

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Trew: — Thank you, Mr. Speaker. It gives me great pleasure to introduce to you, and through you to the members of the Assembly, on behalf of the member for Regina Centre, a group of 50 English as a Second Language students seated in your gallery — the Speaker's gallery.

These 50 students are from the Regina Plains Community College, and it will be my pleasure to be meeting with them right after question period in the members' dining lounge for refreshments.

Accompanying the 50 students is Liz Slater, Yvonne Lewchyshyn, Kim Heffernan, and Lesley Taylor Hughes. Please join me in welcoming these students from the Regina Plains Community College.

Hon. Members: — Hear, hear!

Ms. Atkinson: — Thank you, Mr. Speaker, it gives me a great deal of pleasure to introduce to you, and through you to all members of the legislature, one of the members of the RCMP concert band. This member happens to be my sister-in-law. Her name is Kerry Anne Kutz.

She, in the tradition of Saskatchewan, became the first woman in Canada to join the RCMP band. She comes from Saskatoon. We enjoyed your concert at lunch hour, and I would ask all members to join me in welcoming her here this afternoon.

Hon. Members: — Hear, hear!

ORAL QUESTIONS

Meeting Regarding Investors' Savings

Ms. Smart: — Thank you, Mr. Speaker. My question is to the Minister of Consumer and Commercial Affairs. Madam Minister, last evening in Regina there was a very important meeting of some six to seven hundred people who had invested with the firms First Investors Corporation and Associated Investors of Canada Ltd., and you did not see fit to attend this meeting.

Hundreds of Saskatchewan people have their life savings tied up in these two investment firms. These firms only operated in this province because they were licensed to do so by your government, and it's simply not good enough for the government to pat these investors on the hand and tell them, "Buyer beware." You have a responsibility to these people, and my question is: what concrete action, if any, is your government taking to ensure that these people's saving will be protected?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, in answer to the question from the member, I was not at the meeting last night. We were requested to send representatives from the department, and that representative was there.

With regards of what action the government is taking, upon notification from the Government of Alberta, cancelling the licences, we did the same here. I must say, Mr. Speaker, that a manager from Coopers & Lybrand has been put in place. The Court of Queen's Bench in Alberta is expecting a report from the manager some time in mid-August, the 21st of August, I believe, and it is at that point investors will know where they stand.

Ms. Smart: — Madam Minister, I think that you are the person who's supposed to represent your department more than anyone else. And my concern still is that the steps you'll be taking to ensure the Principal Trust stands good in the investments made in its two spin-off companies.

Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — I didn't get a question out of the member's preamble.

Hon. Mr. Blakeney: — Mr. Speaker, I direct a question to the Minister of Consumer and Commercial Affairs. Madam Minister, your department has licensed, under The Investment Contracts Act, the First Investors Corporation and Associated Investors of Canada. And your government and you, Madam Minister, have issued a licence to these two firms when you knew, or ought to have known, that in 1985 the Alberta Securities Commission refused a prospectus from these companies. Did you also know, Madam Minister, that the Ontario government has refused, and did refuse, to grant an operating licence to Principal Trust? And if this is so, doesn't your government pay any attention to what's happening in Alberta and Ontario? Or is your department simply there to collect money, to collect licence fees, regardless of whether citizens' savings are put at risk?

Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, as I indicated to the Leader of the Opposition the other day, these two firms were operating as extra-provincial institutions operating in the province of Saskatchewan. The primary responsibility for regulation and auditing of firms of this type lies . . .

Mr. Speaker: — Order, please. Order. Order, please. The minister is attempting to answer the question . . . (inaudible interjection) . . . having difficulty. Order, order. Order.

Hon. Mrs. Duncan: — The primary responsibility for auditing firms like this are with the incorporating jurisdiction in this case, which is Alberta. As an extra-provincial institution, they must file annual reports with the department. Those annual reports are audited by external auditors and people in the ministry in Alberta.

As licensing an extra-provincial institution, we rely, Mr.

Speaker, upon the audited reports that are filed with the department every year before we issue a licence. And yes, I am aware, Mr. Speaker, of what went on in Ontario. However, Ontario must recently brought in a new Act and is no longer co-operating with the other provinces, as has been done in the past, of issuing licences to extra-provincial institutions.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. Madam Minister, the primary responsibility to the people of Alberta is shared by the Alberta government. The primary responsibility to the people of Saskatchewan rests with you, Madam Minister.

Some Hon. Members: — Hear, hear!

Hon. Mr. Blakeney: — What I want to know, Madam Minister, is this: are you prepared in the future, as apparently you have in the past, to abdicate your responsibilities to the provincial governments, whatever they may be, or are you going to take a stand on behalf of Saskatchewan investors in the future and in the past? And are you going to help these investors from Associated and First, who you have let down by your negligence?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, there has been no negligence on the part of myself or my department. These two firms have been working in Saskatchewan since 1954 and 1952 respectively, as extra-provincial institutions in Saskatchewan. We will, Mr. Speaker, rely upon . . .

Mr. Speaker: — Order. Order, please. The minister is once more having difficulty answering the question, and I'm sure all members are anxious to hear the answer.

Hon. Mrs. Duncan: — Thank you, Mr. Speaker. We will continue, Mr. Speaker, to rely on information provided to the department by departments in other provinces. I may say, Mr. Speaker, that there are just three firms, or were only three firms, registered under The Investment Contracts Act here in the province, and two of them are the firms in question today.

Hon. Mr. Blakeney: — Supplementary, Madam Minister. Madam Minister, are you telling me that in your judgement you have discharged your responsibilities adequately, when there was clear evidence on the public record in Alberta that these companies were shaky, particularly First Investors; when there was clear evidence that over . . . about half of its assets were mortgages, and over 60 per cent of those mortgages were in arrears more than 90 days, and you had, or ought to have had, that information. Are you saying you have discharged your responsibilities properly by having that company have a renewed licence in 1987 and in 1986, and giving no information whatever to the public so that they might have some additional information as to the risks that they were encountering in dealing with the companies which you were supposed to be regulating?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — At the time that the licence was renewed, I believe in January, the audited reports that were filed with the corporations branch gave no indicated of the financial stability of the two firms in question. And no, I am not abdicating my responsibility. I will continue to run the department the way it has been run in the past. We will continue to monitor the situation.

But I might say to the hon. member, he knows full well what procedures take place when a manager is appointed by the courts. And yes, we are concerned about the moneys held by these two companies on behalf of the investors. But neither this government nor the investors will know the status of their investments until the winding down plan is filed in Alberta Queen's Court Bench in August.

Hon. Mr. Blakeney: — Mr. Speaker, a new question, a new question to the Minister of Consumer and Corporate Affairs. Madam Minister, you administer the government's Trust and Loan Companies Act and, as you will know, that Act provides that the Superintendent of Insurance, who regulates these companies, may, where a licence is already granted, by notice to the licensee, make that licence subject to any terms, conditions or restrictions which he considers necessary.

Now my question to you, Madam Minister, is this: I'm operating on the assumption that Principal Trust is registered in Saskatchewan, and if this be so, will you instruct the Superintendent of Insurance to make Principal Trust's licence to operate in this province subject to the condition that that firm make good the losses to Saskatchewan citizens which have come about by the switching by Principal's employee of funds from Principal to First Investors and Associated?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, I can't answer that question because the allegations of the Leader of the Opposition has not been established. And that allegation will have to be, unfortunately, established in a court of law.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. As the minister will know, that allegation will not be established by any trustee in bankruptcy, Coopers & Lybrand. It may be established by a court of law or may be established by a thorough investigation.

And my question there fore to you is this: is your government prepared to undertake an investigation to see whether the allegations made time after time by dozens of citizens last night in Regina, similar to similar allegations in Edmonton — are you prepared to undertake an investigation to show whether or not these facts took place and, if so, to act on the basis of the results of that investigation?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, no action will be taken until the manager's report is filed with the Alberta Queen's Bench Court some time in August.

Hon. Mr. Blakeney: — Mr. Speaker, I'll ask a new question to the minister in charge of the Superintendent of Insurance office. The minister will know that I refer to Pioneer Trust, and I refer to the trustee in bankruptcy there, and I refer to the supposed reports which were coming in weeks and months which, so far as I'm aware, have not yet been made available to this House some time later — even now, a year and a half later.

My question to you is this: do you intend to staff any action for months and months as your colleague, the member for Kindersley, did; or do you intend to act now on behalf of Saskatchewan citizens, investors, firstly, to get a proper investigation, and secondly, to get full restitution for Saskatchewan citizens who've been bilked?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, until the manager's report is completed and filed with the courts, this government will continue to monitor the situation. But until the manager receives his report, and the shareholders and investors have the opportunity to vote on the plan, there is little that we can do at this point in time. It will be at that point in time, Mr. Speaker, that the investors will know what their investments are worth.

Network to Report on Operations of Trust Companies

Mr. Solomon: — Thank you, Mr. Speaker. My question is to the Minister of Consumer and Commercial Affairs. Minister, at last night's meeting at which I attended, a woman who used to work in your department claimed that she and three other employees had in 1983 prepared a study and briefed you on that study — a study on the advisability of forming an interprovincial network to keep tabs on investments and trust companies that might be somewhat shaky or at risk, so that each provincial jurisdiction could be informed of same.

Your department, however, never implemented the program. And as a result, these investors claim you and the PC government are negligent. In light of this recent fiasco, and in keeping in mind the problems of Pioneer Trust, could you explain to this Assembly why you felt such a network was such a bad idea?

Hon. Mrs. Duncan: — Mr. Speaker, I do not recall meeting with, I believe it's a lady by the name of Margaret Morrisette, some years ago.

I can indicate to the member that the regulation of financial institutions and the harmonization of regulation across the country, and the sharing of information between jurisdictions, has been a topic that has been discussed at many federal-provincial conferences that I have attended over the past years. It is a concern, and we are moving to harmonization of regulations of financial institutions. We are looking at what is going on in Ontario, and I think you will see changes across Canada in that whole area.

Mr. Solomon: — Well, Mr. Speaker, I'm quite shocked that the minister does not recall the meeting at which three or four key staff people from the department advised

her on how to minimize problems in the financial area with respect to investors' money.

You indicated earlier in the question period, Madam Minister, that you rely on other governments' advice. To date the advice has not been adequate. When is this network going to be set up? And, secondly; why, Madam Minister, were these three people, plus the lady that was at the "do" last night, why were they terminated since 1983 and no longer work with your department?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — This is ludicrous, Mr. Speaker. The one person . . .

Mr. Speaker: — Order. Order! Order, please. Order. Order. Order, please. Order.

Hon. Mrs. Duncan: — The member talks about terminations. The one person that he is referring to worked in the department until late 1984 or early '85, got pregnant, took maternity leave, and never returned to the department.

Mr. Solomon: — It's interesting to know, Minister, that . . .

Mr. Speaker: — Order. Order! Order, please. Order. Order. Order, please. Order.

Mr. Solomon: — It's interesting to know . . .

Mr. Speaker: — Order! I haven't sat down and it's already starting. Let's have some order, please.

Mr. Solomon: — This woman claimed . . .

Mr. Speaker: — Excuse me. Is it a supplementary or a new question?

An Hon. Member: — A supplementary question, Mr. Speaker.

Mr. Speaker: — Okay, please indicate that.

Mr. Solomon: — Supplementary question, Mr. Speaker. I'm interested to note that the minister has a good memory about an individual who's no longer in the department, but does not have a very good memory with respect to advice provided by that . . . (inaudible) . . .

Some Hon. Members: — Hear, hear!

Mr. Solomon: — This woman claimed that she and the other three staff people who brought the networking idea to you have since been terminated. Tell me, were they terminated for having a good idea, or were they fired for daring to doubt a financial institution?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, I don't take at face value what the member is alleging, because I can tell you, Mr. Speaker, that three people have not been fired from the Department of Consumer Affairs since I have taken on the ministry. There was . . .

Mr. Speaker: — Order. Order, please. Order, please. Allow the minister to answer the question. Whether you agree with it or not is another matter. If you agree, perhaps you can ask the question . . . disagree you can ask your question.

Hon. Mr. Duncan: — As I said, Mr. Speaker, three people have not been fired from the department as long as I had been minister.

Mr. Solomon: — Final supplementary, Mr. Speaker. The woman in question has since gone on to a position with the Saskatchewan branch of the Consumers' Association of Canada. That association had approached your government asking for funding to set up similar network to that which was proposed to you in 1983, which you have conveniently forgotten about. Not only didn't they get it, Madam Minister, they also found their funding cut. Why is your government so opposed to having the affairs of trust companies and financial investment companies scrutinized?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — No. Mr. Speaker, the member is alleging that we have cut funding to the Consumers' Association of Canada, Saskatchewan branch. That is not true. They got an \$8,000 grant last year; they got a \$10,000 grant this year — that's the kind of faith we have in those type of people.

Some Hon. Members: — Hear, hear!

Commissions Paid to Salespersons

Mr. Mitchell: — My question is to the Minister of Justice, and it also arises from last night's meeting. There were allegations made last night, Mr. Minister, concerning the sales tactics of some of the representatives of Principal Trust in their activities. For instance, the meeting was told that salesmen for Principal Trust could receive a double commission if they could convince clients to invest their money in either First Investors or Associated Investors.

There was also an allegation, remembering the Pioneer Trust affair, some of the investors asked if the investment was covered by the depositor's insurance. And the meeting was told that while some were told it was, and some were told that it wasn't, the cover age was better in this case because the . . . it was covered the assets of the principle group of companies. And that, of course, is something that Principal has not as yet agreed to, to this point.

My question to you, Mr. Minister, is this: do you intend to instruct your department to investigate these allegations to determine if legal proceedings should be taken and with the possibility of legal liability in mind?

Hon. Mr. Andrew: — Well, Mr. Speaker, in response to the hon. member's question, if you could give me the further details, I would have no problem at all in referring to the Department of Justice. The Department of Justice can appropriately, then, investigate into seeing if there is in fact some . . . see if something is in fact being done that

is illegal and contrary to the law. And if it is in fact such, then certainly criminal action would be taken.

Mr. Mitchell: — Supplementary, Mr. Speaker. Mr. Minister, two members of our caucus were at this meeting last night, and they have reported these matters to me. I'm also informed that an employee of the department of the consumer and corporate affairs was at the meeting and no doubt would be available to give you a full report on the allegations that were made and put you in touch with the people who were making those allegations.

But my question is: if those allegations are brought to your notice, will you start acting on them and not wait as will the other minister for a report from the manager?

Hon. Mr. Andrew: — Mr. Speaker, the hon. member is alleging that there was criminal activity involved. The hon. member is a lawyer, a member of the Law Society of Saskatchewan in good standing.

I ask the question: if you are genuinely concerned as a citizen, if you are genuinely concerned as a citizen about criminal activity. I would suggest that the hon. member refer that to the Department of Justice at the earliest possible time and not wait to use that type of questioning in the question period, where surely that is not the proper place to deal with allegations of criminality, if that's in fact what you're making.

Some Hon. Members: — Hear, hear!

Mr. Mitchell: — Supplementary, Mr. Speaker. The minister knows that the meeting last night was a public meeting which was widely reported this morning in the press, and where we know that there were government representatives in attendance. And if I had thought for a moment that this matter had not already been brought to your attention, I would have come to you myself this morning.

But my question still remains, Mr. Minister: are you, as is the Minister for Consumer Affairs, going to wait for the report of some manager in the future, or will you act on the information that has or will be brought to your attention to investigate the matter now?

Some Hon. Members: — Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, the hon. member from Saskatoon, a lawyer of good standing, if he — and a genuine member, in my view — if he makes an allegation that there is in fact criminal activity here, I take that allegation very seriously.

I will have discussions with officials in the Department of Justice following question period. If there is criminal activity involved, as alleged, then certainly it is the function of the Department of Justice to pursue that, and pursue it with vigour.

Mr. Mitchell: — Mr. Speaker, I point out to the minister that the allegations were made at a public meeting last night by people who had invested in this company. And I pass those allegations on to the minister.

Let me ask a supplementary question.

Mr. Speaker: — Order. Order, please. Order, please. Order, please. It's difficult to hear the member's supplementary question.

Mr. Mitchell: — Thank you, Mr. Speaker. I'm also informed, Minister, that the investors were talking last night about the possibility of taking legal action.

Now in light of the fact that your government licensed these firms to carry on business in the province of Saskatchewan, and in the light of the information that was around the department while many of these sales were taking place, what assistance is your department prepared to offer to these people who are going to be trying to recover their money through recourse to the courts.

Some Hon. Members: — Hear, hear!

Hon. Mr. Andrew: — Well, I think the hon. member, again as a practising lawyer, Mr. Speaker, would respect the legal process. And if the people from the newspaper reports of last night's meeting indicate that in fact it would be the intention, at least of some, if not a larger group — and it would be difficult to determine that; that's for them to decide — if they are going to pursue a class action, that they're going to pursue that particular action in the courts and in the courts of law, then I think that they're capable of doing that. And it would seem to me that the system allows them to, in fact, do that.

Are you suggesting that we somehow (a) provide the lawyer to them, or are you suggesting somehow (b) that we pay all the legal costs, or . . . I'm not sure what the hon. member's suggestion is. It seems to me that the matter can come before the court. And if the matter does in fact come before the court, then the court should sit and determine upon that.

INTRODUCTION OF BILLS

Bill No. 20 — An Act to amend The Superannuation (Supplementary Provisions) Act

Hon. Mr. Lane: — Mr. Speaker, I move first reading of a Bill to amend The Superannuation (Supplementary Provisions) Act.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

**Consolidated Fund Budgetary Expenditure
Environment and Public Safety
Ordinary Expenditure — Vote 9**

Item 1 (continued)

Mr. Brockelbank: — Mr. Chairman, Mr. Minister, when

your estimates were last before the House, I raised the question of obtaining a list of consultants that were employed by the department over the year that has closed, and you said you would provide that list of consultants with detailed information. At that point, I didn't ask you when, and I ask you now: do you have the list, or when will you provide the list?

Hon. Mr. Swan: — I am advised that my staff have not been able to prepare that list yet. We'll have it soon, but we haven't got it today.

Mr. Brockelbank: — Mr. Minister, do you expect you will have the list by the end of the week?

Hon. Mr. Swan: — I am advised that possibly by Friday or Monday; I couldn't give you a guarantee. There isn't much time left when we get out here each day.

Mr. Brockelbank: — Well, Mr. Chairman, I can appreciate that it takes some time to surface the material with regard to the consultants the department's employed. It's just that I would like to have a look at the list of consultants, and the projects on which they were working, if possible, before the estimates come to their conclusion — this particular set of estimates.

Mr. Minister, I have here in my hand a department space allocation list which I take it has been provided by you, dated July 14 '87. Mr. Minister, could you tell me whether the Derrick Plaza is a government building or a private building? And that's in Estevan.

Hon. Mr. Swan: — I advised the member last day when we were here that the knowledge of whether or not they are private or public buildings is not provided to us as a Department. The rental contracts are held by the property management corporation. So I'm sorry but I don't have that information.

Mr. Brockelbank: — Mr. Minister, you'll understand that I don't know the geography of Estevan very well. When you go to Estevan to visit the Department of the Environment, what address do you go to?

Hon. Mr. Swan: — I'm advised that the staff don't have the address here. They do have them, but they didn't put them on this form, and they didn't bring them across with them today.

Mr. Brockelbank: — Mr. Minister, in due course, could you supply the address of the Derrick Plaza in Estevan, the graphic arts building in Humboldt, Saskatchewan Place in Regina, Palliser Square in Regina, Watrous . . . oh no, I don't need that one. Okay, those are the ones, Mr. Minister.

Hon. Mr. Swan: — I'm surprised that the information wasn't here at the time I sent it across to you. I'll supply the address for each of the locations that are on the form that I sent across to you.

Mr. Mitchell: — Thank you, Mr. Chairman. Mr. Minister, I want to go back and talk about aluminium cans for a while. And I want to tell you that I don't have with me, but I think you know the particular cans that we're talking

about. I'm looking at *Hansard* for July 9, and am referring to that in framing my questions. Can you tell me when that case came on in Estevan, in what year?

Hon. Mr. Swan: — I would reply to the hon. member that the charge on this case was laid in April, on April 4 of 1986, and the trial I haven't got the date of. It was in the fall of '86, and I believe likely in August, but I don't have that date here.

Mr. Mitchell: — And while we're talking about that, can you tell me the technical basis on which the charge was dismissed, and secondly, the name of the accused in that information.

Hon. Mr. Swan: — The firm that the charge was laid against was Kyle's Food Fair in Estevan, and it was thrown out of court on strictly a legal issue. I'm not enough of a lawyer that I want to try to define that to you. I guess as a lawyer you would have ready access to the decision that was rendered, but it wasn't on whether or not cans were legal. It was on another legal terminology, and I'm not sure of it.

Mr. Mitchell: — Thanks, Mr. Minister. There are, of course, many technical grounds on which a charge can be dismissed, as I recall. But as I understand your answer, it had nothing to do with the question of whether, on the merits, an offence had been committed under the Act. In other words, there was no evidence called and no decision made on the charge itself, but rather, as I understand you, the charge was dismissed for a technical legal reason.

Hon. Mr. Swan: — Yes, that's what my officials advise me was the circumstance.

Mr. Mitchell: — Now you also told us that these cans are to be found in many, many stores in Saskatchewan. I think your words are: there are hundreds of stores now selling cans in differing, varying quantities. What happened, Mr. Minister, after this charge was dismissed that dissuaded you from following through on the legal enforcement of the provisions of the legislation respecting the use of cans?

In particular, I could ask: was that a decision that you made as the minister or was that a decision made by the Minister of Justice, let's say, with respect to the prosecution of these cases? I would like to know how come there was no other cases following the one in Estevan, in light of obvious continuing violations of the legislation?

Hon. Mr. Swan: — I'm advised that a variety of things occurred. To begin with, when this case was thrown out of court on a technicality, other store owners who had been watching, with interest, the case as it went forward to court, and suppliers from our neighbouring provinces, saw an opportunity. When the case was thrown out of court, then they saw an opportunity to move in and to really saturate much of the market with canned soft drinks.

My department looked at the situation as it unfolded in the early fall — prior to the time that I was minister, but

there was nevertheless a minister there — and they felt that because of the circumstances and the numbers involved, the numbers of business involved, it would be almost impossible to prosecute them all. And to prosecute just one would not seem fair in that setting.

So they've attempted to find other solutions. And I mentioned to you before, the ongoing process that we have had, and we're looking at introducing amended legislation to try and take care of the issue.

(1445)

Mr. Mitchell: — I can appreciate the problem with which the department was faced and with which you were faced when you became the minister of the department. But at the same time, I have the gravest sort of difficulty with your answer and with the position that your department has taken, for the very simple reason that the law in question was legislation passed by this Assembly, and which sets out in no uncertain terms what is the law of this province. And under the law of this province, as I read it, those aluminium cans are illegal.

What you have allowed, Mr. Minister, and what your department has allowed, in following the course of conduct that you have, is to let the suppliers who have flooded the market negate your law. They have created a situation in which your department has thrown up its hands and says, we can't cope with all these violations of the law; therefore, we better change the law or we better consider changing the law or, therefore, we simply won't enforce the law.

It's as though everyone that has a car in Saskatchewan went out on the road and started to drive at 150 kilometres an hour. You would agree, Mr. Minister, you would be the first to agree, I think, that that just simply wouldn't be allowed. It wouldn't mean that the police would stop enforcing the speed limit in this province. In other words, a massive violation of the law is, in my submission, no excuse for you to stop enforcing it. Now, I'd like to have your comments on that, Mr. Minister.

And while you're on your feet, I realize this is a difficult area, but I would like you to give some indication to the Assembly as to how you're going to cope with it. I think you'd agree that a minister of the Crown has no right to simply say, well, I'm going to stop enforcing a valid law passed by this legislation. And the Deputy Premier agrees with me completely, Mr. Minister, and I trust you will too. I'd like to know what happens next.

Hon. Mr. Swan: — I realize what the member is saying, and in some ways I agree with the member, that we should charge them all. And I would also suggest to the member that, as a lawyer, he knows that if you have a case that you are concerned about individually, you could come forward and say: Mr. Minister, we want you to lay a charge. And if that were the case, I would. I haven't had that happening.

I'm very concerned about it. But the idea of actually taking large numbers of small retailers to court for selling canned soft drinks, I think is not reasonable at this point in history. In the same store, they're likely selling cans of

juices, and that has been permitted over a long period of time.

So, you know, our law sometimes is not a reasonable law. I think it was reasonable at the time it came in and, because it was left in place without amendment over a long period of time, has become very difficult to enforce. That's why I'm suggesting to you that I believe the proper solution in this circumstance is likely a change of the law, rather than the trial or the laying of charges against many people.

Mr. Mitchell: — I realize, Mr. Minister, the problem involved when there are a large number of violators, and I'm not standing here urging that you run out and charge everybody, because I don't think that should be necessary. I respectfully suggest to you, though, that you ought not to have simply quit with the technical acquittal in Estevan, but ought to have followed through with another prosecution, or group of prosecutions, which would have this matter determined.

And while I'm on this point, I want to ask you this question — whether your legislation reaches only the vendor, or whether it also reaches the supplier or the wholesaler who supplies the vendor. Because quite obviously, in the circumstances that you've outlined to me, the culprit here is the vendor. The culprit here is soft drink supplier, apparently from Manitoba, and perhaps also from Alberta, who took advantage of this technical dismissal of the case in Estevan to flood the market in Saskatchewan.

And one thing that occurs to me immediately is that you, as minister, might have picked up your telephone and summoned the suppliers in here and told them that that was just in breach of the law of Saskatchewan and, under the existing law, you weren't prepared to stand for it. Now it may be that that won't be the law a year from now. That's, of course, a decision that you've told us you're working on now, and I accept that. But in the meantime these suppliers are just making a mockery of you and making a mockery of this Assembly by doing something which is plainly and clearly illegal.

Hon. Mr. Swan: — I'm advised that the Saskatchewan legislation covers only the vendor and will not extend to the supplier. The other side of it is that the supplier is out of province, and arraignments must be made by the person in Saskatchewan who is buying the product to transport the goods in Saskatchewan. So because our legislation covers only the vendor, it makes it difficult to go to the wholesaler and to lay any charge.

Mr. Mitchell: — I must say, Minister, I don't know what my position is on the question of aluminium cans, you know. I'm not here arguing that you ought not to change the law or that you ought to. I mean, I just haven't considered that yet. But what is of concern to me is that there is a law passed by this Assembly for which you're responsible as far as enforcement is concerned. And it's obviously being flouted, and you feel unable to do anything about it.

Now I want to ask you if you have asked for the opinion of the Department of Justice as to what remedies might be

available in this situation as regards either the suppliers or the large vendors or someone who could be brought before the courts of this province and a prosecution run, in order to determine that the law is, in fact, enforceable and that anyone handling these cans is doing so at their peril.

In other words, Minister, I'm back where my first question . . . or my third question started from, and that is that I respectfully suggest that it's just not available to you to sit back and allow this law to be flouted. Your responsibilities, in my respectful opinion, just don't give you that alternative.

Hon. Mr. Swan: — I advised the hon. member earlier that you, as a lawyer, have the authority to bring forward a case if you feel that somebody should be charged. And I don't tell you that just to make excuses for what my department and I have done in this particular circumstance. But at the time that I became minister and the issue came to my desk, the numbers of businesses involved seemed to me to be unreasonable to begin to lay charges. Now I'm not a lawyer. I may have made the wrong decision, and I don't make any excuses for that.

At the time that the Kyle's Food Fair trial went in and the case was thrown out, Justice asked us at that time if we would like to go for a new trial. And my department advised me that they didn't ask Justice to go for a new trial. There had been considerable time elapsed, circumstances were changing very rapidly, and the indication at that time was that perhaps an amended form of legislation would be a better route to go, and that's the route we have gone.

Now if the member feels that's wrong, if you would like to write to me and say, lay a charge against this store, or that I recommend that you lay a charge, I would like to take your advice. Because it is a difficult issue, not one that I've been comfortable with, I can assure you. And sometimes advice from others brings in a different point of view, and it may be beneficial to me and to the department.

I can tell you that with each complaint that we've had, that a certain store is handling canned soft drinks, a letter has gone to that store outlining to them that they were indeed breaking Saskatchewan law; that the handling of canned soft drinks was illegal in Saskatchewan. So they are fully aware that the issue is not proper. They're doing it knowing that they are breaking Saskatchewan law.

Mr. Mitchell: — I am not going to ask you to prosecute any particular vendor, Mr. Minister, and the reason why is, of course, that is no part of my responsibility to ensure the enforcement of that Act. And I point out that, of course, it is yours.

I'll be content if we can leave this point with this assurance on your part, Minister, if you would tell me that you or your officials will raise this matter with the Department of Justice, with a view to determining what action is available in order to ensure the integrity — the integrity — of the legislation of this Assembly.

Because I repeat again, with respect, it is . . . In my view it is not an option for you simply to not enforce it because

it's being so broadly violated. It is an option of you to bring legislation before this House to amend it, but it's not an option for you to simply say, I'm not going to enforce it.

And if you would simply give me that undertaking, that you or your officials will raise the question of the enforcement of that legislation with the Department of Justice, I'd be content to leave the point for today.

Hon. Mr. Swan: — I'll advise the hon. member that we will make a contact with the Department of Justice and see what recommendations they may have in this circumstance.

Mr. Mitchell: — Thank you, Minister. I want to come back briefly to the technical safety services branch and ask a few more questions with respect to that branch.

And I was gesturing to your responsible official who I am familiar with, Minister, from days when I was his deputy minister. But he's in his place now, and so I want to talk about . . .

An Hon. Member: — In the good old days.

Mr. Mitchell: — In the good old days, yes. I want to talk about elevator inspections. I regard inspections with particular gravity, Mr. Minister, because when an elevator fails it can have the most disastrous kind of consequences, particularly to people who are in the elevator at the time that it fails. And it is a very serious kind of question, and I'd like to start my question in this area by determining whether there are any staff cuts that have been planned, or which have already taken place in this fiscal year, in this particular area.

Hon. Mr. Swan: — No, there are no staff cuts that have taken place or that are planned for that area.

Mr. Mitchell: — Can you tell me how many inspectors are engaged in elevator inspections in the branch?

Hon. Mr. Swan: — I'm advised that there are two.

(1500)

Mr. Mitchell: — Now can you also advise me as to the currency of the work of the elevator inspectors. What I mean by currency is: are they operating on current basis, or is there a significant backlog? And if there is a backlog, what . . . how serious is it?

Hon. Mr. Swan: — I'm sorry I took a little while to get the figures, but I wanted to be accurate. I'm advised that there are 1,842 elevators licensed, and in the past year we inspected 1,578. The staff indicate that they inspect them all on about a 16-month basis. So although it may appear that there's a backlog of the difference between those two figures, it's basically that they aren't looked at as a 12-month . . . but, rather, more like a 16-month inspection.

Mr. Mitchell: — I am looking at the report of the Department of Labour for 1985-86, where the numbers were about the ones that you've given. There were 1,779 elevators at that time, and you've indicated there are 50

or 60 more than that now. Of these '85-86 figures, almost 1,100 of them were passenger elevators. And the remarks I made before . . . that it sort of . . .

It boggles my mind that two inspectors could inspect that many elevators in a 12- or 16-month period. It seems to be a great deal of work to expect from two inspectors. That would work out to something like . . . well, five elevators a day, or some such number all across Saskatchewan. And I'm boggled by the statistic, although I know that, over the years, it has remained at about that level.

This leads me to this question, Minister, and that is the commitment of your department under your stewardship with respect to the enforcement of the elevator inspection program which, as I indicated earlier, is one of the most important from a public safety point of view. I mean, in all of the major cities of this province, every day people get into elevators with the perfect assurance that nothing's going to go wrong. And you're the only person around to ensure that nothing will go wrong. And I would like your assurance that this is going to continue to be a priority and is not scheduled for the Minister of Finance's knife.

Hon. Mr. Swan: — Well, I think if you look at two inspectors, approximately 250 working days in a year, you take that figure of 1,572 and it starts to break out at just a touch over three elevators per day. Realizing that elevators are in urban centres, you don't have to go rural Saskatchewan very much. It's the major centres that have buildings that require elevators. So there's some fair concentration in certain areas.

I can assure you that I don't want my name on the licence on an elevator unless it's been inspected properly. But they advise me they do inspect properly. And I think the safety record has been good over the years.

Mr. Mitchell: — I'd like to now move to the fire commissioners unit, Mr. Minister, and ask you whether there have already in this fiscal year been cuts in this unit, or whether any are scheduled for this fiscal year?

Hon. Mr. Swan: — I'm advised that in that division three have retired, and we will be replacing one out of the three, which will leave a net of 15 inspectors in that division. We had 17; there will be 15.

Mr. Mitchell: — Which positions are those? Which position are the two which will not be filled again?

Hon. Mr. Swan: — There will be one inspector in Regina and one in Yorkton that won't be replaced.

Mr. Rolfes: — Tell me, am I correct that these fire inspectors also inspect schools?

Hon. Mr. Swan: — I'm advised that they inspect schools in rural areas and in small urban centres, but in the cities they do their own inspection, the school system does.

Mr. Rolfes: — Mr. Minister, would you mind telling me if there is any plans at all in your department to privatize the inspection as far as fires are concerned in rural Saskatchewan or in small towns?

Hon. Mr. Swan: — At this time there is no plans to privatize the fire inspection branch.

Mr. Rolfes: — That includes also inspections as far as hotels are concerned in rural Saskatchewan?

Hon. Mr. Swan: — That includes the fire inspectors' branch, like all of the inspections that they do, and they do inspect the rural hotels.

Mr. Rolfes: — My understanding is that recently . . . It came to my attention that a hotel owner was told by a fire inspector that as of next year that he could expect his inspection done by the fire inspector, but that he would no longer be with the government, but that it would be with a private firm. Obviously you're telling me that that fire inspector then was wrong in the information that he has given to that hotel owner. Is that correct?

Hon. Mr. Swan: — Evidently the rumour mill was working, but it wasn't true.

Mr. Rolfes: — It has never been discussed, or no plans now or in the foreseeable future to turn over inspection of schools or hotels or other building in rural Saskatchewan. You have no plans now or in the near future to turn that over to private inspectors who will not be in the employ of the government. That's what you're telling me? Is that correct?

Hon. Mr. Swan: — I advised the member that there's no intention at this time. We haven't discussed it. There may be a discussion in the future, but who knows what the future brings. I tell you that at this time there are certainly no discussions, and no plans under way.

Mr. Mitchell: — Minister, the fire commissioner's unit has a number of important programs, and it includes inspections, which is a term that you've used, but it also includes the approval of plans and specifications. And it includes investigations, as well as various education programs, and the fire prevention week, and fire-fighters' training, and that sort of thing. The question I have, Minister, is whether there are any program cuts planned for any of those divisions within this branch.

Hon. Mr. Swan: — I'm advised that there are no planned program cuts in those areas.

Mr. Goulet: — Yes, my questions again are on the issue of acid rain in our area. And my questions will be formulated, first, on the observations of the people in that area; and secondly, on the Canada West Foundation research.

Most of the people in my area of course have been very concerned with the effects of environment. And I have respected the observational skills of the people, especially in regards to issues that affected their livelihood. I can recall many times in the past that researchers, biology researchers, would come in and do studies in the North without considering the daily practice of the people who fished in the area.

In many cases, as I listened to the stories, the government had a tendency to look narrowly only upon the research

reports that were tabled in front of them, and did not consider the observational research evidence by the people from the area.

(1515)

When I examined your statements made on July 9, on page 1087 of *Hansard*, you mentioned that:

There has been no indication of any problem with acid rain in your area — no problem with it, across the North.

You also mention later on:

We have done some . . . research on our own testing. The Saskatchewan Research Council has done about four different studies, and each one of the studies come up with the same answer: that we at this time do not have a problem with acid rain in that area. So I think it's encouraging to me, at least, that the mine has been there for 30 years and your water is still in good condition.

I had mentioned at the outset that I was a bit concerned about not only about the mine, but about the acid rain emissions from the tar sands. I'm trying to find out, you know, from . . . And also you mentioned that there are 25 locations where you do acid rain monitoring in the North.

My question to you is: in your consideration and, you know, with your research staff there, are these 25 locations providing conclusive evidence on the effects of acid rain on the fish in that area?

Hon. Mr. Swan: — I would just like to advise the hon. member that yes, we feel the 25 monitoring sites are doing an adequate job. Along with the monitoring of those sites though, I indicated to you that we do take lake samples. Those lake samples are analysed, and they are also showing that you're not having an acid rain effect on your lakes. So yes, we feel quite satisfied with the work that we're doing.

I indicated to you that as the tar sands project comes on stream — and it will likely get larger as the days go by; it won't just be at its present size — that we will be monitoring very carefully the areas immediately adjacent to that tar sands operation to be sure that our lakes and our trees are protected from serious acid rain in the district.

Mr. Goulet: — For many years, Mr. Minister, we have been told that the research reports and the research evidence were adequate. The question that I asked was a little bit more concise: are the studies conclusive, are they conclusive in a sense that the acid rain does not affect the trout, as some other research evidence tends to point to?

Hon. Mr. Swan: — Your question took a considerable amount of time to bring across, and for you to say it was concise, I think, is going a little far. It was far from concise. But I think my answer is fairly clear that we're not, in our monitoring in the area that you live in and across the North, finding any evidence of acid rain at this time.

Mr. Goulet: — Then, Mr. Minister, I would like to read to

you a technical research report by the Canada West Foundation, which was put out in 1982, and it's entitled *Nature's Lifeline: Prairie and Northern Waters*. I would like to read to you some statements, you know, that they do make about the river systems, particularly where I was interested in, and that was in northern Saskatchewan. I looked at the Saskatchewan River basin which affects, for example, Cumberland House, Prince Albert area, and this is a conclusion of that research technical report. It says on page 188 of the report:

Smelter emissions at Flin Flon have been the subject of extensive study, due to concern about the effects of metals and sulphur emissions on local vegetation, water, fish, and wildlife. In part, due to concern about pollution of local waters and, in part, due to increasing concern in Saskatchewan about violations of air quality standards, and the threat of acid rain, licensing of emissions from Flin Flon is under review.

And that was in . . . it was in 1982. Later on in the document, in regards to the Churchill River basin, which of course it's La Ronge, Sandy Bay area, the report had this to say:

Acid rain is unquestionably . . .

This is on page 222.

Acid rain is unquestionably the major quality concern for the future. It has been suggested that industrial emissions in both Alberta and Manitoba could increase to the extent where fish populations in northern Saskatchewan lakes would be endangered.

And there it mentions something very specific about the fishing. And the next, on page 244:

In summary, the uses of water in the Churchill River basin vary substantially from its head waters to its lower reaches. In Alberta, oil sands development could require transfer of water from other basins, and water quality could become a serious concern. In Saskatchewan, the threat to the Canadian Shield waters by atmospheric emissions in Alberta and Saskatchewan is a major issue.

As I looked into the other area that I'm worried about in the North, in the Athabasca River basin, which gets into the Clearwater River, into La Loche area, and also towards the Athabasca Lake region, the report says on page 264 and 265:

The shield region in northern Saskatchewan is more extensive in area and is usually downwind of the oil sands sources. Work by the Saskatchewan Research Council, the University of Saskatchewan, and the Saskatchewan Department of Fish and Wildlife has concluded that emissions from the Alberta sources, based on predicted increases in oil sands plants, and no change in the rate of emissions, could result in fish mortality in lakes in northern Saskatchewan.

This report, Mr. Minister, states much of the same fears that the people have had in our area and have observed. So not only is there evidence from the observational skills of people, there is evidence that leads to the conclusion that acid rain in northern Saskatchewan is and will be a major concern, you know, in the future.

I'm a little bit worried about your research capabilities. Initially you mentioned that you had only done research for four years. Yet you seem to make very conclusive statements about the fact that there is no problem. I would ask you: does your present research capabilities include proper longitudinal studies on the effect of acid rain and fishing in northern Saskatchewan?

Hon. Mr. Swan: — The hon. member is reading from a report. And the first area you read about was Flin Flon. Flin Flon happens to be in Manitoba, but I know it's very close to our borders.

In the Flin Flon area, as you are well aware, there was some problem with emissions from the chimney from the mining operation there. They have since put in a much higher chimney and have, I believe, even if you walk around the site, you'll start to see that where it had once been black, it's starting to turn green. So they are making some improvement. And I am advised that the Manitoba government has recently made decisions to control the emissions from chimneys and from plants in Manitoba.

The Churchill River basin, you express from that report that there's a concern that the tar sands project may have an influence, and the same with the Athabasca Basin. That's exactly what I mentioned to the member earlier, that as that plant gears up, we will be monitoring closer and closer to be sure that we're not being impacted on Saskatchewan's side of the border. At this time, from the tests that we have taken of the lakes, from the ongoing monitoring systems that we have in place, there is no indication of acid rain in those areas.

You ask me about longitudinal studies. We've only been studying four years. We've been monitoring in that area for a long period of time, and we will continue to monitor. So we should have that ongoing look that is very much required. I know the member is concerned. The report that you read from is not a conclusive report. It expresses concern. That's all it does. It doesn't have any data in it that would indicate that there is a problem. And I'm advising the member that from the tests, from the sampling, from the monitoring that we're doing in Saskatchewan at this time, there's no indication that you have a problem with acid rain.

Mr. Goulet: — I asked the question whether or not you would be doing more proper longitudinal studies in regards to the effect of acid rain on fish. My own problem in terms of research is this: that you can do very specific type research and monitor for the next 100 years and not find anything unless you are there to look specifically at its effect on certain living organisms in northern Saskatchewan. And most particularly what I'm interested in was on the fishing and the fishing industry there. So I'm asking you, is your department looking at more comprehensive and longitudinal studies in this area?

(1530)

Hon. Mr. Swan: — I'm advised that, because of the readings that we're getting at this time, when we bring in the air samples, the rain samples, the snow samples, and the samples of water from the lakes, that there's no indication that there is need for additional study now.

If it becomes evident that there is a change, when we're monitoring, and if we start to detect change, then there may be need. But at this time there is no need that we can see.

Mr. Goulet: — What then, Mr. Minister, would be the reason why certain fish like, you know, according to other research reports which affect trout the most — acid rain affects trout the most — why would trout disappear in around that area? You know, in Mirond Lake and Namew Lake and so on. What would be the reason for a disappearance of these trout? Could your research people in the Environment — do they have any idea why that's happening?

Hon. Mr. Swan: — I believe that a question of that type would more properly be asked of the Minister of Parks and renewable resources, and particularly the fisheries division of that branch, who monitor the fish, the population of fish, and any problems that fish would be facing. So I believe your question would be more properly asked there. It's not that my staff would have answers for.

Mr. Van Mulligen: — Thank you, Mr. Chairman. Mr. Minister, in looking at your estimates, there appear to have been some internal structural changes in your department as opposed to previous years. In particular I refer to your communications branch. I'm concerned that the communications branch be able to continue to function effectively, given its important role in making sure that information gets out to the public. You know, I refer to important aspects of communication activity such as advertising the pesticide container disposal program, informing the public about your spill control program, and promoting the anti-litter program.

I'm curious to know . . . is the category that you have under program services, administration and communication, does that reflect simply a budget keeping entry, or does that reflect the fact that your communications branch has now been amalgamated with your administration branch?

I note that in the last annual report we have, that communications seem to operate as a separate branch.

Hon. Mr. Swan: — I'm advised that the communications branch is amalgamated with the administration branch, and the only savings would be there's no director of communication in place.

Mr. Van Mulligen: — When will that branch be able to continue to function effectively? Will it be able to carry out with the kinds of functions that it carried out and say . . . again I refer to the last annual report that I have, which is for 1985-86. Will it continue to have the same objectives

as, say, outlined in that particular annual report?

Hon. Mr. Swan: — I'm advised that, yes, it will.

Mr. Van Mulligen: — Mr. Minister, I understand well, and appreciate the need for the first two objectives that are indicated in that annual report. The first objective is to have the department continually apprised of people's concerns about Saskatchewan's environment and about shortcomings they perceive in the province's effort to protect and enhance that environment. It's my view that that's a sound objective. It's important for your department and all your officials and, indeed, for you as a minister to be apprised of what the public perceives to be problems with respect to our environment. And it's important for you to be informed so that you might move with alacrity and speed and dispatch when that's required.

I understand, as well, the need for the second objective, which is to increase the Saskatchewan public's early awareness of the policies and programs whereby the department is attempting to address important environmental issues. It's my view that that, too, is a legitimate objective. It's vital to make sure that people are informed about important environmental matters, whether it's to do with pesticides or whether it's to do with litter. Whatever the reasons, I think it's a legitimate objective for government, and especially in your area, to inform people about important matters.

But I have some serious and real reservations about the third objective. And that third objective, if I can quote, says . . . or that third objective is:

To place before the people of Saskatchewan evidence that their government is sensitive to environmental issues and prepared to deal promptly and effectively with them.

Now as I read that, as compared to the other two that I think are sound and legitimate objectives for a government department, that third objective is nothing but a political objective.

That objective is . . . to show that their government is sensitive to environmental matters, provides your department with a mandate to be nothing but a crass, political instrument. What that objective does is to say that your department is to blow the government's horn — not with PC Party dollars, but with departmental dollars; in fact, with taxpayers' dollars.

And I say that that's wrong, and that's unacceptable to the taxpayers of Saskatchewan. You can't take taxpayers' dollars and use that money for political purposes, as suggested by that political . . . or by that objective. I think what the people of Saskatchewan want is solid, concrete action by your department, not advertising telling them that your department, not advertising telling them that your department or the government is doing good work, and especially not when they're paying for that advertising.

And it's my view, and I would think that it's the view of the taxpayers, that if you really do a job well, there is no need to advertise. And I ask you, Mr. Minister, whether you will

give some consideration to eliminating that particular objective.

Hon. Mr. Swan: — I think the hon. member is reading something into that objective that I certainly don't read into it.

For a government to be concerned about environment, I think, is very important. But for the people to realize that the government is concerned about it is also important. If the government does not take an interest in the environment, then we don't put any money in the budget, and we don't put people in place to do the work.

I believe that this government has been concerned, and some of the programs that are operating indicate that. I believe that you're reading something into that statement that is not there.

When you speak of government, you're not advertising for a political party or for individuals. I think it's an ongoing government who is responsible — this government, the former government, whatever government's in power, is responsible and concerned.

I'm going to send the member a couple of pamphlets that are just two of the kind of things that we mean when we speak of that, and the kind of information that we send out to the public and make available to the public.

Mr. Van Mulligen: — Mr. Minister, again I certainly understand a need to let the Saskatchewan public and people know about important environmental matters. But I would submit to you that it's entirely something different for you to take taxpayers' dollars to tell them that, as a government, we're very sensitive.

I think people want to see good works. It think people want to see action in areas such as water quality, soil conservation. They want to see a government that's proactive in areas such as hazardous chemicals as opposed to being reactive. And my sense is that if you do those kinds of things, there is no need to blow your own horn. And again, I would submit to you that this objective is not in keeping with the legitimate government exercise in using taxpayers' dollars. And again, I would ask you: is there a consideration to at least looking at that objective to see whether it's a legitimate one?

Hon. Mr. Swan: — And I can assure the hon. member that indeed we've looked at that objective. I think it's a very real objective, one that I'm proud of, and one that I'm going to continue to see that the people are aware of — it's that this government is concerned and that we want a clean environment for our people to live in. And we're going to continue to work to that objective.

And I make no apologies to you or to anyone else for the government spending money to tell the people what we're doing in the environment, what areas we're dealing with, areas where we can be of assistance to them, and areas where we can indeed improve the environment with co-operation.

Mr. Van Mulligen: — I don't have any qualms, Mr. Minister, about you utilizing public dollars to inform

people about important environmental matters. You sent over a couple of brochures. One is about drinking water chlorination. And I have no quarrels with your department sending out information such as that to inform the public about water chlorination; about why such a community chlorinate; does chlorine affect the quality of our water — and to put that kind of information before the public. Neither do I disagree with informing the public about things such as the pesticide container disposal program, how the program works, about collection sites, and the like.

My concern is that that particular objective, or at least that these kinds of brochures and that kind of information is readily accommodated under your second objective, which is to increase the Saskatchewan public's early awareness of policies and programs. But that third objective is something radically different. It's not an objective that we found in 1982 or 1981, but it's an objective that's very clearly before us now.

And I'm surprised, Mr. Minister, that you would be so callous as to publicly state such an objective. And again, I would submit that this type of information has nothing to do with that objective. That objective is nothing short of a political objective. You say, to place before the people of Saskatchewan evidence that your government is sensitive. Not that your government is doing things, but that your government is sensitive — that what you're doing is you're blowing your own horn. And, Mr. Minister, I would ask you: do you think that it's a legitimate public exercise for you to take taxpayers' dollars to blow your own horn?

Hon. Mr. Swan: — I believe that if the hon. member didn't find an objective in the annual report prior to 1982 that said the government was telling the people of Saskatchewan that they were indeed sensitive to environmental issues, perhaps the government wasn't sensitive. But this government is sensitive.

And I make no apologies for telling the people what facts are. And the fact is that we're sensitive to environmental issues. We want to work with the people to maintain our environment. I see nothing wrong at all with us stating that in our annual report.

Some Hon. Members: — Hear, hear!

Mr. Van Mulligen: — What you're saying, Mr. Minister, is that it's legitimate for you — legitimate to take taxpayers' dollars to create a smoke-screen, to let the people of Saskatchewan know about all the wonderful things you're doing, even if there's an absence of the wonderful things that you might be doing. And again I would ask you: do you feel that that's an appropriate use of taxpayers' dollars?

Hon. Mr. Swan: — Well, I've answered the question a number of times. Maybe I'll send you a few more pamphlets to show you some of the wonderful things we're doing, and there are a lot of them.

Mr. Van Mulligen: — First, you indicated that . . . you indicated that yes, your department, notwithstanding some internal structural changes, would in fact continue

to espouse three objectives as they are enunciated in the 1985-86 annual report. And those three objectives I read into the record earlier.

And I now ask you, Mr. Minister, given that those are the three departments for the communications branch — or unit, whatever it's called now — can you tell the House what percentage of proposed communications dollars, expenditures, will go for each of those three objectives, roughly?

Hon. Mr. Swan: — We don't separate out those three items. Those three items are listed as a statement of objectives of the Department of Environment, and the funding for them is in the budget, as you see, and they're not separated out.

(1545)

Mr. Van Mulligen: — Mr. Minister, do you perceive there to be a difference between informing people about important environmental matters that may affect them, such as chlorination, or knowledge about spill report centres and where to report spills — because it's in their interest to know those kinds of things, and that's hardly a question of political debate — do you not distinguish between informing people in that way and telling people that we're sensitive to all environmental matters and, as a government, we're doing a good job for you?

Hon. Mr. Swan: — I don't see a difference in the two at all. As a government, you make decisions that affect every program that operates within the government. And as it relates to the Department of Environment, all the programs that I've sent across to you are indications of the areas that we deal with on an annual and daily basis to protect the environment and to inform the people.

No. I don't see a difference in the two. The member is trying to make an issue out of something that I don't consider to be an issue at all.

Mr. Van Mulligen: — Mr. Minister, a few days ago in this House we got into a line of questioning and answering about the use of chemicals around the home. Are you saying now that . . . And you indicated that your department would not be doing anything because you said, well, it's a federal responsibility, or it's a Department of Health responsibility.; it's anyone's responsibility but your responsibility.

Are you saying that it would be legitimate, nevertheless, to tell Saskatchewan people, or to use taxpayers' dollars to tell them, well, we are doing wonderful things, and all those, you know . . . to tell them that yes, we are concerned, we're doing things about chemicals around the home and so on, even though your department is not doing anything.

Hon. Mr. Swan: — If the hon. member can bring forth any advertisements or any evidence that we have done anything like that, I would be very surprised. That isn't what we do. What we do is the type of things that I've sent across to you that show the interest that our department has, and the programs that we've put in place to meet the needs that they have within our environment.

You won't find in any of the advertisements that we're sending out, news releases or anything else, anything that will be attributed as political advertising by the Department of Environment. If you have something, I'd be glad if you would lay it on the Table.

Mr. Van Mulligen: — Mr. Minister, then I again ask you: if you're not doing that kind of thing, and you don't plan to do that kind of thing, then what is the need for that particular objective? The things that you've been talking about your department doing — is doing — in terms of providing information, whether it's pesticide containers, drinking water chlorination, spill report centres, and the like — and I thank you for that information — why do you need that particular objective? It seems to me that you can readily accommodate those kinds of activities and dispersal of that kind of information under the second objective. Why do you need that particular political objective?

Hon. Mr. Swan: — The member may say it's a political objective. I don't agree with the hon. member. It's not written as a political objective. If that's the way you read it, that's fine, but that was not the intent.

Mr. Van Mulligen: — Mr. Minister, objectives to me are goals that you want to achieve, or it's a purpose that you strive towards. And it seems to me that out of objectives flow activities, things that you do. And I now ask you: can you very briefly delineate the various activities of your department, or in terms of the communication unit, and as they fall within each of those three objectives?

Can you just briefly distinguish, in terms of the things that you do, which of your activities fall under that first objective, to have your department continually apprised of people's concerns; the second objective, to increase Saskatchewan's early awareness policies programs? And what activities do you propose to undertake or do you have planned for this year under the third objective, to place before the people of Saskatchewan evidence that their government is sensitive to environmental issues?

Hon. Mr. Swan: — I would just advise the hon. member that each program that we have in place will likely fall under all three of those objectives. So there is no breakdown. Those objectives go across each of the program that we have in place.

Mr. Van Mulligen: — Mr. Minister, it's getting to be a fruitless exercise to elicit any information from you on that particular line of questioning. I would simply end my remarks by encouraging you to take a good, sound look at that objective. I think you will find that that particular objective, so badly stated, so callously stated, is not an objective that is shared by very many other government departments. You will find that most government departments do not purport to have any such objective.

Certainly they have objectives about obtaining information from the public about what the public's concerns are. Certainly they have objectives about informing the public about things that are important to the public. But very few, if any, I would suggest, have objectives about telling the people about what a

wonderful job it is that we do. And that might be done in the absence of not doing any wonderful jobs.

There are some real questions that have been raised in this House about what kind of job you do in terms of water quality, what kinds of jobs you do in terms of acid rain, what kinds of job you do in terms of soil conservation.

There's a real question whether your department is a proactive department — that is, it looks for ways in which to improve the environment of Saskatchewan — as opposed to being a reactive department, which simply sits back, monitors any public outcry and, on the basis of that, if you deem it to be a loud enough public outcry, then moves into action like a slow, lumbering animal.

And I would suggest to you that you take a serious look at that third objective and whether it's really necessary, whether in fact it is not a political objective, and whether that's the kind of objective that a department of the government, which is paid for by taxpayers' dollars, can continue to espouse as an objective which encompass a number of activities by your departmental officials.

It seems to me, Mr. Minister, that if you want to beat your own horn about what a wonderful job the government is doing, that that kind of activity is better paid for by the Progressive Conservative Party than the taxpayers of Saskatchewan.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — Well, I believe I addressed that before, and I advised the hon. member that you won't see anywhere in ads from the Department of Environment anything that says the Progressive Conservative government . . .

But over the long term, every Department of Environment, whether under your government or under this government, has told the people what it's doing, have recommended areas where they were going to improve, and I don't see anything wrong with it. That's all that this really attributes to, is that type of action. It won't be going out and saying that the Progressive Conservative government did this. That's not the intent at all. I think the member knows that. He's trying to raise an issue that I don't believe is a real issue in this House.

Mr. Van Mulligen: — Mr. Minister, if that's not your intent, why not get rid of the objective? Because you don't need it. You have sufficient latitude, under the first two objectives of your department, for the communications unit to accomplish the kinds of things that you say you want to accomplish. You have no need of that third objective.

Hon. Mr. Swan: — We apparently have a difference of opinion here. It's printed in the annual report. It's very hard to just say I'll get rid of it. So it's going to have to stay.

Mr. Lyons: — Thank you very much, Mr. Chairman. Mr. Minister, the question that I have for you today relates to statements made by the Deputy Premier yesterday, and statements found on page 1153 of *Hansard* in response to

a question from the hon. member from Saskatoon Riversdale regarding the question of turbine purchases by Sask Power and the letting of concertina contracts, and also the efficacy of Saskatchewan Power in dealing with pollution control measures in the province. The Deputy Premier said the following:

Mr. Speaker, the \$72 million turbines for the Shand project are in no way speculative in nature. In fact the emission levels that Sask Power has been able to achieve in all of its projects, including Estevan, Coronach, and the environmental standards have always met or exceeded U.S. and Canadian standards. And that same level of confidence exists today.

Mr. Minister, I'm asking you: was the minister correct in saying . . . the Deputy Premier correct in saying that the power plants that we have in operation in the province exceed or meet all U.S. and Canadian standards?

Hon. Mr. Swan: — This is a fairly broad area and very difficult to approach. you know, it's a technical area, as the member knows. I'm advised that the ambient air quality is met. Now that's at the ground level. The ambient air quality is met. But the stack emissions — we don't have a quality emissions level to meet. We haven't set a standard At that level. And so therefore we don't have really any figures or facts at our immediate disposal to give you a proper answer.

As far as the proposed Shand plant, when it comes into operation, it is indicated that it will have the kind of emissions control that would meet the American standards. So there are a number of things. I'm not sure that I'm answering your questions entirely. But if the member has a more direct question I'd appreciate it if you would clarify a little and we'll try and get it.

(1600)

Mr. Lyons: — Well, Mr. Minister, I'm trying to clarify it as much as possible here.

The Minister, the Deputy Premier, yesterday said that the coal-fire generating plants that are in operation in Saskatchewan at Boundary dam, and at Poplar River, and so forth, meet or exceed U.S. and Canadian standards. Those are, I believe, his exact words — “have always met or exceeded U.S. and Canadian standards.”

There are certain standards that you are aware of and the air pollution control branch of the department are aware of, set by the Americans, the Environmental Protection Agency, and also set by the federal ministry of the environment. I think it's a fairly straightforward question: is what the Deputy Premier's saying true? Have in fact those emissions always met and exceeded U.S. and Canadian standards? Or, in fact, is that not correct?

Hon. Mr. Swan: — I'm advised that the ambient air quality emissions have been met.

Mr. Lyons: — Well, Mr. Minister, I have a letter here signed by . . . it's from Saskatchewan Power Corporation, the minister in charge, and was sent to me on February 5

of this year. And it's a . . . if I may take a few moments of your time, I want to read the letter. It says:

Dear Mr. Lyons: In response to your request of December 18, 1986, I am attaching copies of two papers entitled "Sulphur Dioxide Removal Coal-Fired Power Stations," and "Large Scale Testings on Low Sulphur Dioxide Nitrogen Dioxide Nitrogen Dioxide Burner Behaviour Using Limestone and or Calcium Hydroxide" which will provide you with a reasonably up-to-date summary of Saskatchewan Power Corporation activities relating to the use of sorbent injection as an alternative to sulphur dioxide scrubbers.

And it goes on and on for a little bit telling about the costs of the estimates of installing the scrubbers. In the paper that the Deputy Premier sent me, there's a few interesting comments regarding this very question. The title of the paper is the "Sulphur Dioxide Removal of Coal-Fired Power Stations".

I turn to the second page of that paper and on the bottom we find the statement of the paper, and again, it's done by Sask Power and the minister in charge of Sask Power, but it relates directly to the environment in terms of the emission standards. On this paper we see:

When one considers how much sulphur dioxide would have to be removed to meet the federal emission guidelines the following hypothetical numbers are of interest. Poplar River emission 800 ppm; Shand area estimated emission 400 ppm (and again that's an estimate); federal guidelines 320 ppm.

Here we have a paper from Sask Power dealing with emissions which are monitored by your department, which clearly outlines that there are guide-lines in place and standards in place — Canadian standards in place.

Neither Shand nor Estevan nor, I suspect, Poplar River or Boundary or any of them, meet these emissions. And yet we have the same minister who sent me this paper saying that in fact they didn't meet these Canadian standards, standing up in the House saying, well, they've always met or exceeded the Canadian standards.

Which way is it, Mr. Minister? Is Sask Power right in saying that the coal-fired generating stations do not meet the emission standards? Or is your department right in saying that you are meeting the emission standards? It seems to me that we can't have it both ways.

Hon. Mr. Swan: — I'm advised that we meet the ambient standards, as I mentioned to you earlier. For the emissions at the chimney level, we don't have a standard in Saskatchewan. There is a Canadian standard. I'm advised that these plants would not meet the Canadian standard. So the Deputy Premier, when he spoke yesterday, I believe was referring to the ambient, and we would meet that. If he was referring to the ambient, and we would meet that. If he was referring to the other, we would not meet it. But I believe that he was referring to the ambient standards yesterday.

Mr. Lyons: — Mr. Minister, judging from your answer I

take it that you haven't checked with the minister in regarding to the meaning of what he did mean. The fact of the matter is that the particular . . . the stuff that causes the acid rain that comes out of the smoke-stacks does not meet Canadian standards.

I also suggest, sir, that in light of what information I have from the Environmental Protection Agency in the United States that it doesn't meet the standards set forward by the American Environmental Protection Agency. That in fact the state of Montana has raised on several instances the whole question of production of acid rain. And senior politicians from Manitoba have raised with the Saskatchewan government the whole question of the production of acid rain here in Saskatchewan.

And I find it strange, I find it strange that the minister would in fact stand in his place and say the . . . the Deputy Premier will say that they've always met or exceeded these standards. I think by your own admission that, in fact, that the minister is in error on this matter and that he probably should admit so to the House.

I want to turn . . . and relating to this whole question, to the question of the clean air Act in your proposed clean air Act. Are you proposing, sir, that in the Act that you are to introduce in the House, that in fact the emission standards for coal-fired generating plants in Saskatchewan will have to meet recognized Canadian and U.S. standards in their particular emission, both ambient air quality standards as well as the emission standards?

Hon. Mr. Swan: — The member has talked on two or three issues in his last question. I believe that when we read *Hansard* and when my staff read *Hansard* today, that the interpretation they had was that we were dealing with likely the ambient air levels, emission level, and that's the one . . . like it isn't clear when you read what was said in the *Hansard* which would have been referred to. That's why I told you, if it's the ambient air level, we do meet, but stack emissions we would not meet. And in Saskatchewan we don't basically have a stack emission level.

The new clean air Act when it comes in, is enabling legislation but it would not specifically mention power stations in the Act. That would be done through regulation. And at this point the regulations are not drafted. So I couldn't give you a definitive answer. They would likely impact, but we haven't drafted them as yet.

Mr. Lyons: — Well I wonder, sir, if I could ask you the . . . I wonder if I could ask you whether or not in drafting the regulation it's your intentions or the . . . or are you getting advice from the air pollution branch of the department to draw those regulations in conformity with existing U.S. and Canadian standards, particularly the federal standards for a particulate emission?

Hon. Mr. Swan: — I'm advised that the decision is not finalized at this point. It's something that we'll certainly keep in mind. But the decision of whether that's the route to go and what the costs may be to the power corporation, some of these things, we haven't looked at in enough detail really to make a firm decision.

The clean air Act will come into force but then we will have to negotiate with industries who hadn't been under the Act before. You know, anybody that was in place prior to 1976 isn't licensed under the existing Act. Under the new Act they will be required to come in under it. But they will have to be given some opportunity for a time of five years or whatever to bring their plants into compliance with the Act.

So there will be a lot of work to be done. And we will be talking with Sask Power and with all industries within the province to try and bring them under. But that type of regulation is not at this time drafted and I couldn't give the member a definitive answer today.

Mr. Lyons: — Thank you, Mr. Minister. I think I can judge from your answer that you intend to introduce some kind of "grandfather" so-called legislation that would allow those industries to meet certain standards. But it's interesting when you mention that in fact that you haven't had the negotiations with Sask Power or haven't completed the negotiations with Sask Power.

When Sask Power put forward its environmental impact statement in regards to Shand and the expected particulate emissions and the smoke-stack emissions at Shand, was there any consultation with the Department of the Environment as to what the requirements would be or will be in the future?

Hon. Mr. Swan: — I'm advised, as it relates to the proposed Shand plant, there have been discussions between our department and Sask Power Corporation. And our department has given them indications of the levels that they would like them to meet at the time that the new plant would come on stream. Whether or not that is in place, I couldn't tell you. That environmental impact study is being reviewed, and I'm not even sure that this particular area would be covered in that. But if it is, I'm not aware of it yet.

Mr. Lyons: — Well, Mr. Minister, I guess that . . . That's interesting that you'd say that emissions from the Shand power plant — sulphur dioxide emissions which cause acid rain — wouldn't be included in the environmental impact study statement. Is that what you said? I mean, is that the intent of your statement? Because I find it totally incredulous that it wouldn't be.

(1615)

Hon. Mr. Swan: — I want to advise the member that there are some figures in the design proposals in the environmental impact assessment. But my staff advise me that they haven't, up to this point, compared those with the requirements proposed for the new legislation. So whether they meet or not, I couldn't even give you that answer at this time.

Mr. Lyons: — Well, Mr. Minister, you have presented an environmental impact statement dealing with the Shand power plant. The major environmental impact which comes from coal-fire generating power plants, everybody knows, is the amount of sulphur and nitrogen emissions, particularly sulphur emissions, in regards to the whole

question of acid rain. And that the first things that would appear to me that your department would look at are not necessarily the design parameters, but in fact what the target figures for emissions from the power plant would be.

You said earlier on today in this questioning, that the department has given figures or has suggested figures or put forward figures from your department, from, and I assume it's from the air pollution branch, to Sask Power. Are the figures that they put forward, are those figures in conformity with federal guide-lines? Or are they, in fact, higher than federal guide-lines?

Hon. Mr. Swan: — I'm advised that the figures that were discussed with the air quality branch and Sask Power were the Canadian standards — the federal standards. Now my staff advise me that they haven't reached that stage of their review of the environmental impact study, yet. It's a massive document. It takes some time. You don't just browse through one of these; you work through it. And they aren't at the stage yet where they have really reviewed what Sask Power is proposing in that area and what was requested through the air quality division.

Mr. Lyons: — Mr. Minister, was the statement given to you in the department, in November of 1986? Is that the date that you received the document?

Hon. Mr. Swan: — I'm advised that we had an initial document in December of '86, that that was reviewed, and many of the areas that we wanted additional information on were sent back to the power corporation, and they are doing the work that was required. The initial document is there, but we haven't received the information that will bring it up to date with the requests that have been made by the department.

Mr. Lyons: — Mr. Minister, was one of the requests made by the department having to do with, in fact, the kind of pollution standards and emissions that would be coming from the stacks at Shand, or the proposed levels of sulphur dioxides emissions?

Hon. Mr. Swan: — I'm advised by the department staff that there were a lack of clarity in the initial document as to what could be achieved. It wasn't spelled out. So they've sent it back. They're asking for that kind of clarity, and it still isn't back to us. They're waiting for that information, and I believe it's important information to them.

So they can't really tell you, at this point, whether or not the plant would meet the requirements or it wouldn't until that additional information is made available to them.

Mr. Lyons: — Mr. Minister, about five minutes ago, or three minutes ago, you just said that the department hadn't gone through the document, worked through the document, to deal with the questions of emission standards.

Now you're telling me that, in fact, they had, as long ago as back in December, gone through the documents, found out that Sask Power's estimates of the emission standards were unclear, imprecise, and that they weren't

going to meet the standards, and that the department sent it back. Excuse me. You didn't say that they weren't going to meet the standards; you said that they were unclear, imprecise, and not clear enough for your department.

I find it harder and harder to get, sir, what I consider a straight answer, in terms of questions of chronology and when things occurred and how they occurred and why things are occurring, when it comes to the whole question of the Shand power plant. and I'm not getting straight answers, I'll put it that way. I don't believe we're getting straight answers in this.

And I think we're not getting straight answers in this for the reasons that the Deputy Premier outlined yesterday in his answers to the member from Saskatoon Riversdale. I want to quote those to you, Mr. Minister, because it brings into question, it brings into question your very independence as the Minister of Environment and your credibility in terms of giving answers here as that minister — your independence in terms of protecting the environment and putting what you, yourself, said was a high priority, and that is the long-term protection of the environment in Saskatchewan.

Mr. Minister, how can you, how can you sit here, or stand here, and reconcile the kinds of statements made by the Deputy Premier in regards to your role as minister and, in fact, the perception of your independence? I just want to read this to you, sir, to remind you what the Deputy Premier said about you yesterday. And it's on page 1153 and 1154 of *Hansard*. The member from Saskatoon Riversdale asked a supplementary question to the Deputy Minister. Now I want to read it. It says:

Mr. Speaker, a further supplementary to the Deputy Premier. Let me ask the Deputy Premier this question: what happens, Mr. Deputy Premier, if, at the end of the environmental hearing process, the Minister of the Environment and the Department of the Environment t says that the project at Shand does not go ahead because it does not meet the environmental standards? What do you do with the \$72 million worth of equipment?

Some Hon. Members: — Hear, hear!

Hon. Mr. Berntson: — . . .

And I'm quoting from *Hansard*, I'm not using, Mr. Chairman, the member's name; I'm quoting from *Hansard*. It says:

Mr. Speaker, in the event, in the very outside possibility that the very hypothetical situation might occur, I suppose the first option as the member says, is to get rid of the minister. And that's fair.

“To get rid of the minister. And that's fair.” That, Mr. Minister, is how the Deputy Premier of this promise views your role — views your role. And if you remember, Mr. Minister, at the start of these estimates, one of the wild allegations, as you called it — one of the wild allegations, as you called it — that I supposedly made, was that in fact

your department was being used as a political tool by the gang of five that runs the government here.

I think that we have got here, Mr. Minister . . .

An Hon. Member: — It's only four.

Mr. Lyons: — The gang of four. Yes, it's only four now.

I believe, Mr. Minister, that out of the words of the Deputy Premier himself, that that so-called wild allegation is backed up, that he says here in this House that he will fire you — that he will fire you if, in fact, the environmental impact statement and the assessment process done by your department is not favourable to the Shand project.

I believe, sir, that what you're saying in terms of the department and the department officials who are fighting for clean air . . . And I will grant them that. The department officials are, in fact, and I know they are fighting for clean air standards for Saskatchewan. And it's all a credit to them because they're a hard working group of people who are working under very adverse circumstances, not the least of which is the threats by the Deputy Premier to toe the line to make sure that this project goes ahead, that, in fact, that they're trying to do this kind of work.

My question, Mr. Minister, to you is this: the Deputy Premier has said the \$72 million is committed for the turbines, and that Saskatchewan has made that kind of committed . . . committed that kind of money to the Marubeni-Hitachi corporation.

He says — and this is the Deputy Premier — on the one hand he says to the Assembly, well, we've always met and exceeded Canadian and U.S. standards, and by his own admission, by his own letters, in writing, produces a document which says to the contrary. You have said here on this estimates that there is a problem vis-a-vis your department and Sask Power in terms of setting particulate emission standards for the Shand power plant.

And I would suggest, sir, that one of the reasons why that has been so is that the limestone injection tests which have been carried out in other power stations have not, in fact, been carried out according to the regulations or the original script as laid down.

But I want to ask you, Mr. Minister, how can you stand here? Where is your credibility on environmental matters, when the Deputy Premier of this province says to you: you toe the line on Shand, or you're down the road? Tell us that — where your credibility is.

Hon. Mr. Swan: — The member has made a nice speech. I'm not particularly concerned or worried that I'm down the road, if that's the case. But I can tell you this: that when we go through the environmental impact assessment process, that project is going to have to meet the environmental requirements set down by my department. If it doesn't, it won't get clearance from me. If I go down the road as the minister, that's another matter. But my job will be done. And if that means that I lose the job of environment minister, so be it. But I can tell you it won't hurt my integrity. My integrity is there, and I have a job to do, and I'll do that job.

But I think the Saskatchewan Power Corporation has also got a job to do. They have to provide power for the province. And there is a time schedule when we're going to need that additional power. So if they don't build the Shand plant in its current location, they may go ahead and build something different. They will still need generators, so I have no problem with the decision by the Deputy Premier that there was need to order the generators at this time.

Mr. Lyons: — Well, Mr. Minister, I appreciate your sincerity in the matter. I happen to personally — and I want to say this publicly — I happen to personally believe that your department is doing the very best it can to protect the environment, but that it's working under extremely difficult and adverse conditions — adverse conditions exemplified in these estimates by the continuing cut-back in personnel, and the continuing cut-back in funding for your department.

And I think it's deliberate. I think it's deliberate on the part of your government to, in fact, limit the role of your department, precisely because of the political objectives outlined by the Deputy Premier. You know, he may have been only half kidding when he said that. But I don't think so. I don't think so. I think that he was serious, and that was just the Deputy Premier's cynical way and cynical manner, which he is constantly sort of exhibiting in this House, of saying, so what, so what! Because it's a political decision, and it's a political decision, and that's what we've been trying to bring to your attention, that, in fact, that decisions made by yourselves have been based on political decisions . . . (inaudible interjection) . . .

(1630)

Well, Mr. Chairman and Mr. Minister, it's fun to make light of the situation. I don't think the people of Saskatchewan think it's very funny when they see 600 or \$720 million of their money put into the Premier's constituency as a political plum for the Estevan constituency when, in fact, we see hundreds of dental technicians being put out on the road; when we see, in fact, cut-backs to education; when we see senior citizens who are being denied adequate health care by that government. I don't think it's funny, the fact that they want to make it a political decision including politicizing the Department of the Environment and politicizing your role and publicly threatening your job that if you don't go along with those political decisions.

I don't think it's one darn bit funny, quite frankly, Mr. Minister. And I hope that you don't think it's funny.

Some Hon. Members: — Hear, hear!

Mr. Lyons: — But Mr. Minister, you haven't answered the question which I posed, which was this: the Deputy Premier has said that they have committed \$72 million of Saskatchewan taxpayers' money for the purchase of turbines for a project which is not even definite. According to your own words, that the possibility certainly exists that the project will be turned down and that you will stake your credibility on the project, and you will stake, in fact, your integrity on this project.

Let's ask it this way, Mr. Minister, do you think it's a prudent financial move for people to commit resources to projects before environmental impact statements have been assessed by your department and approved by your department?

Hon. Mr. Swan: — I don't believe that it's a problem if the Sask Power wants to order generators. That's their choice. But they didn't come to me and say, look, we're going to order generators; you have to approve the project. By no means. I'm going to make the decision on the basis of the environmental impact assessment through the regular process. If the plant goes ahead, it will go ahead because the environmental impact assessment and the corrective measures that my department proposes are met. If that doesn't happen, we won't license. And that's very simple.

But I believe that Sask power will continue to work very carefully and closely with the department, and it has shown that through the work that is done over the past short while.

I believe that they'll meet the requirements and we will likely be able to give approval. But that process is not near complete yet. We're going to work through it. There's going to be the 30-day public period, as I told you before. And when all of these things are finished, then we'll make the decision of whether or not we can license the Shand plant — and only then.

Mr. Lyons: — The question I asked you was this: as a general rule, as a guide-line for actions undertaken by yourself, as Minister of the Environment, would you advise people who are going to spend money to develop things in this province, to first of all — before they commit any funds to that project — to obtain an environmental assessment from your department and ministerial approval from your department. As a general rule, do you think that's good advice to the people of Saskatchewan/

Hon. Mr. Swan: — That would be very foolish advice. To begin with, no one can come to the point of doing an environmental impact study on a project without spending money. They have to spend money. They have to have a lot of the design work complete before they can even bring forward enough evidence to indicate what they're doing and what impact it's going to have on the environment.

So they must spend money. And it's not within my parameters as a Minister of Environment, to tell any proponent that they can or cannot spend. That's their choice. If they spend the money unwisely they may lose it. But that's not my responsibility. My responsibility is to see that the environmental side of it is met, and that we will continue to do.

Mr. Lyons: — Well, Mr. Minister, just in response to that particular assertion. Why was it in the case of Paul Meagher and Boris Mamchur that you, in fact, had the department contact them, or had contacts between the proponents of the Redberry Lake development and your department — prior to any money being spent on the development or any vast funds of money being spent on the development — and advised them not to go ahead with this development until a ministerial approval had

been met? Is there, as we have said before and will continue to say, one standard for the Mamchur-Meaghers of the world, and another standard for the Government of Saskatchewan, and another standard for the people like Dave Longpré?

Is that what you're trying to say, that there are no general guide-lines, that there are no general guide-lines for developing developments here in Saskatchewan; that in fact it's pot luck, and it all depends who you are and where, in fact, you're going to develop the project?

Hon. Mr. Swan: — Absolutely no. I'm not saying that. I haven't said it and I don't intend to say it.

What I did say to Meagher and Mamchur was that they must do an environmental impact study before the development can proceed. I'm saying the same to the Shand plant. They must do an environmental impact study before the development can proceed.

Now in both cases I would expect considerable engineering work was done. Many drafts of what they proposed to do at Redberry Lake have been put in place. But they didn't do the environmental impact study. They must do that study if they want to go ahead with the project. That's an absolute requirement under the Act.

The same applied to Shand. They must do an environmental study, and they have. And in areas where we felt that they needed to do more work on that environmental impact study, we sent it back and said you must do more work.

But if either one of them want to buy products that they may put on site in the future, that's their choice. I don't tell them whether they can go and buy lumber, or whether they can buy steel, or what they can buy. That's their choice. But I do tell them that they must do the study and until the study is approved, they cannot be licensed to proceed with the project.

Mr. Lyons: — Well, Mr. Minister, I agree with you that, in fact, that proponents of a development should be told that they have got to do the environmental impact study, and I assume have it done and approved before they go ahead with any development, because that was your position that you've outlined.

In November of 1986 . . . pardon me, December of 1986, you told us that in fact the environmental impact statement from Sask Power was received by your department. When were the turbines ordered? When, in fact, was the development work proceeded by your government?

Hon. Mr. Swan: — I didn't order any turbines in this department — haven't spent a nickel. So what Sask Power does, if they want to buy turbines and have them in the backyard, that's their business. I did not make that decision. But until we give clearance, there can be no installation and no construction on the Shand site.

Mr. Romanow: — Thank you, Mr. Chairman. I have been listening to this aspect of the debate with some interest. And I want to put it to the hon. minister, whether or not he

would agree with me that there is a large difference between a situation which involves the government and you as Minister of the Environment on the one hand, and a private project on the other hand — as one circumstance in contrast to the situation that the member from Rosemont is raising, and that is the circumstance where you are in effect, by this circumstance of the \$72 million purchase, caught in a position of almost conflict of interest.

Here you are, sitting as a member of the cabinet, charged with the responsibility of protecting the environment and the appropriate legislation, and at the same time sitting as a member of the cabinet that passes the order in council, agreeing to expend \$72 million. Now isn't that in a different order and a different magnitude and a different situation than in any other circumstance involving a private developer? Would not the minister at least go that far and agree with this?

Hon. Mr. Swan: — The member continually raises the \$72 million order that was placed by Sask Power — Sask Power. And I believe the minister responsible gave you an answer to your question yesterday. The lead time required to put in place that kind of a generator, you just don't go and order it today and get it tomorrow. It takes considerable time. So an order has been placed.

I don't see that I am placed in a conflict of interest at all. I have a responsibility to administer the legislation that covers the department and the environmental assessment process. We will continue to follow that, follow it to the letter, and if after we go through we can give approval to the Shand project, that will be done. But if for some reason we cannot give approval, that will also be done. So I am not in a conflict of interest.

The government has many things that it must do in order to meet deadlines. And this is one that the Deputy Premier felt he must follow, and has done. I see nothing wrong with it. That's a process that has been in place for many, many years. The power corporation is a fairly large corporation that makes many decisions through a board of directors, and that was one of the decisions that that board made.

So no, I don't see it as a conflict of interest for me, and I'll continue to do the job as the Minister of environment.

Mr. Romanow: — Mr. Chairman, I ask the minister to consider carefully his last words in this regard. He would have the House believe, he would have me believe, that somehow the \$72 million worth of purchasing of the turbines was an act of the Deputy Premier and the minister in charge of Saskatchewan Power Corporation, to which you, sir, and other members of the Executive Council had no say.

He knows that to be not the case. He knows that as a member of the Executive Council, when an order in council is passed, it is passed by the members of the Executive Council, of which he is a member. He knows that when Saskatchewan Power Corporation comes forward with an expenditure of \$72 million, it now has a large fiscal stake, economic stake. Let's forget about all the other pollution and environmental concerns in

making sure that that project is in fact completed.

The result is that it puts you, sir, if I may submit, into the position of a conflict of interest. You have the unfortunate and sad position of wearing two hats, which in effect put you in a contradictory place. The one hat is Minister of the Environment, and in the other hat as minister of the Executive Council defending the \$72 million expenditure. You try to defend it on the very thin explanation that you still have your theoretical powers to turn down the project. Theoretically, that's correct.

But the perception is all wrong. The perception and the optics is all wrong. If you are to tell the people of Saskatchewan and outside that your process of environmental hearing is in effect independent, that you're going to act in the best interests of the environment, in the best interests of your mandate, you must be free of any perceptions that you also have — a hidden agenda or a hidden economic concern — of which the Deputy Premier has saddled around your neck and the department's neck in the \$72 million purchase.

I realize that there are sometimes competing aims that hit a cabinet table. Everybody understands that. But surely, would not the minister agree with me that the appropriate way that this matter should have been handled is for the environmental impact process to have gone through its normal course? If it had cleared, as the Deputy Premier wishes, and as you think and say that it must clear, thereafter make the \$72 million purchase. Wouldn't that have been the proper way to go?

Hon. Mr. Swan: — It's very difficult to say what's proper in this circumstance. I believe that there are responsibilities that a cabinet has. One of those responsibilities is to see that the power needs of our province are met. That decision is the decision that was taken by the power corporation board of directors, that in order to be able to be on stream with the power in the time frame required, that they could not wait, otherwise they couldn't have the generators and deliver the power in time. So they made that decision, and I believe that it was a decision that was essential.

It would be nice, I suppose, if we could always sit back and wait, and it would be nice if as a cabinet minister you only had one narrow area to look at. It would be much simpler. But that isn't the way the system works. But at no time have I been told by the Deputy Premier, by the Premier, or by anyone else that this decision affects the way the I must deal with the environmental impact study for the Shand project. They all know that the study is there and that it must go through that process. If at the end of the process it doesn't meet the requirements, then it won't get the go-ahead. And I tell you that quite sincerely. It will not get the go-ahead if there's a problem.

(1645)

But I believe that problem can be worked through and a reasonable decision made. Our job as a department is to protect the environment, but not to destroy the economy of the province in the process; to try and work co-operatively with the province. And I believe the department has done a good job over the years and we

have the same staff in place basically that were there when you were in government. And they've done a good job and I think are continuing to do that kind of a job.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — Mr. Chairman, I want to make two points, if I can, with respect to the minister's last comments. First of all, I don't know if this is quite appropriate to your estimates, but since you have raised it, I feel obligated to make a response very briefly.

I say, with the greatest of respect to the Minister of Environment, that he is dead wrong if he's asking me to accept the notion that somehow Saskatchewan Power Corporation's timetable for the purchase of these turbines did not take into account the requirement of going through the environmental impact assessment hearing process before the purchase was actually made. I just don't believe that.

I believe of a project of this magnitude and the importance, in any corporate structure, there is a detailed schedule and time line for financing, for the purchasing of equipment, for getting all of the regulatory requirements completed, making sure all the provisions of the laws are complied with — all of that is done in a corporation way. They know, Saskatchewan Power Corporation knows, what the law is, and they know that they must adhere to the law, and they must have surely taken that into account in the planning.

And therefore, Mr. Minister, for you to suggest — if I may say so with the greatest of respect — or imply, that somehow there might have been a circumstance or a set of situations which obligated the Deputy Premier and the power corporation board to move ahead and gamble with \$72 million of the taxpayers' money. It think, belies the corporate fact in the way that it works in the real world. So I don't accept that as an operation. But we'll raise that when we come up to Saskatchewan Power Corporation in Crown corporation and other appropriate estimates. I don't belabour that.

But the second point which I do wish to make speaks to your department and to you particularly, sir. I don't mean to be patronizing of you, and I say that all of us, I think, in this side of the House,,, believe that you do as good a job as Minister of Environment as the rest of the members of the Executive Council would permit you to do.

But I say to you, as a second point, also with as much seriousness as I can muster, that what this has done is it has impaired the credibility of you and the department because the impression that is left is either one of two. Either there is a mishmash of objectives ... This government does not have its priorities straight — Saskatchewan Power Corporation willy-nilly purchases and then says, we'll take a Russian roulette chance. Either it's a mishmash of objectives, the kind of way that you've described it. Either we ship back the \$72 million worth of equipment, or I resign.

Those are the choices, that kind of Russian roulette choice, which is the way it has been described in response to my learned friend from Rosemont, your

responses were. Either that kind of an impression or, what I think is even more serious, an impression that even if all of the environmental impact process is diligently followed, even if it is, including public hearings, and Shand is totally in compliance with the law, the perception is left that, because of the \$72 million obligation, financial obligation, around the Saskatchewan Power Corporation, and therefore around your necks, and therefore around our necks, the perception that that really was the operative fact.

You have left yourself, I say with the greatest respect, exposed to the perception that justice is not being done. And I'm not here to preach, but I firmly believe in the maxim that not only must justice be done, but what's as important is that it must seem to be done. It must appear to be being done.

And it is not being appeared to be done here, because your colleague, the Deputy Premier, has acted on impulse, or if not on impulse, has acted in total disregard of what the regulatory and statutory requirements are, thereby jeopardizing your credibility and your department's credibility. And I, for one, object to that kind of an approach that could be taken.

Some Hon. Members: — Hear, hear!

Mr. Romanow: — And so I say to you, Mr. Minister, and say to the Deputy Premier, that either way this is a very shoddy situation. It's either handled, mismanaged badly in the power corporation scheme of things — as I say, we'll view that otherwise — or in the alternative, if it hasn't been shoddily managed, the result is one which has struck a body-blow to your credibility and the department's credibility.

I don't know how you can get out of this situation now. I don't know how you can do it. I think you're almost obligated to the full course of public hearings, even if they aren't warranted with respect to Shand. You're probably obligated to extra diligent pursuit of all the environmental standards, even if they aren't warranted. You're probably going to have to bend over backwards to show that you aren't tied by that \$72 million purchase.

But the whole, sad, sorry, net result of this episode is, unfortunately, that the credibility of this province's determination to stand for clean air and clean water and clean environment has been struck a body-blow by your colleagues around the cabinet table.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — Well, the hon. member has made quite a speech, and he's noted for some of those.

I want to advise the hon. member that the information I have just received indicates that when Coronach was built, at the time that you were government, that the turbines were ordered before the environmental impact assessment was even filed.

So the member is sort of shooting from the hip today, without all the facts in his pocket, and I think you maybe should go back and check your records and see what you

did to the Minister of Environment at that time. Perhaps you did exactly the same thing to the Minister of the Environment then that you're saying the government today is doing.

I don't believe that the ordering of these turbines is going to have an effect on the way my department's decision will be made. This staff have worked through environmental impact studies before. They are a very careful group of people, and they've worked through continuously and have done a good job. So if it was all right when you were government, I suppose it's still all right. Perhaps you should consider that.

Mr. Romanow: — Mr. Chairman, I consider it; I consider it so long as it says for me to say to you; takes for me to say to you, that if that took place . . . I don't know if it did or didn't. I don't admit it; I don't deny it. Frankly, I don't care. I don't care. I tell you that in 1987 — in 1987 — you and your government ought to be building on previous governments and improving on that.

You can come back to 1982. You can live in the past. You can relish all that you want in those operations. But I tell you, Mr. Minister, and I tell the Deputy Premier in charge of Saskatchewan Power Corporation, that what has happened here has been something which I think has destroyed — not destroyed, but has greatly affected your credibility as Minister of the Environment.

You haven't got either the ability or the strength or the courage to stand up in 1987, to tell that minister, and that power corporation, we are going to go through the entire process. Either that, or you're content to sort of, presumably, accept these kinds of assurances that somehow Marubeni will take the \$72 million of turbines back and put it on a shelf, or do whatever else is required. Or we're going to go back to 1982 or 1980 or 1979.

You can go back as far as you want. I'm living in 1987. I'm not living in the year 2001. I'm not living in the year 1981. Your children and grandchildren aren't. And I tell you that the sooner your government begins to look forward, not back, the moment your government starts dealing with today's problems, not back, the better off we'll all be.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — I can well imagine that the hon. member doesn't want to look back to 1981 and see that when he was Deputy Premier the power corporation did the same thing that it's done now, is to address the fact that you cannot buy generators . . . (inaudible interjection) . . . If the hon. member would like to ask a question, why doesn't he get on his feet?

An Hon. Member: — I will.

Hon. Mr. Swan: — Well, the opportunity is there, but maybe let me answer this one.

An Hon. Member: — He's on shaky ground.

Hon. Mr. Swan: — I'm not on shaky ground at all. And I advise the hon. member that the power corporation, when it was building Coronach, saw the same issue that

it's seeing today, is that in order to bring those generators on stream, at the time that it must, in order to meet the needs of the people of Saskatchewan for power supply, they had to order them early. It's a long-term contract that takes many, many months to fill. You realize at that time, in order to meet the needs of the people, that you must allow the power corporation to place the order.

That's exactly what the power corporation has done now, is to place the order. We haven't any generators in the backyard yet. It's going to take a long time before we have those generators. The power corporation will not have spent the dollars until long after this environmental impact assessment is complete. It will take many, many months for them . . .

The committee reported progress.

The Assembly adjourned at 4:59 p.m.