being defeated as a result, do you know what their solution is today for economic development? Go borrow more money, spend it faster, don't do due diligence, and even when you do due diligence, do the deal anyway. That's what you're telling us.

You keep picking on the one deal that we didn't go ahead with after we did the due diligence. What about your aircraft deal with Promavia? Where you did the due diligence? The due diligence was that you shouldn't do the deal and you went ahead and did it anyway. You left us holding the bag for what — \$2 million? Two million we had to throw out the window. Two million dollars to a company that everyone believed couldn't manufacture the aircraft. In fact that's proven; they haven't done it anywhere in the world. But the Tory government of that day bought the deal, sight unseen, even though everyone was telling them that they shouldn't do it.

And you say that I in opposition was arguing with you to spend more. That is not accurate. I stood and said, you shouldn't have put money into GigaText; taxpayers' money should not have gone into GigaText. You should have made a better deal when you were dealing on the upgrader; that's what we said. We said, on Rafferty, you shouldn't have spent the hundred million digging that hole in the ground.

(1130)

So don't tell me we were arguing for you to spend more on that kind of nonsense; we were making the argument to spend less on those kind of foolish programs. But for you today to say, look you should have done the Piper deal even though the evidence was to the contrary, tells me you have learned nothing from your bad experiences in government. Mr. Chairman, I want to say that there have been a number of projects where we have been involved directly or indirectly in creating employment in Saskatchewan. I'm going to take a few moments just to talk about some of them.

The expansion of the uranium industry, which has been announced by the uranium companies, creating 270 jobs, a couple hundred million dollars in investment. No money from the province of Saskatchewan directly. We're putting a little bit of money into training.

One of the biggest expansions in the economy of Saskatchewan in the next two years is going to be uranium development, which we have helped facilitate. Now you fly right by that and ignore it, and maybe it isn't important to you because we didn't have to borrow hundreds of millions of dollars to chuck into that deal and waste, as you did so many times.

Maybe that doesn't mean anything to the member from Kindersley. But 270 jobs in northern Saskatchewan, all as a result of private sector investment with the exception of the small interest we have in Cameco, is important to the people of northern Saskatchewan, and is true economic development because we're not putting at risk taxpayers' money.

But I think you, sir, don't consider it to be economic development because you haven't fleeced the taxpayers in order to make it happen. And unless you fleece the taxpayers, that opposition caucus doesn't consider it to be economic development. Because unless there's a bottom line of going and shaking out those last few nickels out of the taxpayers' pocket, taking it and putting it into silly deals, it's not economic development.

But some hundreds of millions of dollars into uranium in northern Saskatchewan is true economic development because it comes from the private sector, it's aimed at an area where there is a lot of unemployment. We have a number of percentages of northern people, 50 per cent, who we're going to be hiring from northern Saskatchewan. This is true economic development.

The Kalium plant conversion at Belle Plaine which was announced a couple of weeks ago, and we had the opportunity to be out there. Nature's Own, which is a replacement for salt in soft water softeners, which uses potassium, a waste product in some ways, or a product from the potash mine at Belle Plaine.

Investment, \$45 million. How much money from the taxpayers? Zero. Now that too you'll be very disappointed in because that's not economic development. There's no taxpayers' money in it. It's just the private sector investing in a strategic area in the economy of Saskatchewan. So I don't expect you to give that any credence because it's just the good old private sector investing money in something where they're going to make money. You would have no concept of what that means. Because unless it's fleecing the taxpayer, digging big holes in the ground, moving dirt from one spot to another, even though you didn't do the due diligence to find out there's no water running in that particular spot, it's not economic development.

Another project, Canamino in Saskatoon, expansion, 15 jobs, developing and working on fractionation of the oat kernel, contract signed with Estee Lauder. This wouldn't mean economic development to the member opposite either.

The Excel Fiberglass Manufacturing at Balcarres, 23 jobs. Here again I don't know that we were involved in that directly but it's 23 jobs. But here again because the government wasn't involved in a hand-out, that can't be economic development to the members opposite because nobody was being fleeced in the process.

Eight hundred jobs at the Sears call centre in Regina. That would fly right by the member opposite and mean nothing to him because here again it's a private sector company coming from all over western Canada to centre in Regina. Why? They tell us, Mr. Dave Radford tells us, the reason they chose Regina is because it's a good place to find trained workers — 800 of them. It's a good taxation regime, it's fair. We removed the E & H (education and health) tax on 1-800 numbers to make this project viable. They say it's a good community to live in. But here again it won't mean economic development to the members opposite because it's the private sector doing it and we didn't have to borrow hundreds of millions of dollars to make it happen.

And I might add that there are certain members of the press who share this concept of economic development. We need only read recently in the *Leader-Post*, one of our scribes who says, that unless there's hundreds of millions of dollars taxpayers' money, it's not economic development. So you're not alone in this theory. You're a very small minority but you're not alone.

Ford Storage in Saskatoon, another example of private sector companies leasing in a combination of government and private sector, but meaningful employment. AECL (Atomic Energy of Canada Ltd.) where we have a relationship with the federal government. Project started by your former leader, but cleaned up by our administration, less money being put into it and a better deal being struck, 140 jobs. There's Biostar in Saskatoon, there's Goldenhill Cattle Company at Viscount, there's Alcatel Canada Wire in Weyburn and the list goes on and on.

The difference is, to the hon. member from Kindersley, is definition of economic development. And there's the whole REDA, the regional economic development authority concept which is being very ably accepted by communities like Prince Albert and Rosetown and other communities where they say, we don't want the government sticking their nose into every deal we make.

But I tell you that your attitude about economic development, where the government has to be there, putting their nose into everything, is the reason why I believe other right-wing parties are taking over from where you legitimately should be. Because you don't understand what the market-place is about.

It's hard to believe, at a time when the political spectrum in Canada has moved to the right, you sit there with a rump party of 10 members when the whole spectrum has moved to the right in Canadian politics. The reason is on economic development, because you don't have a concept of what it's about.

You still are stuck with the member from Estevan and I argue with you to get out of that rut. You're one of the new members. You could have a vision for economic development. It's not too late to design your own structure of economic development. It is not, I'll advise you, borrowing hundreds of millions of dollars

for misguided economic projects. Try to separate yourself from the 1980s. It's not good enough to come here and say: look, do more bad deals, spend more taxpayers' money on economic development, because it just doesn't work.

Mr. Boyd: — Thank you, Mr. Minister. Mr. Chairman, I'm not surprised that the minister is so sensitive about this. Mr. Minister, this was your first opportunity to show what kind of an economic guru you were to the province of Saskatchewan. The first opportunity for the great member from Regina Elphinstone to stand up, stand up in front of everybody in Saskatchewan and show everyone what kind of an economic development genius this man was, and is today he would have us believe. And stand up and say to the people of Saskatchewan: I'm going to bring about economic development into this province and it doesn't matter what happened in the past or the future or anything else. I'm here today, Mr. Minister says, and now things are going to turn around.

Well did they turn around, Mr. Minister? Did they turn around under your failed economic development strategies to date? Have they? Is \$656,000 blown by you and your department on an economic development strategy or an economic development project, is that a turnaround?

The member from Regina Elphinstone, I would say to the public of Saskatchewan, will forever be remembered for blowing \$656,000 on an aircraft deal, with a failed attempt to bring in Piper Aircraft. You will always be remembered for that. Regina Elphinstone, the member, failed Piper Aircraft deal. And that's why, Mr. Chairman, he's so sensitive about talking about this sort of stuff. So extremely sensitive about talking about this stuff and why he always harks back, harks back to what the previous administration did.

Well we're talking about your administration now, Mr. Minister. We're talking about you and your policies and your failed economic development strategy. We're not talking about what happened in the past any longer, Mr. Chairman, Mr. Minister. We're talking about you and your first foray into the great unknown to the New Democratic Party of economic development.

And I can understand why you would want to remain in the past, Mr. Minister, because you have no concept into the future. You have no idea what you're going to do into the future. I suspect after your hands being burned on this issue for \$656,000, it will be a longer time likely before you venture into it again. And hopefully for the taxpayers of Saskatchewan that is the case, Mr. Minister.

Mr. Minister, you mentioned a number of projects and they are positive developments; and we say yes, you are correct. We give full congratulations to the people that are bringing in economic development projects into this province — full marks. Happy to see them, welcome to Saskatchewan, tremendous place, Mr. Minister, tremendous place. We welcome them with

open arms. We hope that they can overcome the kind of inequities that are found in this province — the high utility rates and those kinds of things, Mr. Minister. We hope those people can continue to bring economic development projects. We welcome them with open arms. We hope there are more entrepreneurs out there that are willing to start up projects. That's our sincere hope, Mr. Minister.

Our sincere hope is as well that you won't get involved in spending \$656,000 again in these types of projects and then not wanting to be held accountable before the committee on economic development, not wanting to be held accountable because you want to hide it into the back room somewhere in Crown Corporations meeting and hope that no one will be there that day to undertake to hear what you and your department spent \$656,000 on, Mr. Minister.

And now the minister, Mr. Chairman, stands and wants to take credit for all of these companies coming to Saskatchewan. He has the unmitigated gall to stand up and say that the reason they're here is because of his policies, Mr. Minister. I say that they're likely here in spite of your policies, Mr. Minister. They think there is still an opportunity, a glimmer of hope in Saskatchewan, to be able to carry out business, Mr. Minister.

Mr. Minister, I'm surprised that you wouldn't want to put this behind you. I'm surprised that you wouldn't want to say to the people of Saskatchewan, yes, we made a mistake. Yes, Mr. Taxpayer, Mrs. Taxpayer, out there, I made a mistake; my department made a mistake. We entered into something we didn't know anything about; unfortunately it failed. That's the end of the story.

I think it could be left at that, Mr. Minister, if you'd just stand up and admit to the people of Saskatchewan that you made a mistake, Mr. Minister. And you know full well, Mr. Minister, and you try and get me to apologize for the things that happened in the past, try to get me to apologize for the things that happened in the past when I had nothing to do with the things that happened in the past, Mr. Minister. And the minister laughs from his chair. He knows full well I wasn't elected prior to '91, Mr. Minister.

And there were things that went on prior to '91 that I didn't agree with, Mr. Minister. There were lots of things that went on that I didn't agree with, Mr. Minister. And you know very well that that's the case. Mr. Minister, you know very well that that is the case. There's lots of things . . . I disagreed with some of the spending initiatives that the previous administration has. And I've said that before, on platforms throughout Saskatchewan.

But I also disagreed with your spending promises of those days, Mr. Minister. Mr. Minister, I also disagree with you calling for increased spending in a number of areas prior to '91, which you did, and we're getting the quotes on that right now, Mr. Minister. And there were lots of them, Mr. Minister — lots of quotes about you standing in opposition and claiming that you

would spend more if given the opportunity to govern from '86 to '91, Mr. Minister.

I'm wondering, Mr. Minister, you never touched on the question that I asked in the previous round of questions about the 12,000 people that are . . . number of people that are not employed in Saskatchewan that were employed in '91. I wonder if you would just give some explanation, some comfort, some comfort to the people of Saskatchewan as to why your policies have failed with respect to economic development, Mr. Minister.

Mr. Minister, do you think that things like . . . with respect to the Piper Aircraft deal, that Barb Byers, the SFL (Saskatchewan Federation of Labour) president, standing up and saying that it should be unionized immediately upon arriving in Saskatchewan, do you think things of that nature have any effect on your economic development initiatives? Is that a concern? Is your government's policy of union-only contracting versus private sector contracting, is that a concern to the economic development strategy, Mr. Minister, that you have in this province? Is your labour legislation any concern that you have in this province, Mr. Speaker? Does that help or does that hinder the developments in this province, Mr. Minister?

(1145)

I wonder if you'd care to take the time to discuss some of those issues, Mr. Minister. Are those holding back, in your view, holding back initiatives being brought forward in Saskatchewan, Mr. Minister?

And you might be interested as well, Mr. Minister, to take a look at the news release released yesterday with respect to stream flows down the Rafferty-Alameda. You might be interested in reading what you and your government is saying is going to happen with respect to that this year. That might be something of interest to you, Mr. Minister.

I wonder if you'd care to touch on those economic development concerns, legitimate concerns that the people of Saskatchewan have. Does your party agree with union-only tendering, for example? Is that the reason why we're not seeing economic development projects being brought in like you suggested would be brought in?

Hon. Mr. Lingenfelter: — Mr. Chairman, I want to go back and just reiterate that he continually attacks the partners in the Piper arrangement. He says, why did you start this? Now he says, why did you start this, going into a deal that you knew nothing about? He says, why did you and your partners go into a deal . . . So now he's saying . . . he's changing his tune.

First he started out by saying, you should've went at it, you should've went harder. Now he's saying, do you realize now you shouldn't have went in to start a deal that you didn't know anything about. Like I really don't understand where this member is coming from.

Let me go through it slowly again for you. We started

out with the government as a partner with the Hills and other people in the private sector to look at a project to bring Piper Aircraft from Vero Beach, Florida, to Saskatchewan. The decision was made by the private sector and the partners in government, one, to announce to the public, because of the chapter 11 court proceedings in the United States, the fact the company was for sale, to let the world know we were going after the company. You can argue whether that was right or wrong. That was a decision made by the private and public partners.

Then we did the due diligence to see whether or not the deal was right and how much money we'd have to pay. And after we did the due diligence, the decision was made jointly by the private sector and the public not to go with the deal.

Now why you would continue to argue and at which point you jumped off the boat in this process, it keeps missing me. Because at one point you say you should've went for the deal, now you're saying you should have never started this process that you never knew anything about.

Then you say, the big problem is that you shouldn't have had the press conference. Well it was a strategic decision. Easy for you to say in hindsight that you shouldn't have done it. The only point I know, sir, is that when you look at the deals that your government made while in government and the hundreds of millions of dollars of monies that were spent with little or no results to show for them — in fact in the last term of office, a loss of 30,000 people from the province of Saskatchewan — I'm surprised that you'd argue in doing the due diligence, or in that we didn't do the project because many of the deals that you did should not have been done.

My arguments in opposition were not that you should spend more or less, but the misguided direction of the hundreds of millions of dollars that you were spending. And I oftentimes argued vehemently from those benches in opposition that your government was misdirected when spending \$5 million, spending and giving to Guy Montpetit of GigaText, that that money could have been spent somewhere else.

You're right on that. If you're saying that I was arguing that more money should have been spent in education, there was an argument that rather than giving money away to one of your buddies in Montreal — \$5 million . . . to do what? To translate from English to French.

And you remember the press going down after the money was spent to see how the machines worked. And they all went down to this building. Big GigaText sign on the front, a Mercedes Benz that was leased for the president of the company in the back parking lot, a huge condominium rented for that president of GigaText, the company owned by Guy Monpetit. You remember the deal.

Guy Monpetit had this warehouse full of old, used computers — old, used computers. Now you talk

about due diligence and how we wasted money on Piper. He had this old bunch of computers in a warehouse in Montreal. You remember that? You'll remember it, the member from Wilkie, because he remembers that. He was there at the caucus table when they started.

And so Guy Monpetit had these old computers in a warehouse. And Eric Berntson flew down to Montreal, and the premier, the member from Estevan, flew to Montreal. And they were picked up by Guy Monpetit's limousine. This is all documented and the numbers are there, Mr. Chairman. And they picked them up at the airport. And I can imagine them sitting in the back of that limousine, having a cocktail, going to look at these used computers.

And they did the due diligence. Who did the due diligence? Did they spend a little bit of money on a company that might have known something about translating, a very technical issue never done before in the world? This is not an airplane where it has a track record and everybody knew it could fly; this is a brand-new technology, never been done before in the world. The Japanese have been working on it, the Germans, other Canadians. But the member from Estevan and Eric Berntson decided they would do the due diligence along with Guy Monpetit.

So they went to the warehouse in the limousine. They opened the door; they looked in at these computers that weren't plugged in. They couldn't test them because they'd been sitting there for a year. Why they wouldn't have been working on translating laws . . . but they were sitting there. And Grant had a look at them and said, I guess we'll maybe buy these . . .

The Chair: — Order, order. Order, please. I simply want to remind the minister that you're not permitted to use the names, proper names of members of the Assembly. And if I can ask for the cooperation of all members as well. The review of the Economic Development department will continue for some time and all members will have a chance to put their questions on the record, and I'll ask for everyone's cooperation in that.

Hon. Mr. Lingenfelter: — Had they gotten even themselves to open the books, if they'd said to Guy, look, these computers, we're not quite sure whether they work or not. Can you show us where you bought them; how long they have been in use; where's the translation they have done? They would have found that Guy Montpetit had already written these computers off and they were junkers. Not for translations but for other purposes; that they had already fulfilled a useful duty and were worn out.

But they decided to buy them. How much? — 5.5 million. Let's get them out to Saskatchewan, hook them up. They got the technicians out; they gave the new president a new Mercedes to drive, and a condominium; and they were ready to go to work. And they called the press in to see how they worked. And one of the press plugged in a question to the computer and said, can you translate this from English

to French? And the computer smoked a little bit and it burped a little bit. Nothing happened.

And you tell me that you and your people know about economic development. And you're sad that Paul Hill and the government in partnership did due diligence on a major aircraft company known around the world with hundreds of distribution centres, and that we shouldn't have spent the money. You who spent that kind of money on this deal with Guy Montpetit.

And you know the deal about the trip to San Francisco, and I'm not going to go into all of that. Gracie Sim and the crew flying down to San Francisco for a weekend . . . (inaudible interjection) . . . Well we'll tell you about it because it's in *Hansard*. No, I'm not going to do it now because, Mr. Chairman, I don't want to waste the time of the House. But the taxpayers of the province paid for the weekend in San Francisco, obviously doing due diligence down there somehow connected with these fancy computers.

But don't give me this idea that Paul Hill and the private sector partners didn't know what they were doing when they went into this project. That is not fair.

Mr. Boyd: — Thank you, Mr. Minister, for that great and long answer to the question that I asked, what was no answer to the question that I asked. I simply asked you, sir, if you could give us some hope, and the 12,000 people that are less employed today than were employed in '91 — if you could provide us with some direction, some hope, as to what your economic development strategy is going to be, coming into the future. Could you give us that, Mr. Minister — some kind of assurance to those folks who are on the welfare rolls or are on unemployment today, if you could provide them with some kind of hope, rather than standing up and giving us big, long monologues about what happened in the past.

What they're interested, Mr. Minister, is what your plans are for the future. They're not interested in what happened in the past any longer I don't think, Mr. Minister. They're interested in what you are going to do in the future. Are you going to continue . . . and the minister nods his head that they are interested in the past. Well, Mr. Minister, I don't think that that's true. I think the people want to know what's going to happen in the future to them. Is their job secure today; is their job any more secure today than it was then, Mr. Minister? Is their job going to be eliminated today or is it going to be there tomorrow for them to go to work, Mr. Minister? That's what they're interested in. They're interested in the bread-and-butter issues of today.

Money spent before unfortunately is money spent and nothing can be done about it. And I recognize that. And I wish, Mr. Minister, that you would recognize that as well, that there's nothing that I can do about the past, there's nothing the taxpayers of Saskatchewan can do about the past, and there's nothing you can do about the past either. Just as there's nothing you can do about spending \$656,000 on this project and unfortunately . . . and I say unfortunately, Mr.

Minister, because we would have liked to be able to stand and give you credit for bringing that Piper deal to Saskatchewan, but it didn't happen.

So it's our obligation, it is our obligation I believe, Mr. Minister, to ask questions about this deal. It's our obligation as the official opposition to ask you and hold you accountable for a deal that failed, Mr. Minister. And I think that's the role of opposition is to do exactly that. You used to do it and we're doing it today, Mr. Minister — asking you questions about economic development strategies that haven't worked out to the satisfaction and to the benefit of all of Saskatchewan.

Mr. Minister, please confine, if you can — please confine, if you can — your remarks to the 12,000 people that do not have jobs today, that did have jobs in 1991. And please confine, if you can, Mr. Minister, your comments to the government's policy of union-only tendering. I wonder if you would want to just touch on those two areas.

We recognize and we've gone for an hour and a half on your sensitivities towards the Piper deal and how insecure you are about your development with respect to that, Mr. Minister. And I think it's become painfully obvious to the people of Saskatchewan and the taxpayers of Saskatchewan that you don't want to talk about that, Mr. Minister, because it's become synonymous with you and your department and your economic development strategy. Please confine your remarks, if you could, to the areas relevant to today and not of yesterday.

Hon. Mr. Lingenfelter: — Mr. Chairman, there's an old saying about societies that don't understand the past are doomed to repeat them. And this is one of the reasons that the public are interested in the past. Because I'll tell you, if you forget about those dark days, those dark days between 1981 and 1991, the waste and mismanagement, the Guy Montpetits, and the absolute waste of billions of dollars of money, billions of dollars of money, then they may just go back — I doubt it — but they may go back and repeat it. So that's part of it.

You understand that that is the role of government, is to remind people of the disaster that occurred during the 1980s. It's not the only role, and I want to talk to you about jobs in Saskatchewan.

There has been a trend in the last eight or nine years of job losses in Saskatchewan. In your last term of office, between 1987 and 1990, the job numbers in Saskatchewan went from 453,000 down to 449 or a loss of 4,000 jobs during that last term of office. This is while — remind yourselves — there were hundreds of millions of dollars being spent on so-called, in quotations, economic development.

Just make sure that we know this; the member from Maple Creek may want to write this down: 4,000 jobs lost in that last four years. Then in the period from 1991 to '92 — that was in the first year of our administration before there would be any opportunity

for the *Partnership for Renewal* strategy to kick in; this is in the first 12 months while we were designing it — the numbers went down by 9,000, from 449,000 to 440.

Now you can flip the coin whether that is possibly the responsibility of a new government, or that's the tailing off of these megaprojects. Most analysts would say that was the winding down of megaprojects. The false economy that had been created by hundreds of million dollars being chucked in. Now you've got . . . (inaudible interjection) . . . Well the member from Maple Creek keeps yelling, and it's hard for him to listen and talk at the same time. In fact for him it's hard to chew gum and walk at the same time but he . . .

The Deputy Chair: — Order, order. I would ask the cooperation of all members to, as much as we can, refrain from remarks about members personally. I don't know that . . .

An Hon. Member: — What about yelling and hollering?

The Deputy Chair: — Order, order. I don't think that serves the purpose of the committee of estimates to review the Department of Economic Development, and I would ask all members to . . . when members are asking questions to allow them to put their questions and also when the minister is responding to allow the minister to respond.

We have had a bit of a tendency here this last little while to try and help the question be put and also to try and help the answer be responded to. And I think the committee would be best served if we allowed the minister to make his remarks, and allow the members to put their questions uninterrupted.

(1200)

Hon. Mr. Lingenfelter: — I just want to go through this again because this is really very important, about job loss, because the member did ask a very legitimate question.

In the last term of the previous administration, while hundreds of millions of dollars were being spent of taxpayers' money to bolster up a false economy, the number of people working went down by 4,000 — from 453,000 to 449,000. Then in the first year of our administration, the year 1991, the tail-end of 1992, the job numbers decreased by 9,000.

I say again, one can argue how it would be at all possible for a new administration to be responsible or not responsible for those first few months of their administration other than the megaprojects were winding down; the hole had been dug at Rafferty; the upgraders with the hundreds of millions of dollars of taxpayers' money were completed; and there was a job loss as a result of the false economy.

Now what happened last year, after the megaprojects were completed, is the job numbers stayed the same. In 1992 there were 440,000 people working; in 1993

there were 440,000 people working. So we have seen the slide from 1991-92 — a big correction as a result of the megaprojects winding up; now a flattening off in 1993. Where is it going from here, the member asks.

Let me just read a few headlines of what the business people are saying that the future looks like for Saskatchewan:

... having come through four difficult years of Tory administration, 1986 to 1991, where we lost jobs, then the completion of the megaprojects where we lobbied off a big amount of jobs as a result of the removal of the hundreds of millions of dollars of taxpayers' spending because the deficit had gone through the roof; 1994 business more optimistic, chamber survey says.

That's what the chamber is saying. Now you may not like this, Mr. Member from Kindersley, but you asked me for my view. I'm going to use other people's view because mine is that things are looking better, that we're beginning to turn the corner. The chamber says, "Business more optimistic in 1994:"

The Saskatchewan business community is entering the new year with a renewed sense of optimism according to the result of a provincial Chamber of Commerce ...

Chamber president Mel Watson said, "an economic turnaround is being forecast in the business community. That sense of optimism is apparent in our survey with over 70 per cent of the respondents indicating that they anticipate a reasonable to very optimistic economic outlook in 1994."

In another article it says, the title, "Sask. blueprint working: Business is pleased with economic progress."

One year after it laid out a blueprint for Saskatchewan's economy, the provincial government says ... (that they) are pretty much on the right track.

Members of the Saskatchewan business community share Lingenfelter's assessment.

"It's our bible," Saskatchewan Chamber of Commerce president Mel Watson says of the government's blueprint. "We refer to it all the time in any of our dealings with the government."

So that's the Saskatchewan Chamber and the president as to where he thinks the economy is heading now that we've come out of the correction that is the removal of the hundreds of millions of the taxpayers' money, which you people believe should be putting in — a levelling off. And now the predictions for the future are that there is an optimistic and bright future.

"Business upbeat entering '94." This is out of the *Star-Phoenix*.

Wages, employment, sales and investment will all increase in the new year, says a survey of local business ... (people).

This is not the Saskatchewan Chamber, this is the Saskatoon Chamber.

The Saskatoon Chamber of Commerce annual outlook survey finds local businesses upbeat about the prospects for 1994. Chamber president Al Johnson says 142 businesses responded ... (to the survey).

"The survey has been pretty much on the mark in the past. It's been a good indicator," he said Thursday.

"The improved outlook for 1994 is hopefully a signal of an upturn in the ... economy."

So there again he's saying that the chamber in Saskatoon is optimistic about the future in their area.

When I was in P.A. (Prince Albert) recently for the opening of the regional economic development authority — and one can only be excited about what the regional economic development authorities are doing for bringing businesses and creating businesses in their area — they are very optimistic about the future in the P.A. area.

I was in Rosetown yesterday for the opening of their REDA. They are very optimistic that they're going to be able to create jobs. Another article, "Indicators show Sask. revving up economic engine," and it goes on to say:

If this were a motor race, we'd have the pole position. We should be positively giddy.

Referring to the economy of Saskatchewan. This is not an NDP paper, this is the *Star-Phoenix*. It concludes by saying:

We should feel good about our prospects in 1994. There are plenty of good reasons to support that notion.

Another article: "Business is optimistic predicting marginally better sales in 1994:"

Outside Regina, farmers have generated optimism by diversifying their crop base. A lot of it where it's coming from, is from the diversification of agriculture," Watson, a farm machine dealership dealer said.

You look at the financial statements and they're good. And people are tired of being beaten down. And I might just refer that to the member opposite in his continual gloom and doom that the chamber of commerce and many other people are saying they are

sick and tired of those who sit around not being part of the solution, but part of the problem.

You say, is there hope for the people who are looking for work, the people who were looking for work under your administration, the people who need jobs? I think if you listen to the business community — and that's where the jobs will come from. You have to get this and understand it, that jobs will not come from government. It is not the role of government, but the role of business, that business people are saying they're going to be investing more, they're going to be creating jobs.

They say the unemployment numbers have gone down under your administration. People being unemployed went up in your last term of office. They went up the first year of our administration, as a result of the tailing off of the megaprojects. They're now flat and level. All of the indicators are that new jobs will be created — for the first time since you were elected back in 1986 — in the coming year.

Mr. Boyd: — Thank you, Mr. Minister, and Mr. Chairman. And all of that is a result of your administration, you would have us believe. All of those things that you talked about are a result of your administration and the good things that you're doing, you would have the people of Saskatchewan believe.

And meanwhile, things like the utility rates continue to go up; all of those kinds of things that your government is associated continue to go up. And yet you stand in your place, sir, and in your nice, calm fashion that you're so famous for, you're able to say that all of these good things are a result of the good things that me and my department is doing.

Mr. Minister, we're looking at commodity prices in Saskatchewan rebounding — and that's a direct result of you. Grain prices are starting to improve, and the minister . . . commodity prices, I said, grain prices. Oil prices are not responding very well. And you know that and I know that too. They're dropping, yes. And projections are that they'll continue to drop, Mr. Minister, in spite of what you and your government are doing.

You don't have the independence in the world to be able to get these kinds of things to go up, and yet you stand in your place day after day after day and maintain that all of these good things are happening because you are the Minister of Economic Development. Interest rates are at historic lows, and somehow or another you take credit for that, Mr. Minister.

Mr. Minister, and he says that the crop base is diversifying in Saskatchewan; there's more farmers growing specialty crops, and all of that kind of thing. Yes, that's true, Mr. Minister, that's exactly true. It's been going on for a number of years, and it has nothing to do with you or your government's policies, Mr. Minister.

Mr. Minister, I wonder, you still don't seem to want to

bring yourself to talk about the 12,000 less people that are employed in Saskatchewan than there used to be employed in Saskatchewan.

And you said the numbers are starting to level out. Well, Mr. Minister, the latest labour force statistics that I have — and maybe you can provide some additional information on this, Mr. Minister — in January of '92, they dropped off; further drop-offs have continued since then, Mr. Minister. And I wonder what you and your department is doing to counteract that. You stand up and you say, there's lots of things going on; private industry's doing some work.

Well what are you doing, Mr. Minister? What is you and your department . . . What can the people do in Saskatchewan to have some comfort that you're trying to help the situation, when we see a government that seems so intent on raising utility rates which are a direct tax on business and on home-owners and on the general public in Saskatchewan?

Does that encourage business to expand in Saskatchewan, Mr. Minister? Does every time . . . a 10 per cent or 15 per cent increases in utility rates in one year, does that help? I don't think so, Mr. Minister. Does SaskTel charges increasing help, Mr. Minister?

Do those kinds of things that your government is actively involved in . . . for example, co-generation. You say on one hand that you're interested in co-generation back in the throne speech of '91, and now you pull the rug out from under those people last week, Mr. Minister. Your government did an economic development strategy that you said was going to be the be-all and end-all and that's why we didn't need AECL in this province. That's what was going to develop all of the new job opportunities and invest in this province. It hasn't happened, Mr. Minister.

What we're asking you and what we are trying to hold you accountable for is your actions and inactions, Mr. Minister. So I wonder if you would care to touch on those kinds of topics, Mr. Minister?

Once again, for the people of Saskatchewan, how many people more are not employed today than they were when you took over? How many people are on welfare today that were not on welfare when you took over? Give us some enlightenment on that, Mr. Minister. Give the people of Saskatchewan some comfort in knowing that you are at the head of the ship of Economic Development, even though your first attempt was a failure.

Hon. Mr. Lingenfelter: — Mr. Chairman, this is a little bit tough when he says, first of all you're not responsible for anything that's happening; but on the other hand, will you tell us what you're doing to make things happen? And that gets to be difficult to see the gears kicking and grinding in that mind over there, to understand how on the one hand you're not responsible for any job creation because it's all being done by someone else, but on the other hand what are

you doing to create jobs? And I'll try to make this easy, but it's a little bit difficult.

But I want to say that in terms of what is happening in the economy, there are some very, very positive indicators. Retail trade is up by 5.9 per cent in 1993 — that is between January and November. Exports are up by 17 per cent, November '93 over November '92. Crop receipts are up by 4.2 per cent. So while he says there's been magnificent increases in commodity prices, there's been an increase of 4 per cent. That's helpful but it's not huge, but it's headed in the right direction. Manufacturing shipments are up by 6 per cent and crude oil production is up by about 10 per cent.

What are the independent forecasts for the province of Saskatchewan? CIBC (Canadian Imperial Bank of Commerce) indicates that the real growth for 1994 will be about 3.3 per cent; Conference Board of Canada predicts 2.5. The Royal Bank says 1.4 per cent increase in employment in Saskatchewan, and the Conference Board of Canada says 1.9 on employment growth in both 1994 and 1995.

So these are some of the indicators of outside people who are watching the economy. I think it's fair to say that they're watching very carefully how we bring the deficit under control. Because in terms of the long-term stability of the economy, running huge deficits, which was the hallmark of the previous administration, has been dealt with. We've continually brought it down year after year. And some of the optimism that is building is built around the concept that you have a government and a Finance department and minister who understand that you cannot continually spend hundreds of millions more in government spending than you're bringing in through the tax system.

On the issue of utility rates, I say to the member opposite that his accusation that we have the highest rates for utilities in Canada is wrong, inaccurate, and misleading, and is part of his gloom and doom scenario that he should try to change. Because the chamber of commerce and sophisticated business people know that he is not telling the truth. Saskatchewan does not have the highest utility rates. In fact we have the second lowest utility rates in Canada.

(1215)

And members opposite would be wise to memorize that fact so that if they want to continue misleading the public, at least they know they're misleading and they're not doing it out of sheer lack of knowledge of the situation. The utility rates are increased marginally. We said at the beginning of our term we would try to keep increases to the rate of the inflation within that industry. And basically we have been able to keep that target.

Now he may argue about the 9 per cent increase in natural gas, but when you understand, as the member from Souris-Cannington will, that natural gas prices

have gone up by a hundred per cent, he will at least know — the member from Kindersley may not — but the member from Souris-Cannington will know that a 9 per cent increase in gas prices, when all around us gas prices are going up much faster than that, that within the realm of inflation within the gas industry, a 9 per cent increase is very, very reasonable when you see the price of gas going from 60 and 70 cents to \$2.40. There is no easy way of buying gas cheap when there's no cheap gas around.

One could make an argument that a fundamental decision was made to get rid of the cheap gas when that administration sold off the gas fields when gas prices were at one of their lowest values in the cycle. Now when you look at the reason that we're increasing gas prices, if we had kept the gas fields which we owned instead of selling them for little or nothing, we would not in fact have to increase gas prices; in fact we would be looking at exporting gas at a very high price and possibly even reducing gas prices in the province of Saskatchewan.

So here again they should be honest with the people of the province and say to the people look, we made a mistake selling those gas fields when gas prices were very low; and oh, if only we could only have them back in order to maintain reasonable gas prices. But even at that, the gas prices in Saskatchewan are second lowest in Canada and the rate of increases is well within the margin of inflation within the gas industry. And the member from Souris-Cannington surely knows that.

So utility rates are second lowest in Canada. This is one of the reasons Sears is moving to Saskatchewan, why companies are looking at Saskatchewan as a good option. It's not — as the member from Kindersley indicates — that it's just because somehow the businesses are being tricked and they don't understand what is here in Saskatchewan.

The reason they're coming here is because we have a very, very reasonable tax regime when it comes to families who live in our province. We have a good social program when it comes to health care and social programs, and we have the second lowest utility rates. And when you add up those bits and pieces of the economy, attracting businesses to Saskatchewan, you do not have to hand out hundreds of millions of dollars, which was the hallmark of the previous administration.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, I am a little surprised that you would stand in your place and take credit for so many numbers and try to mix them into a great, huge pot and confuse the public about what's happening in the world. Now you've talked about how last year's good crop provided us with a 17 per cent export increase, and those things that nature does for us and allows to have happen. Would you also concede that a lot of the export that we do is affected by the fact that we now have a 73-cent dollar and that in fact people who buy our products

are getting a major steal in the market-place of the world by buying our products with our dollar down so low? And would you like to take credit for that 73-cent dollar as Canadians begin to wonder about the costs that are going to be related as we continue into this cycle?

For example, I think you have some background in the agricultural industry. How are you going to explain to farmers that they're going to have to buy all of their repair parts from the Americans this fall, having to pay \$4 for every \$3 worth of goods that they get? Are you going to take credit for that as well? Are you going to take credit for replacement machinery like combines starting to cost \$200,000 instead of 150,000 if the dollar were on par? Are you going to take credit for all of those kind of things as well?

You talk about utility rates. I'm absolutely amazed that you would dwell on the price of gas when in fact you talked a few minutes ago about the fact that crude oil has dropped to just about an all-time low in recent years, and it has been going down, going down considerably. So I put it to you squarely; how can you have it both ways? How can you ride the fence both directions here?

You complain about gas prices having doubled, but you don't talk about the benefits of cheap crude oil. And tell me then, if crude oil is going down so much — and we know that you're right there — why is the price of gasoline to our consumers in the province of Saskatchewan still at 50-plus cents a litre? Why haven't we seen a reduction in the price of the gasoline? Why haven't we seen a reduction in the cost of gasoline to our major exporters, which is agriculture? Why haven't we seen some of those things come back to Saskatchewan people rather than always have the benefits going out?

You brag about all of the great economic diversification that you're doing and how you're building the province, while you're increasing the tax load and the tax burden through shifts in the Crown corporations so that utility rates do in fact go up more than we've ever paid before, nine and a half per cent. How do you justify that with inflation rates at 2 and 3 per cent on a national level, and then you have nine and a half per cent increases in gas at Christmas time? How do you justify that even if our rates are the lowest on a product that we produce right here at home, that we have provided by mother nature as a matter of fact, natural gas, under The Great Sand Hills of Saskatchewan, was put there not by you and not by me but it's definitely there and it's definitely an advantage to us. We don't have to ship it very far. That in itself should mean that the price should be cheaper.

And then you criticize the government for opening up that industry in the past. And while I don't defend all of the things that past administrations did, yours or ours, I will tell you this: that if the government had kept the gas industry under control, you wouldn't have the jobs that are out in The Great Sand Hills of Saskatchewan, and you wouldn't have the development in that gas . . . a large part of that 17 per cent export that you were just bragging about a minute ago, has got to be the export of natural gas.

And if that doesn't ring a bell for you, maybe you will recall that a week and a half or two back, one of the biggest pipelines in the world exploded in the Maple Creek area and lit up the skies for hundreds and hundreds of kilometres around, significantly pointing to the fact that that natural gas is a product that we have here that we export to other countries.

And you, as Economic Development minister, must have been aware of the fact that the United States customers were extremely worried when that pipeline broke because they might not have supply of the product that we were shipping out. So you know very well that this is a major export for us. The attention was brought to us by mother nature once again. So I hardly see how you can be taking credit for those kinds of things, Minister, when they lay at our back door and we should, in fact, have the cheapest inputs of anybody in the world with natural energy.

And then at the same time we see companies like IPSCO leaving the province, totally disappearing with their operation down to the United States; using the home base to make the profits necessary to finance a new development for jobs and creation in another country. We can't even hold our own industries at home, industries that were built on the backs of the taxpayers to begin with. Great amounts of subsidies going to these companies to get them off the ground and keep them going over the years and as soon as they start to make a profit, they take off.

And what are you doing about keeping them here? Precious little or nothing I'd say. I can't see any effort at all at trying to get the establishment of an IPSCO subsidiary plant at, say Estevan or some place along the US (United States) border so that they can, in fact, take advantage of that market, if that was the need in order to be moving to Iowa or wherever they happen to be going.

So perhaps you can enlighten us, Mr. Minister, about the things that you are doing to keep companies like IPSCO at home. What did you offer them as an incentive? They've already got the cheapest gas in the world — you just told us that — to heat their plant with. Surely if they have to ship the natural gas from Alberta or Saskatchewan or combine the two, as the main pipeline does, ship that gas all the way down the pipeline to Iowa, it must cost some money to transport that gas even through a pipeline. Somebody must be charging for that line to carry that gas. How is it that a company like IPSCO can buy natural gas in the United States cheap enough to be able to melt iron and sell competitively down there, more than they can in the province of Saskatchewan where the gas is virtually free, for nothing, as you put it? Just about a give-away, cheapest in the world here, and yet they can't afford to stay in business in Saskatchewan.

What's gone wrong with this whole province? What's wrong with the process here? Surely that plant could have been located at Estevan or North Portal even, if you want to get a little closer, and we could have done something about trade-offs for cheap gas as compared

to some of the trucking that would have to be done from Iowa up to the border, which is not all that far away these days with the big trucks and the rail networks that we've got.

So what's gone wrong? Why do we find our major industries fleeing this province as fast as they can, picking up whole operations and disappearing out of the province? Why do we see companies locating in Calgary and Edmonton, and then coming back and contracting for work in Saskatchewan?

You had an example in question period this morning. A major company comes to Saskatchewan and takes on a job in one of our cities. How can that possibly be happening, Minister of Diversification? How can that possibly be happening under your administration where you're going to create all of this work and all of these great and wonderful things are supposed to be happening?

You've got a lot of explaining to do. I think it'll take you a half an hour or so to tell the people of Saskatchewan what's gone wrong with this ship. It's suddenly sprung a lot of leaks. Probably just about as many leaks as the eight miles of pipeline up at Melfort where there's 22 leaks in eight miles, somebody told me. They say it runs like a sprinkler automatically. Don't have to worry about the lawns by that pipeline; it's getting watered on a daily basis.

Maybe you can tell us what's gone wrong with the quality of our work and the quality of our jobs and the quality of our province, and why nobody wants to come here and everybody wants to leave. Who have you talked to lately that wants to come to Saskatchewan?

I heard last year some boasting about 700 jobs you were going to bring to this province. I'm still listening to hear where those jobs are . . . or 700 companies, rather, that were going to come to this province to create jobs. I'm still waiting. I want to listen to you tell me about all these 700 companies that are going to come to Saskatchewan under all your new progressive ideas and these great windfall ideas that you've come up with. I'm sure you must have a research department working on it.

And I'm surprised that you have to fall to the lame-duck bragging department of tying your administration to a company like Sears who in fact ends up locating a major operation in the city of Regina and you'd use that to brag on job creation, when in fact rural Saskatchewan saw just as many Sears stores close their doors and jobs and businesses lost in rural Saskatchewan in order for that centralization to take place, a centralization of an industry of business, a major multinational corporation, that in fact would not have come here if you hadn't harmonized the tax for them and given them major concessions to buy them into the city of Regina at the expense of rural Saskatchewan, under the guise of using technology that isn't a whole lot different from the ones you were talking about, the broken-down computers and all the rest, because

that's the basis of their business.

They get on the telephone, they punch it in a computer . . . had the experience the other day, couldn't even buy a product because they couldn't figure out how to get it from one computer to the other to transfer my address from one address to the other. It's a total, ridiculous sham.

You paid for them, you bought and paid for them to come to the province. And the reality, Mr. Minister, is that you don't have any more jobs in the net total than you would have had before. Because the jobs that you lost in rural Saskatchewan by closing down the Sears outlets in Shaunavon and Fox Valley and all those kinds of small towns all over the province of Saskatchewan, while those people were business people that are self-employed and have kept on being employed and didn't show up at the unemployment market, those dollars that you took out of their pockets are no longer circulating in rural Saskatchewan, and that means that effectively you have destroyed jobs in the circle of the way the process of job creation works.

And you know about spin-off; you've talked about spin-off and the need for one job to be created in order to have three or seven others. I've heard you make those arguments yourself. So what did you do? You traded a few off in the country so that you could have one thing in Regina that you could brag about that I say quite frankly, if I were you, I wouldn't brag very much about.

So we've got all kinds of raw products that you are shipping out of the province and you talk about diversification and development. Why aren't you doing something about putting a pasta plant in Saskatchewan instead of letting it go to Manitoba or to North Dakota? Why aren't you doing something about getting that durum processed here and ship noodles to Japan instead of shipping our grain in grain cars and having it all processed some place else in the world?

Why aren't you doing something about expanding the lumber industry when we have all kinds of timber up North that is just begging for a place to go? Thousands of jobs — thousands of jobs that you could be creating. Why aren't you exploring some of the simpler things like an expanded fishing industry within the province now that there's a shortage of fish products in the world, as we watch our oceans being devastated by other countries around the world and a need for that kind of foodstuff to be produced in other ways? Where are you doing anything that is positive?

(1230)

You'll sit here and you'll argue about 12,000 versus 4,000 job losses and try to make a big deal out of that for about 15 or 20 minutes of our time here today and that's nonsense, Minister. Because the reality is that you have not put the brakes on the job loss in this province the way you promised in the last election you would do. Another hollow, broken promise. You said before the election that if you got elected, you'd

fix this thing. Well fix it.

So, Minister, I think it's time that you got up and explained your position on all of these matters.

Hon. Mr. Lingenfelter: — Mr. Chairman, I appreciate the opportunity to respond to the member from Maple Creek because he raised a number of interesting issues.

One of them was that he couldn't understand how the price of gas was going up when the price of oil was going down. That in itself is an amazing statement about his lack of understanding about the industry that he lives in the middle of.

The way it works is there is a commodity market for oil. Oil is not in as great a demand as it has been with the incoming oil being imported from other areas of the world where it's produced very cheaply. We've seen the price of oil in the last few months go down by what — 20 per cent? Approximately 20 per cent. That's the oil that's produced in his very area. It's got nothing to do with government. In fact if you look at government policy, even at a time while oil prices were going down by 20 per cent, drilling has gone up by about 40 per cent.

An Hon. Member: — Eighty per cent.

Hon. Mr. Lingenfelter: — Eighty per cent. That tells you something about the policy of the government. It must reflect favourably on the industry if you can have an increase of 80 per cent in drilling at the same time as the price reduces by 20 per cent.

Now the member says: but that should mean that gas prices are going down to the consumer. He is either out of sync, that he doesn't understand that gas is not made from oil — which would surprise me greatly that he does not have at least that rudimentary understanding of the industry — or he would not understand that the demand for gas, as American consumers change over many of their plants and many of their houses to gas, has created a great demand for the gas from his area. He should also know that much of the gas in the province is owned by the private sector and as the price goes up they demand more for it, and the utilities of the pipeline companies that distribute the gas have only one thing to do and that is pay more for the gas they buy.

I mean after a while you begin to understand why it was that that government was in all of the economic problems they were because they don't even have the simplest understanding of the price of oil versus the price of gas, even though he's a member that comes from a constituency where both are produced. The reason that oil is \$13 a barrel, as opposed to where it was a few months ago at 17 or 18, is because the demand has gone down. The reason gas prices have gone up by 2 or 300 per cent is because the demand has gone up.

Should the government then get involved and stick its nose in and try to regulate and control the price of gas

which is what I hear you saying. I think not. And when you consider gas prices that is being produced from under the Sand Hills, as you accurately reflect, has gone up by over 100 per cent, and gas prices to the consumer have gone up by 9 per cent, tells you that somebody is doing a magnificent job of keeping the price of gas down to the consumer, not artificially inflating it.

This is not tough arithmetic, and if you can't follow it maybe you should write it down, but gas prices in the field have gone up by over 100 per cent. To my house or to my friend's house it's gone up 9 per cent. This is not usury being imposed on the consumer but somebody doing a great job of keeping the prices by averaging out long-term contracts that are being done at a lower level. Great planning by the gas company is the reason we have 9 per cent increases versus 100 per cent increase in gas prices.

Now the only thing that could have kept that gas price lower was a mistake your government made of selling off the gas fields. Now I'm not going to be critical of that, but had we kept the gas fields, we would have been in a much better position not to have the gas prices going up. But for you to say that because oil prices are low at \$13 a barrel somehow that means gas prices should be low doesn't tell me much about your understanding of gas versus oil, and you really should read up on it.

Now you then went on to say . . . and when the gas line exploded, the Foothills gas line exploded, it cut off much of the shipment of our gas from Saskatchewan. There isn't an ounce of Saskatchewan gas going into that pipeline before the break occurred; that's Alberta gas, and you should know that as well.

So I say to you, when you talked then about how we should use Saskatchewan gas to fire IPSCO's plants here in Regina and that they shouldn't be moving to Iowa because you know better on economics, that steel can be produced cheaper in Saskatchewan than it can in Iowa for a market south of Iowa, going into Mexico. Here again, like your member from Kindersley, you know more about business than Roger Phillips, of how to produce steel.

This is the problem with you people. You simply don't understand that we've got a business community out there that's very sophisticated. Roger Phillips, not a political ally of mine, but runs a steel company that is profitable in the middle of the prairie basin, one of the few steel companies that is profitable, and does it by employing Saskatchewan workers. And the steel plant in Iowa will not affect one iota the jobs that exist here in the city of Regina. It's not a competitive market. The reason is, is that Mr. Phillips and his board of directors have found a new market, somewhere in southern United States. They're going in there and they're aggressively building a new steel plant that will mean more head office jobs probably here in Regina because this is where the centre of the business is.

This is not, as the member indicates, closing down a plant in Regina and moving it to Iowa. Good lord, I

mean read and study and learn about the steel industry. We have just . . . Roger Phillips has just invested in a new 24-inch pipe mill in Regina. They have just announced, in December, they're investing in a new finishing mill — \$8 million. He's not moving the plant out of Saskatchewan to Iowa; he's building a new plant.

Now you can make an argument, you can make an argument that the plant that he's building in Iowa, that expansion should have taken place in Regina. His argument is he's done the analysis, he's checked the transportation, most of it in the United States because it's only a short distance to get out of Saskatchewan. So don't tell me it's the gas prices or that it's the cost of shipping in Saskatchewan, because it isn't, it's simply distance.

And he's come to the conclusion — he and his board of directors — that their best option is to keep the plant going in Saskatchewan for Canadian pipe and expand it. A 24-inch pipe mill, a new finishing plant booming, everybody's excited about it; your comment is they're shutting the one down in Saskatchewan.

Where do you get off with that kind of drivel? First, it's inaccurate. Secondly, it does a disservice to our main steel plant in this province and a disservice to the employees who work here who might be listening and thinking you understand the steel industry.

And it is absolutely impossible to believe that a member of this legislature would stand here and say that IPSCO is shutting down their plant in Regina and moving to Iowa. That is not fair, it's inaccurate, and does a disservice to the steel company and to the employees who work there. It's not proper.

Either you lack completely in an understanding of IPSCO or you're being malicious in your approach to what this forum is all about. I say again, you may make an argument, how the plant in Iowa which is being planned with huge incentives from the taxpayers there — I believe \$70 million — how we should be giving even more huge incentives to pay for all the transportation costs. That would be \$70 million incentive plus the extra costs of transportation.

Then it gets back to the argument made by the member from Kindersley that at any cost you should make these plants happen. That would mean hundreds of millions of dollars added to the deficit of the province to make this happen. That may be your philosophy but it simply does not work when you have to run an economy of a steel plant out of the taxpayers' purse. It doesn't work.

And so I say to you, when you talk about companies moving out of the province, don't include IPSCO in that. IPSCO is expanding. They just invested, I say again, in a 24-inch pipe mill; they just got a huge contract from Interprovincial Pipe to build a pipeline for the loop which will be coming through our province. I met with Interprovincial yesterday or the day before for breakfast; they're saying they're going to be investing over a hundred million dollars in

pipeline in this province in the next 12 months as a result of IPSCO winning that contract, one of the biggest pipeline contracts, as a result of the workers at IPSCO, Mr. Phillips, and IPL (Interprovincial Pipe Line Co.) making a deal shortly before Christmas.

Now you can try to create a gloom and doom scenario out of that if you want, but for what purpose? To upset the employees? To misrepresent the facts for political reasons? I mean Lord knows, there's enough negative going on in our lives without creating a scenario where a very positive situation is attempted to be turned around for political reasons.

Now you say that the utility rates . . . again you try to reiterate that the utility rates are the highest in Canada here in the province of Saskatchewan. Here again, that's not accurate and it's not true. The utility rates are the second lowest in Canada, and this is one of the reasons companies look at Saskatchewan as a good place to build. We do have the disadvantage of distances and distances have always been a problem for manufacturers in the province of Saskatchewan.

You say as well that on the farm issue, that farmers will have to buy all of their parts from the United States, and because of the exchange rate this is going to be a great problem for farmers. Well I say to you that you should go around and check where the grain augers are that the member from Nipawin would buy or the truck boxes and hoists or the rock-pickers or the swathers or the air seeders or the cultivators or the trailers that they haul their combines on. They're all built here in Saskatchewan.

So for you to stand here and say that the farmers are going to lose as a result of this because they have to buy all of their parts from the United States, flies in the face of the fact that this economy has diversified to the point that a good part of what I buy on my farm is bought from Saskatchewan manufacturers.

Now maybe over in your area, in that Reform area of the province, you have chosen on your farm to slip across the border into Montana to buy all your parts. I don't know that, but I would urge you, if you're loyal to your community, try to buy Saskatchewan as much as you can because there's a great deal of manufacturing for your farm that you don't have to buy out of the United States.

And every time you would buy a part produced in Saskatchewan: one, you would get a better part because it's probably better workmanship; secondly, the prices are competitive and your daughter or your friend's daughter and son may be able to get a job here in Saskatchewan as a result of you changing your habits of buying products out of the United States and try buying Saskatchewan. It's a simple formula.

You say that Sears, the 800 new jobs that are created in Regina, came from rural Saskatchewan. And I want to say to you that the 800 jobs at the call centre in Regina do not come from rural Saskatchewan. And I would ask the member to consult with . . . I'm not going to go into a great deal of detail, but those 800

jobs do not come from rural Saskatchewan. Most of the Sears offices are still open as distribution centres in rural Saskatchewan. I think in my home town of Shaunavon there was a Sears office; I think there still is one. I'm not sure in Maple Creek, but I'll check that. And I'll send you a note to tell you whether or not your Sears office closed in Maple Creek.

But I want you to know that the 800 new jobs or so in Regina did not come from rural Saskatchewan, as you indicated. That is not true; that's inaccurate. And I would really like you to . . . I mean really you should go over to the Sears call centre and talk to Dave Radford and the people who put this deal together. Because if you're so confused that you think these are computers like GigaText sold to the previous administration, you are sadly mistaken.

I am attending a call centre conference in Toronto next Monday. They will be using the technology from Sears Canada used in Regina at a symposium that is going to be attended by people from all over North America. Why? Because the technology that they have here and in other call centres is technology that many, many companies — banks, financial institutions, insurance companies — are looking to apply to their industry.

(1245)

Believe me, my friend, this is not GigaText technology. And I'm not going to go into that spiel about where those computers came from. But to say and stand in the House and lead us to believe that this technology is somehow simply a GigaText used computer dug out of a back warehouse, you really should go over to the call centre, and I could arrange that for you, because we have great contacts and a lot of experience in working in setting up this call centre where SaskTel, a publicly owned utility, and a private sector, Sears, and the Department of Economic Development, have worked together with the employees to create a number of hundreds of jobs.

I want to say just in closing, you mentioned the Saska Pasta plant, or referred to it. Why don't we get a Saska Pasta kind of plant built in Saskatchewan? I want to say to you that even with the best advice and lobbying that money could buy, the member from Estevan being paid by the city of Swift Current to lobby the federal government and WDO (western diversification office), that even with that high political pressure being put on WDO, your colleagues in Ottawa were wise enough to turn that deal down.

Why? Because it didn't have an economic bottom line. They didn't know where they were going to sell the pasta to. One small little glitch in the formula. They knew how to produce the pasta, they had the best durum in the world, but they didn't know where they were going to sell the pasta. One little glitch that everybody identified except the member from Estevan and your people in opposition.

Now this hearkens back to other deals that you have made where you didn't know where you were going

to sell the end product. Imp-Pak Packaging in Swift Current was a good example where SEDCO invested over \$20 million. Here they were going to coat paper trays for use in the food industry in the United States.

In this instance it was a little bit different. They built the factory; they invested the taxpayers' money. In this case they had the market. The only thing was, when I was down there they would throw in the paper, the used paper into the mixing mill. They'd mix it up; it would turn into a slurry; it would go through the screens; it would produce the tray. It would then go along the assembly line to where the epoxy was supposed to be put on — the white coating to keep the meat trays fresh — and the spray came out all over except on the trays. And they tried and they tried and they invested more millions of taxpayers' dollars. But when those trays would get to this one point in the assembly line, all heck would break loose. The spray would go all over the plant but none would stick on the paper trays.

And so there we sat with another Tory megaproject — building paper trays to be used in a market in the United States. The only problem was that the chemicals to be applied to the paper trays never stuck to the trays, and so it was shut down. We are now cleaning up this mess and we're very close to being able to make an announcement that a new company has come in. We're going to, as taxpayers, take a loss on this deal, but a new plant will be established there in the very near future.

So on Saska Pasta, I just want to say, that is one you should be a little bit careful of pushing forward any more than it has been, because your colleague in the front bench, the member from Estevan, I think has pushed this one hard enough and has made enough money on the side, in addition to his MLA salary, pushing this one along. And the federal government, your former colleagues in Ottawa, have turned that project down.

So having said that, I want to take just a moment to review some of the conditions for business growth and I say again, when it comes to what is needed to make business work, we are told one of the biggest things is consumer demand.

Now in the province of Saskatchewan we had a very, very fantastic December of 1993. I think the raw numbers on consumer confidence indicated that consumer spending was up by about 8 per cent in the month of December. This is quite phenomenal and obviously difficult to maintain over the long haul. But what it does indicate is that consumer confidence is beginning to build in the province. When you ask the business people what is needed to continue that to grow they say, positive statements being made by business people, positive statements being made in the press. And I'm proud to say that many more of the statements that you find on the financial pages of the *Leader-Post* and the *Star-Phoenix* are of a more positive nature.

Some of the radio stations have taken a more positive

attitude to try to build confidence in people. And the reason being is that in Canada, and including Saskatchewan, about 40 per cent of those working worry about losing their jobs in the next 12 months, when in fact statistical analyses show that only about 3 per cent at any one time in any one given year, lose their jobs.

So we have 37 per cent or more of the consumers in the province and in the country worried about losing their jobs, and therefore not spending like they should in the economy.

There is a consensus that what we need is a much more positive attitude about economic development. And to that end I have talked to the business community, I have met with the editorial boards in the province of Saskatchewan, I've talked to the Opposition House Leader about a more positive attitude in here, I've talked to the Leader of the Third Party about a more positive attitude. And I think some of that's coming.

But today I have to say that I was very disappointed, not that you were asking questions. That's what this forum is all about. But when you have a member who is standing in his place and saying, why are gas prices going up in the province of Saskatchewan when oil prices are going down, tells me that there is a sad lack of understanding about that industry, and really there shouldn't be.

Questions are going to be asked, they have to be asked, I think in a positive, constructive way. When you talk about IPSCO moving out of Saskatchewan, do you think that builds consumer confidence in the province of Saskatchewan so the people who have good jobs at IPSCO, and there is no threat to them, will go out and purchase more in the stores? Or do you think you have a role to play in the scare tactics that you use about IPSCO moving out of the province?

And when you say to the manufacturers of farm machinery that farmers should go to the United States to buy all their parts, what signal does that telegraph to the thousand people who work at Flexi-Coil or the record number of people who work at Bourgault? The thousands of people who have worked and designed the air seeder, the best air seeder in the world bar none, produced here — not in Canada but in the province of Saskatchewan.

And a member of the opposition stands and says that all of the machinery parts manufactured will have to be purchased from the United States. What does that say to those thousands of employees? Does that help them build confidence that they have a job, or do you add to that margin of cynicism and lack of optimism that would help build our economy.

So I say that it's very, very important that all of us do what we can in our own way. I say and I give credit to the member from Kindersley who in his own way — and I'm not being critical but I'm being positive — has in his own way been positive in building economic development in the Kindersley area. I think even he

has said positive things about the changes to the oil royalty structure in terms of continuing the very high level of drilling in a field that has very, very marginal returns.

My only comment is that unless we all get on the positive side of economic development and build consumer confidence, then it becomes a self-fulfilling prophecy that we are going to lose jobs and have a poor economy. And to that end we intend to do whatever we can not to create jobs but to facilitate a positive atmosphere for business people to create jobs in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Chairman, Mr. Minister. Well we've been just, as everyone has seen, been treated to the world according to the Minister of Economic Development and member from Elphinstone. His great and masterful way of saying how everything is good and everybody that's opposed to him is bad. The same way that he's always done. He's made up a political career spanning some number of years, and he's done very, very well at spewing out the political rhetoric — probably the best with the exception possibly of the member from Riversdale — at doing that of anyone in the history of Saskatchewan, I would suggest, Mr. Minister.

Everybody is against development. The moment anybody criticizes you, everybody's against . . . you're against us because you're against development. Not true. Not true. Not true, Mr. Minister. Everybody is against anything that you're trying to do? Not true, Mr. Minister. Every time that you have done something positive we've given you credit for it. There just hasn't been that many times, Mr. Minister.

Utility costs are up and you want us . . . to give us the opportunity to give you credit. Can't do it, I'm sorry. Utility rates are up, fact of life. Co-generation is done, fact of life; you did it in. You said on one hand in '91 that it was going to be a positive thing, and then you killed it, Mr. Minister, and your department . . . or the Minister of Energy and Mines killed it, Mr. Minister. And somehow or another we're supposed to say that's a positive development.

Crop Insurance parties being held in Regina this weekend, and somehow or another that's supposed to be positive, Mr. Minister. We can't say it's positive. Job numbers are down and yet you say we're being negative when we point that out, Mr. Minister. And you know that that's not true.

And when we get back to Crop Insurance for a moment, and the Minister of Agriculture is with us this afternoon, he knows very well that the farmers of Saskatchewan don't want this, Mr. Minister. He would rather have it not hosted, my guess is, if he had a second thought at it for a moment. Maybe, Mr. Minister, you could hold it out in your new mansion. I think the people of Saskatchewan would rather see it held out there than pay in for the big shot downtown that's going to be spent this weekend, Mr. Minister.

Mr. Minister, you've built a great political career out of doing what you do and you do it very, very well. And we recognize that, Mr. Minister. But you tramp on anyone and everyone that gets in your way. Just ask the Barry Dixon's of the world some of the ways and means that you get to . . . the end always justifies the means as far as you're concerned, doesn't it, Mr. Minister? Just ask the people that you bought memberships for to get the nomination in Elphinstone. Doesn't matter. The end always justifies the means with you, doesn't it, Mr. Minister?

No matter what you do, it always comes back to the one final thing; it always means I get my way; the rest of the people have to suffer. Too bad. Isn't that the motive behind everything you do, Mr. Minister? Everything you've done in your entire career, it's been with that selfish attitude of me first, the rest of the people too bad. That's been your attitude right from the day you started in the political world, Mr. Minister.

Mr. Minister, we recognize what you are trying to do this afternoon: rally the troops up. You've been beaten up all week long with things like co-generation, Sask Crop Insurance. STC (Saskatchewan Transportation Company) is going to host a big party out there. Health care reform is still burning. And yet in spite of all of that, Mr. Minister, you have to stand and tell us about the past. That's your view of life, tell everyone about the past, Mr. Minister. But you know very well — you know very well — that this might be your Waterloo in the Economic Development department.

And you're so concerned, you're just a heartbeat away — just a heartbeat away — from being the premier of this province, and you're so concerned, so concerned, Mr. Minister, that that might never come to fruition; isn't that right, Mr. Minister? Just a moment away, the most machiavellian person I have ever met in my entire life, sits in that chair over there — the Minister of Economic Development — go to any length to get what he wants, and yet has not been able to accomplish the ultimate manipulation, Mr. Minister, haven't quite been able to do that.

And he is so afraid, Mr. Chairman, so afraid that this might be, this might be the final thing that he isn't able to accomplish in his illustrious political career. Hasn't quite made it to the top, the pinnacle. Right, Mr. Minister? Hasn't quite eclipsed the member from Riversdale; has never been able to quite out-manipulate that member.

And I think, Mr. Minister, that's why you have such a difficulty talking about failed economic development initiatives that you and your department are responsible for. That's why, Mr. Minister, that you don't like talking about this. You'll go to any length — go back to '82 or '86, whatever it takes — and talk about anything and everything. You don't want to talk about today, Mr. Minister, because your projects are failing. Your strategy is failing, Mr. Minister — 12,000 less jobs in Saskatchewan today, Mr. Minister. The record high number of people on welfare, Mr. Minister, since your government took over.

And you and your department, even though you were going to provide Saskatchewan with such illustrious and glorious opportunities, have never been able to accomplish that to date, Mr. Minister. And that's why, Mr. Minister, you do what you did today, and stand and give the people of Saskatchewan your history according to the member from Regina Elphinstone, Mr. Minister.

It's unfortunate that you have to resort back to that sort of old political rhetoric, but I know that, as a member like yourself, there's no other answer to it. Whenever you get into trouble, go back to the past. Whenever there's a problem, say someone else was worse.

The Chair: — Order. It being 1 o'clock, the committee will rise and report progress, and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 1 p.m.