

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Fifteenth Legislature**  
**32nd Day**

**Monday, March 22, 1965**

The Assembly met at 2:30 o'clock p.m.  
On the Orders of the Day.

**ANNOUNCEMENT RE SALE OF SASKAIR**

**Hon. A.C. Cameron: (Minister of Mineral Resources)** — Mr. Speaker, before the Orders of the Day, I have an announcement to make to the assembly, pertaining to Saskair. I shall read the announcement.

As hon. members will recall shortly after this government assumed office, I, as minister responsible for Saskair, indicated that in view of the history of successive losses of the corporation, the government felt it would be desirable that the corporation be sold, provided certain conditions could be met. The first and undoubtedly paramount consideration was that those services being provided to the northern areas of the province be maintained. If the province could be assured of the continuation of these services, and the government could recover the advance investment of \$600,000, plus a fair return on that investment, it would then be in the public interest to dispose of the corporation.

Having made this known, we then invited interested parties to consider the purchase of Saskair. I wish to inform the assembly that negotiations for the sale of Saskair were concluded late Saturday. A contract for the sale of the corporation has been entered into with North Canadian Air Limited, a company comprised of a group of Prince Albert and La Ronge businessmen. The contract is subject to ratification by the Air Transport Board and, accordingly, the contract is being submitted to the board for approval.

You will appreciate, I am sure, that a transaction of this magnitude is necessarily intricate. In addition, there are a number of incidental matters such as the acquisition of certain titles, transfer of licenses, leases and permits, all of which remain to be dealt with between now and the closing date of the sale.

I should like, however, to name the basic terms and conditions of the Sale Agreement. The government obtained a price of \$947,000, calculated with reference to the auditor's financial report submitted in December. Approximately forty per cent, or nearly \$400,000 is payable in cash as a down payment, and the balance at 5 3/4 per cent interest is payable by monthly installments over a ten year period.

We expect the ultimate return to the province will approximate \$1,200,000. Under provisions of the Sale Agreement, the purchaser is bound to maintain all existing services presently provided by Saskair, namely the existing air base and repair maintenance shop at Prince Albert, to continue their service from Prince Albert to Uranium City, including the three return flights per week, as at present, to maintain the permanent bases at La Ronge, Uranium City, Buffalo Narrows, and the four summer bases at Jan Lake, Otter Rapids, Amisk Lake, and Stony Rapids, together with the flights thereto as authorized under existing licenses, to maintain fire suppression aircraft including the Canso Water Bomber, and other specially equipped planes for smoke jumping parachutists, for the sole purpose of government use. In return the government has undertaken to contract services with a minimum of \$275,000 to a maximum of \$400,000 annually, as the need arises. It is felt that these provisions in the contract will ensure that the needs of the public will be protected and maintained, and the basic requirements of the government will be provided for, while at the same time allowing the other air operators in the north to share in government work.

**Mr. J.H. Brockelbank: (Acting Leader of the Opposition, Kelsey)** — Mr. Speaker, could I ask the hon. minister a question? Is this agreement a verbal agreement, or a written contract? I am serious about this.

**March 22, 1965**

**Mr. Cameron:** — You do not send verbal agreements to the Air Transport Board for ratification.

**Mr. Brockelbank: (Kelsey)** — Then, I take it, it is a written agreement.

**Mr. Cameron:** — Yes.

**Mr. Arthur Thibault: (Kinistino)** — Could we have copies of the agreement?

**Mr. Cameron:** — No, not at this time, because the contracts have gone to the Air Transport Board. They must approve them and there are the other matters of the licenses, the transfer of title that must be secured, and so forth. The closing date I think will be a month to six weeks hence. After the closing date, we are at liberty to deal then with the particulars of the contract. This is the outline of the basic terms and conditions of the contract.

**Mr. Brockelbank: (Kelsey)** — Mr. Speaker, the hon. member has just given us a lot of the details of the contract, and then he answers the hon. member from Kinistino that he cannot have a copy of the contract. Now, surely not every last copy of the contract has been sent away to the Air Transport Board? I wouldn't imagine this couldn't be produced.

**Mr. Cameron:** — There are many details yet to be woven into the final contract, before it is finished and signed.

**Mr. Brockelbank: (Kelsey)** — Then I take it, it is not finished and signed yet?

**Mr. Cameron:** — The contract is finished and signed, but these have yet to be finalized because we have not purchased the land, due to the fact that you fellows owned it and then you gave it to the village of La Ronge, without title. Nobody owns it, we have to secure those titles. The same thing in other areas. When I said the other day — the organization grew up like Topsy, there did not seem to be any ownership for half of the assets, and those all had to be tied in.

**Mr. Brockelbank: (Kelsey)** — Mr. Speaker, I just want the answer to one question now. Is there a completed, signed contract for the sale of Saskair, or is there not at this moment?

**Mr. Cameron:** — I have answered that three times.

**Mr. Brockelbank: (Kelsey)** — Well, Mr. Speaker, he dodged it the last time.

**Mr. Cameron:** — Yes, and I told you yes, the first time.

**Hon. D.V. Heald: (Attorney General)** — Mr. Speaker, it is customary in contracts to have a closing date, as my hon. friends, who are lawyers, will know, and I am sure the hon. member for Kelsey (Mr. Brockelbank) knows this as well.

What the minister said was that the closing date in the contract, which was signed, the closing date is a month or six weeks hence, and after the closing date when it is all finalized then the question of availability of the contract will be considered. But there is a closing date and all these odds and ends have to be tied up between now and the closing date. That is quite a normal thing.

**Mr. Martin Pederson: (Arm River)** — Mr. Speaker, would the hon. minister care to disclose the names of the principals involved in this company who purchased Saskair.

**Mr. Cameron:** — They have appeared in the press and I don't wish to prolong this.

It is all in the press, you can read it there this afternoon. It is a group of businessmen in the city of Prince Albert.

**Mr. F.A. Dewhurst: (Wadena)** — Mr. Speaker, would the hon. minister answer a question before he takes his seat? He read a statement this afternoon that we would have to wait for some days before the Hansard girls can transcribe the tape. Would the minister be prepared to furnish each of the members with a copy of the statement you read out this afternoon?

**Mr. Cameron:** — The identical statement will be in the press this afternoon, I did think that it was my responsibility to inform the house before I made it public, since the house is in session, I felt I should make the announcement in the house, and I have done so.

### WELCOME TO MISS JAPAN-CANADA FRIENDSHIP

**Hon. Gordon B. Grant: (Minister of Highways)** — Mr. Speaker, before the Orders of the Day, I would like to bring to the attention of this house, a very charming and distinguished visitor in the Speaker's Gallery, in the person of Miss Japan-Canada Friendship, Miss Hiroko Koba. Miss Koba is travelling by the Canadian Pacific Air lines, with a group of news people from Japan, and we are very happy to welcome Miss Koba and her party today. They are travelling across Canada, promoting Japanese-Canadian relations in the fields of trade and tourism. Miss Koba was selected from several hundred aspirants for this title. The search was sponsored by the Department of Trade and Commerce of the federal government, and the selection finally boiled down to ten participants, and I, personally, would have liked to have been one of the judges on that occasion.

Her keen desire was to see a large Canadian city and to find out a little bit about Eskimos, and I was telling her last night, I thought she picked the right part of Canada to learn about Eskimos because we are almost as hardy as they are to put up with this kind of weather we are having.

On behalf of the members on both sides of the house, Mr. Speaker, I would like to extend a very sincere welcome to Miss Koba and her party and I would suggest that she now rise in her place and let us all have a first hand look at her.

**Hon. Members:** — Hear! Hear!

**Mr. H.H.P. Baker: (Regina East)** — Mr. Speaker, may I endorse what the hon. minister just stated? We came from a noon hour luncheon at which the government graciously put on a luncheon for them, and the city put on a reception. I want to extend another welcome to them here. I might say to you, Sir, that the Minister of Agriculture (Mr. McDonald) did a grand job in pinning on our city brooch. He took his time at it, I assure you, but I want to say how pleased we are to welcome Miss Koba and her lady-in-waiting, Miss Sumiko Tanimoto, and all the other lovely ladies and the other members of their mission.

**Hon. Members:** — Hear! Hear!

**Mr. Martin Pederson: (Arm River)** — Mr. Speaker, I would like to join on one of these rare occasions of complete unanimity in the house and also extend the welcome of this legislature on behalf of the group that I represent. I am very delighted to be able to speak in connection with all members of this house in face of such obvious beauty and graciousness and we hope that your visit in Saskatchewan will be very pleasant.

**Hon. Members:** — Hear! Hear!

### WELCOME TO STUDENTS

**Mr. R.A. Walker: (Hanley)** — Mr. Speaker, before the Orders of the Day are proceeded with I would like to take advantage of this occasion, on your behalf and on behalf of all the hon. members, to welcome in the east gallery, 48 students from the Pike Lake School and their teacher. The Pike Lake School, Mr. Speaker, as you may know, is on the boundary of Hanley and Biggar constituencies. I hope that they visit us again soon and on behalf of all hon. members, we wish them a safe journey home.

**Hon. Members:** — Hear! Hear!

March 22, 1965

### QUESTION RE SALE OF SASKAIR

**Mr. Eiling Kramer: (The Battlefords)** — Mr. Speaker, I note the Minister of Mineral Resources is not in his seat, but possibly the Premier might be able to answer this question — following up on Saskair.

Was the sale of Saskair sold through direct negotiation by the government or through an agency, a real estate agent, or some other agent?

**Hon. W. Ross Thatcher: (Premier)** — It was sold by direct negotiations through the government, and I might say that the new management took over this morning.

### ANNOUNCEMENT RE HORSE SHOW:

**Hon. D.G. Steuart: (Minister of Public Health)** — Mr. Speaker, before the Orders of the Day — there was a question raised on Friday night, about tonight. We will be sitting tonight. If there are any members that wish to go to the Horse Show, there are some on both sides, if they wish to pair, I am sure arrangements could be worked out. Tomorrow night, we will not be sitting. The Lieutenant Governor is putting a dinner on for all MLAs and tonight we will be considering estimates. The Department of Natural Resources estimates start this afternoon and we will carry on with these.

### QUESTION RE SALE OF SASKAIR

**Mr. C.G. Willis: (Melfort-Tisdale)** — Mr. Speaker, I have been trying to rise since the Minister of Mineral Resources made his announcement regarding Saskair. I would like to ask the minister if the agreement of sale has been finalized by the Board of Saskair? I understood him to say it wasn't as yet.

**Mr. Cameron:** — I said it has to go before the Transport Board; it is on its way now.

**Mr. Willis:** — It has not been finalized by the Saskair Board?

**Mr. Cameron:** — The Saskair Board is fully conversant with it.

**Mr. Willis:** — I'm sorry, I didn't hear the answer.

**Mr. Cameron:** — I said yes, all the arrangements for the sale have been made.

The Assembly adjourned at 9:58 o'clock.