

May 14/90

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, I have here 2,418 names on a petition, that have been gathered in one week, Mr. Speaker, opposing the government's arbitrary decision to relocate the liquor board store from Market Mall in Saskatoon to a large liquor store on Eighth Street in Saskatoon.

Now there are 2,418 signatures here; 1,704 of them conform to the requirements of the legislature in terms of the format. So officially there are 1,704 that I'll present, but, Mr. Speaker, another 1,716 give a clear a message by the public.

And, Mr. Speaker, these residents are concerned about the loss of the service to the area; concerned about the small business, the impact on small business. And the petition states that the residents want the provincial government to reverse this arbitrary decision. Mr. Speaker, there are more names that will be filed in the following days. Thank you.

Some Hon. Members: mHear, hear!

INTRODUCTION OF GUESTS

Mr. Solomon: -- Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you, and through you to all members of this Assembly, some guests from my constituency and some guests from Russia. Constituents of mine, who are in your gallery, Mr. Speaker, are Maureen and and Lawrence Webber, Lorraine Atcheson, and Agnes Meyer; and joining them are some relatives from Russia: Peter Webber, Michael Webber, and Emma Kraftsman. I'd like to ask all members to welcome them to this Assembly this afternoon. I hope you enjoy the proceedings, and I look forward to meeting with you afterwards. Thank you.

Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Thank you, Mr. Speaker. It is a great pleasure for me to introduce to you, sir, and to the Assembly, His Excellency the ambassador of Japan, His Excellency Hiroshi Kitamura. He's accompanied by Mrs. Kitamura; Mr. Yuzuki Kaku, who is the consul general of Japan in Winnipeg; Mrs. Kaku, and Mr. Kazunori Narita, who is the first secretary of the Japanese embassy, and Mr. Masaharu Ito, who is the deputy counsul general in Winnipeg.

Saskatchewan of course, Mr. Speaker, is increasing its ties with the country of Japan, and it's an especial occasion today that this legislature can welcome such esteemed guests to our legislature and to our province.

My understanding is that they will be travelling a bit around the province over the next couple of days. I'm sure that the Saskatchewan hospitality will be reflected in the people that you meet, sir, and your companions.

They have met with the Premier this morning. They will be meeting with Her Honour this afternoon. Mr. Speaker, I hope all hon. members -- I know they will -- join with me in welcoming our esteemed guests to this Assembly.

Hon. Members: mHear, hear!

Mr. Koskie: -- Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to introduce through you and to the members of the legislature, some 22 grade 10 students from the Muenster High School. They're seated in the Speaker's gallery. This tends to be an annual event for the grade 10 class from Muenster. They're accompanied by their teacher, Mr. Paul Reist, Wendy Dale; chaperons, Mr. Blechinger, Mrs. Szautner, Mrs. Timmermann, and Mrs. Hofmann.

I'd ask all members to join with me to extend a warm welcome to the students and chaperons and teachers from Muenster.

Hon. Members: mHear, hear!

Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, it's my privilege today to introduce a delegation from my constituency of Saskatoon Eastview. These are merchants, small-business people from Market Mall and their representatives of the merchants' association of Market Mall, some 90 businesses -- one of the very largest malls . . . of the largest malls in the province.

Individually I'd like to introduce Mr. Don Feader, who is the president of the merchants' association; Dennis Schafer, a business owner; Art Hughes, a manager of one of the businesses; Paul Cory, district manager of three of the small businesses, and Brian Schafer, a shareholder of one of the businesses.

Mr. Speaker, this delegation is here on a very important matter today regarding the health of that mall, and I would ask the delegation to stand. And I know the House will welcome them in the usual manner.

Hon. Members: mHear, hear!

Hon. Mr. Gerich: -- Thank you, Mr. Speaker. Mr. Speaker, through you and to you and to the members of the House, I would like to introduce Mr. Steve McLellan, who is the Executive Director of TISASK (Tourism Industry Association of Saskatchewan). He is seated in your gallery.

Mr. Speaker, I'd like to congratulate him on his job well done on last Friday night in setting up the first Saskatchewan Tourism awards gala event and banquet. It was extremely successful and it was a perfect avenue to honour the people in the industry. Please welcome Steve.

Hon. Members: mHear, hear!

ORAL QUESTIONS

Effects of New Liquor Store Location on Saskatoon Small Business

Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, my question is to the minister responsible for the liquor control board. Mr. Minister, there is an official delegation whom I just introduced representing Market Mall here today. These are for the most part, Mr. Minister, family owned and operated small-business people who fear that your government's arbitrary decision to close the liquor board stores in Market Mall and Grosvenor Park shopping centres will put their livelihoods in jeopardy. Today in this Assembly I just presented some 2,400 signatures, names that clearly show people are opposed to your decision and want it reversed.

You talk about openness, and you talk about listening to people. I want to know, Mr. Minister, did you consult with these small-business people prior to making this arbitrary decision?

Some Hon. Members: mHear, hear!

Hon. Mr. Meiklejohn: -- Mr. Speaker, it's my pleasure to answer the member's question at this time. There was a fair bit of work that was put into taking a look at the new location. As I understand it, that this move is going to save in the neighbourhood of 2 millions of dollars over the next two years. The project was put out to proposal, and as I understand it that this is going to be good for the city of Saskatoon.

I fully understand that the merchants in the Market Mall area are disappointed with the move, and there has not been any concern raised from the Grosvenor Park area.

But the main decision here of course is to expand the facilities, also to have a much more modern and up-to-date shop, and will present a much better area of services, or level of services for the east side of the city of Saskatoon.

Mr. Pringle: -- Mr. Speaker, new question. That answer, Mr. Speaker, is quite misleading. The merchants of Market Mall in Grosvenor Park are not only disappointed, they're very angry. And they're angry, Mr. Minister, because you didn't consult with them, once again, as you never do.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Furthermore, I would say, Mr. Minister, that this hasn't even . . . that this new location is not accessible from the east side and is going to create major traffic problems for people on 8th Street, and that hasn't even been worked out with the city yet. So that's an example of how you people plan.

Mr. Minister, do you know what's going to happen to these people? No, you don't, because there simply . . . you didn't consult with them, and you simply aren't aware of the importance of that anchor to this mall, and it's

not a laughing matter I would say to the Minister of the Family.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Mr. Minister of the Family, this is not a laughing matter. These are family businesses, and this decision will hurt the viability of many of these businesses. The long-term cost, Mr. Minister, will be extensive. And my question to you, given that we already have record numbers of high business bankruptcies and high unemployment, Mr. Minister, is this your idea of economic diversification -- more business bankruptcies and job losses?

Some Hon. Members: mHear, hear!

Hon. Mr. Meiklejohn: -- Well, Mr. Speaker, as usual the member opposite likes to run on and use figures that are totally inaccurate. As a matter of fact, there will not be any job losses with regard to the new store that's being constructed. There will not be any job losses. As a matter of fact, Mr. Speaker, it's estimated that the number of jobs is going to increase as a result of this new store.

Now when the member stands in his place and suggests that there's going to be a loss of business in Market Mall because of the move from the present location, I would suggest to the member opposite, Mr. Speaker, that the majority of the people that stop at the liquor store at Market Mall are not there to do shopping within the mall. They stop to pick up their liquor, and they were gone. And I don't think that there is a business man or a business person in this province, including those in the gallery, that are not interested in the government saving money wherever possible, and the fact of the matter is that they're going to save in the neighbourhood of 2 millions of dollars over the next five years, I think, Mr. Speaker, is pretty significant.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Mr. Speaker, new question. Every time that government talks about saving the taxpayers money, Mr. Speaker, it costs the taxpayers more money.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Mr. Minister, I'm talking about losses in jobs as those businesses go bankrupt. Now I've been to every business there. They tell me that some of them are going to go bankrupt. I'm talking about those job losses.

Mr. Minister, these people have driven 150 miles; they're going to drive another 150 miles today. They have not talked to you about this decision because it was an arbitrary decision. Will you agree to meet with them right after question period so they can express their concerns to you and have you reverse this arbitrary decision that is going to hurt their businesses?

Some Hon. Members: mHear, hear!

Hon. Mr. Meiklejohn: -- Mr. Speaker, this was not an arbitrary decision. This was something . . . a project that was put out for public proposal -- public proposal. There were several proposals, I believe, five or six different proposals that were taken in on that.

With regard to the consultation and suggesting that this is not the proper place for it, there's been all kinds of study done to indicate that this is a good spot for it in so far as the traffic flow . . . (inaudible interjection) . . . Mr. Speaker, we hear from the member on the other side of this House, when we know that when the NDP were in power they built liquor stores all over the province, Mr. Speaker -- grandiose projects costing hundreds of thousands of dollars -- instead of spending money on hospitals or nursing homes or schools and areas where they should have been putting the money, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Pringle: -- Mr. Speaker, as usual the minister did not answer my question. My question to the minister is: will you meet with this delegation right after question period so that they can tell you their own concerns about this proposal?

Some Hon. Members: mHear, hear!

Hon. Mr. Meiklejohn: -- Mr. Speaker, I would be delighted to meet with the group after question period and discuss this further with them.

Some Hon. Members: mHear, hear!

Government Privatization Plans

Mr. Tchorzewski: -- Mr. Speaker, my question, in the absence of the Premier, is directed to the Associate Minister of Economic Diversification and privatization. Mr. Minister, although your Premier has been claiming that your government has put your privatization agenda on hold, your minister in charge of privatization has been saying quite on the contrary, that it is no longer on hold and they're going ahead with it full steam. And he insists that the government is going to push ahead in spite of what the people of Saskatchewan think. In other words, he doesn't care what the people of this province think.

In view of the fact now, Mr. Minister, that the deputy minister in charge of the Department of Economic Diversification has now confirmed your real agenda in the May 12 edition of the Star-Phoenix, in which he says: "There are hundreds of proposed projects being looked at." And he went on to say that: "There will be more next year and more the year after."

I ask you, Mr. Minister, this question: why do you continue to ignore the wishes of the vast majority of Saskatchewan people? And why do you continue to pursue your privatization agenda and ideology full steam ahead when you know very well that the people of this province have rejected it?

Why, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Gerich: -- Mr. Speaker, when we were elected in 1982, this then Progressive Conservative government was given a mandate to work towards privatization and public participation. And we're looking at the future and marching into the 1990s with some of the innovative ideas that have to come about through talking and visiting with people and getting a consensus on where we're going.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- A new question, Mr. Speaker, to the same minister. Mr. Minister, the consensus has been given to you. A hundred thousand people signed the petition last year saying no to SaskEnergy. Almost 80 per cent of the people of Saskatchewan in a poll released last Friday say no. How much more of a consensus do you need?

Your deputy minister, Mr. Minister, has said that there aren't many areas that will not be considered. He has also said that one out of 10 jobs are going to be affected. Heaven forbid, we've already lost 70,000 people who've gone somewhere else to look for work.

And so I ask you, Mr. Minister, why is your government pursuing this privatization agenda, as you have just admitted it; why are you doing it behind closed doors, secretly? And why don't you do what the people of Saskatchewan have told you you should do and stop it now before we lose any more of those young people?

Hon. Mr. Gerich: -- Mr. Speaker, according to the poll that the SFL (Saskatchewan Federation of Labour) had given the opposition, I think it's a poor indication on their part of the SFL to give only 52 per cent of their membership that are against privatization.

Like where are these guys coming from? Do they want to build a wall around the province here and don't want to diversify? We're into hard economic times here in the province. We have to look at any alternative we can to raise money and diversify and keep our manufacturing going in the province. And that's all there is to it.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- New question, Mr. Speaker. Mr. Minister, your alternatives have not worked. Your economic alternatives have not worked and you're still pursuing them. Mr. Minister, in spite of the fact that seven out of 10 Saskatchewan people oppose your privatization, there is evidence, I remind you that you're doing it anyway. I think it's time you came clean and told the people the truth. Are you developing these programs to privatize hundreds of them, as your deputy minister of this department has said in the Star-Phoenix, or are you not? What is your policy? Is it what the Premier has said, where he has said they're not pursuing it until people are ready for it, or is it what your minister and

your department are doing, in fact implementing it? Which is the correct policy, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Gerich: -- Mr. Speaker, I'd like to improve on the member's memory bank. We had a sell-out in SaskTel bonds; we've had a sell-out in potash sales bonds; we had a call for \$450 million in potash bonds and we could only honour 258 million. The people out in Saskatchewan are very interested in diversifying and being involved in the economy of Saskatchewan. They're not going to be scared off by these scare tactics and talk about doom and gloom and not diversifying.

I cannot get over the opposition's statement and the idea to build a wall around the province and dissuade, and more or less kill any initiative in the business sector of this province.

Mr. Tchorzewski: -- Mr. Minister, universities have quotas of students. We have 70,000 young people who have left this province looking for jobs elsewhere. You don't seem to understand that the Saskatchewan people can do things here well if you would only give them a chance.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- On Friday last, Mr. Minister, your minister of privatization said, your colleague said that Saskatchewan people were behind the world and that their level was inferior to the rest of the world. That's an insult, Mr. Minister. Are you saying by your answers today, that you agree with the minister, the member from Melville, that the people of Saskatchewan are behind the world. Is that what you're saying, Mr. Minister? We don't agree. Do you agree?

Some Hon. Members: mHear, hear!

Hon. Mr. Gerich: -- Mr. Speaker, I think the member, he's behind the world. What my colleague, the Finance minister, said, we are going to drag the opposition kicking and screaming into the 20th century whether they like it or not.

Some Hon. Members: mHear, hear!

Hon. Mr. Gerich: -- We've got more people in Saskatchewan than we did have in 1982. Our mandate given to us in 1982 and again in 1986 is to diversify and improve the province and that's what we're looking at and that's what we're doing.

Some Hon. Members: mHear, hear!

Privatization of Natural Gas Resources

Mr. Lyons: -- Thank you very much, Mr. Speaker. Mr. Speaker, my question today is to the minister in charge of the Saskatchewan Power Corporation. Mr. Minister, in light of the comments made today by the Premier of this

province, and reported on the Canadian Broadcasting Corporation, that he intends to lead Saskatchewan up to his level and the level of the rest of the world, and providing through more privatization initiatives, which I presume will lead to such stellar economic performance as countries like Lesotho and Haiti and Chile and other countries which are enjoying the benefits of privatization, I'd like to ask you a few questions about the future of SaskEnergy.

Mr. Minister, you've given away the natural gas reserves of the province to Saskoil. Will you confirm, sir, today that all that is left for the people of the province is Trans Gas and Provincial Gas, that is the natural gas distribution system of the province? Is that all you've left us now out of SaskEnergy, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. McLeod: -- Mr. Speaker, first of all let me welcome the hon. member back to the legislature from the picket line.

Some Hon. Members: mHear, hear!

The Speaker: -- Order, order.

Hon. Mr. McLeod: -- Mr. Speaker, the gas reserves of SaskEnergy, the gas reserves that were held by Saskatchewan Power Corporation have been sold to Saskoil. Mr. Speaker, Saskoil is a tremendous success story for the people of this province. Saskoil is a tremendous success story for the people of this province. Saskoil now, Mr. Speaker . . .

The Speaker: -- Order, order. The minister responsible for SaskEnergy is trying to answer the question. Hon. members seem to feel they have the answer. However, allow the minister to answer.

Hon. Mr. McLeod: -- Mr. Speaker, just by way of example, the Government of Saskatchewan now owns about 30 per cent of a very, very large . . .

An Hon. Member: -- It's 23 per cent.

Hon. Mr. McLeod: -- The member is saying 23 per cent. I don't have the numbers right in front of me. But the point is this, Mr. Speaker, let me just come to my point. A limited number, at 23 per cent, even if I accept the number -- which is a dangerous practice, I've learned early -- but even if I accept their number of 23 per cent, Mr. Speaker, 23 per cent of a very large company worth more than a billion dollars is worth more to the Government of Saskatchewan than was the total company under the stifling nature that it was held before as a totally owned Crown corporation.

Mr. Speaker, Saskoil now is very much a success story for the people of Saskatchewan and across this country as an energy resource company.

Some Hon. Members: mHear, hear!

Mr. Lyons: -- New question to the same minister. Mr. Minister, may I

preface my remarks by saying this: I'd rather be on the picket line, fighting along with the working people of this province who are suffering the effects of your privatization, than being up in Saskatoon with my snout in the trough where we're going to find most of the Tories in the province. I tell you that now, Mr. Minister.

Mr. Minister, the people of this province are opposed to your privatization. They opposed you selling off the natural gas assets of SaskEnergy. They also oppose your intended moves to sell off Trans Gas and Provincial Gas, the distribution system for the province. Mr. Minister, selling Trans Gas and Provincial Gas would be like selling off the telephone poles and the electrical lines.

Will you confirm in this legislature today, Mr. Minister, will you confirm that it is your government's intention to sell off Trans Gas and Provincial Gas, that that's your intention is to privatize those? Confirm it or deny it, Mr. Minister.

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Well the hon. member is still so confused from his rather disruptive weekend, Mr. Speaker, ranting and railing and picketing in Saskatoon, and generally embarrassing himself and the people of this province.

Having said that, he did ask the wrong minister with regard to SaskEnergy. SaskEnergy has several subsidiaries, Mr. Speaker, and as I have indicated on numerous occasions, as has the Premier, that SaskEnergy would not be privatizing until there was public support for the privatization of SaskEnergy.

Some Hon. Members: mHear, hear!

Mr. Lyons: -- Mr. Speaker, a question to the same minister. I just want to say, when that minister, when the former Minister of Finance stands on his feet, the people of Saskatchewan had better hold onto their wallets.

Mr. Minister, I ask you as minister in charge of SaskEnergy, Trans Gas, and Provincial Gas whether you will stand here in this legislature here today and unequivocally deny that you intend to within the next few months sell off the assets of Trans Gas and Provincial Gas; that you intend to privatize them. Will you deny or confirm that? Yes or no? Simple answer, Mr. Minister.

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Mr. Speaker, the hon. member has made references to me personally. Let me say that the people of this province, having watched the display on the weekend of the picketers in Saskatoon, have very much concern having people like that representing the New Democratic Party shoving pickets down their throats and into their face. Mr. Speaker, that was a deplorable display by the NDP in Saskatoon which embarrassed everybody.

Now, Mr. Speaker, just so the press doesn't get confused, SaskEnergy is the holding company, owns all of those. And we have made it abundantly clear on numerous occasions, Mr. Speaker, we don't intend to privatize SaskEnergy until there's public support for it.

Some Hon. Members: mHear, hear!

Mr. Lyons: -- Mr. Speaker, since that minister wants to answer the questions, I'm going to ask him. Mr. Minister, I'm asking you this very specific question. Do you intend to privatize Trans Gas or Provincial Gas or both? Is that your intention? Yes or no? None of those kind of slippery answers from you, sir. Yes or no, Trans Gas or Provincial Gas? Tell the people of the province the truth.

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Already said, Mr. Speaker, that they're wholly owned subsidiaries of SaskEnergy. We couldn't do it even if we intended to do it, which we don't. Mr. Speaker, I've made it abundantly clear now, on three or four different occasions today, that the government, as the Premier has said, the government doesn't intend to privatize SaskEnergy until there's full public support.

And I restate, Mr. Speaker, again that the hand-picked critic, hand-picked by the Leader of the Opposition, participating in that deplorable display in Saskatoon which embarrassed the city of Saskatoon. And the people of this province, Mr. Speaker, probably stated more, stated more for the people of this province the type of activities endorsed by the Leader of the Opposition, Mr. Speaker.

Some Hon. Members: mHear, hear!

Separation of SaskPower and SaskEnergy

Mr. Hagel: -- I thank you, Mr. Speaker. I direct my question to the minister responsible for SaskPower. Mr. Minister, we just heard the Minister of Justice say, once again, that your government will not privatize SaskEnergy until the people agree to it. Yet we have in this province, Mr. Minister, SaskPower and SaskEnergy with two separate offices, two separate administrations, and two separate bills each month for the people of Saskatchewan. According to the Brook poll released last week, Mr. Minister, clearly over 76 per cent of Saskatchewan people think that this is a complete waste of taxpayers' money. And I ask you, Mr. Minister, I ask you: will you give us your commitment today, your commitment in this House today that you will get rid of this irritating two-bill system for the people of Saskatchewan?

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Well, Mr. Speaker, I think that as the minister responsible for SaskEnergy, we did split the two corporations over a year ago, Mr. Speaker. We made it abundantly clear that having both SaskPower

and the natural gas utility under the same roof, Mr. Speaker, has led to the following. That under the NDP when they were put under the same roof, it prohibited the development of a natural gas industry in this province, Mr. Speaker. It caused, Mr. Speaker, the corporation to emphasize electrical generation without a fair development of the natural gas resources in this province. And they are competing, Mr. Speaker. To show the hon. members, there are some jurisdictions in Saskatchewan, Mr. Speaker, where even the electrical generating utilities are in fact encouraging people to use natural gas. Mr. Speaker, we will soon be announcing a major new initiative to encourage the people of this province to use more natural gas, Mr. Speaker. And I'm sure, I'm sure that that thrust, contrary as it is to the philosophy of the New Democratic Party and their practice, Mr. Speaker, will be welcomed by the people of this province.

Some Hon. Members: mHear, hear!

Mr. Hagel: -- Mr. Speaker, a question again to the minister responsible for SaskPower. Mr. Minister, this weekend a constituent gave me a copy of a bill sent to him from SaskEnergy with these words at the bottom of the bill. It says:

D Did you know that you can pay your SaskEnergy, SaskTel, and SaskPower bills with one cheque in one return envelope?

To which the constituent put the inscription with the payment of his bill, these words:

Did you know you could set a good example by following the above when sending out the bills?

Some Hon. Members: mHear, hear!

Mr. Hagel: -- Mr. Minister, he's right. Mr. Minister, the people of Saskatchewan are right. They are right in their opinion; they are right in their facts. It costs an extra more than \$150,000 a month -- an extra \$150,000 a month to send out two bills, \$2 million a year.

And I ask you, sir: in light of the fact that this can be interpreted as nothing more than yet another wasteful mismanagement expenditure of your government, how do you justify, how do you justify this wasteful expenditure of taxpayers' money perpetuating your goofy two-bill system which gets sent in the mail to Saskatchewan people every month?

Some Hon. Members: mHear, hear!

Hon. Mr. Lane: -- Well I'm sure that the hon. member's wife's bill is a matter of some dispute around the house. Didn't have to bring it to the floor of the Assembly, Mr. Speaker.

But having said that, Mr. Speaker, we made it clear when they were separated, the gas and the electricity, that they were competing forms of energy. They should never have been under the same roof in the first place

because, Mr. Speaker, the people didn't have a choice. Before they had to take the electrical option that was available to them.

Mr. Speaker, we also said at the same time, there was a cause for the separation. But when, Mr. Speaker, we are able to show to the people of this province the immense savings of having the choice between electricity and natural gas, the people, Mr. Speaker, will have some tremendous savings as a result of the separation.

Some Hon. Members: mHear, hear!

MINISTERIAL STATEMENTS

Charge of Mischief in Swift Current

Hon. Mr. Lane: -- Thank you, Mr. Speaker. Mr. Speaker, it deals with the matter of the issue of the charge of mischief laid against a young woman in Swift Current and the resulting criminal proceedings.

Following the completion of those criminal proceedings, the lawyer for the young woman wrote to me to request that an inquiry be held to look into the circumstances surrounding these events. I would advise at the outset that I will not be recounting the facts of the case. I do not believe that in doing so it is necessary, nor do I believe that it is in anyone's interest to do so.

Concerns have been raised about the manner in which these events were investigated. I am confident that all relevant issues were properly and thoroughly examined. My officials as well are satisfied that the police investigations were handled properly, in a manner which was believed to be the fairest to all parties involved.

Furthermore I am advised that the decisions to lay the mischief charge and to proceed with prosecution were made after consultation with the executive director of public prosecutions in Regina, who reviewed the matter with senior members of her staff. Such consultation is neither unusual nor improper. In fact in difficult cases consultation with the head office of public prosecutions ensures that independent judgement is brought to bear.

A number of parties have suggested that the decision to lay the charge of mischief in this instance sends an ominous message. However, it is important to note, Mr. Speaker, that this is not the first instance in our province in which a complainant in a sexual assault case has been charged with mischief. Although formal records are not kept, I am advised that prosecution staff have documented at least six incidents in recent years where complainants have been charged and sentenced in circumstances where false allegations of sexual assault were made.

Charges of mischief have been laid against numerous complainants who have provided false information to the police in other types of offences. The preservation of the integrity of our justice system depends upon the Crown retaining and exercising its discretion in dealing with these cases.

The fact that a number of sexual assault charges have been laid and proceeded with within months of this . . . since this incident, is confirmation that the public continues to have faith in the integrity of our justice system.

Yet it is the very integrity of our justice system that has been questioned by some observers. Has the system let us down or has justice been done? As Minister of Justice and Attorney General, it causes me serious concern when such allegations are raised. All matters connected with the administration of justice in Saskatchewan are ultimately my responsibility and that responsibility includes ensuring that the integrity and independence of the various components of the criminal justice system are jealously guarded.

After reviewing this matter, I'm satisfied that the decisions which have been made were based only upon relevant considerations and that extraneous pressures played no part. Indeed, in the judgement handed down by Judge King, he quite properly characterized certain threats against the Crown as silly. Certainly they were not a factor to be considered by the Crown. The Crown must always function and be seen to function in a dispassionate and independent fashion. This long-standing principle was, in my view, not compromised in any way in this case.

And I'm equally confident that the decisions to initially lay charges against two Swift Current men and later to stay those charges were based only on proper and relevant considerations. In each case the decision was made in consultation with the executive director of public prosecutions. A stay of proceedings is a formal mechanism in the criminal code for ending a prosecution.

I'm advised the decision to direct a stay was made only after a thorough consideration of the matter. The conditions of a stay of proceedings allow the charges to be reinstated any time up to one year following the imposition of the stay. Again, any decision in this regard will be taken by the public prosecutions division of the Justice Department.

I have now completed my review of the circumstances surrounding these matters and I believe that a public inquiry would not serve the administration of justice.

Some Hon. Members: mHear, hear!

Mr. Koskie: -- Mr. Speaker, I want to make a brief comment in respect to the statement made by the Minister of Justice. I note that the issue here in the Swift Current issue is in respect to a young lady proceeding to lay a sexual assault charge. And as a consequence out of that, she was subsequently charged with mischief and a stay of proceedings as against those who she had alleged the offence had taken place.

The Minister indicates that this is not in his view ominous or unusual. He indicates that in checking it he has found six other cases, incidents in recent years where complaints have been charged and sentenced in circumstances where false allegations of sexual assault have been made.

But this is completely different. Here there was a charge laid of mischief against the individual who laid the complaint for sexual assault. And she, by the way, was acquitted.

That in itself is ominous, that a woman goes to report a sexual assault; as a consequence it's reversed and a mischief charge is laid against the woman. She is acquitted and the Minister of Justice says there's nothing unusual about that. How can you possibly expect justice to be continued and the protection of women, if indeed what the minister says is true and that justice has been served in this case?

I say, Mr. Minister, I suppose that down in Newfoundland or over in Nova Scotia the Minister of Justice in some of the cases that have been aborted, stood up and said the same thing -- that justice has been done; that no public inquiry is necessary. But I'm saying to you that there is an ominous cloud message here and it should be looked at and not put under the rug.

I don't think that we're satisfied, Mr. Minister, in what is taking place here because the woman was acquitted and there is no indication of proceeding with the charges in respect to the male persons that were initially charged.

Some Hon. Members: mHear, hear!

National Tourism Awareness Week

Hon. Mr. Gerich: -- Mr. Speaker, it's my pleasure this afternoon to announce Saskatchewan's participation in National Tourism Awareness Week from May 14 to May 20. This is the fourth annual National Tourism Awareness Week. It is a special celebration that was started by a 25-member council of national and provincial industry associations, plus private sector and government representation.

Mr. Speaker, the objective of this week is to increase public awareness of the importance of the tourism industry. Saskatchewan tourism is joining about 60,000 tourism businesses across Canada in observing National Tourism Awareness Week. It represents approximately 631,000 Canadians that are directly employed and another half million people who received part of their income from the industry.

Nationally, tourism generates \$24 billion in revenue a year, and that makes our industry a major employer and a contributor to our national economic well-being. In Saskatchewan, tourism generates between 650 and \$700 million annually and employs about 20,000 residents in various sectors of the province.

The tourism industry is very complex; it's made up of many components. Tourism is involved in transportation, food services, and accommodation. It's also events and attractions. Tourism can be as obvious as a four-season resort or the unnoticed small gas station down the street. But most of all, Mr. Speaker, tourism is people. It is the people and their

hospitality that makes the difference in the tourism industry.

Tourism is a key component and an effective vehicle in helping the province achieve its potential for economic diversification. Almost every community and region in Saskatchewan can grow with tourism.. Those who understand tourism realize that partnerships are absolutely vital to the tourism industry.

In Saskatchewan, many tourism accomplishments have been made by partners. Mr. Speaker, I would like to say that we are working hard to develop Saskatchewan's tourism resources and attract more tourism business. Our tourist industry has to compete with the rest of the world.

But, Mr. Speaker, we have an ace in the hole. It's our people and their famous Saskatchewan hospitality. And, Mr. Speaker, that is why the tourism industry will continue to grow and contribute to diversification of our province.

(1445)

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- Thank you very much, Mr. Speaker. I would like to make a few comments with respect to National Tourism Awareness Week. I know that we understand in our country that tourism has such a potential and I think it's not unlike . . . Saskatchewan is not unlike any other area of Canada in that we do have a great deal of potential.

But I want to say, Mr. Speaker, what's been happening with respect to this government's attitude towards not only the people through taxation and services delivered; people who we are expecting to come into this province also understand what's happening in Saskatchewan. And I say it's a sad day, Mr. Speaker, when this government will get up and make comments with respect to being involved in the awareness week but not being aware of what they're doing in this province.

Mr. Speaker, since 1982, we've seen a tremendous deterioration of our highway system. The quality has declined, which certainly can have nothing but a negative effect upon tourism. We've seen massive park and camping fee increases since this PC government took power in 1982. We've seen golf course fee increases, Mr. Speaker; we've seen fishing licence increases, Mr. Speaker; we've seen hunting licences increase dramatically. And, Mr. Speaker, what I would suggest is this government is taxing themselves out of the business.

Mr. Speaker, there is no doubt that the new federal goods and services tax to be implemented by their cousins in Ottawa is going to have a dramatic impact on the effects of tourism from out of this country. Mr. Speaker, I would suggest that the agenda of not only this government but of their federal counterparts, whether it be unwittingly done or whether it be by design, is having a negative impact on tourism in Saskatchewan and indeed on the rest of this country. When you look at the amount that American tourists are asked to spend on gasoline to fuel their vehicles now and just

shortly they removed the 10 cent rebate even for local residents. Mr. Speaker, we sit with the highest . . . the \$40,000 income family, in this country, is taxed the highest level of anywhere in the country. And the facts are, Mr. Speaker, that disposable income is disappearing, and our Saskatchewan residents don't have the wherewithal to spend on tourism in this province.

And I would want to say that perhaps this should be Saskatchewan government awareness week -- awareness of what they've been doing to the middle income people in this province and what you've been doing with disposable income. And they should become aware of why some 70,000 people have had to leave our province, people who could be spending incomes in this province if this government had really been able to diversify and create job opportunities for our people in Saskatchewan so that they could spend their holiday money in here instead of in Alberta and British Columbia and Ontario where many of them have had to move.

Mr. Speaker, there's another aspect to this government's ignoring their surroundings, and that's the environment, Mr. Speaker. The Environment Minister had to be shamed into acting on behalf of the Saskatchewan people with respect to the Aurum dump site in Edmonton -- the Aurum dump site that has the potential to pollute one of the most beautiful rivers in this province, the North Saskatchewan River. The Rafferty-Alameda project, without the proper environmental impact studies, this government bulldozes ahead, and even their federal cousins in Ottawa chastised . . .

The Speaker: -- Order, order! Why is the hon. member on his feet?

Mr. Swan: -- Mr. Speaker, the member is responding to a statement made and he's off base as far as the subject area. I think that he should be brought to order.

The Speaker: -- Order, order. I'm pleased that the hon. member actually rose, because if he hadn't I would have at the end. And I was going to bring to the attention of ministers and opposition members that according to Beauchesne's, Sixth Edition:

Government and Opposition contributions should be brief and factual. The purpose of the ministerial statement is to convey information, not to encourage debate.

The first ministerial statement which we heard today was not what I would consider brief. The reply to the ministerial statement, which we are listening to now, is also not what one would consider as brief. We are getting into debate rather than simply responding to the statement. So I ask members on both sides of the House to remember ministerial statements should be brief, factual; answers similar.

Mr. Lautermilch: -- Mr. Speaker, I respect your ruling. The enthusiasm with which I entered my remarks may have been a little excessive, and I will try and close my remarks off here very shortly.

The point really, Mr. Speaker, that I was trying to make was that

environment is such an important part of tourism and that we have to be careful to protect that. And I would want to say, Mr. Speaker, that members on this side of the House understand the thrust of National Tourism Awareness Week. We fully concur with those who want to enhance tourism in Canada and indeed in Saskatchewan. I was merely trying to point out the shortcomings of this government with respect to tourism in Saskatchewan. Thank you very much.

Some Hon. Members: mHear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure
Highways and Transportation
Ordinary Expenditure -- Vote 16

Item 1

Mr. Chairman: -- Would the minister introduce his officials.

Hon. Mr. Petersen: -- Thank you, Mr. Chairman. I'd just introduce to you, Mr. Jack Sutherland, the deputy minister; Myron Herasymuik, the assistant deputy minister; Bob Cocks, director; Colleen Lang, Paul Fitzel, Phil Pearson, and Bill McLaren.

Mr. Brockelbank: -- Mr. Chairman, Mr. Minister, I wanted to start off my questioning this afternoon on something that occurred about 32 or 33 days ago -- that was the annual convention of the Hudson Bay Route Association, was held in Dauphin, Manitoba on April 9 and 10.

While I was there as the Highways and Transportation critic, I had a number of people, and there were 132 registered delegates there, Mr. Minister -- you were notable by your absence -- and a number of people asked me, well, what is Saskatchewan's policy on the Hudson Bay Route Association as regards transportation, and what is Saskatchewan's policy on the maintenance and improvement on the Port of Churchill for importing and exporting products which may come from the Prairies or be desired on the Prairies.

I wonder if the minister can give me his government's policy on those two areas.

Hon. Mr. Petersen: -- Thank you. Mr. Chairman, our position on the Port of Churchill and the line is, as it always has been, we support the movement of grain on that line. We support the use of that line for both the people in the Port of Churchill, the people of the North, as well as for the farmers of eastern Saskatchewan and Manitoba who do ship quite large numbers of bushels of grain through that particular port.

We have lobbied the federal government on a number of occasions to continue the operations of the port as well as to upgrade it. And further to that I have had meetings with the Minister of Highways from the province of Manitoba and voiced to him my support for that particular line.

Mr. Brockelbank: -- Mr. Minister, I want to examine for a moment or two the depth of the minister's commitment and his government's commitment to the Hudson Bay Route Association and the Port of Churchill. Mr. Minister, it's my understanding that the Port of Churchill Development Board used to get a grant from the Government of Saskatchewan and you cut off that grant in 1987. Is that true? And what was the size of that grant and how long had that grant been in effect?

Hon. Mr. Petersen: -- Mr. Chairman, that is indeed the case. The payment was suspended in 1987. We felt that the Port of Churchill Development Board was perhaps a roundabout way of getting our point across. We felt that if we went directly to the federal people, dealt directly with the federal minister, we would have a greater degree of success, and continue to press our points to this very day.

Mr. Brockelbank: -- Mr. Minister, you've confirmed that you cut off the grant. I asked you: what was the size of the grant? Was it the same size each year?

Hon. Mr. Petersen: -- I'm advised that the final year the grant was \$37,130.

Mr. Brockelbank: -- And what was the grant in the year previous to the final year, and the year previous to that, and the year previous to that? How many years has it been in effect?

Hon. Mr. Petersen: -- I'm not certain as to how many years it was in effect. The numbers I have go back to 1984-85. It was \$36,048 in '84-85; \$36,048 in '85-86; \$37,130 in '86-87.

(1500)

Mr. Brockelbank: -- I wonder at a later time, Mr. Minister, if you can confirm those figures in writing to me -- when that grant started, what it was each year, and how many years it's been in effect. I would like to know.

Mr. Chairman, the Hudson Bay Route Association is there for the promotion of the Port of Churchill and the movement of goods to and from on that railway. I want to check the degree of commitment of this minister to that body which is made up, in large part, of Saskatchewan people, many of them the 132 delegates that were there at the Hudson Bay Route Association meeting in Dauphin.

What was the size of the commitment of the grant that this government made to the Hudson Bay Route Association? When was that grant cut off, if it was? And how many years has that grant been paid?

Hon. Mr. Petersen: -- I can get the member the same information regarding the Hudson Bay Route Association as the Port of Churchill Development Board. I'll give it to him at that time. Last year the actual payment to the Hudson Bay Route Association was \$1,000.

Mr. Brockelbank: -- What was the last year, Mr. Minister?

Hon. Mr. Petersen: -- The last year was 1987-88, sir. Pardon me, I should have said '86-87.

Mr. Brockelbank: -- Mr. Minister, I'm beginning to doubt the depth of your commitment to the Hudson Bay route as a means of moving goods out of the prairie province or into the prairie province of Saskatchewan.

The depth of your commitment to the association, to their annual meeting is demonstrated in a letter that was sent on March 30, just a short while before their annual meeting. I'm going to table a copy of this letter once there's a page available because I think the people of Saskatchewan should be made aware of the kind of lip service this minister -- table it with the Clerk -- that this minister and his government give to the Hudson Bay Route Association in the Port of Churchill.

On March 30, an executive assistant of the minister, by the name of Bob Coulter, communications assistant, wrote a terse three paragraph letter to the Hudson Bay Route Association. The operative part of the letter was the mid-paragraph, the second paragraph. It states:

It is with deep regrets that I must inform you that due to the legislature being called to session and out-of-province travel cancelled, the minister will not be able to attend this year's convention.

That is the mid-paragraph. The other two are inconsequential as it relates to the argument. I want to know, what is the travel policy of the ministers of Crown that prevented this minister from going to the Hudson Bay Route Association convention in Dauphin, Manitoba?

I know I took a little money out of my transportation fund and I took a couple of days off from the legislature and I went up there. I thought it's important enough that at least the critic for the Highways and Transportation in Saskatchewan should be there at that most important convention, because over the years I've seen this organization striving to attain their goal of making the Port of Churchill viable through the Hudson Bay Route Association.

And I want to know, Mr. Minister, what is the out-of-province travel cancellation that prevented you from attending the conference?

Hon. Mr. Petersen: -- Mr. Chairman, on the dates in question, I was dealing with some personal business on the 3rd and 4th, and that was one of the reasons why I was not able to attend the conference.

As well, out-of-province travel is limited. We do not condone travelling out of the province easily. I don't intend to make a practice of

travelling out of the province at the taxpayers' expense now or in the future, Mr. Chairman. And I feel that our support, direct support, of the Port of Churchill, as voiced to the federal government in Ottawa and as voiced by me to the Minister of Transport for the province of Manitoba, is more than sufficient to cover off the needs of the people involved with this particular association.

Mr. Brockelbank: -- Minister, I believe you stated that you were busy with personal matters on the 3rd and the 4th, and I can understand that. I'm not interested on the 3rd and the 4th, Mr. Minister; I'm interested on the 9th and the 10th. I wonder if you could have another look at your appointment book.

Hon. Mr. Petersen: -- I'm sorry, Mr. Chairman. I should have said the 9th and 10th. I was looking at the previous weekend.

Mr. Brockelbank: -- Well I suppose that's permissible for a minister to use some kind of a cover when he can't attend a meeting. And the cover that the session was on and that out-of-province travel was cancelled was your cover, at least according to your executive assistant.

I don't know that the people at Hudson Bay Route Association accept that. They thought it was pretty thin soup that they were being ladled out by the Minister of Highways and Transportation from the province that stands to gain probably the most of any province from the Hudson Bay Route Association attaining their goal about the use of Port of Churchill.

I wonder, Mr. Minister, if you can indicate to me what you believe to be -- since you're lobbying with the federal officials, directly, and with the officials in Manitoba, directly -- what are the benefits of the Port of Churchill to Saskatchewan people? Give it to me in dollars and cents, Mr. Minister.

Hon. Mr. Petersen: -- Now, Mr. Chairman, the benefits in dollars and cents depend largely upon the sales offshore of grain that's raised in the eastern part of Saskatchewan and in Manitoba. And many of those sales are controlled, not by the people in Saskatchewan or the people in Manitoba, they're controlled by a number of items, including the policy of the Government of Canada, the requirements of world markets that have traditionally been served through this particular area, as well as the shipping and transportation facilities that are available by the grain companies and the railroads.

There have been a number of studies done on the Port of Churchill as to how many dollars per tonne could be saved. There are a number of studies that have been done on both sides of the fence. There are those that say we should cancel the port out of hand, that we should just shut it down. I don't happen to be one of those people. And for the member opposite's information, I farm on the east side of the province, and the grain from that particular area of the province has gone through the Port of Churchill in the past. With the opening up of the Prince Rupert terminal, improving the terminal in Vancouver, there is and has been a great desire not to use the Port of Churchill because of the availability of these other ports and

their access to new markets that was and has been developed.

My opinion, my personal opinion, and I will give you my personal opinion now, sir, is that the Port of Churchill has been underutilized by the federal government in the past. It could have been upgraded to a greater extent than it has been. There have been a number of times when the port was almost shut down and only through lobbying by groups and governments has the port managed to continue to stay open.

Direct lobbying to the federal government, as I said earlier, is probably the best way that we can go. As a government representative, I agree that that is the best way we should go and I have been doing so. I can give you several different studies, if you would, several different numbers. I've met with people from the Hudson Bay Route Association. Their estimates run into the millions of dollars. I can perhaps break it down on a per tonne basis.

Then the railroad comes along and says, but it costs us so much to keep this line open that it really isn't worthwhile. We should shut it down. I tend to disagree with the railroad. I've fought close to 20 rail line abandonment hearings around the province of Saskatchewan, and I won't say that I have not seen you at any of them, but there has been a few of your colleagues that have attended them as well on your side of the House and did their part in attempting to keep the branch lines open in the province of Saskatchewan.

The branch line argument, the anything but main line operations, are not at this time the greatest idea to maintain and to keep operating as far as the railroad is concerned. They would like to see all the branch lines shut down and all of the grain-dependent lines shut down. Their stated purpose is to see 40 per cent of all the remaining branch lines shut down by the year 2000.

I, sir, have fought hard against that happening and have not always received the support that I would have liked to have had from grain companies and the railroads and the federal government. And the same thing applies to the Port of Churchill and the Churchill line.

Mr. Brockelbank: -- Mr. Chairman, if the Minister of Highways and Transportation for Saskatchewan is looking for a more efficient way to lobby the powers that be, namely the province of Manitoba and the government at Ottawa, he will have to have a more cogent arguments than he's given me right now about why he thinks the Port of Churchill is a good idea, to keep grain flowing through there.

I'll want to have a look at some of the studies the minister refers to which validate in concrete terms, getting rid of all the if's, and's, and but's of the argument that you put to the federal government and to other interested parties about the viability of the Port of Churchill. I must admit that I haven't heard it here now, Mr. Minister.

There is a lot of support for the Port of Churchill. I'll just refer to . . . and I have some resolutions here from SARM, Saskatchewan Association of

Rural Municipalities. You must be aware of that, Mr. Minister.

In 1988 a resolution went from SARM and it had three parts in the "be it resolved" section. The first part urging the Government of Canada and their respective agencies to co-operate in every way in order to ensure maximum use of the Port of Churchill, etc. And the (b) part:

That the CN Rail take a more aggressive attitude to ensure adequate grain transportation services to the Port of Churchill.

And three, the (c) part:

That the province of Saskatchewan reinstate their funding to the Port of Churchill Development Board and the Hudson Bay Route Association to enable the Port of Churchill to operate effectively and to continue to maintain the service to western and prairie farmers.

(1515)

That's back in 1988 right after you cut off . . . you and your government in their policy decision, decided to cut off those grants that I referred to earlier in my comments.

We had the Saskatchewan Association of Rural Municipalities go on in 1989 convention indicating that, be it resolved that the federal government issue without delay, a clear statement of policy supporting the continuity and use of Hudson Bay rail and port route. And it goes on with other . . . there are other supporting arguments and be it resolveds.

In 1989, 1990, we'll go right to 1990, be it resolved that the federal government issue without delay a clear statement of the policy supporting the continuity and use of Hudson Bay rail and port route, and be it further resolved that the federal government commit to improving the route's infrastructure, thereby removing restrictions to its use that now exist and thereby reversing the negative atmosphere and attitudes that now exist regarding this important national asset.

What discussions have you had, Mr. Minister, with the SARM to get their support fully behind your provincial representations to the federal government?

Hon. Mr. Petersen: -- Mr. Chairman, in answer to the member's question, I was at the SARM convention this year in my capacity as Minister of Highways. I have attended other SARM conventions as well, in other capacities. At the convention, I took the opportunity to speak to a number of people who were there -- councillors, reeves, administrators -- some from the east side, and we talked about the Port of Churchill. I'm fully aware of the proposals that SARM has made and of their resolutions that have come forward. And I support the position that the Port of Churchill is a necessary part of our Canadian transportation system and it should be maintained and it should be upgraded, and we have called upon the federal government to do so.

If you're looking at . . . if you're looking at the other things that the Port of Churchill has going for it, that's the only link . . . pardon me, the line has going for it, it's a rail link that provides passenger service for people into the port. It's a supply route, a resupply route for the people who live in that particular part of the countryside. So it's not only grain that we see moving out on that particular line, but it's people and goods as well.

Mr. Brockelbank: -- I will look forward to, Mr. Minister, receiving your arguments that you've put to the federal government and the authorities that you feel that need to be influenced on this particular topic. I'll look forward to receiving those from you so that I can examine them.

In the meantime, I think you've got a problem, Mr. Minister. It's that you've got too much lip service to this idea and not enough concrete action. You have lip service from Yorkton MLA, Canora MLA, Pelly, Kelsey-Tisdale, Nipawin, Kinistino, Melfort, and of course Melville. We're aware of the member for Melville and the kind of representations he makes to the federal government on behalf of Saskatchewan people. And we're aware of the member from Melfort and the kind of ineffectual representations he's made to Ottawa with regard to VIA Rail, backed up by your government.

So I'll be looking forward to seeing some of that information in due course, Mr. Minister, which may serve to convince me that you in fact in effect do support the Hudson Bay Route Association.

Want to move into another area, Mr. Chairman, and this is some unfinished business from last year's estimate. I want to ask the new Minister of Highways, and I say to the new Minister of Highways that I don't hold him primarily responsible for what has occurred here, but I think he has some responsibility.

Last year in the questioning of estimates for the Department of Highways, I asked the minister on page 2503 of the debates, I made reference to 20 Air Canada reservations people being laid off in Saskatchewan. I concluded by saying: "I wonder what the minister has done about making representations to Ottawa on this item."

The minister, right after that, responded by saying:

I want the member to know that I will be making firm and solid representations to Air Canada on this matter. I at this time do have a letter drafted, a letter that I'm not completely satisfied with. I do have one drafted, and I will be making changes to it over the next day or so . . . that letter will be going out, and I expect over the fax machine so it gets there in a quick fashion to the president of Air Canada.

I wonder, since the minister had said that he had the letter, he was going to fax it to the president of Air Canada, I wonder if the minister could assure me that he will take care of this bit of unfinished business and provide me with the information that he sent to Air Canada.

Mr. Chairman: -- Why is the member on his feet?

Hon. Mr. Maxwell: -- I wonder, with the leave of the Assembly, Mr. Chairman, if I could introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Maxwell: -- Thank you, Mr. Chairman, and I thank the members of the opposition, particularly the Highways critic, for allowing me to intervene in the debate. I'll keep it as brief as possible.

Seated in the west gallery, Mr. Chairman, today is Gerry Davis; he's a screen-writer from Hollywood, California. He's originally a Canadian citizen, and I may say it would be very nice if we could keep our Canadian citizens in the film industry at home in Canada, and of course primarily in Saskatchewan. He is accompanied by Suzanne from our film development office today. He's scouting locations and he's doing a little research into Grey Owl. He's also a writer who's done work for Dr. Who, on PBS (Public Broadcasting System).

I ask all members of the Assembly to accord him a warm welcome. Thank you.

Hon. Members: mHear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure

Highways and Transportation

Ordinary Expenditure -- Vote 16

Item 1 (continued)

Hon. Mr. Petersen: -- Mr. Chairman, in response to the member's question, we will provide that letter for you, sir, as quickly as possible.

Mr. Brockelbank: -- I don't want you to fall, Mr. Minister, into the tardy habits of the previous minister of Highways. There are a few other items of unfinished business. When you say as soon as possible, I'm expecting you really mean that; not as the previous minister of Highways meant when he said, right away, quick.

The second question that was left over from last year had to do with a gentleman by the name of Mr. Katzman, and it occurred on page 2508. The minister in responding said, on page 2508, first column near the bottom: "I would be prepared to offer to the member opposite, the total mileage claimed by Mr. Katzman."

Later on, immediately after that I said: "I also ask, Mr. Minister, for any other allowances that Mr. Katzman claimed and was paid for" be also submitted.

I haven't heard from the minister. I wonder if the new Minister of Highways could give me his assurance that he will provide an answer to that question.

Hon. Mr. Petersen: -- The numbers that you are looking for, as far as kilometres are concerned would be 23,824 kilometres by private vehicle; time span December 15, '87 to May 25, '88; and CVA (central vehicle agency) vehicle, May 26, '88 to May 3, '89, 42,231 kilometres, sir.

Mr. Brockelbank: -- That also asks for any other allowances, Mr. Minister, that were paid to Mr. Katzman or that he claimed.

Hon. Mr. Petersen: -- Sir, I don't have those exact numbers, but it would be the same allowances that were available to a person in that similar situation under the previous administration when you were in office.

Mr. Brockelbank: -- I wonder if the Minister in due course could provide me with the written information as it relates to Mr. Katzman.

Hon. Mr. Petersen: -- Mr. Chairman, as is the past practice of this Assembly, terms and conditions of that type of a contract are not available to this Assembly, and I will just maintain that same procedure, sir.

Mr. Brockelbank: -- Well perhaps, Mr. Minister, it seemed to be indicated to me last year by the minister that some information would be forthcoming to me because of my question. However, I'll get back to Mr. Katzman a little later.

I'll move on to the next subject, and it has to do with a person by the name of Vera Nicholas, who received education leave under The Public Service Act, special education leave, and this is on page 2511, about half-way down the first column. The Public Service Act specifies with regard to educational leave, "It is something that will improve their ability to perform their current duties."

Now Vera Nicholas went to the School of Foreign Service in Washington, D.C. I was a bit concerned about how this would improve her ability to carry out her duties. And the minister informed me at that time that they ceased paying money on behalf of the paid leave in the summer of 1986. I had assumed, since she went on a course that might take four years, that it would be concluding last year or thereabouts.

So I asked the minister, would the minister say how much Dis being spent on educational leave for her such as tuition or whatever else she qualifies for. The minister responded, "We do not have that type of information with us here this evening. I would be prepared to try and find that information out for you and get back to you on it."

I wonder if you could carry out the responsibility of the previous minister and his commitment to this House that he would provide me with that information.

Hon. Mr. Petersen: -- Yes, sir, I'll keep the commitment that the former

minister of Highways made to you. The education leave in question was August 15, '85, to August 15, 1986, and during that term, the department provided assistance of \$27,662.

(1530)

Mr. Brockelbank: -- Might I ask, Mr. Minister, why you're able to refer to that information right here and now?

Hon. Mr. Petersen: -- Yes, sir, you may ask, and I will give you an answer. And I'm not trying to be provocative, but in preparation for estimates there were a number of outstanding issues that I said I'd like to have taken care of before we got into estimates. And I had hoped to be in estimates some time sooner than what we actually arrived at. Every day it seemed like we were just kind of going to go in and then we weren't, and then we were going to go in and then we weren't. And I'm sure you understand the feeling.

And I had this information prepared for you and I had planned to give it to you the first day of estimates, and I will send it over to you now, if I may, sir. It includes not only questions with regards to the last two people you've asked for, but all of the other information that you requested at that time. And I will just ask that that be brought to you at this time.

Mr. Brockelbank: -- Well, Mr. Chairman, I assure the minister I'm not provoked. I'm just sad that the minister had the information available at least three weeks ago, if not a month ago -- at least three weeks ago -- and didn't give the information to me. I think it would have facilitated the movement of his estimates through this House.

Now I don't have time to review this right at this moment, so I have to go on, Mr. Chairman, you'll understand, to go down this list of questions that were unanswered by the previous minister to find out if in fact the minister has now provided me with the information. I asked last year for, and received, the number of units in the equipment fleet as of March 31 and the figures for 1989. I'm now asking, and if I can get a page to take this over to the minister, for the figures for 1990.

At the same time I was dealing with that subject, on page 2514 of the debates of this House of this committee, I was asking the minister about certain equipment such as trucks that would have come out of the Swift Current district and being sold. The minister, after he'd heard my question, answered, and this is his answer, "You bet we'll provide that for you." That's as decisive a statement as I was able to get out of the minister all last year. And that information has not arrived, Mr. Minister.

At the same time on the same page, I asked the minister for a list identifying equipment that had been transferred to New Careers and what were the considerations that were given at that time. And that information has not been provided, Mr. Minister. I wonder if you can assure me that that information is here or that you will provide it, in fact.

Hon. Mr. Petersen: -- Yes, sir, it is there as you requested last year. And all I can say is that you have it now. I can only apologize for the fact that we were not able to come to a mutual agreeable time to get into estimates earlier.

Mr. Brockelbank: -- Well, Mr. Minister, thank you for having that information prepared for me. I was concerned about the amount of money that this Department of Highways had been spending on communications. The figures for a period of time in the history of the department are actually quite astounding. And I will refer to them later on, Mr. Minister, when I come up with them.

But I do want to find out, as I asked for in page 2515 of the debates of this committee last year: the minister had stated some of these advertising expenses come out of communications branch, some come out of capital budget; whereon I proceeded to ask the Minister:

I want to, for this year under consideration, the budget year under consideration, Mr. Chairman, . . . (to) get a breakdown of all payments that you estimate you'll have in the department in each of these categories you mention -- maps, tendering, advertising . . . hot line, orange zone, whatever -- broken down by major categories . . .

And the minister responded:

I do not have that information broken down specifically as you requested it, but I'll be happy to provide that type of information to you.

I wonder if you would follow through on the commitment of the previous minister and be happy and give that information to me. And while you're doing it, Mr. Minister, I will ask you for the same information for the 1990-91 period, if you can provide that at the same time. Because I'm concerned about the multimillions of dollars that this department spent in advertising over a very short period of time.

Hon. Mr. Petersen: -- In 1989-90, programs like the orange zone, the hot line, construction zone safety, bans, road restrictions, salvage of hay, ATVs (all-terrain vehicles), so on and so forth, had a cost of, an actual cost, of \$285.623 thousands.

So in 1990-91 it's estimated that we will have an expenditure of about \$205,000. So we have had a considerable drop from 1989-90. That's the totals. On page 3 of the information I sent over to you, the advertising budget 1989-90

-- as you requested on page 2515 -- is shown for you.

Mr. Brockelbank: -- Thank you, Mr. Minister. I appreciate that. And I mentioned earlier, Mr. Chairman, my concern about the amount of money that this department spent on advertising. In the period March 1, '84 to May 17, '88 -- a four-year period -- this department, with two advertising firms, spent \$2,329,939 in advertising.

There are not many departments that spent more than that. Actually that's about number seven on the list, the highest one being a Crown corporation, SaskTel, which spent over \$6 million in that same four-year period. But you're right up there with over \$2.329 million.

You can understand my concern, Mr. Minister, and the concern of the public when they see the massive amount of advertising that this government has had spent over a four-year period, running into the tens of millions of dollars, most of which, or a good part of which, would be totally unnecessary and self-effacing type of advertising.

So you can understand my concern, Mr. Minister. I'm glad you provided that information as you have stated.

I want to move on to the next item on page 2516, Mr. Minister, with regard to the property management corporation. I asked:

Mr. Minister, could you, in due course, in order to save time of the committee, provide me with a list that would show the major components for the increase of \$582,100 in your property management item, subvote 29, which would identify the amount of money in each of those major categories. And where it's a replacement building, regardless of where, could you identify that as well.

The minister responded:

Yes, I'd be more than happy to provide that information, broken down as you requested.

I assume . . . am I correct, Mr. Minister, in saying that you have provided me that information in the package you sent over?

Hon. Mr. Petersen: -- Yes, that's correct.

Mr. Brockelbank: -- In page 2572, I asked the minister about an explanation of the standard contract. And I asked the minister to specify:

. . . the number of day-labour contracts that have been issued by you where it was issued to the same person more than once, leaving out all the ones where it's just one day-labour contract issued in, say, last year and the year before, for comparison's sake, where there was a repeat of the day-labour contract or it was an extension of the day-labour contract, and the figures to support the extension and what it was for and and who it was.

The minister responded:

That is information that we don't have with us this evening, but I'd be pleased to provide that information to you. It's information that certainly is kept by the department, and we would provide it in a form that I am sure will be satisfactory to you.

Might I ask you, Mr. Minister, if the coffee boy, if the previous minister,

the coffee boy, got you to provide this information to me at this time? Has it been provided to me? And if it has, will the minister assure me that he will give me the comparative figures for 1990-91?

Hon. Mr. Petersen: -- Don't be too hard on coffee boys. They're a necessary part of keeping the world turning. And to be more specific to your question, yes, that information is provided for you and I will once again be happy to provide that information for this current year to you. I will also make the commitment to you that you will have it before estimates start next year.

Mr. Brockelbank: -- May be too late for me, Mr. Minister. I'm not going to last for ever you know. I'll need it before that, Mr. Minister, and I'll hold you to that. It could be too late for all us, I expect.

On page 2574, I asked the minister:

If I can get you to provide me with . . . attach the dollar figures to the carry-over, going from '88-89 to '89-90. Can you give me the dollar figures for the carry-over on the items in grading, surfacing, and bridges at a later date.

The minister once again was pleased to provide me with that information which never came. Wonder if you've provided that to me? And can you provide it for '90-91?

Hon. Mr. Petersen: -- Again, Mr. Chairman, I am pleased that that information is in the package that was sent to the hon. member, and I will again give my commitment that for '90-91 that information will be available to you before next estimates.

Mr. Brockelbank: -- There was some information . . . (inaudible interjection) . . . yes, you better hurry along, Mr. Minister, because time may be running out on you. There was some other information on page 2574 which I had asked for, and it's related to my concern about overweight vehicles on the highways of Saskatchewan, and I wanted to know where it is concentrated. The minister responded:

I have consulted with my advisers and they will attempt to get a satisfactory answer for you. I would only ask your indulgence that if they do have trouble in providing (that) in the exact form that you ask, that you grant some leniency to what I have been advised is a very difficult type of a task. But I think we should be able to provide some sort of information that should give you, in a general sense, some of the heavy users of permits, if you like.

I proceeded on on the next page, 2575, with a further comment, and it had to do with Weyerhaeuser corporation. I asked:

. . . can you also identify, along with several significant companies or persons who have a large number of permits each year for overweight, could you also identify Weyerhaeuser's permits as well, and the general location.

And the minister responded, "Yes, we can." Have you provided that, Mr. Minister, and can you provide the comparative information for those two questions for '90-91.

(1545)

Hon. Mr. Petersen: -- Mr. Chairman, it's difficult for me to predict the number of permits that will be required this year for '89-90. You do have the information in the package that was sent to you, and it lists them out very, very clearly and very succinctly.

Mr. Brockelbank: -- I take it then, Mr. Minister, that you will provide that . . . you have provided part of that information and can provide it at a later date when it becomes available.

Hon. Mr. Petersen: -- Yes, that's correct.

Mr. Brockelbank: -- I had a further question to the minister last year, and it had to do with a statement I had read about a \$3 billion payment to Ottawa of taxes that were generated by highway taxes. It's on page 2575. I concluded my remarks at that time by:

I would look forward to receiving from you the figure that you estimate, or the estimated or actual figure for Saskatchewan for, say, the last two or three years, so I've got a picture of what kind of revenue Saskatchewan is turning into the federal government (with regard to taxation).

Has that information been provided to me, since the previous minister didn't provide it, and can you give me the estimates for '90-91 in that same general area?

Hon. Mr. Petersen: -- Yes, sir, the information as well to that question is provided for you. It's rather difficult to give an accurate amount of fuel tax because the records are kept on a regional basis rather than a provincial basis by the federal government, some other things in there.

We've made some assumptions because taxes vary, depending on regular fuel versus unleaded, premium gasolines. So we couldn't quite break those down. The best information that we have was -- and it's in your package -- during 1988 Saskatchewan residents remitted about \$200 million worth of taxes in fuel tax to the federal government.

Mr. Brockelbank: -- And I take it, Mr. Minister, you will provide the estimate for the coming year.

Hon. Mr. Petersen: -- Yes, we will provide the same information that we've given you for this past year in due course, as soon as we have the information.

Mr. Brockelbank: -- Mr. Minister, I asked you . . . the previous minister a question on page 25(e) about branch line rehabilitation expenditures. And that's a program that was due to conclude.

I had asked, in order to save time of the committee last year, to get a total financial commitment that was made under this program; how much of that commitment remains to be used, and if it's incumbent upon the government or your department to assist in any way making sure that the commitment is expended in rail line rehabilitation; what steps do you have in mind to do that, to make sure that our commitment is used up before the term runs out of the agreement. And I asked the minister to provide that. He said he did not have the figures available at that time.

I'm asking you: is that provided in the package you've sent over? And could you provide a wrap-up of the rail branch line rehabilitation program to give us a conclusion as to the amount that was spent and what efforts the government made to make sure that it was all expended before the feds. cancelled?

Hon. Mr. Petersen: -- Yes, we will give you those numbers as soon as we can. I can also refer you back to the information package that's got the correspondence the previous minister had with regards to this issue and the federal government.

Mr. Brockelbank: -- Thank you, Mr. Minister, and Mr. Chairman. On the same page I had asked the minister for written representations that they made to Ottawa with regard to the cancellation of the program before it was due to be cancelled. The minister at that time responded that he would provide the information. Is that in the package, Mr. Chairman?

Hon. Mr. Petersen: -- Yes, that correspondence is in the package, sir.

Mr. Brockelbank: -- On page 2581, I'd asked about a business operating under the name of GW Construction, a number of questions:

When the contract was let, what was the size of the contract in dollars, and were there any cost overruns associated with that contract?

And the minister responded that he did not have those figures with him but he'd happily provide that information in a written response to you, which I've not received of course, Mr. Minister. I assume -- am I correct? -- that that information is contained in the package you've sent over?

Hon. Mr. Petersen: -- Yes, sir, as it pertains to your question on page 2581 regarding Highway No. 3, that information is in the package, sir.

Mr. Brockelbank: -- Thank you, Mr. Minister. I appreciate getting that information. I must say that I'm sorry I didn't get it earlier. And perhaps if you get the chance to be a journeyman Highways minister, which is doubtful, you would in the future make sure that the information is provided in a manner in which the previous minister of Highways said it would be provided -- as soon as possible; yes, sir; you bet you; everything,

Dall those terms indicating that the information was pretty well on its way.

Now with regard to your own performance, Mr. Minister, I want to deal with a little bit of something that I requested from you, Mr. Minister, on February 21. It's over a couple of months ago. Seemed to me like a fairly simple question which could have been answered with ease.

February 21 I wrote to you as follows:

Could you send me information about the amount of road salt purchased by the Department of Highways in each "district" for the last two completed years, who was the supplier in each case, and at what price. Am I correct that there was "open public tendering" in each case? If so, could you supply me with the appropriate tender figures for the current year.

I haven't got a word back from you, Mr. Minister, since February 21, except someone in your department to acknowledge that I had sent the letter, just a few days later, and said that it would be brought promptly to the minister's attention. I've got nothing since then, Mr. Minister. That seems like a relatively simple request. I wonder why the minister hasn't responded.

Hon. Mr. Petersen: -- My recollection of that information was that it was sent out to you, sir. If it has not been, or if it has been lost somewhere, I will provide you with that response to that question later this day.

Mr. Brockelbank: -- I've not received it, Mr. Minister. Unless it came within the last two weeks, I have not received it. I stand to be corrected if it's in my Saskatoon office, but as far as I know it's not there and I would appreciate receiving it again.

I wanted to go over to another topic, Mr. Minister, and this has to do with VIA Rail. And I have in my hand, Mr. Minister, a copy of a letter sent on November 21, '89 to the Hon. Benoit Bouchard over your signature. And it states:

As you're aware, on November 8, 1989, the House of Commons Standing Committee on Transportation issued their report, "VIA Rail and the Future of Railway Passenger Services." This report was prepared following public hearings involving representation from a number of concerned individuals, community groups and organizations.

Saskatchewan is highly supportive of the standing committee's report and their recommendations. I would urge that you give this matter your immediate attention and accept and implement the recommendations of the House of Commons Standing Committee on Transport.

Mr. Speaker, what were the recommendations of this Standing Committee on Transportation? What was the effect of you lobbying the federal minister at that time with regard to the implementation of the recommendations?

Hon. Mr. Petersen: -- Well, sir, I could be very flippant and say that as a result of our lobbying we got the minister changed, but that wouldn't be true. What we did do was we presented our case very forcefully to Mr.

Bouchard, pointed out the problems that it was going to create for Saskatchewan people, tried to point out some of the concerns that we had as regards to numbers they were using. And as was supported by the province of Saskatchewan in other times and other places, I pointed out the fact that we were losing services to people in the southern part of our province. They had that service cut without benefit of having the ability to present their case in a public forum.

And as well, we felt that the impending royal commission that was about to become reality was a bit of an afterthought and we would have preferred that to have been before the cuts were announced, notwithstanding there have not been any changes to the announcement at this time. I have met on several occasions with representatives of cities and towns in Saskatchewan in an attempt to put together a cohesive group to work towards making a presentation at the royal commission and doing what we can at that time. But as to what were the results, there was no change to the announcement as it was made originally.

Mr. Brockelbank: -- I believe I asked you, Mr. Minister, what was the nature of the recommendations that you were supporting?

Hon. Mr. Petersen: -- Well as I pointed out, we said that we did not want to have these types of changes without first having the benefit of public hearings, of a public hearing procedure. And as I pointed out, the royal commission that was announced was putting the cart after . . . pardon me, the horse after the cart, so to speak. The announcement with regards to VIA Rail was premature, to say the very least, in my opinion.

Mr. Brockelbank: -- A more apt description, Mr. Chairman, would be putting the engine after the caboose . . . (inaudible interjection) . . . Yes. Not under normal circumstances, unless you've got some other plans in mind.

I ask you, Mr. Minister, what were the recommendations of the House of Commons standing committee on transportation? Do you have them? If so, would you send me a copy?

(1600)

Hon. Mr. Petersen: -- I don't have them with me, sir, but I will get you a copy of those recommendations.

Mr. Brockelbank: -- Thank you, Mr. Minister. I want to just deal with the VIA board of directors. Have you made any representation on this particular matter about the VIA board of directors?

I see an article in the Star-Phoenix, November 2, '89, about the 16 members on the VIA board. This article says that these 16 members, half of whom are lawyers, will continue to oversee the company which had revenues of \$788 million in 1988. And then the comparison comes in with CN rail which has 12 members on its board and runs a \$4 billion a year operation. And after January 15 of '89 . . . or pardon me, of '90 VIA will be cut from 39 trains to 20 trains, yet they're retaining 16 members on the board of directors of VIA, which they'll be getting paid between \$200 and \$300 a

day. And of course we know some of the political affiliations, Helen Swan, who is Ray Hnatyshyn's campaign manager, is on the board of directors. Other people like that.

I wonder if you've made any representation to shooting down that board of directors, because that board of directors, I am told by Transportation 2000, was not the board of directors it recommended. But it recommended people that had an association with transportation, which might have been a good idea, to have people on VIA Rail passenger rail board, that had some association with transportation, some expertise in that area. That got shot down in the political process in Ottawa and they substituted this board of 16 directors, which has people that were former political activists of the Conservative Party.

What have you done about trying to shoot down that board and get a board in there that knows something about transportation problems, Mr. Minister?

Hon. Mr. Petersen: -- As I understand it, the changes to VIA Rail was a decision made by the federal Minister of Transport. I have no knowledge as to the remuneration paid to board members on VIA Rail, and I can only say that I'll try to verify the member's numbers if I can.

As to what has been done by me about the board, I felt that since the minister, the federal Minister of Transport was responsible for making the announcement, we should concentrate on that federal minister.

Mr. Brockelbank: -- Well what you're saying to me, Mr. Minister, is this: we've failed to get what we went after in the November 21, '89 letter from you to the Minister of Transport. We failed to get that. We failed to get the hearings before they had the cuts in VIA. And so far you've done nothing about this political board of directors that VIA has.

Let me test you on another point with regard to VIA Rail, Mr. Minister. VIA Rail recently announced discount fares in central and eastern Canada. What were your representations to the Minister of Transport or to . . . and/or to the VIA board with regard to these discount fares in central and eastern Canada?

Hon. Mr. Petersen: -- I did send a letter to the federal government pointing out the inequalities between East and West as far as this proposal was concerned. I felt that if there were any types of reductions in fares or rates they should be right across the board and not just to one particular area in Canada.

Mr. Brockelbank: -- Mr. Chairman, will you see that I get a copy of that communication from you to the federal government, or whatever agencies, on the issue of discount fares in eastern and central Canada?

Hon. Mr. Petersen: -- Yes, sir, I will get a copy of that for you, and if possible I'll have it for you later this day.

Mr. Brockelbank: -- Appreciate that, Mr. Minister. I want to ask you about a decision of the National Transportation Agency which has proposed

deregulating VIA's routes and frequencies.

Under this scheme, VIA could discontinue routes or trains simply by giving a 30-day notice. No hearings would be held. And the net effect of this, from a political point of view, that there would be no political heat on the federal government because there'd be no hearings.

Have you protested this proposal by the National Transportation Agency with regard to deregulation of VIA routes and frequency?

Hon. Mr. Petersen: -- With regard to that particular topic, sir, we have filed an intervention with the NTA (National Transportation Agency) as regards that proposal. So they have it right now.

Mr. Brockelbank: -- When was that intervention filed, Mr. Minister, and may I receive a copy of the intervention?

Hon. Mr. Petersen: -- It would've been filed within the last two or three weeks. And yes, it will be a matter of record, and I will provide you with a copy of that intervention.

Mr. Brockelbank: -- I want to get on to something about the royal commission on national passenger transportation, Mr. Minister, but before I do that I want to conclude the VIA topic before some of my colleagues get in because they have some questions in this area as well.

But I have an item; it's from Bangkok, Thailand. It's The Nation's Business, February 19, 1990. This particular article reports that the Canadian government has eventually dropped the requirement for the Thai government to guarantee an \$800 million loan to finance the sky train project. This was being done through the export development corporation, a Canadian government agency.

Officials have closely monitored the developments on the sky train project in Bangkok, indicating that the Canadian firm Lavalin, a major principal partner in the bid to undertake the project, now stands a much better chance to become the winner. And I understand from the announcement I heard within the last day or two or three, that Lavalin was actually successful in obtaining that contract where an \$800 million Canadian loan was being made to the transportation system in Bangkok.

I wonder if the minister has any thoughts about transportation money and its expenditures in Canada. Perhaps he might have a thought here about a new appeal to the Canadian government to become a most favoured nation or something like that, so that we could get in on some of this kind of money to build a national transportation system in Canada, rather than having royal commissions after the horse is out of the barn. Does the minister have any thought on that?

Hon. Mr. Petersen: -- Well as far as thoughts on that particular topic are concerned, I think we've seen situations and instances where sometimes western Canada does feel a bit alienated in some of the decisions that are made at Ottawa. And I can only say, sir, that along with a number of other

issues, the federal government seems to be willing to spend money in other countries, so on and so forth, but we do not see in some instances that same willingness to entertain proposals in at least western Canada.

Having said that, we are working with the federal government on a national highway strategy, national transportation system, as far as the highways are concerned. I will be making a representation to the royal commission as regards transportation in Canada. And on any of those topics under federal jurisdiction, I can only say we'll have to wait till . . . some day I may be in the federal House, or you may be, sir, and we can entertain our thoughts at that time.

Mr. Brockelbank: -- Mr. Minister, you suggest that you're going to make a submission to the royal commission on passenger . . . I gather it's passenger transportation. This is the royal commission which has just recently been set up. I, along with you, had the opportunity to meet with the commissioners. We met on the same day. And protocol of course demands that they meet with the minister first and with the critic afterwards.

It was a mainly "get acquainted" type of meeting. I understand there are nine commissioners and they're supported with staff; they're planning on having hearings in 30 centres, but as we've stated before, this is like locking the barn after the horse got away, on passenger rail transportation. This is a sop to the public. And I make no allegations against the commissioners; they're appointed to do a job and I hope they do do a job. But the fact of the matter, one of the major dislocations in Canadian passenger transportation occurred on January of this year before the commission had its hearings.

The deadline for receiving commissions is July 15, '90. I wonder, Mr. Minister, do you have a brief drafted for the commission? What is the brief going to concentrate on? And would it be possible to obtain copies of the draft or a finalized brief?

Hon. Mr. Petersen: -- It would probably be a bit premature to give you the notes or our ideas at this time because they are in the formative stages. There's several government departments that we're compiling information from, as well as the fact that I've met with some of the cities and towns involved with the VIA retention committee, and we will be giving them information, numbers, what have you, as they require it as they're preparing their briefs, sir.

(1615)

Mr. Brockelbank: -- You've indicated, Mr. Minister, that one of the areas you'll be concentrating on is the VIA passenger service. The title of the submission, or the document that the royal commission on national passenger transportation left with me is "Moving Canadians into the 21st Century". I wonder if the minister has any more thoughts about the subjects or the areas he will concentrate on in his submission to this royal commission on transportation.

I'll tell the minister . . . And I don't know whether the minister has made

a preliminary submission to the royal commission. I did already on the day that I met them. And at that time I outlined in part in about five and a half, or five and a quarter pages, a framework, sketched a framework for what our submission would be to the royal commission on passenger transportation.

In that submission, I had suggested that a holistic passenger transportation service was the object we had in mind and that very few people would argue that passenger transportation services in Canada have developed in an integrated manner. The provision of rail, air, road service have frequently been planned and developed in isolation, and while the early development of our transportation infrastructures were premised upon national development goals attempting to achieve economic and social policy objectives. This duality of policy objectives has not been well maintained, and in recent years, severely attacked through deregulation, service withdrawals, and privatization.

That's just a bit of my submission to the royal commission on the first day that I met with them, Mr. Minister. And I wonder if you could tantalize me with a few more thoughts about what you will concentrate on in your submission to them.

Hon. Mr. Petersen: -- The area that we're talking about, we're talking about a couple of things. We're talking about VIA Rail as a singular entity and we're looking at a commission that has a mandate to look at an intermodal system. In making an appearance at the commission, we will be stressing a couple of points as far as VIA Rail is concerned, and that is that we don't want to see changes made arbitrarily at the whim of a minister.

We want to see routes put into legislation so that the service that's required for the passengers, to serve the passengers, is solid, is locked in. And that's going to be one of our points. At least under the rail line programs as regards branch lines, where if somebody wishes to cease the operation on that line, you have to go through a fairly complicated procedure, at which time everyone has an opportunity to give input. At least, at the very least, we require something like that. But legislation -- enshrined in legislation is what we're looking at.

You also have to look at how the VIA system fits into a regional passenger service, and then on a national basis, and how it ties into the global picture.

So we will not be just limiting our comments to VIA. We will be looking at it through the eyes of the intermodal system and how VIA can fit into that in Saskatchewan and how it should have been able to fit into that intermodal system before the federal government decided to axe the southern route through Saskatchewan.

We'll be pressing for the reinstatement of that southern route. And again I say, when those routes are reinstated, have those routes enshrined in legislation so they cannot be changed arbitrarily in the future.

Mr. Tchorzewski: -- Thank you, Mr. Chairman. I'd like to ask just a few questions of the minister on the same subject.

Mr. Minister, before I get into the other aspects of this VIA Rail disaster which, I submit, you and your government has been a party of.

I want to ask you a very straightforward question because this has not stopped with the cut-backs on VIA Rail. The discrimination against western Canada and the Prairies continues, and clearly that strategy of the federal government, as it applies to the policy which they have developed, is one which favours central Canada and the corridor of Montreal, Halifax, Ottawa, Toronto.

I ask you, Mr. Minister, are you aware of the fact that VIA Rail now provides discounts of up to 40 per cent and in some case 50 per cent in routes in eastern Canada between places like St. John's and Moncton and Fredericton and Laval, Quebec and Montreal and Toronto? But that none of those discounts are made available to the lines that run through western Canada. Are you aware of that, Mr. Minister?

Hon. Mr. Petersen: -- Yes, I am aware of that and we have protested that particular action. And as I mentioned in answer to a previous question regarding that, we have made representation to VIA Rail, to the federal government, that we think this is unfair. It's an unfair policy, an unfair practice. And I concur with you, sir.

Mr. Tchorzewski: -- Thank you, Mr. Minister. I'm glad to hear you say that. Now can you make available, or maybe you've already made that commitment, the presentation you have made on this, the form of the presentation? Is it a letter to the minister? Is it a letter to VIA Rail, the board? If you have already made that commitment to provide that, then I won't pursue this any further. But can you just confirm that.

Hon. Mr. Petersen: -- Yes, I just had the page take it over to the member who was asking the question.

Mr. Tchorzewski: -- Thank you, that will be very helpful.

Now, Mr. Minister, I just want to go through a little history here because . . . not for the sake of dealing with history, because I think it underlies what in fact has really been going on. It's not just a matter of VIA Rail lines being cut, passenger lines being cut. That's extremely important. It is not just a matter of setting up some royal commission in order to try to cover it all up so that it could silence the debate. The matter goes to the beginning of this whole episode.

When the federal government was proposing to deal with this, which was known to everyone, it was known to this side of the House; it was known to that side of the House. It was known to centres all across this country. The time then to deal with this problem, Mr. Minister, was not now, although it's important that those submissions be made now. The time to deal with it was when the federal government was making those considerations. And the problem that we now face is a result to a large

extent, of people in government like this government, of which you are a member, remaining absolutely, totally silent when the proposals for the cutting of VIA Rail were being made.

I provide you some examples of that, Mr. Minister, because there are ways of making presentations quietly to your friends in order that the family isn't disrupted -- that is in this case, the Conservative Party family -- which you may have done. But then there are also public ways which is sort of necessary for us as public people to undertake to do sometimes. And when it was known that VIA Rail was going to make these cuts, you had an opportunity to take that public position, but you didn't avail yourself of that opportunity, this government, the Premier, you who then was not the minister but a member of this government.

Back in July of 1989, when there was still sometime to put on some pressure on the federal government, legitimate pressure, a resolution was proposed in this House by my colleague. And at that time, this government refused to support that resolution. It was reported in the Star-Phoenix, July 8, 1989 headline: "Legislature fails in bids to condemn VIA."

But it wasn't the legislature as such, Mr. Minister. It was the government because the article went on to say: "Government members blocked an attempt Thursday by the NDP opposition to force an emergency debate on the topic."

And that is the reason, Mr. Minister, to a large extent, why we are where we are today. That kind of refusal on the part of yourselves on the government side to deal with this matter up front and do what legislators ought to do -- bring it to the public debate so that the authorities in Ottawa would know that there was concern. Why otherwise would they care?

Why wouldn't they just run right along and do what they had predetermined as their agenda right from day one, if they looked around and saw a Conservative government in Saskatchewan not saying a word, a Conservative government in Alberta not saying a word.

So you had your chance, Mr. Minister, and you failed. You failed the people of Saskatchewan. There was then during that time a parliamentary committee that was doing some work on this and holding some meetings. The comment by the member from Melville -- who ought to have been representing his people, because the city of Melville is certainly affected in a big way -- was that a report on possible passenger service cuts is being prepared by the federal government, and that the government would take that into consideration, this government.

Well do you know, Mr. Minister, what the report said? The report said that -- and that was a report of an all-party committee, non-partisan. That all-party committee of the House of Commons recommended that the government declare a moratorium on the cuts.

Mr. Minister, I ask you: when that report came down of the House of Commons committee that called for a moratorium on the cuts, why didn't you act then? Why at that point did you not make a submission to the federal government and make a public statement concurring with the recommendation

of that House of Commons committee and lending therefore some strength to its recommendations? Why do you simply sit on your hands and let the federal government go right ahead without letting them know that there was reason to be concerned here, Mr. Minister?

Hon. Mr. Petersen: -- Sir, I won't make comments about kissing cousins or anything like that. I'll just say that the government and the department . . . to the early part, as way back as the early part of 1989 -- and I'm hesitant to say whether it was January or early February, but it would have been in those two months -- made representation to the federal government. We were in contact. We continued to press them, to find out what their plans were.

(1630)

And the first day that I held this office, as a matter of fact the first morning at 8:35 our time, I believe it was, I received information that Mr. Bouchard was making announcements as to the fate of VIA Rail. And so 15 minutes into my new office, I was confronted with this concern. The previous minister of the department did make representations. We were looking for assurances, trying to find out what the plans were, trying to find out what the long-term plans were.

I had never expected the federal government to act in this type of an arbitrary manner with regards to VIA. And I suppose I could stand here today and indulge in a little bit of fed. bashing on some other topics, but that's not the purpose of this Assembly at this particular time. Suffice it to say there have been other areas where the federal government is off-loading on the provincial government. And I consider what they have done, the arbitrary way that they have handled VIA Rail, as another example or perhaps another precedent for them to continue some unilateral and arbitrary off-loading, if you would, in other areas. And that is what concerns me as well as the people who are affected by VIA Rail's discontinuance in the southern route directly.

Mr. Tchorzewski: -- Well, Mr. Minister, therein lies the problem. You can't off-load your situation on another minister. It was a policy of your government, of which you have been a part since 1982. So don't pass the buck that way. You're just as responsible, Mr. Minister, as the former minister. Because it's the policy of the government which has made . . . convinced the Prime Minister of Canada that you guys here are patsies. That no matter what the federal government chooses to do, whether it is in the province of Manitoba, deliberately, politically moved the repair depot for aircraft purposes to some other part of Canada, or whether it is to deliberately cut off funding for this province in established program funding, or whether it is to cut off VIA Rail in this western part of Canada. They know, because of the way you have approached it, that you will acquiesce. And you did.

The way to make the federal government sit up and take notice was before the cuts were made, not after. Fine to do it after, and I am pleased that you're going to make a submission to the royal commission, but the time to do it was before and get their attention then. You failed to do that.

Now I ask you, Mr. Minister, again, because you didn't answer my question. I don't think the minister is hearing so I'm going to wait, so that I don't have to ask it twice.

Thank you, Mr. Minister. Mr. Minister, I asked you when the House of Commons all-party committee made its recommendation telling the federal government that it ought not to make the cuts and that there should be a moratorium because it was serious enough that there needed to be some more consideration, did at that time your government make a submission saying that they agreed with that House of Commons committee, and in what form did you make that submission?

Hon. Mr. Petersen: -- Well, I don't think that I'm attempting to off-load my responsibility on any minister, any other minister or any former minister. I did point out to you, sir, that as early as January or February we were contacting the federal government; we were in contact with them. We definitely made submissions to them saying, please don't go ahead with these particular ideas that you're talking about. We don't want to see the public hearing process stop.

You know, you talk about governments and responsibilities. If my memory serves me correctly, I think the Premier sent a communiqué with regards to the very topic we're on. And I think that was in August, previous to any announcement of any cut. So I don't think you can say that one government or another one acquiesced to any particular move by the federal government. The premiers were there, the former minister was there, the department has been there. And that's all the information I can give you on that right now, sir.

Mr. Tchorzewski: -- You may have been there, Mr. Minister, and the government may have been there, but the silence of your submissions was so loud that it was deafening. Nobody knew that you were there. You did not involve the public in your presentations. You were there alone, apologizing to the federal government while you were sort of saying, please don't do it.

Mr. Minister, I ask you for the third time, don't talk around in circles. The Standing Committee on Transport made a recommendation which was very clear and they documented it, and that standing committee asked that the government declare a moratorium on the cuts, for all kinds of reasons. This was bad transportation policy which they were developing in an ad hoc kind of way.

There were environmental implications. It makes a lot more sense to run trains on our tracks than put thousands more more cars and trucks on the highways. You should know that; you're the Minister of Highways. There were going to be many jobs that were going to be lost. For all of those reasons there had to be a moratorium.

Mr. Minister, if you made a submission supporting that moratorium, you certainly weren't proud enough of it to make it public and let the people know that you were doing it. I ask you: did you make that submission, and

in what form did you make that submission on that specific case, the recommendation of the House of Commons committee?

Hon. Mr. Petersen: -- The information that I have is that the previous minister indeed faxed a submission on that topic in July 1989, and I will provide that for you if I possibly can either later this day or as soon as possible.

Mr. Tchorzewski: -- Okay. I appreciate that because I may then have some questions as a result of that communiqué. Mr. Minister, we have fax machines around so I'm sure that your officials can get the thing faxed from the department over here; we should have no problem. I don't expect it in the next five minutes, but we'll be here tonight on this subject.

You're saying therefore that you are going to provide to this House the submission made by the previous minister in support of the recommendation of the House of Commons committee. That's what I asked and that's what you're saying that you're going to provide us. And if you are, fine, I'll go on to my next question, but I just want you to confirm that.

Hon. Mr. Petersen: -- Yes, sir, we will provide that information for you as soon as we can and we'll attempt to get it for you later this day, but staff do shut down very shortly here. So if it isn't today, I will have it for you as soon as possible.

Mr. Tchorzewski: -- If I may make a suggestion to you, through you, to some staff that's sitting back here, as they should be, that maybe somebody could go out and get on the telephone and phone the department and make sure that it's here tonight. Because it's important we have that, Mr. Minister, before we complete these estimates. And I don't think that -- I see the nodding of the heads -- I don't think it's a problem.

I'm not being difficult here, I'm just emphasizing that it's important that we have that, Mr. Minister, because the record shows that there is very little reason for us or the public to be confident that you really are, as a government, are doing your job on this whole question of transportation and particularly VIA Rail.

Now my final question, Mr. Minister, and I hope it's the last one, is that there is a group called the western rail passenger restoration committee that is established -- I know they've met with you; I've spoken to some of them -- which is doing a lot of work in support of rail passenger service. That committee has representation on it from Melville and Brandon and Medicine Hat and SUMA (Saskatchewan Urban Municipalities Association) and Transport 2000 and Saskatoon and Regina and on and on.

This committee, Mr. Minister, because of the time frames with the royal commission, is faced with some difficulties, because of that time. They don't have the resources or the staff, like you have, to do the work. In order to be able to prepare their submission, they need some resources, I would suspect.

Are you prepared to offer some financial resources to this committee so

that they could make their presentation with all of the background that they need to put into the preparation of this? Are you prepared to provide that kind of a commitment, Mr. Minister?

Hon. Mr. Petersen: -- Yes, Mr. Chairman. I met with the committee and told them that we'd try to provide them all the information that they required. Any type of statistics or numbers that we have available to us, we'll provide for them to help them with their presentations. And I met with them, I believe it was on April 19, if I'm not mistaken; yes, April 19.

Mr. Calvert: -- Thank you, Mr. Chairman. Mr. Minister, just to pick up on the line of questioning. As I heard the question, the question was put to you, sir, are you willing to provide resources, financial resources to the work of the western rail passenger restoration committee? That is the very specific question, Mr. Minister. Are you willing to provide financial resources for the work of that committee?

Hon. Mr. Petersen: -- Well as I said to the previous questioner, I made a commitment to provide background information, data, hard numbers, hard statistics, anything that our department might have to enable the organization to prepare its particular brief. There has been a request for financial assistance, and I have not made a decision on that at this time. I might as well just tell you right up front, I haven't made that decision yet. They did request financial assistance, and I still have it under consideration.

Mr. Calvert: -- Mr. Minister, that committee needs to be about its work now. They need a decision from you in regard to financial assistance. They need it now, sir. I cannot conceive of what would create a delay in your making a decision in the matter of providing some financing to this committee. Mr. Minister, when do you expect to make that decision?

(1645)

Hon. Mr. Petersen: -- I received the request last Wednesday from them, and today is Monday. I will be making the decision in the near future. I can't give you an exact date. But I did receive the formal request from them last Wednesday. So that's about all I can tell you at this time.

Mr. Calvert: -- Well, Mr. Minister, you should know that at the meeting of SUMA a resolution was passed at the annual convention on Tuesday, January 30 of this year, and I can quote the resolution:

Therefore be it resolved that this convention endorse the following action plan arising from the rail passenger workshop that was held the Sunday previous.

And point eight of that plan:

The Government of Saskatchewan to be requested to support this initiative at the ministerial, administrative, and financial levels.

So obviously, sir, you'd be aware of this resolution. You'd be aware that

this request would be coming. I can't see that you wouldn't have given some thought to it long before now. The official request may have come last week, but you would have known, sir, that it was coming.

Again I ask, when can the committee expect a response?

Hon. Mr. Petersen: -- As I've said, I just received the request on May 9. I can only say that as far as the decision, you will have it very shortly. I don't want to keep anyone waiting interminably. That's not my policy. I try to get answers to people as quickly as I can, and it will be very shortly.

Mr. Calvert: -- Well, Mr. Minister, let me say if you are sincere, if you are sincere in what you've been saying in the House this afternoon and have said outside of the House, that you indeed support the goals and the work of this committee, there should be very little question about your decision regarding providing some financial help.

Obviously they're not asking for a great deal of financial help. It will be a small request, sir. If you are sincere in your commitment to restoring passenger rail service to all parts of our province, I can conceive of no reason why you would not grant their request for funding.

Mr. Minister, I wanted to ask a few questions about this issue simply because of the importance of VIA Rail in the life of the community I represent. Indeed if any community in this province has suffered because of the federal Conservative cut-back to VIA Rail, it is Moose Jaw, sir. We have lost, like many other communities, a very valuable service to our community, particularly so as a service to senior citizens in our community, many of whom depended on the rail for travel.

In our community we've lost, as you should be aware, sir, 20 jobs as a result of the VIA Rail cut-back, which translates into about a million dollars if you include a local fuel contract, translates into about a million dollars out of our local economy in Moose Jaw.

Mr. Minister, in your meetings with the western rail passenger restoration committee, in reviewing some of their material and documents, are you in support of their position, that in this interim period, before the royal commission, that full and equal service should be restored to the southern line to a minimum of at least three trains a week as now exists on the northern line? Do you support that position, sir?

Hon. Mr. Petersen: -- Yes.

Mr. Calvert: -- Sir, this question has been put to you on a number of issues regarding VIA. Have you communicated that position to your federal counterparts?

Hon. Mr. Petersen: -- Yes.

Mr. Calvert: -- And again, Mr. Minister, will you provide to the opposition the copy of the letter or whatever form of communication you've had?

Hon. Mr. Petersen: -- I just don't have it at my fingertips, but yes, I will provide that for you.

Mr. Calvert: -- And, sir, you will do that this day?

An Hon. Member: -- Yes.

Mr. Calvert: -- The member from Maple Creek volunteers yes, Mr. Minister.

Hon. Mr. Petersen: -- I will attempt to provide it later this day, yes.

Mr. Calvert: -- Thank you. Mr. Minister, there is some speculation that the federal government is in the process of selling, actively in the process of selling some of the rolling stock. Are you aware, is that happening, Mr. Minister? And again, have you protested that, if indeed it is happening? If the rolling stock is being sold off today, many of our discussions may be academic.

Hon. Mr. Petersen: -- I haven't made, the department or myself, have made any representations regarding that aspect of VIA Rail. And I wouldn't have the details of it at my fingertips.

Mr. Calvert: -- Mr. Minister, would you commit to follow up on that, on that particular issue? Would you commit to communication with your federal counterparts to, one, see if indeed rolling stock is being offered for sale now; and two, if so, to do your best to stop that sale?

Hon. Mr. Petersen: -- I think our position has been quite clear. We felt that the imposition that the federal government has placed upon us by cutting the service to people in southern Saskatchewan was incorrect. We felt that there should have been a complete hold on this type of action until public hearings could be held, and I will continue that point of view as regards to equipment, personnel, facilities, as is within my power and ability to do so.

Mr. Calvert: -- Mr. Minister, there's one other issue that I would like you to comment on and in your communications with the federal government, to see if you could do something about this, sir.

In the city of Moose Jaw, there are a number of people who gave a lifetime of work to the CPR railway. As a result of giving a lifetime of work, those individuals were given as part of their retirement package, a pass for rail transportation, for passenger rail transportation in this country.

As you will recall, sir, the CPR railroad endeavoured some years ago to take that pass away from the CP pensioners. And with the leadership of pensioners from Moose Jaw, that issue was fought on a federal level and they won the day. They won their passes back. Now, sir, they have a pass; they don't have a train.

It is suggested to those of us who live in the South that, yes, there is still a VIA Rail passenger train in the province and all we need to do is

go to Saskatoon. Sir, you may or may not be aware that those who have the CPR pass as a result of their retirement are unable to use that pass on the VIA Rail on the northern route because it travels on the CN line.

And so what we have in Moose Jaw are pensioners with a pass who can't use the pass, for sure in Moose Jaw because there is no VIA, and as well can't use it in Saskatoon or on the northern route because it's a CN line.

Sir, would you be willing to lobby your federal counterparts, Canadian National Railway, Canadian Pacific, to make some adjustment to this injustice?

Hon. Mr. Petersen: -- As I mentioned earlier, the imposition of these types of cuts on the people of Saskatchewan, whether they are pensioners who have a pass or other people who wish to use this type of service, was ill conceived and I will try to do my best for people who have had commitments to them broken because of this arbitrary cut. I will attempt to have those types of commitments reinstated or at least mitigated as far as I possibly can. And I think that should be as well not only on a particular issue of passes but across the board on all other issues as well. And I will attempt to do that, sir.

Mr. Brockelbank: -- Mr. Chairman, Mr. Minister, your actions on passenger transportation service in Saskatchewan have been similar to someone yodelling on a distant mountain with each echo getting quieter and quieter. This is unfortunate. I don't hold out too much chance for success unless this new minister has a lot more resolve than the previous one and his government had. But I think, Mr. Minister, you've got a handicap and it's your government and the policies it's followed in the past. I encourage you to break free from that and show some initiative in the area of passenger transportation when that brief comes before the national or the royal commission on transportation.

Since we've not had much success in this area, Mr. Minister, with the government or with the previous minister, I do want to get directly into the estimates of the department and discuss some of the issues that I find there. The estimates, of course, provide an overall decrease in highway expenditures from last year of 5.1 per cent. Most of this decrease would appear to come from a reduction in capital expenditures in the rural surface transportation program of eleven and a half per cent, approximately.

Given the cut-backs you have embarked upon over the past eight years and continuing this year, have you also reduced or frozen the salaries of your senior officials? Could you, Mr. Minister, answer that question and provide me with the 1991 salary appropriations for senior staff and percentage increases, if any, that this represents over the last year. And I refer specifically to the deputy, the associate deputy, the director of planning and research, the director of engineering, director of supply and services, and chairman of the Highway Traffic Board?

Hon. Mr. Petersen: -- I can provide for you the salaries for the executive management staff as of April 1, 1990, sir. If you would like that, I can

send it over to you right now or perhaps after supper, whatever you prefer.

Mr. Brockelbank: -- Minister, could you provide them now and then send it over, just to avoid any errors that I might . . . I want to ask you, Mr. Minister, do any of the officials receive payment on the basis of a personal services contract? If so, who, and what are the terms of the contracts?

Hon. Mr. Petersen: -- In regards to the list of senior management staff, the answer would be no, except for the deputy minister, as is the same with every other department, would be on contract.

Mr. Chairman: -- Being near 5 o'clock, the committee will recess until 7 p.m.

The Assembly recessed until 7 p.m.