

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 28, 1980

The Assembly met at 10 a.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. R.A. LARTER (Estevan): — Mr. Speaker, I would like to introduce to you and through you to the members of the Assembly, on behalf of Mr. Pickering, the MLA for Bengough-Milestone, 21 students from Spring Valley School in Grades 11 and 12. They are accompanied by Mr. Baid, Mrs. Thiele and their bus driver, Mr. Bistretzan. I do welcome you here today on behalf of Mr. Pickering. I hope you enjoy the proceedings and look forward to meeting you at 11:30. You're lucky you have a really good-looking MLA to have his picture taken with you today. Have a safe journey home.

HON. MEMBERS: — Hear, hear!

MR. W.E. SMISHEK (Regina North-East): — Mr. Speaker, I'd like to introduce to you and the members of the legislature, a group of 32 Grade 8 students from St. Anne School. They are accompanied here by their principal, Jim Kuster. I extend a warm welcome to the students and I hope that their visit to the legislature will be a rewarding experience. I hope to meet them later and to have discussion with the students. Welcome to the legislature.

HON. MEMBERS: — Hear, hear!

MR. A.W. ENGEL (Assiniboia-Gravelbourg): — Mr. Speaker, I too, would like to join the member for Estevan in welcoming the Crane Valley group to this legislature today. Some of the students are from my riding. Crane Valley is right on the border between two good constituencies, and I would also like to extent a welcome to you people.

HON. MEMBERS: — Hear, hear!

MR. E.A. BERNSTON (Souris-Cannington): — Mr. Speaker, I'd like to introduce to you and through you to the rest of the Assembly 32 students from Carievale School, Grades 3 to 5. They are accompanied today by Mrs. Molly Howell and Mrs. Jean Berntson, and bus driver, Mr. George Brown. They will have a full day by the time they get home, having left Carievale at 5:30 this morning to be here to see how the legislature functions. I'm sure that you will all join me in wishing them an informative and interesting day in Regina today and a safe journey home.

HON. MEMBERS: — Hear, hear!

MR. H.J. SWAN (Rosetown-Elrose): — Mr. Speaker, it's my privilege this morning to introduce to you and to the members of this legislature, six Grade 5 students from Kyle. They are accompanied by Mr. and Mrs. Tynning. These students and their chaperones have driven about 200 miles this morning. They've made quite an effort to be with us. I hope that you'll enjoy the proceedings of the legislature. I trust they will be informative and that you will enjoy your stay in Regina. I'll be meeting with you right after the question period and will try to answer any questions that you might have about the proceedings today. Will you welcome them to the Chamber?

HON. MEMBERS: — Hear, hear!

MR. D.M. HAM (Swift Current): — Mr. Speaker, it's an honor for me to introduce to you and the Assembly, 21 students from St. Patrick's School in Swift Current. It's the first time in two or maybe three years they have missed St. Patrick's Day to arrive in the Assembly, but we welcome them anyway. They are accompanied by their teacher, Mr. Bill Shumay, and the driver, Mr. Gader. I don't recognize anyone else other than Mr. Gader. I'll be meeting with them after question period and look forward to answering any questions they may have. I hope they enjoy the morning and have a safe trip home.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

MR. C.O. WHITE (Regina Wascana): — Mr. Speaker, I'd like to introduce to you and to members of the Assembly, 7 students and their teacher seated in the Speaker's Gallery. They are from the Regina Plains Community College. Among the students there's a lady who comes from Chile; of the gentlemen, one is from Laos, one from Iran, one from the Ukraine and three from Vietnam. I hope they find their visit to the legislature this morning both instructive and interesting. I think I speak for the members present when I say we look forward to the day when we can also welcome them to full citizenship in this great country of ours.

HON. MEMBERS: — Hear, hear!

MR. WHITE: — I will be meeting them for pictures and refreshments at 10:45. Thank you.

QUESTIONS

Quebec Referendum Question

MR. D.M. HAM (Swift Current): — Mr. Speaker, I would like to direct a question to the Premier. I note, Mr. Premier, that during your last press conference you announced a speaking trip to central Canada in early April and that you expect to get involved in the Quebec referendum debate. You indicate you intend to put forward Saskatchewan's point of view with respect to the referendum.

Firstly, Mr. Premier, do you believe that Quebecers really care about western Canadian concerns and secondly, how much influence do you hope to exert on the referendum question?

MR. A.E. BLAKENEY (Premier): — Mr. Speaker, I wouldn't presume to speak for what Quebecers really care about. But from the point of view of whether or not we, in western Canada, or I, as the Premier of Saskatchewan, would have very much influence on the referendum debate. I think that our purpose in speaking would be simply to carry to the people of Quebec again my belief that western Canadians will find a proposal of sovereignty association as defined by the Parti Quebecois as unacceptable and that they will simply not accept it, and accordingly it is not a realistic option.

It may well be that Quebec people can opt for a renewed federalism because there is clearly an indication among the rest of Canadians that we will sit down and negotiate a renewed federalism. It may well be that Quebec people could opt for independence, sovereignty, and that of course is a very complex question. I think most of us probably concede that if Quebec people firmly vote to withdraw from Canada that we would not advocate the taking up of arms to see that did not happen. The proposal, however, with respect to sovereignty association involves a deal on both sides. I do not believe the willingness to make that deal exists in Saskatchewan. Accordingly, I think Quebec people deserve to know that, and accordingly, I think it's my job to convey that impression to people in Quebec as frequently as I can.

MR. HAM: — A supplementary, Mr. Speaker. Mr. Premier, you do not agree that Quebec should determine its own future without outside interference, and especially from those who are not bilingual.

MR. BLAKENEY: — Well, Mr. Speaker, I agree that Quebec should determine its own future in a general way. I agree it's not for me to say what future Quebec people should decide for themselves, anymore than we would accept very much advice from the Premier of Quebec as to what Saskatchewan people should do in the future. However, I point out that it is not up to any province in this country to decide that they are going to have a particular relationship with another province or other provinces and expect the other provinces to fall in line.

Accordingly the sovereignty association, which is essentially a deal between Quebec and the rest of Canada, is not something which is solely within the judgment of the province of Quebec. There is clearly no more justification for Quebec to say they would like sovereignty association, and they define the association, than it is up to the people of Saskatchewan to say we will have a relationship with Quebec which will be in the following terms and you people in Quebec kindly respect this because we in Saskatchewan are thereby determining our own future. That's clearly not a logical argument on either side of the fence. Accordingly, while Quebec people have the right to determine their own future in a general way to the extent that that future involves relationships with other provinces, clearly the other provinces must have their opportunity and their voice heard and I attempt to make that point when I speak in Quebec.

High Interest Rates

MR. H.J. SWAN (Rosetown-Elrose): — A question to the Premier. A few days ago I raised my concern with you for the future of young farmers and small businessmen when the interest rates have apparently gone out of control. In the last two months we've had two young farmers go out of business just in my own immediate home community and I'm sure that this applies to districts right across this province. Are you not concerned about the future of the young farmers and the young businessmen in our province?

MR. BLAKENEY: — Yes, I am concerned.

MR. SWAN: — That's a nice short answer and I appreciate that. You have provided loans to the family of Crown corporations, in some cases interest free and in other cases at very subsidized interest rates. Are you not prepared to do something similar for the real families in our province?

MR. BLAKENEY: — Mr. Speaker, I think the programs the Government of Saskatchewan

has to assist young farmers to get into farming are well-known — FarmStart and land bank — and some of them, I may say, were launched over the vigorous opposition of members opposite and their continued opposition. The assistance which is made available through crop insurance programs and the like is well known and while we will continue to seek even further ways to assist young farmers. I cannot at this time announce any specific program of income or interest subsidization as seemed to be suggested by the hon. member.

MR. SWAN: — How long are you going to wait before you begin to put new programs in place to meet this concern? Are you going to wait until many of our young people have gone to the point where they are not able to recover from this interest problem? It's the interest on operating loans that's killing them — not the interest on the purchase of land so much as the interest on the actual operation.

MR. BLAKENEY: — Well, Mr. Speaker, I think we are under some difficulty as hon. members know. About a year ago the interest rates were around 11 per cent and during the period from May of 1979 until February of 1980 they moved from 11 per cent to 14 per cent because of the conscious decision of the Progressive Conservative Government of Canada. They have now moved from the order of 14 per cent to 15.5 per cent by the equally conscious decision of the Liberal Government of Canada. Members opposite have freely supported the increase from 11 per cent to 14 per cent and we objected. Members opposite now object to the increase from 14 per cent to 15.5 per cent and we agree with them in their objection.

We deplore these rates as much as does anyone else but we do not see it open to a provincial government to shelter all of the citizens who might be hurt by these substantial interest rates. I'm not aware of programs in any other province which offer a shelter to all of the citizens who are going to be hurt thereby. We certainly intend to review our programs to see whether or not we offer assistance, but as I indicated, it is with the Progressive conservative and Liberal governments pursuing a high interest rate policy — very consciously pursuing it. It's not easy for a provincial government to find ways to counteract those national policies.

MR. J.G. LANE (Qu'Appelle): — I'd like to direct a question to the Premier. Does the Premier not feel, in light of the national New Democratic Party's policy position to either subsidize or have reduced interest rates, a moral obligation to the farmers and small business? We note that out of the heritage fund in this budget again there are interest-free loans to the potash corporation and for resource development. Do you not believe that farmers and small business have as much right to funds or loans from the heritage fund in this time of crisis as to do the resource industries in this province and they deserve special consideration?

MR. BLAKENEY: — Well, Mr. Speaker, the hon. member makes a point and we will look at the Alberta situation — obviously their heritage fund is six or eight or ten times ours and so they will have a vigorous program along this line. We will take note of what their program is and give it some further consideration.

MR. D.G. TAYLOR (Indian Health-Wolseley): — A supplementary to the Premier. Mr. Speaker, you mentioned programs in other provinces and in view of these high interest rates and seeing what B.C. has done to help home-owners in that province, what action are you prepared to take to help people in Saskatchewan who are renegotiating that home loans or bringing in new loans at this present time?

MR. BLAKENEY: — Mr. Speaker, I'm not aware of any program in British Columbia to assist people who are renegotiating their mortgages. I'm simply aware of none and accordingly, I'm not able to get any instruction on that regard from British Columbia. It may well be that I'm misinformed on this but my information is the other way. My information is that for people who are renegotiating their mortgages on existing homes, there's no provincial government support.

Grain Car Co-ordinator

MR. E.A. BERNSTON (Leader of the Opposition): — Mr. Speaker, a question to the Minister of Agriculture. I'm sure the minister is aware there is a movement afoot led by the wild-eyed senator from Saskatchewan to bring the grain car co-ordinator under the jurisdiction of the minister responsible for the Canadian Wheat Board. I wonder if the minister would indicate to this House whether he supports Senator Argue in his quest to stifle Dr. Horner?

HON. G. MacMURCHY (Minister of Agriculture): — Mr. Speaker, I'm not aware of the activities of the minister responsible for the Canadian Wheat Board. I can only read a transcript of an interview with Mr. Pepin on CBC this morning. Now, I didn't hear it; I have the transcript and it confirms the answer I provided to the member for Thunder Creek with respect to the policy of the federal government. And I read the transcript as follows:

Mr. Argue is responsible for the wheat board the way it is, mine begins with the grain co-ordinator.

From that statement I take it that the policy of the federal government at this point in time is clear that the grains co-ordinator will in fact report to the Minister of Transport.

MR. BERNSTON: — Mr. Speaker, a supplementary on this. Obviously the Minister of Agriculture missed my question. The question was, do you support Senator Hazen Argue in his quest? A supplementary, Mr. Speaker, is, in light of the fact Canadian Wheat Board Commissioner Charles Gibbings says Horner's powers are inadequate — Gibbings says the wheat board officials are delighted to get rid of that responsibility and that Horner's responsibilities should be expanded — will you indicate to this House whom you support, whether it's the wheat board or Senator Hazen Argue.

MR. MacMURCHY: — Mr. Speaker, I support the Canadian Wheat Board.

SOME HON. MEMBERS: — Hear, hear!

MR. MacMURCHY: — I've always wondered, Mr. Speaker, where the hon. member for Souris-Cannington stands with respect to the Canadian Wheat Board. I want to say that I don't know what is going on within the federal cabinet between Mr. Argue and the Prime Minister and Mr. Pepin and Mr. Whelan. That's their business. I want to say to the hon. member that I agree with Mr. Gibbings, commissioner for the Canadian Wheat Board, with respect to the powers of the co-ordinator. In fact the co-ordinator does not have sufficient power to do the job in light of the kinds of capital investments being made from public money in our rail system. I think the co-ordinator needs more responsibility in order to make sure that that capital investment is widely used and we will be putting forward that kind of a proposition to the federal government as soon as we have it in place.

Freight Increase on Movement of Feeder Cattle

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the Minister of Agriculture. Mr. Minister, I asked this question of the Premier some days ago .He indicated he would pass it on to you, but since livestock apparently has a low priority I'll re-ask it.

Mr. Minister, I'm sure you are aware that the two major railways are getting ready to raise the rates for the movement of feeder cattle to Ontario by 12 per cent. I am sure you are aware that originally they were proposing an increase of 14 per cent but after very strong opposition from the Canadian Cattlemen's Association, they reduced this back to 12. I am sure the minister is also aware that in addition to straight tariff changes, the railways have come into the habit of putting on what they call fuel surcharge which amounts to 1.7 per cent. Mr. Minister, the Canadian Cattlemen's Association has claimed that this rate is excessive and there is certainly some justification to their claim. Mr. Minister, I am sure you are aware that feeder cattle for Ontario feedlots are priced basically on a delivered basis in Ontario. Therefore, Mr. Minister, this has very severe ramifications for cow-calf producers. My question to you, Mr. Minister, is because there are some difficulties in the cattle industry right now due to the oversupply of pork, obviously our cow-calf people are going to experience some difficulty, in fact maybe even great difficulty this fall. Mr. Minister, where has your government been as far as representations to the railroads to keep this increase down to simply a cost increase?

MR. MacMURCHY: — Mr. Speaker, my apologies to the hon. member for not responding to his question which the Premier took on notice on Monday when I was away from the Assembly. I point out to the hon. member that it's often when I was away from the Assembly. I point out to the hon. member that it's often very difficult during question period to get answers forward on matters that were held back. I had an opportunity to respond to the question of the hon. member (for Souris-Cannington) after the question period. However, the hon. member, you sir, were not in your seat and I didn't want to answer the question unless you were here, perhaps wanting to ask a supplementary question . . . (inaudible interjection) . . . Wednesday, Mr. Speaker, Wednesday, I think. I will check the record Wednesday. Mr. Speaker, with respect to what action is being taken by the government, I think there are two points to be made. I have asked the transportation agency to prepare a brief for me to forward to the federal government with respect to this issue. My understanding is that there are calls from the federal Minister of Transport's office this morning with respect to an early meeting and we may be able to make the presentation to the federal minister at that time. It looks like it could be as early as next week.

The second point is that the real solution is to do away with this system in western Canada with respect to agricultural products beyond grain. The real answer is to adopt the Hall commission recommendations to move agricultural products, beyond the grains that are under the wheat board, under crow or crow equivalent. Mr. Speaker, the Government of Saskatchewan, through the crow rate guarantee plan, has put forward that kind of an offer out of provincial funds. The unfortunate aspect of it is this position of Hall is not supported in Manitoba or Alberta and has yet to be supported by the federal government. I think we should be looking for an overall solution to it, and not just deal with this problem on a piecemeal basis although we are prepared to raise our objections on behalf of the cattle industry at our earliest opportunity.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Supplementary question to the Minister, Mr. Speaker. Mr. Minister, you indicate that a presentation is to be made to the Department of Transport. The decision has already been made and representations were made by the Canadian Cattlemen's Association, which brought about a two year per cent reduction. In effect that has already happened. Last year (I believe it was last year, perhaps the year before) your government removed the check-off which went to the Canadian Cattlemen's Association. Obviously the Canadian Cattlemen's Association is far more cognizant in dealing with problems of the cattle industry than are your bureaucrats, because they reacted and they got action. In light of that, Mr. Minister, since the Canadian Cattlemen's Association is doing the job without the normal financial help they had prior to your government's removing their check-off, will the minister consider giving back to the Saskatchewan stock growers and subsequently to the Canadian Cattlemen's Association the check-off rights which they formerly had, if for no other reason that the fact that they are recognizing the problems, national problems, and are dealing with them? Here is a concrete example of where your bureaucrats were asleep.

MR. MacMURCHY: — Mr. Minister, I can report to the hon. member with respect to the cattle check-off. The government has no plans at this time to introduce legislation in this session to make any change. We are aware of concerns about this and those concerns are being presented to the government from various farm organizations. I want to say to the hon. member with respect to the Canadian Cattlemen's Association, I think it's time they looked at the Hall solution to transportation and considered that solution seriously. Now, Mr. Speaker, is the time to do that because, after all, Hall was commissioned by the Liberal government. I think we must find out where this Liberal government stands with respect to implementation of the recommendations of that report and find out where they stand very quickly.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — From both sides of the House this is beginning to sound suspiciously like a debate and we are still in the question period. I ask the member if he has a question to go ahead.

MR. THATCHER: — Final supplementary, Mr. Speaker . . . (inaudible interjection) . . . To the Attorney General, I can't because Mr. Speaker wouldn't allow me to! May I proceed with my question? Supplementary question to the Minister of Agriculture and not the Attorney General, Mr. Minister, in light of the answers which you have given in which you are suggesting the Canadian Cattlemen's Association should somehow be involved in transportation, somewhat mystifies me. Is it fair for us to assume that this is consistent with your expressed view in the Toronto Globe and Mail a couple of weeks ago that the livestock industry should get out of Saskatchewan and we should go straight grain farming?

MR. MacMURCHY: — Mr. Speaker, in response to the hon. member's question, implying that the Canadian Cattlemen's Association should not be interested in transportation, he just indicated that they are interested in transportation by taking a position with respect to the increase in freight rates. So they are interested in transportation. I say to the hon. member, all he has to do with respect to the position of this government, with respect to the position of this minister on agriculture in Saskatchewan — the support of the livestock industry, the support of the grain industry, solving the transportation and the marketing problems of this province — is to look at the record under the budget debate and he will see the position of this government.

SOME HON. MEMBERS: — Hear, hear!

B.C. Mortgage Loans

MR. D.G. TAYLOR (Indian Head-Wolseley): — Mr. Premier, you said you were not aware of the program in B.C. I have the brochure outlining it from the B.C. government — \$200 million program for home-owners in B.C. and it says on a mortgage loan at interest of 9.75 per cent made available through the credit unions. Will you follow their example and do something like this for the people in Saskatchewan — the home-owners, the farmers, the small businessmen? Mr. Premier, will you help them?

MR. BLAKENEY: — Mr. Speaker, I was very clear that the member raised the question of whether or not the Government of British Columbia was doing anything to assist people who were renegotiating their mortgages. I said that I do not believe that's the case. I believe the hon. member is not telling the House the truth. We are going to see whether that applies to people who are renegotiating their mortgages (which I believe it does not and I believe he is misleading the House) or whether it supplies to new construction where I know they have a program with respect to subsidizing new construction provided that British Columbia materials are used. That, I believe is their program, not the one as represented by the member for Indian Head-Wolseley, not the one that I said did not exist in British Columbia. I suggest that he is once again misleading this House as to the facts he is giving.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I believe this is as good a time as any to bail out.

COMMITTEE OF FINANCE — NORTHERN Saskatchewan — VOTE 26

MR. CHAIRMAN: — Order. Today we are dealing with the estimates of the Department of Northern Saskatchewan, page 72 in your estimate book. I will ask the Minister of Northern Saskatchewan to introduce his support staff please.

HON. J.A. HAMMERSMITH (Minister of Northern Saskatchewan): — Thank you, Mr. Chairman. On my immediate right I'd like to introduce to the House the deputy minister of the department, Ray Purdie; to his right, the director of administration, Mr. Jack Morris; immediately behind Mr. Purdie, the assistant deputy minister responsible for project management, Don Murphy; beside Mr. Murphy, the assistant deputy minister responsible for the economic development resources sector, Mr. Shakir Alwarid; to my left, the assistant deputy minister responsible for the social development sector, Mr. Brian Hill; behind Mr. Morris, budget officer for project management, Mr. Lionel Ferguson. Thank you, sir.

Item 1

MR. L.W. BIRKBECK (Moosomin): — Thank you, Mr. Chairman. I thank the minister for introducing his staff. I welcome the staff here this morning. I hope we can proceed with a degree of relevancy, and a degree of harmony, and get along this morning. Hopefully, we'll be able to move right through these estimates and get them approved. I think it's important to lay before the House and, of course, before the minister and his staff, the difference and similarities of the minister's view and my view on behalf of the opposition. Certainly from time to time we are going to have some opposing views on

just how northern Saskatchewan administration should proceed, and how northern Saskatchewan development should proceed. The footnote I might add, is that we are all likely rather fortunate this morning in as much as I'm just not feeling very good. I guess I picked up a bit of that flu or something that's going around. I'm not feeling myself so I may be a little easier than I would be normally.

I do want to read into the record a number of things, not so much for the minister's benefit as for his staff's benefit, and for the benefit of northern Saskatchewan's residents. I issued a news release March 3, 1980.

Larry Birkbeck, Progressive Conservative MLA for Moosomin, and opposition critic for the Department of Northern Saskatchewan, today issued a detailed policy paper entitled — A New Northern Vision: The Department of Northern Saskatchewan in the 1980s. Birkbeck stated:

As Saskatchewan enters its 75th year as a province in the Dominion of Canada, I believe that the future greatness of this province lies in northern Saskatchewan.

During the 1980s, the Department of Northern Saskatchewan has the potential to develop the North into one of the most dynamic parts of our province, but it can also fail through bureaucratic ineptitude.

I feel the present NDP government is denying the people of northern Saskatchewan economic opportunities and that is why we have compiled a serious critique with policy alternatives in A New Northern Vision.

I will be sending copies of A New Northern Vision to all the media in Saskatchewan, community leaders in the North, and other interested citizens of northern Saskatchewan. I welcome their comments and suggestions on how together, and I emphasize together, we can bring about a new northern vision for Saskatchewan.

... (inaudible interjection) . . . That is the first comment I've heard today from the Minister of Labour and this will be the first time and the last time today I will respond to your comments. I have no comments with respect to the Minister of Labour. This is not your department. These are not your estimates. It's the member for Prince Albert-Duck Lake and that's who I'll be addressing my remarks to.

Naturally that news release drew some comments from the government but very little criticism from people at large and no criticism from the people of the North. Interestingly enough, in discussion on a couple of bills before the House with respect to northern Saskatchewan, the minister, in reply to my comments on those two bills, stated that quite frankly I knew nothing about northern Saskatchewan. I was from southern Saskatchewan and how could I have any understanding of northern Saskatchewan. Well, I don't happen to believe that is the case now, nor do I believe it to be the case in the future.

It reminds me, Mr. Chairman, of one time when one of the Saskatchewan's better politicians, the Hon. Tommy Douglas, was in the House of Commons. He was up speaking and one of those terrible Liberals catcalled across the House to him. He was talking about agriculture and one of them said, well Tommy, what do you know about agriculture? Well, he said, I think I know something about it and I might just explain it

this way. A chicken knows how to lay an egg but it doesn't know how to make an omelette.

You might just keep those words of Tommy Douglas, in his reply to a catcall, in mind. I don't have to live in northern Saskatchewan. I don't have to be resident of northern Saskatchewan to understand the problems and to make suggestions how we might solve those problems in northern Saskatchewan.

Mr. Chairman, I think it's important, as I say, for the opposition to clearly establish its point of view with respect to northern Saskatchewan. I have outlined a few of my comments via the news release. I might just at this time allow the minister to say a few words and it will also give me a moment to sit down and have a drink of water.

MR. HAMMERSMITH: — Well, I thank the hon. member for his courtesy in condescending to permit the minister to say a few words. I want to say and I'm sure I express the regrets of all members on this side that the hon. member is not feeling up to par and we wish him a speedy recovery.

I am interested to note that the member continues to insist on calling the release he put out, entitled "A New Northern Vision," a detailed policy paper. I want the member to know that I read the paper very carefully and I've yet to detect, Mr. Chairman, any evidence of detail or of policy.

I note he states, as a goal of the Progressive Conservative Party, that they wish to make the North the most dynamic part of our province. I want to say to all members of this House, but particularly to members opposite (because I think the members on this side are aware), that the northern part of Saskatchewan is now one of the most dynamic parts of our province.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — It is one of the most dynamic parts of our province thanks to the efforts and the courage and vision of this government thanks to the courage and efforts of two former ministers of this department; thanks to the efforts of the officials in the Department of Northern Saskatchewan; but thanks particularly to the people of northern Saskatchewan who have taken up the new opportunities and made those opportunities work for themselves.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — I want to say the member's attempts to cast himself in the category of the former premier of this province, the Hon. T.C. Douglas, only demonstrate that unlike the chicken he tells the story about, he has often demonstrated in this House a considerable ability to lay eggs and to end up with them on his face.

He has offered, Mr. Chairman, in considering these estimates to clearly establish the point of view of the Progressive Conservative Party I want to say that since "A new Northern Vision": which he committed to print doesn't do that, it is my wish that he will during this consideration of estimates clearly establish that point of view. It is certainly the desire of people in northern Saskatchewan to know what the point of view of the Progressive Conservative Party is. They can judge that point of view only on the performance in this House by the Progressive Conservative Party since 1975. They think the view of the Progressive Conservative Party is that the North is an area

characterized by torture camps and by a variety of other wild and unfounded charges.

I agree with the member when he says it is not necessary to be a resident of northern Saskatchewan to be able to understand the North and to offer some policy alternatives. But I think it would be worthwhile to spend some time listening to those people who are residents of northern Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — Certainly we don't claim that we haven't made mistakes; certainly we don't claim there are not things which could be done better; certainly we don't claim there isn't a great deal left to do. We are anxious to get on with that job. The government is anxious to get on with that job and the people of northern Saskatchewan are anxious to get on with that job.

I ask the hon. member to put forward clearly, precisely and specifically his policy options so that all parties — the government, the people of the North, the officials in the department — can consider those specific and positive policy options which he offers to put forward in planning for the future of northern Saskatchewan. Thank you, Mr. Chairman.

SOME HON. MEMBERS: — Hear, hear!

MR. BIRKBECK: — Mr. Chairman, the minister responsible for northern Saskatchewan reminds me of another minister who was giving a sermon one day. He said, ladies and gentlemen, contrary to popular beliefs there are still a few no-no's. There are still a few things that are not right. There are many things which need to be done. The minister has asked if we would lay out some of our alternatives and our proposals for northern Saskatchewan. Certainly through the course of this discussion on the estimates that is what we are going to be doing.

I have suggested that as Saskatchewan enters its 75th year as a province in the Dominion of Canada. I believe the future greatness of this province lies in northern Saskatchewan. Stephen Leacock once wrote, the Lord said let there be wheat, and Saskatchewan was born. I suggest he should have also written, let there be great potential and the North was born. But that potential has not borne fruit for the people of northern Saskatchewan; that is the point which I will be attempting to make. The people of northern Saskatchewan are not benefiting in a real way, in the way that they should — maybe in part but not in the magnitude in which I see it

During the 1980s the Department of Northern Saskatchewan has the potential to develop the North into one of the most dynamic parts of our province. But it can also fail through bureaucratic ineptitude. The people of northern Saskatchewan want to capture the economic opportunities and want to be part of the destiny, which surely the North holds. Our vision is that northern Saskatchewan does indeed have a date with destiny but only if the Department of Northern Saskatchewan learns to listen.

If the economy of the Saskatchewan North is to grow and expand, it will depend largely on the leadership of northern families, along with initiatives of the Department of Northern Saskatchewan to recognize people not just bureaucracies.

There is a great deal of misunderstanding and distrust on the part of many in Saskatchewan about the Department of Northern Saskatchewan . . . (inaudible interjection) . . . Mr. Chairman, I wonder, would you mind . . .

MR. ROMANOW: — Be yourself, Larry, throw the notes away. I'm telling you seriously, that's not you . . .

MR. CHAIRMAN: — Order please! I think we can do with a little less assistance here. I ask the minister to carry on . . .

MR. BIRKBECK: — Thank you, Mr. Chairman. Mr. Minister, there is a great deal of misunderstanding and distrust on the part of many in Saskatchewan about the Department of Northern Saskatchewan and the responsibility falls directly with the current administration of the province of Saskatchewan, and in particular, with the Minister of Northern Saskatchewan. There is a lack of understanding because of the directions and attitudes of the Department of Northern Saskatchewan. If the future destiny of the North of this province is to be positive indeed, then a grater understanding of the North and the northerners must take place.

What has been the record of the present government in northern development? Take a look at the record. At first glance, the amount of money this government spends through the budget of the Department of Northern Saskatchewan appears not to be gigantic but viewed in light of providing services to about 30,000 people the magnitude of the expenditure becomes apparent. But who benefits? It would appear the main benefits go to the bureaucrats. There is a Department of Northern Saskatchewan employee for every 55 residents of the North. The biggest portion of the Department of Northern Saskatchewan budget is for administration. The majority of this department's bureaucrats, especially in the top echelons, are southerners.

It is really understandable that every northern organization has, at one time or another, including the northern municipal council, have been critical of the Department of Northern Saskatchewan. Far too much of northern Saskatchewan's budget has gone into salaries and not enough for economic development. Indeed, instead of having a northern vision the NDP government has a northern division. The system ranks ahead of individuality.

At a June 7, 1977 conference in Prince Albert, the then chairman of the northern municipal council, Lawrence Hughes, said, and I quote:

It seems to many of us that the Department of Northern Saskatchewan has entrenched itself in a bureaucracy that you and I, as citizens, cannot penetrate.

Is this the type of development we want for Northern Saskatchewan? I should say not. Yet, the NDP government persists in building a faceless bureaucracy in Northern Saskatchewan.

Allow me to continue on with the observations of the former municipal council chairman.

In referring to resource development, he suggested:

The time has come for us to share our rich natural heritage with poor

deprived city folk without being on our knees scrubbing and cleaning after rich tourists.

He went on to say:

All we are asking is to be considered worthy to be taken into account to allow us to share in the control of, and the gain of distributing it to others.

That is a reflection of the views of many people in northern Saskatchewan and their attitude toward the development of northern Saskatchewan. The present government deals in platitudes and self praise while blindly ignoring the real needs, hopes, dreams, and goals of northern Saskatchewan.

It's part of a positive vision for northern Saskatchewan. I contend there is a real need to give northern residents a strong voice in northern affairs and not pay lip service to their demands. A well-entrenched bureaucracy does not need citizen involvement. It is absolutely imperative that the policies for northern Saskatchewan be developed by northern citizens and not by bureaucrats.

When dealing with economic development in northern Saskatchewan we must take a cold, hard look at the outrageously high unemployment in the North. It is as high as 70 to 80 per cent in some areas. This is a scandal and yet the self-righteous socialists continue to tell us how wonderful things are in the North. I wonder if the minister has the courtesy to tell that to those unemployed in northern Saskatchewan.

The future is great for northern Saskatchewan if only a new hope and a new vision are given to those people — not a vision of cheap rhetoric, as the present government does, but a vision of positive actions and programs. The needs are for: (1) renewable resource development, (2) encouragement of small businesses, (3) the provision of competent training institutions, which is very apparent.

While major non-renewable resource development in northern Saskatchewan is timely because of world markets development must also provide sustained opportunities for northern businesses in the forestry, fishing and tourist industries.

WELCOME TO STUDENTS

MR. CHAIRMAN: — I'm very sorry to interrupt and I will let the member carry on very quickly. There is a group of students in the gallery. The member for Kinistino is in charge of them and he has to get away immediately for a plane. Mr. Cody, would you introduce your students please?

HON. D.W. CODY (Kinistino): — Thank you very much, Mr. Chairman. I appreciate the hon. member giving me the opportunity to introduce the students. Today we are very pleased to have with us 16 students, 2 teachers, and 2 bus drivers from the Crystal Springs school, which is in the Kinistino constituency. They have been on the road for some time this morning. I guess the road conditions are not bad but the weather conditions aren't that hot. It's a little foggy out there, and as a result they were just a little delayed. However, we really appreciate that the teachers took out of their busy schedule the time to bring the students to Regina. I hope all hon. members will welcome them and I also hope that they have a good time today in Regina, particularly in the legislature. I want to introduce their teachers who are Christine McLeod and Dave Paiot and the bus drivers, Louis Reed and Gary Stelmaschuk. Have a good day in

the legislature and in Regina and hopefully you will have a good trip home.

SOME HON. MEMBERS: — Hear, hear!

Committee of Finance — Northern Saskatchewan — Vote 25 (continued)

MR. BIRKBECK: — I just want to continue to reply to the Minister of Northern Saskatchewan by outlining some of the policy directives that we see as possible working positions that northern Saskatchewan residents could take. We feel better roads and transportation would assist small business development in northern Saskatchewan. An industrial opportunity study by a Toronto firm pointed out that economic growth of northern Saskatchewan will depend largely on the future improvements and the development of the northern road network radiating into the forest belt and the parklands of northern Saskatchewan. We do have the potential for future greatness in northern Saskatchewan, if only we dare to be great. Greatness links the possibility of additional highways and even a railway into northern Saskatchewan.

The Minister of Northern Saskatchewan has scoffed at the idea of a possible railway into northern Saskatchewan. I don't think that's a very positive position to take. The Potash Corporation of Saskatchewan utilizes rail as a form of transportation. We can use the rail network — a possible new network in northern Saskatchewan — for the movement of resource products out of the North to southern Saskatchewan and in reverse, moving products, service supplies and goods into northern Saskatchewan. If a railway can benefit northern Saskatchewan in any way, it seems reasonable to me that we would proceed. If it is not feasible, if a working arrangement cannot be made, if it's economically unfeasible, well then of course we're not going to build a railway into northern Saskatchewan.

Mr. Minister, the rail transportation possibility should be discussed between the provincial and federal government. Northern railways have been recommended as feasible from both engineering and economic viewpoints. Such recommendations have been made in two separate studies involving Canada's railway companies and the federal Department of Transport. The Hall Commission also raised the issue of northern railways, yet this current government does not seem to investigate such possibilities, let alone consider them. How can they have a northern vision if they are blind to the imperative need for improved transportation?

Commercial fishing in northern Saskatchewan requires a bold new approach as well, as it is deteriorating rapidly under the apathy of socialism. The fishing industry in northern Saskatchewan needs a vision, which I have proposed, and not bureaucratic lip service. This is a vital industry to our province and a new government would give priority to the importance of this special industry. The present government has created a bureaucratic nightmare with its reckless involvement in the commercial fishing industry. We need a positive response to the industry's problems. I call for new vision for northern Saskatchewan in that regard as well.

John Diefenbaker of Prince Albert saw that the future was in northern Saskatchewan and I say we must carry out that vision. Real northern prosperity will be achieved through resource development as means to solving the social and economic needs of northern residents and as a means of deepening the provincial economy. It will be done through an industrial development strategy recognizing the cultural, social, and economic realities of northern families; the unique environment; the long run development of renewable timber, agricultural, fishing and tourism industries.

A credible vision for northern Saskatchewan can only be carried out through the encouragement of the family business in northern development with the government ensuring that northern residents receive the lion's share of the benefits of such development. The Progressive Conservative vision of the North builds on realistic incentives for northern residents to develop industry and to employ northern Saskatchewan residents. It's time Saskatchewan led the nation in providing opportunities for our children, and stopped exporting them.

Complete tax review and incentive agreements between Ottawa and Saskatchewan are necessary to encourage secondary industry in northern Saskatchewan. We must stop creating huge bureaucracies that place the system above the individual family. Our vision of the North would call for viable local and municipal government in northern Saskatchewan so northern residents would have real control of their local destiny. Consultation with local northern communities would ensure adequate financial resources to northern communities.

The costly and bureaucratic failings of the Department of Northern Saskatchewan are obvious and a full-scale public inquiry into all operations of this department is necessary. The Department of Northern Saskatchewan's treatment of the North and the people of the North is not visionary but rather reactionary.

In closing my response to the minister, as I stated earlier, the present government has contented itself with platitudes and self-praise in dealing with northern Saskatchewan. We believe the second-hand treatment given residents of northern Saskatchewan must stop. A Progressive Conservative government would respect the views and aspirations of the individual and recognize our most valuable resource is people — and in this case the people of northern Saskatchewan.

The minister asked me if I would outline in more detail just what some of our policy objectives might be as government; how we might proceed as an administration of government in northern Saskatchewan. I feel just for starters today that that gives you a rough outline. Certainly it is not as detailed as one might like it to be, but certainly it would be if we were government. We must keep in mind that we on this side of the House are not government and until such time as we are, it is rather fruitless to become very specific with respect to policies. But I give you a rough outline — a blueprint, if you like, of what a Progressive Conservative government would do and the goals it would aspire to for northern Saskatchewan residents. I would ask, Mr. Chairman, if the minister would maybe care to make some comments on those particular policy objectives.

MR. HAMMERSMITH: — Mr. Chairman, I find the member for Moosomin has now cast himself not only in the stature of T.C. Douglas but he also includes himself among such other notables as Stephen Leacock and John Diefenbaker. I am somewhat in awe of being in such intellectual company I have yet to hear a specific policy suggestion from the member and I ask the indulgence of the House, because I think many of the platitudes that he articulates and much of the rhetoric he lays before us require some response.

I want to say first of all that his main criticism is that DNS is a giant bureaucracy controlled by southerners. His rhetoric attacks the civil servants and the Department of Northern Saskatchewan. His rhetoric attacks the people who have worked long and hard with the citizens of northern Saskatchewan to achieve the gains that have been

made. I say his attacks are not only inaccurate but they continue to be uninformed. He calls his vision of the North a blueprint. Progressive Conservative blueprint, but he admits it is a blueprint without details and that, Mr. Chairman, I say is irresponsible. I want to just review a few of the matters he referred to in terms of the specifics.

He makes the accusation that the bulk of expenditures in the Department of Northern Saskatchewan are for administration. Well, Mr. Chairman, when we consider the expenditure in the executive administration and in the administration branch together that comes to 4.3 per cent of the budget. Now in the view of the member for Moosomin 4.3 per cent may be the bulk of the expenditure; 4.3 per cent is not the bulk of the expenditure in my view. Even if we add into that, Mr. Chairman, expenditure for the personnel; and training branch and total that up, we come to a total of 7.8 per cent for administration.

The member for Moosomin says that's the bulk of the expenditure. I say that rather than attempt to communicate those platitudes to this House, he would be well-advised to communicate them to the member for Qu'Appelle who day after day gets up in this House and leaves the suggestion that the Progressive Conservative Party is opposed to uranium development and to mining development in the North. We have not heard from their northern critic; we have not heard clearly from members opposite where they stand on uranium mining. What is your position? What is your position with regard to the surface lease with Amok which guarantees that over 50 per cent of the employees will be northerners, which gives a preference to northern businesses, which has resulted in \$3.7 million being paid in wages to northerners and has resulted in \$8.7 million in contracts going to northern businesses.

I would suggest that it may be worthwhile for the members opposite to communicate their vision of the North to some of the Progressive Conservative governments in this country, for example, the Government of Alberta.

You know last week the native outreach in Alberta held their annual conference and they gave an award to the employer who had the best record in the province of Alberta in employing native people. That award went to Alberta Gas Trunk and the president was there to receive it. You know that Alberta Gas Trunk had 1,700 employees and they got an award because 78 those 1,700 are native people — 4.5 per cent and that's the best performance in Alberta. Is that your position for northern development? Is that what you offer to the native people of the North — that 4.5 per cent of them will be employed?

He had perhaps better give consideration to communicating his vision to the Government of Manitoba. Very shortly after they were elected, they eliminated the majority of programs in northern Manitoba which employed native northerners and put those people back on welfare. Is that your vision of the North?

He should perhaps communicate his vision with the Government of Newfoundland — which has been meeting with us and with our officials to learn and to take advantage of the expertise developed in the Department of Northern Saskatchewan and among the people of the North — in their efforts, in the efforts of the Government of Newfoundland and Labrador to plan a single agency approach for Labrador, an approach similar to that taken by the Government of Saskatchewan.

He should perhaps meet with the Progressive Conservative government in the Yukon

which has taken the time to send the Minister of Economic Development to northern Saskatchewan to meet with the minister and with the officials of the department and with the companies in the North. He came on the advice of national mining companies because he was told by them that the best model in Canada for native participation in northern development, for native employment, for the creation of native-owned businesses in the North, was in northern Saskatchewan.

Perhaps the minister from the Yukon also took the time to meet with the member for Moosomin and the members opposite to give himself the opportunity and the benefit of sharing in their northern vision. Mr. Chairman, reference was made to people in the North being stifled and somehow squashed by bureaucracy. Well, I just want to point out again to the member opposite that when the Department of Northern Saskatchewan was created, 40 per cent of the people in northern Saskatchewan enjoyed no form of local government. Today 100 per cent of the communities enjoy one form or another of municipal government.

When the department was created only two schools were under the jurisdiction of elected school boards. Today all schools in northern Saskatchewan are under the jurisdiction of elected school boards and they manage their own affairs and are doing an excellent job. I point out again to the member that in the community of Ile-a-la-Crosse in the last 3 years they have graduated 51 Grade 12 students and that compares against 5 in the 106 years preceding those 3. The member says they are stifled by a bureaucracy. I say the facts show otherwise — those statements have no credibility. The statements of 1977 do not reflect the North in 1980. I would ask the member, as he refers to studies with regard to a railroad — recognizing that constitutionally railways are a federal responsibility — what has been the response? What was the response from the Progressive Conservative federal government in those nine months? How did they respond to the suggestion of a northern railway. I think, Mr. Chairman, that as we go through the estimates and respond in some detail to the PC vision of the North and to the questions of the member opposite, the picture will become clear.

MR. R.L. ANDREW (Kindersley): — A question to the Minister of Northern Saskatchewan — or I would ask his comment. The press statement or the wire story just recently coming down on a question of a trial in Prince Albert, I believe, dealing with a former member of DNS, reads as follows:

Mr. Justice Ted Noble said in passing sentence that he would have sent the man to jail were it not for the provincial Department of Northern Saskatchewan's involvement in the fraud. The man was hired by the department in 1975 to upgrade a number of Cumberland House residences under the residential rehabilitation systems program funded by a federal corporation. Judge Noble said that the man had perpetrated the fraud with the provincial department's passive and active co-operation. He described the department as bureaucracy that has run amuck. Noble said staff members led the man to commit the fraud and in some ways actively assisted him. He said the department might not have exercised strict control on the man working because the funds were coming from the federal government.

I suggest to you, Mr. Minister, that is a very serious comment about the Department of Northern Saskatchewan. I would ask for your comment at this point in time.

MR. HAMMERSMITH: — Mr. Chairman, first a couple of matters. I haven't seen the wire. The charges that are made, I reject. The person referred to was not an employee of the

Department of Northern Saskatchewan. He was a private contractor. I think the member for Kindersley, being a lawyer, will recognize and will be aware, since he at least is informed, that there are four other people charged in that matter, four people yet to come to trial. The entire matter is still before the courts. When those trials are completed and the decisions have been rendered we'll be prepared to comment on the details.

MR. ANDREW: — Nobody asked you, Mr. Minister, to comment on that particular case. The comment is that Mr. Justice Noble has obviously found, through the evidence, that the Department of Northern Saskatchewan has run amuck and is in a bad state. Now surely that's a comment on that and not a comment on that particular person charged.

MR. HAMMERSMITH: — Mr. Chairman, that is one opinion. It's an opinion expressed as a result of a matter in which the Department of Northern Saskatchewan was not being thoroughly examined. It's a matter as a result of a trial of one individual and it's an expression of an opinion and that's all it is.

MR. W.C. THATCHER (Thunder Creek): — Mr. Minister, we are just not going to let this one drop with that explanation. We are talking about what a judge said, what a justice said. Now I am not an expert on the legal system, although I am beginning to wonder. Nonetheless, we are commenting on the remarks of Justice Ted Noble. Now I think he would be appointed by the Attorney General's department. He's federal, excuse me.

AN HON. MEMBER: — A good appointment.

MR. THATCHER: — Was he a good appointment? I wish the Attorney General wouldn't leave because I think the minister may need him. I don't know about this penchant for cabinet ministers needing a lawyer this week. I don't know just exactly what we are coming to. Anyway, I wish he would stay. Have you got another lawyer? Ned, you may have to take over here.

Mr. Minister, this is no joke. When a judge is saying, in passing sentence, that your department is involved in — well he goes so far as to call it fraud — we might as well call a spade a spade. The justice calls it fraud and he says your department is involved in it. Now, Mr. Minister, you are not going to get off the hook by saying you are not going to comment on it. You are here in your estimates. It's wide-open season on your department, and we would be far less than a responsible opposition if we did not demand some statement on what Mr. Justice Noble has said at the conclusion of a trial — he's calling it fraud.

Mr. Minister, don't try to get off the hook by passing silence, by saying there are three or four more to come up. We are in your estimates. This is the time when you make the comments on this. Don't try to abrogate your responsibility. Now what went on here? What's the story? What is the involvement of your department? What are you going to do about it?

You are a new minister; I know you weren't the minister when this went on. But nonetheless you are the minister in charge now and you are the only one who must answer. We are asking for answers right now as a responsible opposition. I would ask you to be a responsible minister and tell us what the score is.

MR. HAMMERSMITH: — Mr. Chairman, the member for Thunder Creek continues his overgenerous assessment of not only himself but his colleagues in referring to them as

a responsible opposition. However, it's certainly his right to be generous in his assessment of himself.

The member for Thunder Creek errs when he says the judge says something is happening. That is not what the judge said. He said, was at the time of the matter which resulted in charges being laid against several people — was. The date, the member knows, was 1976.

The fact remains that the record is not yet complete. The record will not be complete until the four other individuals tried have come to trial and decisions have been rendered. When the record is complete, we'll be prepared to discuss it in detail with this House. But while it's before the courts, we will not be prepared to discuss it in detail.

MR. THATCHER: — Mr. Minister, you have the thing in front of you that's required and you're sucking there and you know it. This judge has quoted and he goes so far — I think it's rather surprising a justice goes this far but nonetheless, he has done it — as to say very clearly the department perpetrated the fraud, the gentlemen involved perpetrated the fraud with the provincial department's passive and active co-operation. Now, that's quite a statement — passive and active co-operation. Now, let's never mind the semantics. In other words, what he's saying is officials of the DNS were involved in fraud and they aided this individual in fraud who was found guilty. He's saying very clearly that he would have sent him to jail expect for the involvement of your department.

Mr. Minister, I want to know who was involved — what agencies of DNS because that's a pretty big department and I certainly don't cast aspersions on everybody in your department. When a justice goes that far, I want you to tell us today, who was involved and how they were involved. Mr. Minister, that is not very valid to say there are a few more cases coming up because this case is concluded; it's over with, and a justice has rendered his decision. It is fair game — that's why I wish the Attorney General hadn't left. Nonetheless, you've got enough lawyers here. I think any lawyer will tell you it's fair game to talk about a case after the judgment has been brought down. To my knowledge, the case has not been appealed. Even if it was, we could still talk about it. It's fair game to ask you to those questions. You're the minister in charge. I'll grant you, you were not there in 1976 but you're there now and let's have some answers.

MR. HAMMERSMITH: — Mr. Chairman, the member is not reluctant to tell this House what is fair game and to tell people what they may or may not discuss. As a self-declared, well-informed expert on this case, he will know that the individual from the department who was involved was dismissed in 1976; he was charged; and his is one of the four trials yet to come. Having said that, I repeat, Mr. Chairman, we will discuss this matter in its entirety when the record is completed and the record is not complete.

MR. THATCHER: — Oh no, Mr. Minister, we're not; I don't know that. All I know about it, Mr. Minister, is what I have in front of me. All I know is that a justice, and I gather a highly respected individual or he wouldn't be a justice. Justice Noble says that your department was involved actively and passively in fraud. That's all I know. I'm asking you, as a member of the Assembly, as one of 61 members who happened to win a local election, charged by the people of Saskatchewan, supposedly, to act in a responsible fashion. All I know is what's here, and I'm asking you. I believe I have every right to ask you that. I believe you have every right and every obligation incumbent upon you to respond. You are the minister in charge, I acknowledge you weren't there in 1976, but you have enough people here to tell us the facts.

Again, I ask you, who was involved in that fraud referred to by Mr. Justice Noble? He doesn't confine himself to one individual. He doesn't confine himself to one agency. He refers to the Department of Northern Saskatchewan. I'll repeat my question again, Mr. Minister, and I'll keep repeating it, if I have to, until 1 o'clock. What individuals were involved? What departments were involved? Let's have a clear and definitive statement. This case is over and you know it's over. We would be less than responsible if we were not to ask these questions.

You can stumble and fumble and make personal aspersions about us over here, if you want. Go right ahead. But you're going to get that same question until you come up with an answer.

MR. HAMMERSMITH: — Mr. Chairman, the member can make his own assessments about the finding of the judge, and whatever he wishes to say about the judge. I will not comment on the judge's finding. I will not comment on the ability, credibility, or capability of the judge. I repeat that the five cases are all interrelated. They all relate to the same matter; there are four yet to come to trial, and the member has his answer until the record is complete.

MR. THATCHER: — Mr. Minister, I believe your refusal to discuss what is a matter of extreme urgency, extreme importance in the light of Mr. Justice Noble's finding, is an absolute disgrace. I believe that it is a total abrogation of your responsibility as minister in charge DNS. The DNS has had its difficulties ever since its inception. It's had its problems that don't have to be related. We can go back to the \$500,000 shoebox, and we can go all through them. It's been beset with problems from square one. Mr. Minister, this one has to be the final straw, when DNS is in a judgment by a federal justice (and this isn't us, this is a federal justice) who said I would send an individual to jail were it not for the active and passive co-operation of the department of Northern Saskatchewan. The minister put forward the most shallow, inexcusable excuse that because some other people are going to be charged, you're not going to comment on it. I notice another attorney in the House over here on our side. He's not jumping up to defend you. He knows darn well that we've got every right, and that you're in left field on this one.

Mr. Minister, I want to tell you, if you haven't got the courage to stand up and defend your department, I think in the most thoroughly documented charge that's ever been hurled at you, you should resign. Either stand up and defend it, stand up and clarify it, name these people — or resign. If you are incapable of doing so, then I suggest that you perhaps get the Premier, get the Attorney General, get the former minister, get somebody else in here to do it if you don't know. But this is an absolute, inexcusable position on your part, a complete dereliction of your duty and if you had any sense of responsibility, you'd pack it in and resign right now. I have never in my time in the Assembly seen a minister take this position when something like this comes at him. If you need some time to talk about it I can appreciate that. If you want to take a couple of minutes and go out and talk to your officials, I appreciate that. But your taking the position you are taking right now, where you're simply not going to do anything until four more cases get heard, is an abrogation of responsibility and a dereliction of duty. If that is your position, get out of the way and let's get a minister in here that will face up to the facts. You can laugh if you want, but that is the worst example of ministerial performance I've ever had the misfortune to see.

MR. HAMMERSMITH: — The member for Thunder Creek reviewed his experience in

this House, and the number of alleged performances he has or has not seen. I would suggest that were he to grace this Chamber a little more often with his presence, he might be in a better position to judge. I say to him that to comment at this point on this matter in which the record is not complete, in which the cases are still before the court and people have been charged — it's not a matter of people might be charged; people have been charged in this very matter — would be the height of irresponsibility. I think it's worth the House's consideration to recognize that were the member for Thunder Creek and his colleagues opposite in government, they would take no consideration over the fact that matters are still before the courts. They would ignore the courts; they ignore the rights of those individuals; they would ignore the necessity of waiting for judgment by the courts and they would place themselves about the courts. That is what the member for Thunder Creek calls responsible — to place himself before the courts. I disagree. I will not comment until the record is complete.

MR. THATCHER: — Mr. Minister, you know very well that the record is complete.

MR. CHAIRMAN: — Order, order! If I may just inform the committee, according to the sub judice convention of Beauchesne's Parliamentary Rules and Procedures, point 335 states:

Members are expected to refrain from discussing matters that are before the courts or tribunals which are courts of record. The purpose of this sub judice convention is to protect the parties in a case awaiting or undergoing trial and persons who stand to be affected by the outcome of a judicial inquiry . . .

What I am pointing out to the Assembly . . .

MR. THATCHER: — I'm not talking about a case that's before the court, this one is after the courts.

MR. CHAIRMAN: — Order! What I am pointing out to the Assembly . . .

MR. THATCHER: — I don't much care what you are pointing out.

MR. CHAIRMAN: — Well, the member for Thunder Creek does not seem too concerned with what the Chairman is attempting to do here in terms of informing the committee. If the member does not wish to listen, he has alternatives to pursue. All I wanted to do was inform the Assembly that this point in the rules and procedures indicates that if there is something awaiting, we would not be discussing it. If there is information for the Chair, which would assure everyone concerned that there is or is not, then we can resolve the matter. Perhaps there may be some comment from the minister responsible for DNS with regard to that.

MR. HAMMERSMITH: — Mr. Chairman, in the matter of the trial referred to that was just concluded, the individual tried in that case and convicted, was charged along with a number of other individuals. One of these individuals is an ex-employee of the department who was dismissed at the time of the incidents out of which the charges arose, who is himself awaiting trial and who was one of the witnesses at the trial just completed. Presumably the person just convicted will be a witness at the subsequent trials; presumably much of the evidence from the trial just completed will become part of the evidence in subsequent trials. Since the charges against all five people are interconnected and interrelated and the evidence is interconnected and interrelated, it

is my position that this is a matter in which the record is not complete. It is a matter still before the courts and a matter which we will not discuss until the record is complete.

MR. THATCHER: — Perhaps I could put forward what we are trying to do for the Chairman's edification. We have no interest whatsoever in the individuals involved. Our position is strictly on the comments, on the judgment by Mr. Justice Bradley as it pertains to DNS. We have no comment whatsoever on any of the individuals involved. Our concern is with the Department of Northern Saskatchewan which has been deemed to be involved actively, passively, in fraud; that is the terminology of the judgment. We have no interest in the people who are involved in the courts, the person who has been found guilty or those who are about to go to court. The minister's position is absurd. If the Chairman wants to be involved in this debate, it is going to be prolonged.

I'll go back to you, Mr. Minister, let's keep personalities out of this, because we have no interest in getting into it. Our sole interest is with your department. We want a statement from you — we don't want you to talk about the people charged, we have no interest in that whatsoever — as to the involvement of your department in a situation which Mr. Justice Noble has described as passive and active. You know, Mr. Justice Noble even went further. He described your department as a bureaucracy that has run amuck. That's Mr. Justice Noble after hearing this case — a bureaucracy that has run amuck. Staff members led the individual involved to commit fraud — staff members led the individual involved to commit fraud and in some ways actively assisted him! Mr. Minister, you are suggesting that we leave this; let's not get into it because there are some more cases before the courts — a situation that the minister knows very well may take years. In the meantime we have had no assurances from you that the situation has been corrected and in fact quite the contrary. The minister has refused to discuss it. I want to make it very clear that my railings are not against this minister personally — I know he wasn't there as the minister but unfortunately, Mr. Minister, you're the one who is there now and you're the one we are demanding an account from.

Mr. Minister, at the very least, if you're going to refuse to account for this I really believe you have to pack it in and that you should resign. But the very least you can do today, in the light of the comments of Mr. Justice Noble, is to order a public inquiry into your department because these are the most serious charges that could possibly be brought forward. Mr. Minister, you are not getting the luxury of just keeping your seat and saying, I won't comment on it until everybody else has been prosecuted or until it has been through court. That doesn't hold water; we have no interest in those individuals. Our interest is with your department and, Mr. Minister, that is the time those questions have to be asked. We are asking them and it's time for you to respond.

MR. HAMMERSMITH: — Mr. Chairman, the member has indicated he may be changing his line of questioning. He says what he is interested in is the program of the department. As we go through the estimates and discuss the programs of the department he can ask that question and he can ask about that. But what he is asking now is the minister to comment on a specific judgment rendered by a judge and on a matter that is not yet ended.

I assume the active involvement to which the Justice refers is the involvement of that individual, whom I referred to earlier as having been dismissed as a result of an RCMP investigation requested by the department through the Department of the Attorney General. That individual was dismissed and was charged, and his is one of the cases that is pending. It is tied very closely to the matter on which judgment has just recently

been rendered . . . (inaudible interjection) . . . on the specific trial of one individual . . . (inaudible interjection) . . . no, with regard to the department, Mr. Chairman, the judge expressed his opinion. The department was not on trial; the trial was not a trial of the department. The judge expressed an opinion with regard to the department and he is entitled to express an opinion. I repeat that I will not comment on the details of the case until all the persons involved have been tried and judgment has been rendered. With regard to specifics of any program in the Department of Northern Saskatchewan, as we go through the estimates, we will be pleased to answer the hon. member's questions.

MR. J.W. GARNER (Wilkie): — Mr. Chairman, and, Mr. Minister. A little earlier you stated that your department has such a great record and also you had a complete lid on your department.

I would just like to read one other thing, Mr. Minister — nothing to do with the personalities involved. Mr. Justice Noble also said the department broke federal regulations by paying for the work before it was completed. And he questioned why cheques made out jointly to the Cumberland House homeowners and Mr. X were cashed without the homeowner's signature.

Now, Mr. Minister, we are not talking about a personality. We are talking about a department you haven't got control of. You have broken federal regulations. You are trying to skate out of this, Mr. Minister, by saying we are trying to interfere with the judicial system. We're not; it is your department. To go one step further, this gentleman was hired by the department in 1975 to upgrade a number of Cumberland House residences, under the residential rehabilitation assistance program, funded by a federal corporation. Now, they have a set of regulations, Mr. Minister. Your department has broken them.

Now, you call your department responsible. This is not responsible action in your department, Mr. Minister. Is it not also your department's obligation to give us the answers? I think it is, Mr. Minister. How much more corruption is going to take place in this department of yours before you get a lid on it? — not the judicial system, the Department of Northern Saskatchewan.

Mr. Minister, you can talk about a record of this NDP socialist government, but in your department right now (it sounds like a broken record) why do you think that you have the right to break regulations? Are you an extra-super being in this socialist government? Please comment.

MR. HAMMERSMITH: — Mr. Chairman, among the many poetic statements of the member for Wilkie, there was some reference to something to do with cheques and something to do with regulations. That is part of the evidence, part of the investigation which resulted in the charges of fraud. And I repeat, if he will check the record, it was not only the Department of Northern Saskatchewan which was criticized in that respect by the judge. There was also some criticism of the banks which cashed the cheques. But I repeat, all of these matters are part of the evidence that will very likely come forward in four subsequent trials, all of which relate to the same matters, all of which are interconnected among the five individuals and all of which must be completed before the record is complete.

And I repeat, when the member wants to ask specific questions about specific programs of the Department of Northern Saskatchewan, we will be prepared to answer

them. When he insists on having the minister comment on matters before the courts the minister refuses to comment until that record is complete.

MR. GARNER: — Mr. Minister, do you think that your department has the right to break these regulations? Also, Mr. Justice Noble said that the department might not have exercised strict control. I don't think, Mr. Minister, you have any control in that department, and if you are not willing to discuss this important issue right now, and leave the personalities out of it . . . We're not bringing the personalities into it; we're bringing in the corruption in DNS.

Now, Mr. Speaker, I don't think, and I know a lot of people in Saskatchewan don't think, you have the right to break regulations. Do you think your department has the right to break regulations?

MR. HAMMERSMITH: — No one has the right to break the law or to break regulations, and the matter of whether or not some individuals did is a matter before the courts. It's a matter that resulted in charges.

MR. J.G. LANE (Qu'Appelle): — I wonder if the minister understands the seriousness, as this may well be the first time in Canadian history where a department has, in fact, been condemned by a judge for participating in a fraud or a scam and I think that colors each and every one of your officials. I would like to know from the minister firstly, whether there was an agreement between him and the former minister that the former minister avoid the House today and not take the responsibility to enter in here to answer questions or to cover up for the last couple of years, and secondly, whether he's now prepared to supply the list of officials that have, in fact, been dismissed as an immediate result of the situation that existed here?

Let me make it quite clear to the hon. minister that we in no way accept your argument for refusing to comment. Your Premier comments on supreme court cases without any hesitation during an election campaign; it doesn't bother him. And your Attorney General doesn't hesitate to comment on court cases during provincial elections; it doesn't bother him. The precedent is well set by your government that you can in fact comment on court cases and we insist on having from you an explanation and a statement as to when your public inquiry is going to start.

MR. HAMMERSMITH: — Mr. Chairman, there are no plans for a public inquiry. There is no cover-up. I remind the member and all members opposite that in this matter, when residents of Cumberland House raised specific complaints and concerns, officials in the department at that time undertook an investigation to establish whether there was legitimacy to the complaints and concerns. Their investigation concluded that there was. They asked the Department of the Attorney General to have the RCMP conduct an investigation, not only on the particular contractor but on officials of the Department of Northern Saskatchewan. That investigation resulted in five people being charged, one of whom has come to trial, four of whom are yet to come to trial.

In the matter of commenting on supreme court cases, I think the member for Qu'Appelle has also shared, although perhaps from a different view of the results of those cases, in such commentary; but he will agree that the comments were at the conclusion of the matter at hand. The position here is that the matter is not concluded. One-fifth of it is concluded; when the matter is concluded, we will be prepared to comment in detail.

MR. LANE: — Let me remind the minister that in fact this matter is concluded. On the evidence of one case alone the judge has found an act of co-operation in a scam, in a fraud by your department. On one case alone, without the other four! So, let's not state that the matter is not completed. In fact, as it pertains to one individual or this particular set of circumstances, it is completed. I suggest to the minister that he's either abusing his office or defaulting in his parliamentary duty to come clean and start insisting on a clean-up.

Now, we ask you again, why are you afraid to have a public inquiry when a judge of a Saskatchewan court finds your department participating in a fraud, a criminal fraud? What are you trying to hide or what are you afraid of that you don't want a public inquiry when a judge says your officials, your department has run amuck. What are you afraid of? What are you trying to cover up when one judge on this set of circumstances makes some pretty damning allegations against your officials and your department? What are you afraid of?

MR. HAMMERSMITH: — Mr. Chairman, no one is afraid of anything. It is interesting that the volume and the certainty with which the member for Qu'Appelle expresses his opinions always increases in direct proportion to his being less sure of his ground. He knows (and I repeat) that the officials of the Department of Northern Saskatchewan who were involved were dismissed, charged and will be brought to trial. It is my understanding that because the cases are related those trials will deal with much of the same evidence as the case on which judgment was rendered. Because it is highly likely those trials will deal with the same or similar evidence, it's my position that it is a matter which is not yet completed and will not be completed until all persons involved in that particular set of circumstances have been brought to trial. At that time we will be prepared to comment on the circumstances and on whatever allegations are made but not until that time.

MR. THATCHER: — Well, Mr. Minister, I guess we are going to be here a long time. Gentlemen, look . . . even you guys over there don't believe him. I can tell by the look on your faces. I don't hear any desk thumping when he gets up. Not even you guys believe it.

MR. LANE: — Where is Bowerman hiding?

MR. THATCHER: — Where is the former minister? This poor guy has been set up. He has been set up by the incompetence and the ineptitude of the former minister and he is being hung out to dry. And you guys don't even believe him. Let's hear some desk thumping for him when he gets up. Let's hear some support. There's nothing there. You guys know darn well he is having to cover up for the ineptitude and the incompetence of the former minister and he is being hung out to dry by him. Where is the Attorney General? Where is the Premier? They are letting this guy twist in the wind. Heavens!

Mr. Minister, even the defence attorney is quoted as saying, this practice, the practice in this conviction, was condoned by the DNS and their officials — the defence attorney. Mr. Minister, what you are saying to us today, and if we accepted what you are saying to us today, you would just throw all the ridicule and the scorn on us somewhere down the road because we weren't a responsible opposition. But what you are saying is, we have a few more cases that we may proceed on; leave it until we have resolved those other four and then maybe we will talk about the matter. Now come on, Mr. Minister, let's reverse roles here. Suppose I were the minister and you were sitting over here and I gave you that answer. You would be up railing away and screaming and raging even worse than what we are doing. Now, Mr. Minister, come on. You have a problem in your

department which has been there since day one. The former minister made a mess of it — made a complete mess of it and why he wasn't yanked out of that portfolio, I don't know. Finally he was; you've got it and you are having to hang out because of his incompetence.

Mr. Minister, there has been a cancer in that department. There have been undercurrent problems there; there have been administrative problems; there has been just about every problem a department could have and you have had it. Now, Mr. Minister, this one is just the living end. It's time that your department was exposed to public scrutiny.

One of the difficulties in an evaluation of your department is in its remoteness from the capital city, Regina. One of the problems is that the bulk of your administration, about 98 per cent of our administration, is way up in Lac La Ronge. I guess I'm guilty, along with many other members, of saying I'm not in La Ronge every second day of the week. None of us are. Mr. Minister, I make no pretence of being an expert on the problems of northern Saskatchewan. It's not my area. I'm not up there every day and I don't pretend to be an expert on it. I don't think you are either but if you want to be a self-proclaimed expert, go ahead.

None the less, Mr. Minister, when a case involving your department goes to trial and when the presiding judge at that trial comes down with the statements he has just come down with, we have to jump on him. Mr. Minister, you as the minister in charge, under all the traditions of the British parliamentary system, are under every obligation to respond and make a complete definitive statement. Barring that, failing that, I think you abrogate your responsibility entirely if you don't at least acknowledge the need for a public inquiry, an independent judicial inquiry. Because by not doing so you are in effect saying that Justice Noble really didn't know what he was doing. Now if that's what you want to say, go ahead, but Justice Noble in effect, without saying so, is saying that you're department needs looking into, a thorough looking into.

AN HON. MEMBER: — Run amuck.

MR. THATCHER: — Yes, run amuck. That is very strong language for a justice to use, extremely strong. If you want to say Justice Noble came to the wrong decision, go ahead. You know more about the case than we do. But if you are not prepared to do that, if you are not prepared to challenge his statements, let's have an independent public inquiry, a judicial inquiry into what's going on in the DNS. There's a problem up there and it's obviously not getting any better. It's been there from square one and it's still there.

Mr. Minister, your answers have been pathetic. If you're not able to answer any better than that then say so and let's get somebody up front whom we can talk to. Mr. Minister, you must do better than that.

MR. HAMMERSMITH: — Well, Mr. Chairman, it has often been recognized that if judgment is passed on the answers that also passes some judgment on the quality and the depth and the perception of the questioning.

The member makes another inaccurate statement when he says my position is we have a few more cases we may proceed on. We don't have the cases. The cases are before the courts and they will be proceeded on. The people have been charged and will be

brought to trial.

He says the department should be subjected to public scrutiny. I say to him there is not another department of government, which is subjected on a daily basis to greater and more intense public scrutiny than the Department of Northern Saskatchewan. But that scrutiny certainly isn't from the member for Thunder Creek. The people of northern Saskatchewan, whom you would do well to acquaint yourself with some day, are the real critics of the department, not the member for Thunder Creek. The people of northern Saskatchewan are the real critics and they pass their judgment regularly. They passed it in 1975 by sending two members to this House and they reaffirmed it in 1978 by returning those members. They passed it just recently in the federal election by rejecting totally the point of view and the kinds of arguments put forward by the members opposite. The people of northern Saskatchewan are well aware of the view members opposite hold of the North, and of the people of the North and they pass judgment regularly on that, just as they pass judgment regularly on the efforts of the Department of Northern Saskatchewan. The member chooses to comment on what the judge has to say and asks me to comment on the judge's statement. I will not comment on the judge's statement. I will not comment on matters before the courts. If the member for Thunder Creek wishes, with his colleague, the member for Qu'Appelle, to repeat the same questions until 1 o'clock, then I guess that's their choice. We will get on with the estimates of the Department of Northern Saskatchewan when they finally recognize that, regardless of how many times the questions are repeated, the answer will be the same. When they wish to subject the specific programs and expenditures and estimates of the Department of Northern Saskatchewan to the scrutiny of this House, then we will get on with that. But they choose not to do that, Mr. Chairman. We await their . . .

MR. LANE: — I'd just like to call attention to the Assembly that in fact this government is proving by the statements of the minister that it is deliberately covering up the fraud and mismanagement in the Department of Northern Saskatchewan. He says here's our opportunity to scrutinize and listen to him stonewall and stall, and cover up and refuse to answer questions.

The minister says that the last election was a justification for fraud in the department. That's just what he said. He said the last provincial election, by sending the brother of one of the members, and two members from northern Saskatchewan into this Assembly was justification for this fraud, was the endorsement of the fraud, was the endorsement of that criminal activity. That is precisely what he has just said. Well, let me say to the hon. member that I have a little more faith in the people of northern Saskatchewan. I believe that if they had had the facts before them prior to the last election they would have run you out on a rail. They would have run the two members out of town. In fact both members would have been defeated, and solidly defeated, if the people of northern Saskatchewan had been given the facts. That's the second time members opposite have used the last election for justification for activities the public did not support, one being this criminal activity and the other, the statement of the previous member of DNS that the last election was an endorsement of uranium mining and uranium development. I think the member for Saskatoon-Sutherland has already objected to that statement.

If you are standing up in this Assembly and stating that the last provincial election was an endorsement of criminal activity, the participation and act of co-operation in a fraud and a scam which the judge has said, then I say you are seriously misreading the people of Saskatchewan. I say as well that you are reading into the actions of the people of

Saskatchewan an endorsement that was not in fact there. You, in addition to covering up and stonewalling, are attributing motives to the people of northern Saskatchewan that I find disgusting and shameful by the minister of that department. He has brought himself into this debate by his actions. I think it calls for a public inquiry, judicial inquiry, under Judge Noble. I think your insult to the people of northern Saskatchewan would call for your resignation.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — The member for Qu'Appelle casts himself once again in the role of prosecutor, judge and jury, and as the articulate defender of all good things for all people. He begins by totally misrepresenting, by totally distorting what I said. He says that I say the election was an endorsement of criminal activity. That's not what I said. That's what he said. That is a total distortion of the position taken. You know, the member for Moosomin compared the members opposite, as the member for Bengough-Milestone did one day with Stephen Leacock, who you will recall was a great writer of fiction. His skills in fiction and his skills at painting a picture that doesn't exist are exceeded only by the loud protestations of the member for Qu'Appelle.

He says my statements that the people of northern Saskatchewan subject the Department of Northern Saskatchewan to public scrutiny on a daily basis, and that they render their judgement through daily public scrutiny of the department — he says he rejects that. He says he knows better. He and the member for Thunder Creek know better than the people of northern Saskatchewan what they want. The member for Qu'Appelle and the member for Thunder Creek speak for the people of La Loche, Beauval, Weyakwin and Wollaston Lake — not the people from those communities, the people from Qu'Appelle and from Thunder Creek. I reject that. And I reject the distortions and the shouting. I reject the point of view which says the volume of the arguments will have the day. I think the demonstration we're seeing here today is further proof of the wisdom of the people of Saskatchewan generally when they rejected that crew who, on the basis of half a fact and a little bit of warm water, build a federal case. The position remains the same, Mr. Chairman.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Well, you have a couple of them applauding that time but I . . .

AN HON. MEMBER: — Yeah, but it was only the member for Moose Jaw North.

MR. THATCHER: — That was the member for Moose Jaw North who thinks he might have a shot at the cabinet if you get bounced, if you keep going like that.

Mr. Minister, we're not trying to pass any judgment and we're not trying to speak on behalf of La Loche or anybody else in northern Saskatchewan. We're simply — at the appropriate time, at the proper time and the time designated by the government as to when your department is to come under legislative scrutiny — asking you why, after a court case, a federal judge suggests that your department has perpetrated fraud with passive and active co-operation.

Mr. Minister, you can condone that if you want. We're not trying to pass judgment on behalf of anybody up there. We're asking, what gives? Why did he say it? Who was involved? We're asking why a federal judge would say things like that — this isn't fiction this is right from a judgment. Why does he describe the department as a bureaucracy that

has run amuck? We didn't make this up. This is a result of a lengthy, drawn out and what appears to be a fairly technical court case. That's what a judge said and goes on to say that some staff members led the individual to commit fraud and in some ways actively assisted him.

Mr. Minister, I'd like to know if that judge has said something is inappropriate, has said something's wrong with your department, then what are you going to do about it? Are you saying what the judge said was inaccurate? I don't think so. Mr. Minister, I think you're being left out to dry by the former minister. I don't know where he is. He was here this morning earlier, but he's not here now. It's been drawn to my attention that, if you need assistance in this matter and perhaps somebody who knows considerably more about it, the deputy minister at that time is now a member of this Assembly. Well, the alleged action, when it took place, was in 1975. Now according to the records the member for Regina Wascana was the deputy minister during 1974-75. Excuse me, Regina Lakeview. If you need some help on what went on, then call him over here. I don't see him now. He was in a little earlier. There he is! The minister needs some help. I just note the record shows you were deputy minister for a portion of 1974-75.

Mr. Minister, there is just no doggone way we're going to leave this one without some statement that there's going to be corrective action taken. You haven't indicated that any corrective actions have been taken. Consequently we're not going to leave it. Now this is the time when this actively has to be discussed. It's the time when we have every right to ask for a clear and definitive statement from you. So far all we've had is gobbledegook. What you are in effect saying to us is, shove it off for another two or three years when these other cases may come forward. We have no interest in becoming involved in the technicalities of this case or future cases. Our sole interest is simply the involvement of the Department of Northern Saskatchewan in what is termed by a federal judge to be passive and active co-operation in a fraud. Now, Mr. Minister, I don't think there's a member on that side of the Assembly who would not be asking the same question we are if our positions were reversed. I don't think there's a member on that side of the Assembly who would not take the same view of your remarks to this point in time that we do. Your remarks, to say the very least, have not been very definitive and we are going to keep right on this. We want to know what aspects of your department were involved in active and passive fraud.

Mr. Minister, we can sit here until 1:00 o'clock and until the next time your estimates come up. You've got departmental officials who are down here at some public expense from La Ronge, and I'm sure they want to get home, but they're going to be here for a while if you keep taking that attitude. We're doing nothing more than asking the questions that a responsible opposition would ask — the same question you people would ask if our positions were reversed. Now we can wind this up by 1:00 o'clock or we can keep it going. The choice is entirely yours. Don't hand us that nonsense that you cannot comment on a case that has been completed. We have no interest in the technicalities of any case — this one or the other four. Now let's get on to this and let's wind this down by 1:00 o'clock and let your officials go home.

MR. HAMMERSMITH: — The generous offers of the member for Thunder Creek are, as always, very tempting. I repeat to him that I am not commenting on what the judge said and I will not comment on what the judge said. He says there should be an opportunity at an appropriate time to discuss the matter before the courts. I say this is not the appropriate time. He refuses to wait for the appropriate time. He professes some concern for public expense but knowingly lengthens the process and increases the public expense. I remind the member, and members opposite, that it was the

Department of Northern Saskatchewan that initiated the investigation, that asked for the RCMP investigation, that brought about the matter of five people being charged with fraud which brought about the dismissal of a departmental employee who has been charged in this matter and is awaiting trial. It was the Department of Northern Saskatchewan which did that. If he is serious and if he wishes to ask about the specific program and I doubt very much if he is aware of even what the program area is which he is pretending such great concern about; but if he is aware of what the program area is and if he wishes to ask about that program and wishes to ask how it was administered in 1976 and how it is administered in 1980, then he can do that under subvote 31. If he wishes to insist on asking about a matter still before the courts, then he is right, we will be here a long time because we will be here until the record is complete and until the other individuals involved in this same case have been brought to trial.

MR. THATCHER: — I want to say to the minister, you are still talking nonsense. Mr. Minister, you know very well a public inquiry by an independent judicial inquiry into the Department of Northern Saskatchewan would confirm exactly what Judge Noble has already put in his judgment. It would find it is a mindless bureaucracy which is accountable to virtually no one. It would find that it is exactly what Judge Noble says it would be — a department which has run amuck.

The minister's answers today have confirmed everything which Judge Noble has said to be precisely accurate. I haven't seen the evidence which judge Noble used to arrive at his conclusion. But whatever it was, you are confirming every bit of it today and this mystifies me because a minister who wanted to look good would be a minister who would want to clean up that department. Everybody, even on that side of the House, knows there are internal problems in that department — particularly the member for Regina Lakeview who probably knows more about those internal problems than anybody else.

AN HON. MEMBER: — He created them.

MR. THATCHER: — I don't know whether I will go quite that far. But none the less once upon a time the member for Regina Lakeview was your bright boy in the civil service and that's about the time you were having all those horrendous problems up in DNS — \$500,000 in the shoe box. You had to send him up there. He was going to clean up the mess. Obviously you failed. Judge Noble says you failed; Judge Noble says you blew it.

On the other hand, I am not at this point alleging you made it worse. But maybe you did. You acknowledged you had a problem and you sent the member for Regina Lakeview up there to clean it up. All I can say is, from the results here you were not successful. I say no more than that. But you acknowledged that problem. Now we are seeing the situation which has emerged since then, where a federal judge is accusing your department and your officials of actively and passively co-operating in a fraud.

Mr. Minister, if nothing else, you owe it to every employee in the Department of Northern Saskatchewan to clear this matter up. Under this judgment and under your refusal to say anything, every single employee and every single person in authority up there is under that aspersion which is placed on them. In other words, it is being suggested, on the basis of a court case (being stated — I won't say alleged), you have outright corruption within the Department of Northern Saskatchewan in highly placed areas. That's what that judgement is saying. I've no idea who or what and I am making no

allegations in that area. But this judgment is. I want to say to you, Mr. Minister, your refusal to delve into this matter is leaving a cloud over every employee in authority within your department. If nothing else, I think you have a responsibility to those employees — this would cover the vast majority of you — to take off that cloud that this judgment has put on them. If there are those who deserve whatever may be forthcoming, that's fine; they deserve it; they made their own bed.

Mr. Minister, I know of no other way to do that except through an independent judicial inquiry. Obviously we can't get at it because you are simply refusing to provide us with that sort of information. You know very well that it's a rather thin premise to say that because there are four other prosecutions coming, it's a matter before the courts and I can't comment on it. That holds no water at all because we are not asking for any details on that. We ask only for a statement and a clarification and an investigation of allegations by a federal justice as a result of a court case which very clearly and definitively involved the Department of Northern Saskatchewan.

Mr. Minister, I think your performance so far this morning has been very poor. I think you should resign on the basis of this performance. I don't think you deserve to be a cabinet minister. No, I really don't because he hasn't done a very good job. I can think of several on the backbenches over there who could have done a far better job than you — quite a few of them. I won't bother going into them.

AN HON. MEMBER: — We don't need a report card from you . . .

MR. THATCHER: — Well, somebody has to get a report card out on him, because at the time when he is supposed to account for DNS, he refuses. He leaves a cloud over 99.9 per cent of his employees. He leaves a cloud over them by refusing to clear this matter up. The only way you can clear it up is with a judicial inquiry. The reason the minister won't do it is because you know very well what an independent judicial inquiry is going to show about that department. That's why you won't do it . . . (inaudible interjection) . . . Well now, the member for Biggar, if you have something to say in the minister's defence I invite you to get up because God knows he needs the help. He's done an atrocious job. I invite the member for Biggar to get up to defend him. I wish somebody would. And, you know why you're not — because every single one of you knows that he's in left field, every one of you knows it. If that was your department, if it was your department which was accused of being actively and passively involved in fraud, you would be up on your feet railing away.

I can imagine what would happen if the highways department was accused of being involved in fraud. Let me tell you, the Minister of Highways would be up there battling and fighting for his employees. The Minister of Highways and I aren't exactly fraternal buddies but by golly I respect the way he handles his department and he backs his people up. This guy is hanging his employees out to dry. I want to say to you, Mr. Minister, your performance today has been a disgrace to this Assembly. It's been a disgrace to the ministry of northern affairs and it has been a disgrace to your employees.

MR. GARNER: — Mr. Chairman, I can't quite agree with my colleague that there has been any performance over there today. There has been no performance. Mr. Minister, we're just asking for a closer scrutiny of DNS. You don't seem to want to give it to us. Why will you not take action on this? Why will you not answer the question? We could have been done here an hour ago. We're not asking for something for ourselves. We're asking it for the people of Saskatchewan. When are you going to start acting like a

responsible minister of the Crown — by sluffing it off, trying to take a back door seat on something like this? No way, Mr. Minister, it's not going to wash with the people of Saskatchewan and especially the people of DNS, the people who live in the North whom you are supposed to be helping — this new deal. Mr. Minister, I don't know what you're trying to hide. Would you please tell this Assembly whether you're trying to hide something or not?

MR. HAMMERSMITH: — Mr. Chairman, the member for Wilkie wishes, he alleges, to participate and to have an opportunity for closer scrutiny. Yet, with his colleagues, he refused to scrutinize. In an opportunity to review the estimates he refuses to review the estimates. So I say he has no credibility, that he is being hypocritical. When the members are prepared to ask question on the estimates and on the matter before us, we're prepared to provide the answers. The members continue to ask questions for opinions on whether or not we condone or agree with the judgment brought down by a judge with regard to matters that are not yet complete. We don't have those answers. The appropriate time to ask those questions is when the record is complete. If the member for Wilkie and his colleagues are prepared to scrutinize and ask questions about the Department of Northern Saskatchewan, we're prepared to answer them. I suggest, Mr. Chairman, their refusal to engage in the process of scrutinizing the expenditures of the department is an admission of their lack of information and their inadequacy in dealing with the Department of Northern Saskatchewan. So they try to sidetrack it into seeing whether or not they can get the minister to comment on what a judge has to say. They refuse to accept the answer that the minister will not comment on what the judge had to say. The minister is quite prepared to defend the estimates and the spending proposals, the programs and the personnel of the Department of Northern Saskatchewan. But the members opposite try to avoid that. The members opposite try to avoid discussing the Department of Northern Saskatchewan. They are afraid to discuss the Department of Northern Saskatchewan. They want to get out on a side issue. I say, Mr. Chairman, they are being irresponsible.

MR. BIRKBECK: — Mr. Chairman, certainly in all of my time as a member of this Assembly, I have never witnessed such a weak performance by any minister on that side of the House. When I put forth the position of this opposition, the Progressive Conservative Party of Saskatchewan, this very minister rose in this Assembly and condemned that position. His very words — he said we are not credible. We are not credible he is saying. We're the opposition, Mr. Chairman; they are the government. He is the minister responsible for the Department of Northern Saskatchewan. Certainly, Mr. Chairman, it is the responsibility of that minister to reply to the questions put to him today. When he refers to these kinds of charges that we've raised today as side issues (s if we were attempting to deflect from the main estimates that were before us today), it is certainly not credible on the part of this minister.

Mr. Chairman, I want to quote very briefly from the Saskatchewan Indian, which I'm sure you have a copy of and are aware of. It states in an article by Doug Cuthand that:

In the last provincial election, we identified 17 seats where the Indian population held a significant portion of the population and could determine the outcome in a close race. Our population is now grown to the point where we can determine the outcome of over 20 seats if we block votes, and in a 61 seat legislature comprise a powerful political force. Two former FSI (Federal of Status Indians) staff members. Doug McArthur and Jerry Hammersmith, were elected for the NDP. Both men are cabinet material, and

will advance the Indian position on the provincial level.

In concluding Cuthand states:

Hammersmith, especially, owes us. He was elected by a 57 vote majority and over 400 Indian votes were cast in his support.

Now then, the questions. How much do you owe? Is this going to be a question we'll have to delve into in future estimates? I suggest it will lead us right back to the very thing we're discussing here today — your credibility, the bureaucratic ineptitude in northern Saskatchewan. I say, Mr. Chairman, the minister responsible for northern Saskatchewan has the responsibility to answer the charges of this opposition here today. The time has gone on; we have about half an hour left, and I suggest he'd better come up with some answers and right now. Mr. Minister, let's have some answers.

MR. HAMMERSMITH: — Mr. Chairman, I'm pleased to see that the member for Moosomin is a subscriber to and reads the Saskatchewan Indian, and reads particularly the column by Doug Cuthand. If he does, he will be aware that approximately a year ago that same magazine and that same writer did a very detailed comparison between the Department of Northern Saskatchewan and the Department of Indian Affairs (Federal), and came to the conclusion that if the federal government, through the Department of Indian Affairs, was able to do a job that was even 50 per cent as credible as the job the Department of Northern Saskatchewan was doing, they would have something to brag about.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — I say also, Mr. Chairman, the member's lightly veiled accusations and his bordering on the edge of racism do not reflect well on the members opposite. Surely they learned in the Pelly by-election when they tried a racist attack there, surely they learned in Regina North-West when they tried a racist attack there, the people of Saskatchewan — Indian and non-Indian — reject that approach.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — When I was on my feet earlier, Mr. Premier, I had some comments for you. The Premier could perhaps just before he leaves the Assembly . . . I don't know how long he's been in; I just noticed him a couple of moments ago. But I'm very pleased the Premier has chosen to enter the Assembly, because Mr. Premier, I don't know if you're fully cognizant of the events of this morning, but very briefly allow me to point some of them out to you. They are very simply that we have received one of the most — I'll be very kind and say regressive performances by a cabinet minister I've seen in my few years in this Assembly. Mr. Premier, what we are talking about is a judgement brought down in Prince Albert, I believe, yesterday or two days ago, involving the Department of Northern Saskatchewan. Mr. Justice Noble, passing sentence on an individual, had some very shocking statements to make on the Department of Northern Saskatchewan.

Mr. Premier, these statements have been brought to the attention of the minister in charge of DNS, and he has taken the attitude that he will not comment on them because there may be subsequent prosecutions. Mr. Premier, Mr. Justice Noble has gone so far as to say an individual perpetrated a fraud with the provincial department of the DNS's passive and active co-operation. Now this is Mr. Justice Noble in his judgment saying

that the DNS was involved in an active and a passive co-operation in fraud. That's not me saying that. Mr. Justice Noble went a little bit further in his judgement. He described the department as a bureaucracy that has run amuck. Now, Mr. Premier, you know legalities far, far better than I do and I don't know very much about them. But I think amuck is a term that is not used very often in legal terminology and in a judgment. That's a rather strange term, amuck.

I'm glad you're finding this so amusing and I hope that if we are ever successful in getting an independent public inquiry during the time when you were a deputy minister, I hope you still find it as funny as you do. We'll just see. And maybe one of the reasons you find it funny is because you know this government is afraid to have it. We'll just see how much you laugh. We'll just see whether that smile is still on your face after an inquiry.

Now, Mr. Premier, if I could go back to it. Well, now I'm sure the former deputy minister has quite a bit to say and I'm sure they'll want you to say quite a bit when there's an independent judicial inquiry. Why don't you take the acknowledgement of your Premier and just be quiet. Now, Mr. Premier, if I could go on. Justice Noble described the department as a bureaucracy that has run amuck and he went on to say that staff members led this individual to commit fraud and in some ways actively assisted him.

Mr. Premier, I want to make very clear to you we have no interest in the specifics of that case. We have no interest in the specifics of any other individuals who may be charged and subsequently prosecuted. But our interest, as a responsible opposition, is that we want to know about the involvement of the Department of Northern Saskatchewan. We want to know about the individuals and the departments that were actively involved., in the terminology of Justice Noble, in a fraud. Mr. Premier, for well over an hour we have asked your minister for an accounting on this matter and for over an hour he has subsequently, over and over again, refused.

He has what I think is the most pathetic of excuses. He is saying there are other cases before the courts. We don't dispute that. And I want to firmly state we have no interest in the specifics of those cases. We want only to know about the charges made by Mr. Justice Noble after hearing a case, after hearing testimony from DNS officials. We want to know how the Department of Northern Saskatchewan was involved in what has been termed by Mr. Justice Noble a fraud. We don't want to get into personalities or specifics. Mr. Premier, we want you to acknowledge that, during the committee of finance, during the time when the estimates of DNS are before this Assembly, that is the time and the appropriate time to ask these questions.

Mr. Premier, as an opposition we say to you, this cabinet member has subsequently refused to do so. We acknowledge the fact that he was not there. We acknowledge the fact that he was not the minister in charge at that time. So, therefore, Mr. Premier, I'm going to ask you personally; I'm going to ask you to intervene. We believe on the basis of Justice Noble's judgment that an independent judicial inquiry into the Department of Northern Saskatchewan is warranted. Mr. Premier, I would ask you for a definitive statement in the light of these statements by Mr. Justice Noble. Would you take a clear and definitive position of your government's attitude to the statements made by Mr. Justice Noble? Granted, you may not have seen the entire judgment and I certainly acknowledge that — if you wish to take a recess in order to view that judgement, we would certainly appreciate this, to make yourself cognizant of the fact. But, Mr. Premier, as the man at the top, the place where the buck stops — this one's passed the buck so I guess it's gone to you. Therefore, Mr. Premier, I'll ask you to involve yourself in

a matter that really you shouldn't have to, but your minister has let you down. At the very least I think he ought to be sacked and replaced. But that's your decision. Nonetheless, Mr. Premier, I hope you will agree with us, that this matter should be cleared up and the best way would be through an independent judicial inquiry.

SOME HON. MEMBERS: — Hear, hear!

MR. A.E. BLAKENEY (Premier): — Mr. Chairman, I would like to add just a word or two. First, the judgement obviously makes a couple of points. I haven't read the judgment other than the portion the hon. member has quoted. The judge gives his views on the administration of the department and I won't comment on that. I practised law in a law firm and whatever skills lawyers may have, skills in administration are not usually among them. While we would obviously be interested in the judge's views on whether or not the administration of a particular agency was good or bad, I am sure the judge would be the last to hold himself out as in any sense an expert in that particular area. So that is by the way.

The major comment which the hon. member makes is that the minister should (as I understood his comment) explain how the department was involved in the particular activities which led to the conviction of one person. The minister, if I understand his position, is unable to do that without commenting on four or five cases which are before the courts now, since they are the very employees in the Department of Northern Saskatchewan who were involved. If, in fact, that is the sequence of events (and I am not fully apprized of them) my very inadequate understanding is that one person who was dealing on a contractual basis with the department has been convicted. The allegation or comment by the judge is that the Department of Northern Saskatchewan was involved. Obviously the department, as an entity, is involved only and can be involved only by its employees. Departments don't exist so far as doing business except by their employees. Accordingly, what the judge is in fact saying is that employees of the Department of Northern Saskatchewan were involved.

The minister is saying that employees of the Department of Northern Saskatchewan (or that aspects with respect to this whole matter) are before the courts and he is quite incapable of discussing the involvement of the employees of the department without discussing the affairs of the employee who were charged.

If those be the facts, then the minister's position is entirely right, since those are the rules under which we operate and I am sure Beauchesne has been quoted, or Erskine May or anyone else, because it is trite. It is trite constitutional practice to say ministers should not comment on matters before the courts. That's trite.

If the minister says he is quite incapable of talking in any rational way about how the department was involved without talking about how the department's employees were involved, then I am prepared to believe that because it sounds like a very, very reasonable explanation to me. In fact, I would have the greatest difficulty in explaining how my office was involved in anything if I couldn't describe how the employees of that office were involved in it.

AN HON. MEMBER: — Fraud in your office?

MR. BLAKENEY: — Yes, indeed, it wouldn't matter what the involvement was. I would not in fact be able to describe the conduct of the Progressive Conservative caucus in this legislature without describing the conduct of individual members of the

Progressive Conservative caucus in this legislature. I simply wouldn't be able to do it. I could come up with broad statements; it is very inviting to make a broad statement as to the conduct, but I am using that as a mere example. I could not sustain the answers to any question without having to comment on how the member for Thunder Creek comports himself, or the member for Wilkie, or as the case may be. Now the minister, as I understand it, finds himself in the same position You wanted him to tell you how the department is involved without him saying how any of the department employees were involved. He indicates that is beyond his competence, as I could well understand it would be, and accordingly, he sticks by the rules of the Chamber. I think no one can really quarrel with him . . . (inaudible interjection) . . . But how could a department be involved in fraud and corruption without the employees of the department being involved in fraud and corruption? As soon as the member for Thunder Creek explains that, then I am sure the minister will be able to address the matter more fully. So long as the facts are that any fraud and corruption is in fact the fraud and corruption of the employees and so long as the rules of this Chamber prevent him from discussing the conduct of those employees, it is entirely understandable why he cannot address himself to the question raised by the hon. member, even though they would be quite proper questions if the matter were no sub judice.

MR. BIRKBECK: — Mr. Chairman, I'll say this to the minister. In my release of March 3, as critic of the Department of Northern Saskatchewan, on behalf of the Progressive Conservative Party of Saskatchewan as opposition in this legislature, I stated, and I'll repeat, that the Department of Northern Saskatchewan can fail through bureaucratic ineptitude but there's a great deal of misunderstanding and distrust on the part of many in Saskatchewan about the Department of Northern Saskatchewan and the responsibility falls directly with the current administration of the province of Saskatchewan and in particular with the Minister of Northern Saskatchewan.

Further, the future is great for northern Saskatchewan if only a new hope, a new vision is given to these people. Not a vision of cheap rhetoric, such as we have received here today from the minister responsible, but a vision of positive actions and programs. Further, the costly bureaucratic failings of the Department of Northern Saskatchewan are obvious. A full scale of public inquiry, and I'll repeat that, and a full-scale public inquiry into all operations of this department is necessary. The Department of Northern Saskatchewan's treatment of the North and the people of the North is not visionary but rather reactionary. Now in closing my remarks, I've stated this government contents itself with platitudes, self-praise, in dealing with northern Saskatchewan. We believe you're giving northern Saskatchewan residents in many cases, not necessarily all cases, second-hand treatment.

Mr. Chairman, the minister's replies to the opposition's questions today clearly indicate that we, on this side of the House, have credibility and he, as minister responsible for northern Saskatchewan, does not have credibility in any way, shape, or form. That is justified. It has been justified this morning by the report by Chief Justice Noble, where he clearly says and substantiates what was in our report of March 3, that the department as a bureaucracy has run amuck. Noble said, staff members led to commit

fraud and in some ways actively assist.

Mr. Chairman, because we have stonewalled in this committee of finance to get information from the minister on this very important issue, I would like to move, seconded by the member for Thunder Creek:

That this Assembly being advised through a report of a judgment in the Court of Queen's Bench that the Department of Northern Saskatchewan actively and passively co-operated in a fraud and that the Department of Northern Saskatchewan did break federal regulations and that the bureaucracy of the department has run amuck, urge the Government of Saskatchewan to immediately commence a public judicial inquiry, that the public judicial inquiry be chaired by Mr. Justice Noble, into the operations of, and administration of the Department of Northern Saskatchewan.

MR. CHAIRMAN: — The motion contains a preamble. If the member is agreeable to deleting the preamble which should be in the debate, the motion would be in order.

The committee reported progress.

The Assembly adjourned at 12:56 p.m.