

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eighteenth Legislature
53rd Day

Thursday, May 5, 1977.

The Assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

QUESTIONS

MEDICAL PROFESSION ACT

MR. C.P. MacDONALD: (Indian Head-Wolseley) Mr. Speaker, I should like to direct a question to the Minister of Health.

I heard a news report yesterday indicating that The Medical Profession Act was being withdrawn. I should like to ask the Minister if he would comment on this news report. From what I understand, it was announced by the Premier. I would like to ask the Minister why he didn't announce it and announce it in the Assembly? Could he indicate for me and for Members of the Assembly the reason why this Bill was withdrawn at this time, when it was very, very far advanced in the Legislature and it is now very close to the final days, particularly when he was so adamant a few weeks ago about it and insisted on it being passed?

HON. W.A. ROBBINS: (Minister of Health) I don't think that I was ever adamant about the Bill but I think that it is only realistic that we do not have mandatory licencing of physicians in this province when all the other provinces have discretionary licencing. I still hold that view.

MR. MacDONALD: The Minister didn't really indicate why he withdrew the Bill, which I hope he will make a comment on. There are a couple of other questions that I should like to ask him.

One of the things that came out of the discussions about the Bill, particularly by the Medical Profession and the School of Medicine at Saskatoon, was a strong indication that by 1980, unless there was some damper put on foreign doctors coming into Saskatchewan, that graduates from the Saskatchewan School of Medicine in the city of Saskatoon would be unable to obtain jobs in the Province of Saskatchewan because of the surplus and because of the multitude of foreign doctors who have come into our province.

Would the Minister comment on whether or not that is a fact and is he concerned about it and what does he intend to do about it, if it is a fact?

MR. ROBBINS: We are told it is fact and that it will be a fact. We do not know for certain. It is an assumption that the situation will arise and I think it is a reasonable assumption that that will be the situation that will arise.

I, frankly, don't believe, as I said before, that it is realistic for us to continue with mandatory licencing of

physicians when the other provinces have discretionary licencing. That is my view.

MR. MacDONALD: Final supplementary. Mr. Minister, I still want to ask you why you withdrew the Bill if you feel that way? Another problem that has been brought up in discussions of the Bill is the fact that Saskatchewan would be in danger of becoming the funnel for all foreign doctors from all parts of the world that wanted to locate in Canada, because Newfoundland and Saskatchewan are the only two provinces where the LMCC is not a requirement for foreign doctors to come and practice within the province.

Does the Minister anticipate that this practice of Saskatchewan being the funnel for doctors to come here and then spreading to other parts in Canada and North America will continue in the future? Will it increase now that every other province has really closed its doors and Saskatchewan, by withdrawing this Bill, has opened the door once again, very wide? Does he see a real danger in the future and what does he anticipate? Why did he withdraw the Bill?

MR. ROBBINS: Mr. Speaker, I didn't withdraw the Bill. It is still in Standing Committee. Look in the Blues and you will find it is there.

Yes, we do expect that that will be a trend, but that has been the trend at the present time. We are one of the last provinces with mandatory licencing and there is a tendency, we believe, to increase the flow of doctors who wish to come from other areas into Canada, to come to Saskatchewan first.

MR. E.C. MALONE: (Leader of the Opposition) Mr. Speaker, I should like to direct a question to the Minister as well.

I am intrigued by the answers the Minister gave to the series of questions from the Member for Indian Head-Wolseley. Are you saying that the Bill is not being withdrawn? You have indicated to us that, in your view, it is still before the Committee.

Now the Premier, according to news releases, indicated that the Bill has been withdrawn or will be withdrawn. Is it going to be withdrawn today or not?

MR. ROBBINS: My understanding is that the Bill is in Standing Committee at the call of the Chair.

MR. MALONE: I take it from your answers, Mr. Minister, again, that you are in favour of the principles set out in that particular Bill about licencing and physicians, is that correct?

MR. ROBBINS: Yes, I am convinced of that.

MR. MALONE: A supplementary question, Mr. Speaker. May I assume then, Mr. Minister, that if the Bill is withdrawn by the Government, notwithstanding your feelings in this regard, that you will be resigning your position as Minister of Health?

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MR. ROBBINS: I can think of lots of reasons why any Minister of Health would want to resign, but that is not one of them.

ROYALTY PAYMENTS

MR. R.A. LARTER: (Estevan) Mr. Speaker, a question to the Minister in charge of Saskoil.

The Canadian Petroleum Association announced that in 1976 they paid royalty payments to Saskatchewan, Alberta and British Columbia of \$2.3 billion. Could you tell me what portion of this amount that Saskatchewan received?

HON. E.L. COWLEY: (Minister in charge of Saskoil) I just don't have at my fingertips the portion of the CPA paid to Saskatchewan. I am sure if the Member would put just an ordinary question on the Order Paper, and if it comes up tomorrow, it will be answered tomorrow morning as long as we have a little warning. The CPA only encompasses, I believe, seven oil companies that do business in Saskatchewan. I don't have, at my fingertips, how much those seven oil companies each paid, added together and calculated for the year 1976. But I would imagine it would be a substantial sum of money.

MR. LARTER: A supplementary, Mr. Speaker. Can the Minister tell me approximately how much money the Government sets aside for the production credits? How much of this is set aside every year?

HON. J.R. MESSER: (Minister of Mineral Resources) I think that again it is a difficult question to answer as you are asking for specific figures, which I don't think any Minister could be expected to have available to him on a moments notice.

I assume that if the Member would have asked that question last night during Estimates, we may have been able to answer it. I can say that all production credits in the Province of Saskatchewan are now being taken advantage of. There is no money lost through production credits. They are all being used. Some companies may not want to use those production credits independently. Anybody can buy those credits from a company that is not undertaking to utilize them. I would be happy, at a later date, to check with my officials and the department to find out the dollar amount of production credit given for a year.

COLLEGE OF MEDICINE — LMCC

MR. S.J. CAMERON: (Regina South) Mr. Speaker, an additional question to the Minister of Health.

As I understand it, a graduate at the College of Medicine in Saskatchewan, in order to practice his profession in this province must have his LMCC, that is a licentiate from the Medical Council of Canada. He must write the examinations before he is qualified to practice in this province, whereas foreign doctors from several countries, including South Africa,

can come here and practice as a matter of right, without writing the examination required for the LMCC for Saskatchewan graduates. I ask the Minister of Health how he can justify that double standard, the more difficult standard for Saskatchewan graduates and the easier standards for foreign graduates?

MR. ROBBINS: Mr. Speaker, I don't attempt to justify it, I don't think it should be there.

MR. SPEAKER: Order! I am wondering about the urgency of the debate the Member for Regina South is getting into with the Minister of Health. I wonder if we can get to an urgent question on the matter.

MR. CAMERON: One very simple supplementary, Mr. Speaker. What is the Minister of Health and the Government intending to do about that situation, which they cannot justify?

MR. ROBBINS: The Government's action will be announced in due course.

HOME IN CREIGHTON

MR. G.N. WIPF: (Prince Albert-Duck Lake) Mr. Speaker, a question or two to the Minister of DNS.

Over the last two or three months the residents of Creighton have been in a series of conflicts with DNS over a home that was built, I believe, for unwed mothers on Broderick Avenue. The DNS has changed the use of that home to a home for wayward boys, I believe. I am wondering if the Minister could assure this Assembly that this home will not be put into any use that is not approved by the residents of Creighton first.

HON. G.R. BOWERMAN: (Minister of Northern Saskatchewan) Mr. Speaker, the Member asks a question with respect the provision of a home by the Department of Northern Saskatchewan in Creighton that was originally considered to be for unwed mothers.

A decision was made that there was some greater urgency for the taking care of not wayward boys, as he indicated, but children without homes or without foster homes. Providing for that facility in Creighton seemed to be of greater importance, than the original concept.

The Department proposed to make a change in the purpose of the home. There was a reaction in Creighton and that reaction has not totally rejected that, may I say, but there has been some reaction against it as there are reactions against other things. The department has assured the people in Creighton that the home will be discussed and we will not take any moves that do not meet the agreement of, basically, the community of Creighton. That doesn't mean to say that a few people, who may disagree, may stop that home from being built or put into service for the use of the children.

MR. WIPF: Supplementary question. I understand in the Department

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of Northern Saskatchewan, nurses that are employed by the DNS have not received any payment for any overtime . . .

MR. SPEAKER: Next question, the Member for Wascana.

MEDICAL PROFESSION ACT

MR. E.F.A. MERCHANT: (Regina Wascana) Mr. Speaker, a question to the Minister of Health. The Minister has indicated that the Bill awaits the call of the Chair. I am sure, Mr. Speaker, that the Minister is not suggesting that Mr. Bill Allen, the Legislative Secretary to the Premier, acts with such great independence of thought that he wouldn't follow the direction of the Cabinet.

I ask the Minister whether he expects that the Bill will come up in this Session? Do you expect that Mr. Allen will be reporting the Bill from the Law Amendments Committee and will you be completing the business that is on the Order Paper? Will this Bill, in your expectation, be concluded at this Session? The Liberal Party is certainly prepared to wait an extra couple of weeks if that's what it takes.

Mr. Speaker, I wonder if I could ask the Minister of Health, since it is so apparent that the Bill is being withdrawn, if he would indicate whether the Bill is being withdrawn because of political pressure, since clearly he has indicated that it is not being withdrawn because he believes that it is a bad Act or an Act which the Government should not be approving and bringing before the House?

MR. ROBBINS: Mr. Speaker, I informed the House that the Bill is in Standing Committee and as far as I am concerned that's where it is.

CENTAX DECISION

MR. R. KATZMAN: (Rosthern) A question to the Minister of Labour. The Centax Printing Corporation was in dispute with you over hours of work. The decision affects the people of Saskatchewan's labour force very much. Have you studied the ramifications of this court case, and will you be informing the House of it?

HON. G.T. SNYDER: (Minister of Labour) Mr. Speaker, I can't give the Hon. Member any more information than I relayed to him during Estimates, only a short time ago when we discussed the ramifications of the Centax decision, if I can refer to it in that way. I indicated at that time that the Centax decision would probably create some problems for us in terms of the enforcement of overtime provisions, with respect to hours of work extended beyond the accepted eight hours in any given day, 40 hours in any given week. We haven't reached a determination yet as to whether we should be appealing that decision, but the role that we will play in the department and a decision as to whether it would be efficacious to appeal the decision has not been undertaken.

MR. KATZMAN: The case came down February 16, 1977. Are you saying you haven't made your decision, what you are going to do about it, even though it drastically affects the total hours of work legislation in the province?

MR. SNYDER: That's right. I indicated on two or three occasions that we have not made a determination as to how we propose to proceed at this point in time. I don't think the Member is in a position where he would be willing to offer any advice at this stage either.

QUALITY OF MEDICINE IN SASKATCHEWAN (Medical Professions Act)

MR. W.H. STODALKA: (Maple Creek) Dr. Thompson, registrar of the College of Physicians and Surgeons, stated that failure to pass the type of legislation before the Legislature ended would indeed have a backwards effect on the quality of medicine in the Province of Saskatchewan. Would the Minister of Health (Mr. Robbins) agree that this would indeed have a backward effect on the quality of medicine in Saskatchewan?

HON. W.A. ROBBINS: (Minister of Health) That's a personal opinion of an individual. It may or may not.

MR. STODALKA: I would ask the Minister to indicate whether or not he agrees with that particular position?

MR. ROBBINS: I m sorry, I didn't hear that.

MR. STODALKA: I would ask the Minister if you agree with that particular position that Dr. Thompson has taken?

MR. ROBBINS: I think it has some merit, but I stress it is his personal point of view.

QUALITY OF MEDICINE IN SASKATCHEWAN (Medical Professions Act)

MR. S.J. CAMERON: In the absence of the Premier, and the Deputy Premier, I ask the Minister who plays the role now of Deputy Premier, the Deputy Deputy Premier I suppose. I don't know who it is over there.

Let me ask you the question seriously. Why, in view of the position of the Minister of Health that there are problems here which he can't justify in this area of provision and health care by doctors in the province, why, in view of that, did the Government make a decision either to withdraw the Bill or let it die?

HON. J.R. MESSER: (Minister of Mineral Resources) I think all of the questions, Mr. Speaker, are hypothetical. We don't know when this Legislature is going to wind up. Some people assume that it might happen today, or tomorrow,

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or next week. Some member indicated, I believe the Leader of the Liberal Party, that they were prepared to wait several weeks in order to have the legislation come forward. That may or may not be the case. The Bill is in the Committee. The Minister has no more control over that Committee than does the Government. It will, in due course, resolve itself. I think it is hypothetical to assume that the Bill will not come forward or that we for some reason should be withdrawing the Bill at this particular point in time.

MR. SPEAKER: I caution the Members about one of the rules of the Question Period. Questions must not seek information about proceedings in a committee which has not made its report to the Assembly. I think what the Members are doing is asking questions about a subject in a Committee which has not reported on that subject to the Chamber.

MR. CAMERON: If the Minister of Mineral Resources is the acting Premier, did the Premier or did not the Premier, on behalf of your Government, indicate yesterday that the Bill would be withdrawn or allowed to die?

MR. MESSER: I always read the newspapers with caution. I am told by my colleagues here that it was not only in the press but that the Premier did indicate that the Bill may be withdrawn.

MR. CAMERON: It will?

MR. MESSER: I am told by the Minister of Health that the word 'may' was used.

DOWNTOWN OFFICE COMPLEX

MR. J.G. LANE: (Qu'Appelle) First question to the Minister responsible for the Saskatchewan Government Insurance Office.

A press article the other day indicated that the negotiations between the Government or the officials of SGIO and Sask Tel with regard to the downtown office complex and the city of Regina had been behind closed doors and the words used were 'shrouded in secrecy'.

The press article indicates that had it not been for the interference of the Premier of Saskatchewan in insisting on a compromise as to the type of development, that negotiations would still be going on and that there would be an unresolved dispute between the form of development of the city of Regina and the Provincial Government.

My first question is: did the Premier of Saskatchewan, in fact, interfere in the negotiations between the city of Regina and the officials of Sask Tel and SGIO? Secondly, did you yourself interfere in these negotiations in any way?

HON. E.C. WHELAN: (Minister in charge of Saskatchewan Government Insurance) I suspect that the background question is maybe intended to create an impression. Certainly there has been no interference with the participation,

as far as SGIO is concerned, by anyone except elected officials and the people in SGIO that are responsible. Our project is proceeding as has been planned and it will be built on schedule. It will be an excellent building and a good accommodation that I am sure the people of the province will appreciate.

MR. LANE: Supplementary. The long-term downtown development of the city of Regina indicated that it wanted a low-rise development. But the SGIO office building, seemingly in the article is a high-rise building, a compromise proposed by the Premier of Saskatchewan. Why did SGIO not subscribe to the long-term development plan of the city of Regina as proposed by municipal authorities?

MR. WHELAN: The Premier of Saskatchewan has many qualities as a superb leader but I didn't know that he was an architect and that he drew plans for buildings. I have no knowledge of the change that you are talking about.

WITHDRAWAL OF BILL 51 — (Medical Professions Act)

MR. E.F.A. MERCHANT: (Regina Wascana) A question to the acting Deputy Premier. The Premier says that the Bill will be withdrawn and your Minister of Health (Mr. Robbins) says that the matter is still in Committee. Now I ask the acting Deputy Premier, who speaks for the Government, the Premier or the Minister of Health on this issue.

MR. MESSER: Well, Mr. Speaker, a decision has not yet been finally made by the Government. I relate to a transcript of the Premier's press conference yesterday. He answers a question referring to Bill 51, The Medical Professions Act, and he says this and I quote, Mr. Speaker:

If there are serious misgivings about it (Bill 51) and I am now convinced there are, I think that we will certainly have a second look at it. It is quite possible Bill 51 will not be proceeded with.

Now the Premier said this in his press conference yesterday. The Premier also left yesterday for a western Premiers' Conference in Brandon. It is obvious that we have not had an opportunity to have a final decision in regard to Bill 51. That's where the matter now stands.

MR. MERCHANT: Mr. Speaker, a final supplementary then to the Minister of Health. I suggest to the House that the Minister of Health has indicated that he continues to believe that this is good. Does the Minister of Health continue to believe that this is good legislation and if the Minister continues to believe . . .

MR. SPEAKER: Order, order! I'll take the next question. The Member for Qu'Appelle.

NEW SASK TEL HEADQUARTERS

MR. LANE: (Qu'Appelle) I should like to direct a question to the Minister responsible for Sask Tel. There has been some considerable time between the announcement of the new downtown headquarters for Sask Tel and any further announcements. My first question is: do the officials of Sask Tel or does Sask Tel intend to comply with the long term redevelopment of the city of Regina being a low-rise complex? Secondly, when can we expect the announcement, the final announcement, as to the type of project that Sask Tel is embarking upon?

HON. N.E. BYERS: (Minister of Sask Tel) Mr. Speaker, I will try to briefly answer both of the Hon. Member's questions in one, by saying that the final plan for the portion of the downtown development, that Sask Tel is associated with, has at this time not been finalized. We are anxious to finalize the plan as soon as possible, but at this time that plan is not finalized. Whether the commercial aspects will be low-rise or high-rise or three floors or two floors or the colour of windows has not been decided. Therefore, any discussion relating to that is not appropriate.

MR. LANE: Supplementary. Is the press article true that the Premier of Saskatchewan interfered in the negotiations between the Government.

MR. SPEAKER: Order! I'll take the next question. The Member for Wascana.

MEDICAL PROFESSION ACT

MR. MERCHANT: Mr. Speaker, an additional question to the acting Deputy Premier. I just sent a page over to suggest to the acting Deputy Premier that the quote that he read to this House was taken out of context and secondly, that there was a definite quote by which the Premier indicated that the Bill would be withdrawn. I ask the acting Deputy Premier whether it is not, in fact, the case that the Premier definitely said that the Bill would be withdrawn?

MR. MESSER: Well, Mr. Speaker, I'm looking at the press release here. It is three and a half pages long. I related to a quote that emanated from a question, the first question asked during the Premier's press conference. I have not had an opportunity to read it all. I will do so and see what is all here, but as far as the answer to the first question, I quoted all of it. There is nothing out of context in regard to that. There are other questions and other responses from the Premier here. I'll undertake to read them and see what the final or concluding remarks of the Premier were.

MR. C.P. MacDONALD: (Indian Head-Wolseley) Supplementary, Mr. Speaker. I should like to direct a question then to the Minister of Health. He has indicated that he supports the principle of the Bill. Will he give the Members of the House his assurance that he will do everything within

his power to use his influence among his Cabinet colleagues to see that Bill 51 is brought before the House, either for the Legislature to approve or disapprove it? Will the Minister give us that assurance?

MR. SPEAKER: Order! I question the advisability of the order of the question. Member for Prince Albert.

OVERTIME FOR NURSES IN DNS

MR. G. WIPF: (Prince Albert) A question to the Minister of DNS. Has the DNS refused, in the last couple of months, to pay overtime to its nurses in the North?

HON. G.R. BOWERMAN: (Minister of Northern Saskatchewan) No, not that I am aware of Mr. Speaker.

MEDICAL PROFESSIONS BILL

MR. S.J. CAMERON: (Regina South) A question to the acting Premier. Can he tell us, a simple yes or no, did the Government make a decision to with. draw The Medical Professions Bill?

MR. MESSER: To the best of my knowledge we have not yet, as a Government, made such a decision. I think that has been indicated to you by the Minister of Health. It is now being indicated to you by the acting Premier that the decision has not been final, made as to what action the Government will take on that Bill and that is final.

MR. CAMERON: If the Premier, in fact, indicated the Bill would be withdrawn, do I take it from your answer that he would have made that indication without Cabinet approval?

MR. MESSER: We are, I think, basing all of these questions, Mr. Speaker, on what the Premier may or may not have said to the press conference. I am saying — the Members to your left, Mr. Speaker, say that he has already said it — that may, or may not, be the case. The Minister of Health has indicated that the Bill still stands in Committee. As far as the Government is concerned, in the absence of the Premier, we have not yet made that final decision. Maybe upon the Premier's return he may have made a decision but he has not conveyed to this Government what the decision is, personally . . .

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: Mr. Speaker, the Members make fun of that. I believe the Premier, as any other Member of this Government, has a right to make a personal decision, he may or may not have conveyed that to the press. The Government then has a right to attend to whatever that personal Member's decision is and make a governmental decision. That has not yet been made at this time . . .

SOME HON. MEMBERS: Hear, hear!

GOVERNMENT SUPPLY WORK FOR HANDICAPPED SHOPS

MR. R.A. LARTER: (Estevan) Mr. Speaker, I have been waiting a few days to question the Minister of Social Services but, in his absence, I should like to direct a question to the Minister of Industry who has indicated his co-operation and to the Minister in charge of Sask Tel. In Saskatchewan we have many workshops like the one for the handicapped in Estevan. They, as well as other handicapped workshops around the province, are having problems getting enough work for them to keep busy. These are truly very wonderful things for our cities. They want to become independent. They do depend somewhat on government grants and the Minister of Industry has indicated his co-operation. I wonder if they would co-ordinate a program whereby they could supply work to these handicapped workshops to build certain portions of the Department of Telephone products or goods around Saskatchewan. I believe these workshops could become independent and self-supporting.

HON. N.E. BYERS: (Minister in charge of Sask Tel) Mr. Speaker, with respect to Sask Tel building handicapped workshops, that is not a proper function for a telephone corporation. With respect to Sask Tel, the Crown corporation does employ handicapped people. Naturally we cannot employ all the handicapped people and we can't employ all the handicapped people we would like. I think if you will investigate our initiatives in that regard they compare favourably with any agency of the Government.

ANSWER TO QUESTION RE SEDCO TAX POLICY

HON. N. VICKAR: (Minister of Industry and Commerce) Mr. Speaker, two days ago the Member for Saskatoon Eastview asked a question in the House as to what policy SEDCO uses to pay taxes in the city of Saskatoon.

SEDCO's policy in paying taxes is based on the occupancy of the property that is within the city. That has been the policy for quite a number of years. I understand the city of Saskatoon is quite aware of that. I have some figures on the particular building in which the Member was interested. He was referring to the McKee building in Saskatoon. For the year 1975, the tax bill on that building was \$16,643, of which SEDCO paid \$11,363.03. The difference between the two figures was written off by the city of Saskatoon. In 1976, the total tax bill was \$17,116.11, of which SEDCO paid \$15,019.59 and again the city of Saskatoon, by an agreement with SEDCO, wrote off the difference.

MR. G.H. PENNER: (Saskatoon Eastview) One supplementary, is that all? My supplementary would be this. Is the Minister aware of concerns that have been expressed by the Saskatoon City Council about the fact that SEDCO has not been paying the tax rate to its full amount? Has he had correspondence to that effect? Would the Minister not agree, that occupancy or no occupancy, that building is deserving of services such as fire, police, the same as any other building?

MR. VICKAR: Mr. Speaker, the Member is quite right, although I have not received any correspondence from the city of Saskatoon, nor am I aware of any. But the Member is quite right and I have officials already looking at the possibility and feasibility of changing the tax structure with the city of Saskatoon. We are going to look at an overhaul for the whole program.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. MacMurchy that **Bill No. 32 — An Act to amend The Urban Municipality Act, 1970** be now read a second time.

MR. G.H. PENNER: (Saskatoon Eastview) I wonder if the Minister would be prepared, before the question is put, to give any indication with regard to his position or his department's position on the issue that I raised when the Bill was before us earlier, insofar as fair rental value versus per square foot rental rates are concerned?

HON. G. MacMURCHY: (Minister of Municipal Affairs) Mr. Speaker, the issue with respect to The Urban Municipality Act which was raised by the Hon. Member for Saskatoon Eastview is relating to the issue of business assessment. The Bill proposed a uniform business assessment for the province, and I think that there is a good deal of merit in that approach. At the present time all business assessment, with the exception of Saskatoon, is based upon a square foot basis. In Saskatoon it is on a fair rental value.

We, before introducing the legislation, had some discussion with our departmental officials and officials in Saskatoon. Since the Bill has been introduced there has been further discussion. However, I don't think that there is satisfaction in the minds of the council in Saskatoon that the time is right to proceed. I know that the Hon. Member for Saskatoon Eastview and the Hon. Member for Saskatoon Centre (Mr. Mostoway) have been in discussion with council members and his Worship the Mayor. Because of the need for more time to examine this particular issue, we will be repealing that section when we come into Committee of the Whole. Having made that commitment I would hope that all the Members would support the remaining amendments and the Bill. A lot of the amendments are house keeping, however, there are good amendments in it. I would encourage all the Members, therefore, to support it.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy that **Bill No. 104 — An Act to amend The Vehicles Act (No. 2)** be now read a second time, and the proposed amendment thereto moved by Mr. Ham.

MR. E ANDERSON: (Shaunavon) Mr. Speaker, I should like to address a few words to this Bill. I believe that we in the Liberal Party, while we believe that seat belts should be worn by an individual, we cannot support a law that makes seat belt use compulsory.

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Firstly it is basic to Liberal policy that compulsion and control of an individual must be kept at a minimum. We believe in freedom of the individual and oppose this law. We feel that laws that protect an individual from the results of their own actions are particularly obnoxious, especially if these actions harm only the individual and no one else.

It has been stated that we accept and support laws that insist that we drive on the right hand side of the road, or stop for stop signs, etc. These laws are very different because if we don't drive on the right hand side of the road, then we run into each other. That is protection for you against my driving on the wrong side of the road, which is an entirely different law. You confuse laws that protect the individuals. Laws are set to protect the individual from harming others in this society not from harming himself. That is why those laws are put in. You cannot confuse a law that protects you against yourself with a law that protects somebody from your actions. They are two different concepts, which you should understand.

If we are driving from here to Moose Jaw and we don't know which side we are going to drive on, then we are going to run into each other. I am quite sure that whether you have your seat belt on or whether you do not, is not going to affect whether you are going to run into me or not run into me. Seat belts do not prevent accidents; they come into usage after an accident has occurred. That is the only time they come into usage, not before. It surely isn't going to prevent that accident.

It has been said that if all people would wear seat belts it will cut down on the severity of injury and reduce time that people spend in hospitals after accidents. This is used to show that the non-use of seat belts harms other individuals through tax costs and, therefore, the law is legitimate.

If one follows this line of argument, we find that obesity causes many illnesses such as heart failure, high blood pressure, and that overweight people usually spend more time in hospital and so are a drain on our economy. Therefore, should we legislate against obesity? Should one be fined if he weighs more than what is considered healthy for his weight and age?

AN HON. MEMBER: You don't really believe this?

MR. ANDERSON: I certainly believe it. It is a basic principle of law. You as a lawyer should know that it is a basic principle of our democratic system of law.

Smoking, my learned friend over there, causes, I am told, hospital costs, emphysema, heart trouble and cancer. We also find that smoking in closed places will affect another person, but not so with seat belts. We are putting in an Act to protect ourselves from our own actions. There is a long list of activities that one should do or not do that will keep him healthier and, therefore, there will be less drain on hospital costs. Are we going to pass legislation on all of these?

AN HON. MEMBER: You could get an amendment to put seat belts on horses.

MR. ANDERSON: Well, Mr. Speaker, the use of seat belts even in airplanes

cannot be equated with the use of seat belts in an automobile. You will find, in aircraft usage, seat belts are only fastened upon take-off or landing or rough weather, but not otherwise. We find it interesting that all these years we have not found it necessary to install seat belts in school buses or in public transportation such as STC, or Greyhound buses. It is not mentioned in this Act.

Mr. Speaker, we do not quarrel that seat belts cut down on injury when one is in a car accident. We do oppose a law that forces us to do something because someone else thinks it is good for us.

The law, in itself, is going to be a very difficult law to enforce. I know the standard procedure used in Ontario is that the police car comes behind, and when he is alongside and hails you, you just put both hands on the wheel and leave them there and stop. But what I find interesting, when one is driving down the road and a police car heaves to the side, one is probably going to be trying to buckle his seat belt. When the officer stops you we are going to have a very interesting dispute on whether I did or did not unbuckle the belt to get my wallet out, for which I know they are going to ask. I would hate to be the judge and I would enjoy being the lawyer in some of those cases.

Mr. Speaker, because this law is difficult to enforce, it could cause an overload within the court system because many people are going to question it. We are already overloaded with laws that are a lot more important than this one. A law that is difficult to enforce causes people to have disrespect for that law. A disrespect for any law will cause people to disrespect all laws.

That is another reason that an unenforceable law put in for a person to protect him from himself is one that we cannot support. I believe an alternative is to keep advertising programs that show the people of Saskatchewan the advantages of wearing seat belts. If the statistics are kept before the drivers, especially the young drivers, they will learn to wear their belts. We use much the same type of program to make people aware of the misuse of alcohol, but we haven't yet banned the use of alcohol, which can cause accidents if I am on the road drunk. We haven't done this yet.

MR. FARIS: What about the .08 laws?

MR. ANDERSON: Ah! We will come to the .08 laws. Take the program such as .08 directed against the driving population; we will have a very good chance of success. You have now run a program that has achieved no success. If your program for the use of seat belts had been an effective program you wouldn't need this law. Your program has been in effect and you are just admitting that the program was ineffective and should be improved. You can't convince people by your program to not drink and drive and the people will not, and do not, accept the fact that seat belts are something that you should be forced to wear. I believe that if we try to change the attitude of our drivers, cut down and increase the fines for drunken driving we will do much more than forcing people to use seat belts to protect themselves.

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When you see television shows that show high speed chases, it has an effect on the young driver. They do not realize that these manoeuvres are done with specially made cars with sway bars and by trained drivers. They believe that they can take anything on the road and duplicate these feats. This should be part of our program. We have allowed high speed chases to be shown on television. We have glorified the reckless driving. We haven't a program that shows that if you try to duplicate those stunts with your standard car on the road it is impossible to do. It is not designed for it.

There are some very interesting things about the .08 program. When that program came into being and licences were suspended for over .08 of alcohol in the blood, there was a dramatic decrease in driving while consuming alcohol. It is felt by the studies that that was due to the publicity tied in with the program.

Now it has been shown by questionnaires and studies that the deterrent effect of the breathalyzer tests has largely disappeared and the statistics of drinking while driving are back to the numbers they were before the program. This feeling was portrayed in the 1975 traffic safety public opinion poll where it was shown that while people interviewed felt that drinking while driving was a problem, they felt that the risk of being apprehended was very low. They ignored the law.

This is what we are going to run into here. We are going to have a little splurge of putting seat belts on but it is difficult to enforce the law. We have a law here, a repugnant law. We should legislate what is good for me and doesn't affect you? You can't legislate morality! You can't legislate my feelings! Society has the right to legislate laws to protect the public from the actions of an individual who will hurt other people. It has a duty to protect the minority from being hurt by the majority. There is no duty to legislate actions that hurt only me.

Therefore, Mr. Speaker, I cannot support this Bill.

HON. D.L. FARIS: (Minister of Continuing Education) Mr. Speaker, I am pleased to be able to speak in support of this Bill. Particularly when one looks around the world and in other jurisdictions in Canada, one must be impressed by the range of countries and the range of provinces that have moved in this direction. Freedom-loving countries such as Australia, New Zealand, Denmark, Finland (I could go on with a long, long list of countries which value their freedom just as much as we do) have moved in this direction. They initially started, as we did, with publicity campaigns for many, many years to suggest that voluntary use of seat belts would save lives, prevent injury. They found that they just reached a certain extent of use. In most countries there was a 15 to 20 per cent use, on a voluntary basis. They also found that when they did move to the compulsory use that the range of use moved up from 60 to 80 per cent. Three to four times as many lives were saved. Three to four times as many injuries were prevented. And those countries have all benefited from this and they have not withdrawn from its use.

Based on this evidence, provinces across Canada have moved in this direction. The Liberal Government in the Province of Quebec brought in compulsory seat belt use. The

Conservative Government in the Province of Ontario brought in compulsory seat belts. In that province they were supported by (and I give credit to those parties) the Liberal Opposition and the NDP Opposition. The Social Credit Government in British Columbia, which is well known to be a coalition of Liberals and Conservatives, has just brought in this compulsory legislation. I give them credit. Again it is my understanding the NDPs supported them and if they did that in opposition, I give them credit because there are cheap gains to be made in a short time span. We know that whenever you ask people to change their habits, it is a difficult thing. I do believe in this short time span that the Opposition party here can garner votes as they would like to do.

I know that a leading Member of the Liberal Party in my constituency talked to me about seat belts. He said that he personally was opposed to seat belt legislation but that he was disturbed at the kind of discussion that took place at the Liberal Convention. The Liberal Convention was not a discussion about the merits of seat belts. He said that the position basically taken was to oppose it because the NDPs were for it I am sorry to see that kind of opposition, but when Liberal parties, when Liberals . . .

MR. MERCHANT: We don't talk about policies at our conventions.

MR. FARIS: The Hon. Member says they do not speak about policy at Liberal conventions and that is my observation as well. When I see that the Liberal Party in other parts of Canada and the Conservative Party in other parts of Canada have introduced this very same legislation but these same Opposition parties here, for short term political gain, oppose it, I find it appalling.

Now, the Hon. Member has suggested that they are against this compulsory kind of legislation which he alleges affects only the individual. I expect him to introduce bills in the next session of this Legislature then to withdraw laws which they introduced concerning motorcyclists having to wear helmets. To have a motorcyclist wear a helmet only protects his life, only protects him from injury; why don't you introduce a bill to withdraw that? You should be just as violent in your opposition to that sort of infringement upon human rights. I also expect the Opposition in this Legislature to go home to their communities and to start campaigns to see that the minor hockey leagues in this province take away the very disgusting compulsory laws which force young children to wear hockey helmets. I think that's a terrible infringement, isn't it? It's a terrible infringement on the right of those young children, when they have to wear hockey helmets. Although this is compulsory, although the Opposition would say it infringes on the rights of those children, it protects them from injury and in some cases protects their lives. I suggest most children have enough honesty and enough intelligence that they themselves would support that kind of law, but not the Hon. Members of this Opposition.

It has been suggested that this law not be passed because it is difficult to enforce. I would then expect both of the Opposition parties in this House, in this province, to ask that all laws which are difficult to enforce be withdrawn. Mr. Collver has used the argument, the Member who spoke just

before me used the argument, that if you don't have 100 per cent compliance, then you shouldn't have a law like that because it brings the law into ill repute. Well, I think it is a well known fact, well documented, that the traffic speed laws are difficult to enforce, that on many occasions most motorists will occasionally exceed the speed limit. Do you, therefore, withdraw the speed laws? I think it is also well known that liquor legislation is difficult to enforce. I give credit to the former Liberal Government in this province when they brought in the .08 legislation, as did their federal counterparts introduce this legislation. Most mature and responsible people in public life across this land supported that legislation. But it was compulsory legislation. In fact, the lawyers would have had an extra argument that it required that a man submit to testifying against himself by his blood alcohol level. There are all sorts of sophisticated arguments you could use against it, but most political parties, most public leaders were mature enough to realize that it was a good law. It's a law that we should all support at this time, although I heard the former speaker even question that. I think that's very unfortunate. It brings into question the entire legal framework in our society to have this sort of irresponsible opposition.

Mr. Speaker, the evidence is this; that by passing this law we can save some 50 to 100 lives in this province. By passing this law, we may prevent up to 4,000 injuries. I say that those who are opposing this Bill, opposing this Act, very obviously for short term political gain, that if they were to have this their way, they would have on their conscience the blood of 50 to 100 people. I say that they would be responsible, morally responsible for some 4,000 injuries. Now that's the way it is. If you support this law, we can save those lives. We can prevent those injuries. If you oppose this, if you had your way, those lives would be lost, those injuries would occur.

Now I suggest that the Members think very seriously about this. I suggest they look to what Liberal and Conservative people in public life have done in other provinces. They've had the courage, I say the courage, in the Province of Ontario, for instance, where the Conservative Government, a minority government brought this in. The Liberal Opposition could have made a cheap political gain, the NDP could have made a cheap political gain. They did not because on the principle of trying to save lives and prevent injuries, they all supported it. And I give credit to those people and all those parties in those provinces. Mr. Speaker, the evidence in Ontario is that due to this action along with other actions, such as lowering the speed limits, such as stricter enforcement of the laws, the very things that we again are doing in a package in Traffic Safety '77, they were able to save some 187 lives last year and thousands of injuries in the Province of Ontario. They should be given credit for that.

I think this Bill deserves the support of all the Members of this House. I believe that after several years of experience, that the vast majority of the people of this province will support it. I believe that the vast majority of the people of this province do care about human life and human suffering.

Mr. Speaker, I am proud to support this Bill.

MR. S.J. CAMERON: (Regina South) Mr. Speaker, I want to speak briefly in reply to some of the points raised by the Minister who has just taken his seat.

It always troubles me, but troubles me particularly in respect to an issue of this variety, when the Minister stoops to a level of debate which we ought not to hear, we ought not to hear it in respect of almost any issue, but in particular in respect of any issue of this kind and I'll tell you why. There clearly is an issue of principle involved here. There is a very difficult decision for Members to make as to which side they will come down on in respect to this one. It is not an easy decision. Now it's an area where we can have a very high quality debate in respect to some conflicting principle. Why then in that situation does the Minister take that sort of low road to talk about cheap decisions for cheap political purposes. Can I tell you something? There is a difficult decision that one has to make here. There has been an effort, as you know, by your Government and elsewhere to persuade people about the value of wearing seat belts. Are seat belts valuable? No doubt about it. Some injuries are reduced. The seriousness of injuries are reduced by the wearing of seat belts and there is no question about that. Should people wear seat belts? There is no question about that either. Definitely they ought to.

Now when you have failed, as you have, to persuade people to do it, the question then arises, should you force people to do it? The majority of people in this province at the moment are not wearing seat belts. That is to say that they have not been persuaded about the value of wearing seat belts, despite quite an effort that you've mounted to persuade them to do it. So what the Bill amounts to when you force them to do it, is a confession of failure. It's a confession of failure! What you have said is, "We have failed to persuade them to do it and having failed to persuade them, we now have to force them." Now how anyone can suggest that that isn't a confession of failure is beyond me.

That leads to a second serious question, and that is should you impose your judgment on them? Should you substitute your view for theirs because they have come to a conclusion, wrongly in your view but perhaps rightly in theirs, that they want a choice as to whether they wear their seat belts? The bulk of them don't choose to do it. You think they are wrong. I think they are wrong. I will go on trying to persuade them because I think that's the best position, but I will stop short of forcing them. Why should I impose my judgment on them? They are as intelligent as I. They are as able to make their own decision, as I can for them. That's the point.

Now there is another point of principle too, and that's this one. It's a question of freedom. Little by little governments have a tendency to erode peoples' freedoms, always in small steps, which taken by themselves are always justifiable but which taken in their cumulative total over the course of time seriously erode peoples' freedom. We have come to a point in time, when some of us have to decide whether we want to continue to erode peoples' freedom to choose.

With respect to this issue we in the Liberal caucus had a long debate. We met some hours on it determining what position we should take, arguing both sides. In the end, the decision was made on this basis; that where a man is exercising his freedom, and in doing so hurts no one else, we ought not to step in. Where in the exercise of his freedom he may cause injury to someone else, that is quite a different thing. And there we are prepared to circumscribe his freedom. You see the difference?

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I heard the Minister; he said why do we have laws. We have laws requiring people to drive down the right hand side of the road. We, therefore, have limited their freedom. We don't allow them to drive on the left hand side of the road. He is quite right. No question. We limit peoples' freedom in requiring them to drive 65 miles an hour instead of 125 miles an hour. Quite right, quite right! What is the distinction between those laws and this one? The distinction is that if I drive down the left side of the road and exercise my freedom to do that I am likely to cause injury to somebody else. If I am driving 100 miles an hour in exercising my freedom to do that, I'm likely to cause injury to somebody else. When you are exercising your freedom in such a way that you might cause injury to others, the state rightly circumscribes your freedom. We agree with that. But where you exercise freedom and are injuring nobody, we say that unless there are some very compelling reasons to do it, we ought not to limit peoples' freedom.

MR. MESSER: How about motorcycles and hockey helmets?

MR. CAMERON: My friend keeps saying what about hockey players' helmets. I'll tell you about hockey helmets. That was one of the arguments I wanted to make in reply to the Minister who just spoke. I'm going to show you in a moment the kind of attitude that is demonstrated in that argument. He said what about children? They are wearing protective helmets. They are required to do it. Those are the rules of the game and they are happy to do it. What about that, he said. There's a parallel here. You know what the parallel is? We all accept the fact that we must protect children from themselves. Do we accept the fact that you must protect adults from themselves? Don't you understand the difference? What you are saying is that adults of this province are to be treated the way children are treated. You accept and I accept and all of us accept the fact that children must be protected from themselves. We all accept that. Now taking that philosophy and transferring it to an adult situation is in error. Adults do not have to be protected from themselves. I say to you that the time is coming for governments to demonstrate to people a greater trust in people. We need more education in government and less impatience so that we will be able to persuade. If there is merit in your position, and clearly there is, that people ought to wear seat belts, then you ought to have optimism with you because if you are right eventually you'll persuade people to do it and you won't have to force them to do it.

We haven't been involved very long in the process of persuasion. We are here moving too precipitously to force. That's been the problem here. Why don't we, as governments, trust people to do the right thing. Why do we say, if the majority want to go one way, we are going to superimpose our view on them and impose our judgment and not accept theirs? That's what is wrong here. Let's persuade, let's educate, let's do everything we can to show people the value of wearing seat belts, but let's stop short of forcing the issue. Let's stop short of cutting off a person's freedom, the exercise of which injures nobody but himself.

I want to make another comment to my friend who says it's

cheap politics. I'm going to tell you I did a survey in my own constituency in respect to this issue; 51 per cent of my constituents voted in favour of compulsory seat belt legislation; 49 per cent voted against it. Therefore, when I rise in this House and make this speech I'm doing it in the face of the 51 per cent vote in my seat against my position. Now you tell me how that amounts to cheap politics? The study I did in my constituency and the poll I took was done long in advance of the introduction of the Bill. It was published and given to the press at the time — 51 per cent for compulsory seat belt legislation, 49 per cent against. I have to make a decision one way or the other. The decision I have made is a decision which is contrary to 51 per cent of the people who responded in my seat I am prepared to live with that and continue to argue the point. The reason I raise that, even though I'm not sure that I ought to bother to respond to an argument that says 'cheap politics,' is to ask him in view of the poll I took in my constituency and with respect to my own decision that he please give me some credit for making a decision in principle based on what I thought was right, not a politically motivated decision.

Mr. Speaker, there is one major failing in the fundamental attitude of the people opposite and people who would propose legislation of this kind. And that fundamental is this. You have ceased to trust people. You have ceased to rely upon their judgment being as good as yours. That's what you've done. What we ought to do here is to continue to indicate to people, with the resources we have, in the schools, by television and ads, the value of wearing seat belts to attempt, as I say, to persuade people to do it. Secondly, we ought to trust people to do the right thing. Who are you and who am I to say to a man if we fail to persuade him that we are going to force him. That attitude is an attitude of distrust, that people can't do the right thing, that they can't exercise good judgment. Yes, certainly, and people will take that into account. Do you think that husbands don't take that into account? Do you think I that the wives don't and that there isn't pressure from their children to wear seat belts? Sure, those things happen. I say to you that we ought to have a greater level of trust in people for them to do the right thing and to exercise their judgment in the right way.

May I say, lastly, that we have acted in my view precipitously. If we would have tried over a long course of time to persuade, if there had been educational programs in the schools over a long course of time and eventually you couldn't persuade, then you wanted to force (I think you would have a difficult time persuading me even then) but when you do it so precipitously as you have now done it, you lose me in the process of that question.

So I say just in conclusion, there is an area here of very genuine debate with respect to principle, with respect to practicalities. Now for goodness sakes, let's keep it at that level. Let's keep it there. Let's engage one another in respect of the principle of the thing and the practical consequences but let's not get to the level of 'cheap politics' debate.

SOME HON. MEMBERS: Hear, hear!

MR. J.G. LANE: (Qu'Appelle) Mr. Speaker, the Minister of Agriculture, or former Minister of Agriculture is raising the level of debate again. I have a couple of comments, Mr. Speaker.

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To equate the actions of governments, where there is a major urban concentration with the situation in Saskatchewan, I don't think is fair or accurate. I believe we even have some difficulty in Saskatchewan trying to encourage many of our rural individuals to stop at highways when they approach from grid roads or farm access roads. I think that in Saskatchewan with a low density population, that the attitudes of the people of the Province of Saskatchewan are totally different than those in other jurisdictions where there are major urban centres. So I think the comparison first of all is not in order.

In Ontario with a high urban concentration, the latest studies have already indicated that 40 per cent of the people are not wearing seat belts, notwithstanding the compulsory seat belt legislation in Ontario.

I would suggest to the Hon. Members that the percentage of people in Saskatchewan who will not wear seat belts after implementation of the Act will be of a much higher percentage. I submit to the Hon. Members, that if that is true, that what we have in Saskatchewan is, perhaps, an unwarranted but an extremely strong negative reaction to the use of seat belts by the people of Saskatchewan.

It seems to me that the proper way to implement such a program would have been to do the following. These suggestions have been made in this Assembly over the past few years. First of all it has been urged upon the Government in this Assembly in the past that SGIO either increase premiums for those drivers who do not wear seat belts or the reverse being the truth, decrease premiums for those drivers who do wear seat belts.

MR. FARIS: How do you determine it?

MR. LANE: The Hon. Member says how do you determine it? That is one of the very problems that you are going to run into in this particular Bill. It is the very question of enforceability. You can't have it both ways. You can't say you can enforce this one and that SGIO couldn't have enforced a premium differential for those drivers. The fact is you can't have it both ways. Knowing and recognizing the attitudes of the people of this province and the strong feelings that they have in rural Saskatchewan, we could very easily have decided and taken (what I submit) the more reasonable approach to try and change the attitudes, to try and encourage the people of Saskatchewan to wear seat belts.

This Government, except for the last three or four months, has failed and failed miserably to attempt to change the attitudes of the people of this province. We could have insisted, by a change of legislation, that it be a matter of contributory negligence if a motor vehicle accident occurs and it can be shown that an individual, although not liable in the accident, was injured or suffered greater injuries by his failure to wear seat belts, that, in fact, that would be a cause for reducing the compensation for which he is entitled by virtue of the motor vehicle accident and the injured party. We could have done that, we could very easily have done that and left the choice to the driver and the passengers in the motor vehicle. They would have then been embarking on a risk-taking venture knowing full well that the results of their personal actions were such that they would have suffered economic loss whether they were at fault in the accident or not.

SGIO, as I say, could have adjusted the premiums for those drivers wearing seat belts and if the Government opposite wasn't prepared to take a statement on the driver's licence application, then again it just shows the previously stated distrust of the individual evidenced by the Government opposite.

A third thing could have been done over the last period of time. The Government has embarked, and I think quite rightly so, with what is called a life style modification TV program, and I refer to the Aware Program, a welcome program. I am sure the Hon. Member for Arm River (Mr. Faris) would support the Aware Program.

MR. FARIS: It's not enough.

MR. LANE: He says it is not enough. How do you know it isn't enough when you haven't even tried it with seat belts? Now the Aware Program has been going on for, I believe, approximately two years. I think it should be continued, but that's not the point. The fact is that the Government has made the decision that there has to be a life style modification. One of the means of communicating this or teaching the people this is through a television program geared to that end. Why could we not have done the same thing over the last few years on seat belts, as has been suggested in this Assembly in the past? Now, the fact is that the Government is failing to recognize the attitudes of the people of Saskatchewan by the implementation of the legislation. But the Government, I think, is wrong because recognizing the attitudes of the people of Saskatchewan it failed to take any action whatsoever to try and convince the people of Saskatchewan that the use of seat belts was a desirable action.

The degree of unenforceability, I think, will be higher in Saskatchewan and will cause disrespect for the law. You know there was a better way of doing it and I submit to the Members within the Government it was well within the powers of the Government opposite.

With regard to the matter of the doctors' reports, I personally have some sympathy with the requirement that doctors advise the Highway Traffic Board of people who are, in their opinion, unfit to drive. I have subscribed publicly, for example, to the view that on many cases that we run into in the courts where people with mental illnesses are released on the reports of psychiatrists and subsequent offences occur, that the psychiatrist who made the report should have some degree of professional ability. I don't know if a system could ever be implemented, but I certainly think it would be in order. Again I don't know if a system can be implemented but doctors who knowingly allow patients, who are medically unfit, to drive have some degree of responsibility; I suggest, too, some degree of professional liability. Whether a system could ever be implemented in that regard, I don't know. I think it worthy of study.

What I do feel, however, about the doctors' reports requirement in the Bill is that if a person has been challenged by his doctor as to his ability to drive and it has been reported to the Highway Traffic Board, there should be a medical review provision. I don't think it should be solely the decision of the Highway Traffic Board or its functionaries.

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We have several situations that can arise. A person can I see the doctor once and change doctors. He may not have a I long-term family/doctor relationship where a valid assessment can be made by the doctor. I think the individual, who is so challenged by a physician, should be allowed to have a right of medical review before the Highway Traffic Board makes its decision I think that would be fair. I do not think it would prejudice the actions of the Highway Traffic Board. I think the legislation is inadequate on that particular aspect.

We, in the Conservative caucus, have called for a plebiscite. One of the reasons that we have called for the plebiscite is because we do believe that the attitudes of the people of Saskatchewan are so strongly against seat belts, at least in certain areas, and I'm not necessarily subscribing urban areas to that feeling, that a plebiscite would indicate to the Government that it has failed to take any concrete action or solid action to change the attitudes. That should really be the first step of the Government if they are embarking on this type of legislation. The plebiscite argument, of course, is well accepted. It is used by the Federal Government; it has done so on the question of whether there would be an open market for the marketing of rapeseed. I believe the previous government of the Province of Saskatchewan had long advocated and committed itself to a plebiscite on the implementation of a drug program in Saskatchewan. I believe at one time that was a matter of the election platform of the previous government of Saskatchewan. A plebiscite would be easy to administer. It could have been done by sending the ballot forms to all the drivers in the Province of Saskatchewan. It eliminates the passengers, but I doubt very much if it would eliminate very few, as most people do have drivers' licences.

I think what a plebiscite would show to the Government is that it had failed to take into account the attitudes of the people of Saskatchewan, that, in fact, there was another way to encourage people to subscribe to the use of seat belts. I have given those. That was an incentive program on premiums by SGIO by a life style modification TV program similar to the Aware Program. I think there should be changes in the negligence law to bring that under contributory negligence of a person who fails to wear seat belts.

For those reasons I'm opposed to this legislation, but I would like to beg leave to adjourn debate.

Debate adjourned.

**COMMITTEE OF THE WHOLE ON BILL NO. 84 — An Act to amend The Northern
Saskatchewan Economic Development Act, 1974.**

SECTION 1

MR. G.N. WIPF: (Prince Albert-Duck Lake) Mr. Chairman, I spoke at some length to this Bill before. There are many parts of this Bill that I'm expecting the Minister to explain. My opinion has not changed on this Bill. Some of the references that have been sent to me by people from the North and phone calls I have had indicate they consider this Bill will just give the Minister or the Government the power to dictate to the people in the North over the four areas that are mentioned. I'd like to see the Minister right now withdraw this Bill.

Section 1 agreed.

SECTION 2

MR. CHAIRMAN: Might I just say before we go any further that it would certainly assist all of us, I think, if you as well as all Members can keep in mind that in the first Item of each Bill we take it generally over all the Bill and try not to deal with specific clauses which follow. This has been fine so far, but I'm just asking you to keep this in mind for the rest of the Bills, please.

MR. R. KATZMAN: (Rosthern) Under this clause, you have the ability to take over four different areas. You can actually expropriate them if you want Am I correct on that statement?

HON. G.R. BOWERMAN: (Minister of Northern Saskatchewan) No, we don't view the authority in the Bill as giving us the power to expropriate or to confiscate or whatever it is to which you are referring. We simply believe the Bill provides us with the authority to set up small northern industries for the development of people both in the work force as well as experience ownership.

MR. KATZMAN: A question then. I'm asking direction here, Mr. Chairman, Would you suggest then that under 5 is where that question would come and not under 2.

MR. BOWERMAN: No.

Section 2 agreed.

Sections 3, 4, 5, 6 agreed.

Motion agreed to and Bill read a third time.

BILL NO. 72 — An Act respecting The Natural Gas Development and Conservation Board.

SECTION 1

MR. KATZMAN: Under this Bill I believe you are setting up another board. How will this go with your oil board and the other boards that you have?

HON. J.R. MESSER: (Minister of Mineral Resources) This one will deal exclusively with gas. Section 13 will undertake to convey to the Member the responsibilities of the board. It will, in fact, be a body of independent people giving advice to the Government in regard to exploration, development and field gate pricing in natural gas.

MR. KATZMAN: You are referring to natural gas?

MR. MESSER: That's correct.

MR. KATZMAN: Is there any conflict with what happens with the other boards or is there no jurisdictional problems in any area?

MR. MESSER: None whatsoever.

MR. KATZMAN: Just one question. How big is your board going to be? Is it covered here? Yes, fine.

MR. MESSER: Five members.

Section 1 agreed.
Sections 2 to 14 agreed.
Section 15 deleted.

Motion agreed to and Bill read a third time.

BILL NO. 99 — An Act to amend The Mineral Taxation Act

Section 1 to 6 agreed.
Schedules A and B agreed.

Motion agreed to and Bill read a third time.

BILL NO. 38 — An Act respecting Annual Holidays, Hours of Work, Minimum Wages and Other Employment Standards.

SECTION 43

MR. CHAIRMAN: I will ask you to turn to page 19 and Section 43. We have an amendment that wasn't dealt with when we were in Committee before.

MR. E.F.A. MERCHANT: (Regina Wascana) I believe we were on Section 44, Mr. Chairman.

MR. CHAIRMAN: But I am asking leave to revert to 43.

MR. MERCHANT: That was the last Section we were dealing with and we didn't get into Section 44. The amendment that I am proposing is an amendment that would entitle employees to two week's notice that they were being dismissed from their jobs.

MR. CHAIRMAN: I would like to have leave of the Assembly to review this before we go any further with it. Agreed.

MR. MERCHANT: The amendment gives to workers two week's notice that they were being dismissed from their position. If notice was not given but they were paid in lieu of notice, they would continue to get one week's pay. That two weeks really just gives the person two weeks in which to seek other employment. If they get fired and they don't get notice, at least if they get one week's pay in lieu, they can devote their full time to looking for other employment.

As I asked the Minister when we dealt with the Bill earlier what's the standard in this province? My fear is that, the custom having developed that two week's notice is the time I required and you now pass a new Act which is supposed to bring everything up to date, personnel offices around the province look at this new Act and give some consideration to the way they have been acting. My managing partner and legal secretaries for instance — we don't have an opportunity to give I notice because we don't want them around making trouble for us, so we always pay them in lieu. We don't want somebody there jettisoning. We have always paid two weeks salary in lieu I because we thought that that was just the established practice of a law firm. All right, so that is 14 or 16 employees. I am saying that the practice all over the province is two week's notice and I think Members know that.

MR. SNYDER: Nonsense.

MR. MERCHANT: No, it is not nonsense. Ask the Members of your department and I think they will tell you that the practice everywhere is to give two week's notice. But what you are, in fact, doing is rolling the practice back. A personnel office will read this and say that if they just passed it in 1977, am going to go back to giving a week's notice, if notice is a crucial matter. What Section 43, as it is now printed, will do is take rights away from workers which they, by and large have in this province. Now what possible significance can it have to the Government whether it is one week or two? It is not exactly the most face destroying kind of amendment in the whole world and I hope that the Government might consider it. If the Minister gets up and says that this is a minimum and people can give two weeks if they like, that's hog-wash. Employers don't give more than minimum, by and large, unless I there's a trade union. If what the Minister wants, and I suspect he does, is to compel the organization of trade unions everywhere, then he will go on imposing these meaningless minimums of no assistance to the worker at all.

You should pay some attention to the practice throughout the province. I think that to not pass this amendment just means that the Government is saying that we are not going to worry about the unorganized. We don't care that somebody has worked for 3 months or 3 years or 30 years — they can work there for 30 years and they can be fired on one week's notice. I think that is shameful and the Government should be prepared to give them the period of time, of their twice monthly pay.

HON. G.T. SNYDER:(Minister of Labour) I have to admire the Member's ability to put a good face on a bad argument. I think, first of all, Mr. Chairman, the amendment would have to be rejected because I think it has to be regarded as a defective amendment. The suggestion is that the notice be increased from one weeks written notice at termination to two weeks. The Member failed to take into account Section 44(2), which provides for a week's pay in lieu of notice, setting up what, I think, has to be a rather strange anomaly. You are required by law, if his amendment were to pass, to provide two week's notice but failure to provide that notice only requires one weeks pay in lieu of notice. I think he may have been able to mount something of an argument if he I had gone the full gamut and at least taken into account the pay in lieu of notice which is traditional throughout.

The Member attempts to make the argument that the accepted practice throughout the Province of Saskatchewan is two week's notice, using his own law firm as an example, apparently assuming that he sets the tone for the rest of the province. It should be remembered that the Government of Saskatchewan is probably the largest individual employer of people in the whole of the province. Be it the custom, the established practice is to provide a months notice or a months pay in lieu of notice. Certainly there is no one, I believe, that is in a position of responsibility who will look at this Act and somehow believe that because it is a 1977 Act that this represents a roll back and because they have been providing two weeks notice and two week's pay in lieu of notice that they will say that because this is a 1977 Act they should now only provide one week's pay or one week's notice for an employee who is being severed. It just doesn't wash. It makes no sense at all to provide for two week's notice and only one weeks pay in lieu of notice.

I think quite frankly, Mr. Chairman, that probably there is not a very good argument that can be mounted for providing more than one weeks pay or one week's notice for an employee who has only had three months tenure with his employer. I think there is a very good argument that can be made for expanding the layoff notice and the pay in lieu of notice for employees with a longer degree of service, a greater length of service than a three-month employee.

The department is currently involved in some consultation with employee and employer groups in an attempt to determine what the most appropriate method would be in order to update this particular section. I wouldn't be surprised in the next amendment to The Labour Standards Act that we will be evolving this kind of procedure. The Department of Labour has been looking at that and we had considered incorporating that in the updated Act, 1977. We haven't touched all bases at this point in time. Accordingly, what we want to do is to involve ourselves with a greater degree of consultation with employers and employees. I believe we will be bringing a recommendation forth which will still probably provide for one weeks notice and one weeks pay in lieu of notice for an employee who has had three months with that employer. I believe for a person who has had one year of service with an employer probably one weeks pay in lieu of notice or one weeks written notice is insufficient. Accordingly I think a person who has had five years with one employer is entitled to more than a person who has had one year of service in terms of providing notice or pay in lieu of notice. This is a matter which we are in the process of updating. We are currently consulting with a number of groups.

I think the amendment to this particular section is not only ill-timed, I think it is defective in its application and would have a great deal of difficulty in convincing anyone that there is a good sound sensible rationale for providing two weeks notice but failure to do that, only provide for one week's pay. I think it is dabbling away at a problem. I think it is a Band-Aid approach. Accordingly, I would encourage that members of the Committee vote against this amendment with the assurance that the Department of Labour is currently looking at the problem and will be bringing something together that will at least have some meaning, which certainly this proposed amendment has not.

Amendment negatived.

MR. KATZMAN: I think the concern of the Member who spoke earlier was the custom and usage. For example, I spoke with the city of Saskatoon this morning and I am informed that their common practice has been two weeks, if the employee has been paid every two weeks or actually it is 15 days, or a month if it is a monthly employee. I think we are looking for some protection for that to be guaranteed as the common practice. You referred to it earlier when you spoke on this item; I think the Member has been speaking on the same. Would you consider an item that would suggest that the common practice of a place of business should not discard them. For example, if you are normally paid every two weeks you get two week's notice. It has 'always been a habit in Saskatoon. Or is it covered in another section?

MR. SNYDER: I think you will find generally that Section 45 will cover the matter to which you are drawing attention. Rather than the pay period being the determining factor, I think when we look at this Section with the idea of revising it further at a later point in time, we would like to consider the length of employment of an employee with a given employer rather than taking into account whether the employee was paid once a week, once every two weeks or once a month. I think it is a far more rational approach to look at it on that basis.

Section 43 agreed.

Section 44 agreed.

SECTION 45

MR. KATZMAN: One comment to the Minister, that Section 45 did solve concern.

Section 45 agreed.

Section 46 agreed.

SECTION 47

MR. KATZMAN: . . . request for pay every seven days where a union contract is every 15 or every 30 — that's agreed as a better condition than the Bill and, therefore, that's still legal.

Section 47 agreed.

SECTION 48

MR. SNYDER: I believe there is a House amendment to Section 43.

Amendment agreed.

Section 48 as amended agreed.

Sections 49 to 53 agreed.

SECTION 54

MR. KATZMAN: Mr. Chairman, this is for wages to employees,

wages to employees that the directors are personally responsible for, should the corporation go under? Correct?

MR. SNYDER: Under this section.

MR. KATZMAN: What section?

MR. SNYDER: The question that you raised is covered under Section 63.

Section 54 agreed.

Sections 55 and 56 agreed.

SECTION 57

MR. WIPF: Mr. Chairman if an employee has bought goods from his employer and is laid off, can the employer collect that money? This section here confuses me the way it's written.

MR. SNYDER: You're saying if there is anything that is purchased by the employee, say goods at a store, where the employee is employed and he has built up an account. I think Section 58 covers that.

Notwithstanding any other provision of this Act, where an employee voluntarily purchases from his employer any goods, wares or merchandise, the employer may deduct from the wages of the employee any amounts from time to time payable by the employee to the employer in respect of goods, wares or merchandise . . .

I think that covers the question that you raised.

Section 57 agreed.

Sections 58 to 62 agreed.

SECTION 63

MR. KATZMAN: Under 63, how does that affect Crown corporations which the Government has?

MR. SNYDER: Well this Act applies equally to the Crown in theory and in practice. It would have the same effect, except that I can see very little possibility of the Government being placed in a position where wages owed were not paid. Usually this is in the event of bankruptcy proceedings or a company becoming less than liquid or something of that nature. But the Act does apply equally to the Crown as well as to public corporations.

MR. KATZMAN: What you are saying then is that if there is a joint business that the Crown is in with another investor and the thing goes belly up into receivership and there are wages owed, and the other directors have nothing to pay, then the Crown or the directors are responsible? For example, if Mr. Messer was one

of the directors on that board, would Mr. Messer be responsible or would the Government first be responsible?

MR. SNYDER: I don't know how to answer that one because it's so hypothetical. First of all, you are using Mr. Messer as an example, I guess, as chairman of the Saskatchewan Power Corporation. Obviously any charges made against the corporation would be satisfied by the corporation if it was a legal charge. Certainly Mr. Messer, as chairman of the Power Corporation, and I, as vice-chairman of that corporation, would hardly be standing idly by allowing that corporation to make a charge on him and me personally for wages owing to an employee of the corporation. I think it is wildly hypothetical.

MR. KATZMAN: I don't think it is. There was a corporation in northern Saskatchewan, in the forest industry I believe, where that problem developed. The Government was a shareholder and the big corporation did shut down. That's the reason why my question came about. There was some concern until finally the Government said that the wages would be met. I'm asking you, in that particular situation, would the Government Members, who are directors, be responsible or would the Government be responsible first?

MR. SNYDER: I want to repeat again, that the Act applies to the Crown in the same way as it applies to private corporations. Accordingly, the terms and conditions which apply to Degelman Industries will apply to Saskatchewan Forest Products.

Section 63 agreed.

Sections 64 to 79 agreed.

SECTION 80

MR. KATZMAN: Under No. 80 on the sixth line — I think it's the first time I have seen municipal in this kind of Act. The question I have is: how does it affect municipal law? For an example, if I was a resident of Regina and working for the city of Regina and I wanted to run for municipal office, they require me to resign first before I'm allowed to seek nomination. How will that affect that law?

MR. SNYDER: Well this revision has been in the Act for, I believe, three years. I believe this was an amendment that came about as a result of the 1974 amendments. The provision with respect to municipal governments, I believe, is there as a result of a municipal by-law. The Labour Standards Act would supersede any by-law which might be provided. Accordingly, an employee then would have the right to seek a leave of absence and be granted a leave of absence to run for a public office. I'm told that this includes a set of circumstances where an employee would seek a leave of absence to run as an alderman for the city of Saskatoon, city of Regina. That's my understanding.

MR. PENNER: Mr. Chairman, may I pursue that just to make certain I understand what the Minister is saying? If an employee of the city of Saskatoon, since you have used that example, wishes to

run as an alderman, you are saying that it is an expectation that the city of Saskatoon would grant a leave of absence to allow the employee to seek the office?

MR. SNYDER: Yes.

MR. PENNER: Assuming that that individual was successful and was elected as an alderman, am I correct in understanding that he may not then also be an employee, that he would have to either resign his position or remain on leave of absence, but he may not continue to fulfil the position as a person working for the city at the same time he's an alderman for the city?

MR. SNYDER: It's my understanding that under those circumstances the employee is, in effect, entitled to a leave of absence whether he would be required to take that leave of absence, probably would be the judgment of the city. The city would probably be in a position where they could require that he take a leave of absence, rather than continue to work for the city and be an alderman of that city at the same time. That's my understanding. That jurisdiction or that authority rests with the city to make that determination, whether he shall be granted the leave of absence or whether he shall be allowed to do his job and still fill the function as an alderman of that municipal body.

MR. PENNER: If I could be permitted to comment on that, Mr. Chairman. It's my opinion that it is essential that an employee not be an elected official at the same time. If there is an employee working for the city of Saskatoon, then he ought not to be an alderman or a mayor of the city of Saskatoon at the same time. It presents a significant conflict of interest in the same way that it would if you had a teacher employed by a board and the teacher was also on that board, which legislation, at this point in time, has not allowed. I think that has been a wise law. Certainly, if I understand what you are saying correctly, then, if a person is employed by the city, takes leave of absence, is elected, then he ought not to continue to be employed by the city. He ought to either be on a leave of absence or he ought to resign his position. Now, am I understanding you correctly?

MR. SNYDER: We are not saying that if he is elected as an alderman that he should not also be an employee. We're saying that he is entitled to a leave of absence. The discretion in this connection rests, we believe, with the city to make that determination as to whether there is or is not a conflict of interest. Obviously there are some instances which you can cite which would probably represent a conflict of interest. If an employee was making some judgments as an alderman with respect to a negotiated wage settlement I suppose it could be construed to be a conflict of interest. Accordingly, I think the city would then be making a judgment, prior to that time, as to whether that person, an employee, should be put on leave of absence or whether he should be allowed to work at his job, be an employee and an alderman at the same time. I repeat again, I believe that judgment, that discretion, must rest with the city in making that determination. All we say is, if he is elected, he must be entitled to a leave of absence.

MR. COWLEY: On a Point of Order, Mr. Chairman. My Point of Order is that this Bill deals with the rights of the employee. The question with respect to the employer and whether or not an employee can be an alderman and hold a job at the same time, for example, should be more appropriately discussed with respect to legislation under the auspices of the Department of Municipal Affairs. I think it's beyond the powers, beyond the Scope, of the Department of Labour, to question whether or not the employee can be an alderman. The Department of Labour and this particular legislation is designed to protect the rights of the employee running for office, and when he is entitled to leaves of absence. That's what it says.

MR. PENNER: I don't know whether the Minister wanted to read this section or not. The section in the second line talks about the employer and the responsibility of the employer to the employee. Therefore, I think that the questions are certainly in line with what this section of the Act talks about. Don't for a minute think that we take the view that because someone is employed they shouldn't have the right to run for public office. We think that every person should have the right to run for public office, without jeopardy of losing his job. But if they do that and make a conscious decision to do that, and the office that they run for is, in effect, the employer that they would have as an employee, then we think there is a conflict of interest. We think that there ought to be . . .

MR. COWLEY: . . . that should come up.

MR. PENNER: Well, that is one of the reasons we're asking the questions, to be certain that this section is not binding to the extent that the employee, having taken leave of absence, having been elected, then automatically is an alderman and automatically retains his job. If that's what this thing says, then it's clearly wrong, and an amendment ought to be put to correct that.

MR. SNYDER: All I can do is repeat what I've already said. I believe that's the responsibility that rests with that municipal body in making that determination as to whether they do believe it to be a conflict of interest or not. They may judge that a person can be an employee and an alderman at the same time, without representing any difficulties and anything in the way of conflict of interest. I think that's a discretion that must rest with the municipal body in question.

MR. KATZMAN: On the second part of 80, I think it breaks your statement down, Mr. Minister. It seems the employee has the choice if he wants to take a leave of absence or not. I can refer to a specific case of an involvement where a person working for the city of Saskatoon wanted to run for office and was told he had to resign if he wanted to run for office. Therefore, I agree with this type of change. I do not agree that that employee, because he wins the election, shouldn't have to resign to run and if he does win, he should not be able to be in a position of wearing two sets of hats. Basically in that one case, we would have had a strong conflict.

MR. SNYDER: Mr. Chairman, the Member for Rosthern is able to find the wildest variety of unlikely circumstances, such as employees working and going to bed in the basement of a building and being required to be paid. Now he's found some set of circumstances where an employee was required to resign his job before he was elected. Well don't ask me to reply for that part of the world where you spring from. Don't ask me to answer for the people that you seem to be defending. I believe they were in violation of the Act. I think, without question, that the matter could be raised with our Labour Standards people for determination. Our belief is that if they took the position that the employee had to resign in order to stand for election, they are in violation of the Act.

MR. KATZMAN: I would like to answer the Minister's comments. First of all this change came about because of the employee in Saskatoon going to the Confederation of Labour and suggesting that he was told that he had to resign and, therefore, that is a good clause. But, second of all, you haven't closed the other end of it and that is what is bothering me.

Section 80 agreed.

Sections 81 to 86 agreed.

Section 87 as amended agreed to.

Sections 88 to 92 agreed.

Motion agreed to and Bill read a third time.

BILL NO. 89 — An Act to repeal the Succession Duty Act, 1972

Sections 1 and 2 agreed.

Motion agreed to and Bill read a third time.

BILL NO. 108 — An Act to amend The Department of Finance Act (No. 2)

Section 1 as amended agreed.

Section 2 agreed.

Motion agreed to and Bill read a third time.

BILL NO. 86 — An Act to amend The Fuel Petroleum Products Act.

SECTION 1

MR. J. WIEBE: (Morse) Mr. Chairman, under Section 1 this might be the most logical place for us to discuss it. Again, it goes back to some of the concerns which I raised when speaking on the Bill in second reading, that being the fact that the definition of a farmer, under this particular legislation, now will be left up to regulation. My concerns were that the definition for a farmer should be in statute, so that everyone at the time of the passage of the Bill knows exactly what the particular definition could be.

Also I believe that it is important that Members of this Assembly know what the particular definition of that farmer is. It is my understanding that the definition of farmer is in a number of other Acts in this province. If the Government is

capable or sees fit to put that definition in other Acts, why can it not be done in this particular piece of legislation?

HON. W.E. SMISHEK: (Minister of Finance) Mr. Chairman, as the Hon. Member is perhaps aware, the definition of farmer is in The Vehicle's Act and it is certainly intended to have the same kind of definition. At present, in this particular Act, there is no definition. The whole idea is to provide in regulation a definition that is the same as in The Vehicle's Act and if there is a change then you would not be amending both Acts. Certainly it is intended to have the same definition as The Vehicle's Act, one would correspond to the other. As things stand right now there is no reference to it. I think it is important that both definitions be the same. It is spelled out in The Vehicle's Act as the Hon. Member is aware. It was possible to include it in this Act also. The Hon. Member is probably aware of a recent article in the magazine Rural Councillor, it deals with the problem in defining farm and farmer, because of changing conditions.

MR. S.J. CAMERON: (Regina South) The Act and its amendments we will discuss at greater length, when we come to it. I should like the Minister in the meantime to consider a suggestion which I made by way of resolution, which I will move in due course. I ask you to look at it and just consider it.

The Act would change the penalty of provisions substituting maximums and minimums for a new set of maximums and minimums. In other words, a person guilty of an offence, under this Act, of using purple gas when he shouldn't, would be subject to a fine of a minimum \$200 and a maximum of \$250.

The way it is currently drawn — let's suppose that a person is guilty of using purple gas. He would be subject to a minimum, fine of \$200 or a maximum fine of \$250. Now there are a couple of points here that I want to make. They are of no political variety except that I think that we can improve this considerably.

You will get people, for example, committing an offence under this Act in this way. They run out of gas and they stick a gallon of purple in the car and drive to town to get gas. Now that is a breach of the Act and the person is guilty of breaching the Act, but it is a minimum kind of breach. Then you will find other cases where, for example, a businessman or a farmer will set up an elaborate system of tanks and underground hoses and all sorts of things and commits, in effect, a maximum breach of the Act. He does it consistently and deliberately and orderly; a very serious offence as opposed to a rather technical breach of the Act, as with the guy who puts a gallon of gas into his car to go into town. I found in my experience that there isn't enough leeway here between the minimums and the maximums because the guy who puts the gallon of gas in his car when he runs out gets a \$200 fine and the guy who sets up tanks and underground hoses and is constantly and deliberately ripping the system off, gets a \$250 fine.

My view is that we should have a wider discrepancy with a minimum fine of perhaps \$50 for the technical breach and a \$500 fine for a very serious, deliberate long-planned breach of the Act and give the judges a wider discretion in the penalty they impose.

If you would just consider that when we come to the section I will move the amendment that I have given.

MR. SMISHEK: We haven't come to that section and I know the point the Hon. Member is making. Let's have a look at it and we can probably have that section stand when we come to it so that we can expedite the business of the Assembly. I will be glad to take a look at it.

MR. WIEBE: Just a bit of clarification. What the Minister is saying then in regard to my first question is that the definition to be used under this Act to define a farmer will be the same as the definition used under The Vehicle's Act and if the definition of the Vehicle's Act is changed it would also apply to this one as well. Is that correct?

MR. SMISHEK: In the Vehicle's Act and the regulations thereto, as they change so will this.

Section 1 agreed.

Sections 2, 3, and 4 as amended agreed.

SECTION 5

MR. SMISHEK: I wonder if we could have Section 5 stand in order for us to give consideration to what the Hon. Member is proposing?

MR. CAMERON: Perhaps I could move my motion first.

I move, seconded by Mr. Wiebe, that Section 5 be amended as follows:

1. By striking out the references to \$200 and \$250 with such figures that appear in subclause (a) and substituting therefor, the respective figures \$50 and \$500.
2. By striking out the figures \$250 and \$300 in subclause (b) and substituting therefor the respective figures \$50 and \$500.

MR. SMISHEK: As I have already said we will stand this item to give it a little more thought during the dinner hour.

One of our problems of enforcing this legislation even with the present \$75 minimum is that it is not a sufficient deterrent on those who want to use purple fuel illegally. The problem is one of having enough people policing and checking the tanks. That is why we are really raising the minimum fines.

The Hon. Member is proposing a reduction in the minimum from \$75 to \$50. There are those who say, how much can I get away with? If I get away with it long enough and if I pay \$50 then the fine is cheap. Magistrates tend, on the first offences at least and on the second, to use the minimum fine. I pass on this information but we'll give it some further thought, so let's stand this particular section. That was one of the reasons that we were raising the minimum, because of the problem of policing.

Mr. Chairman, I should like to ask that we stand this Bill so that I could have a better opportunity to examine the I amendment. There are some difficulties with the amendment that the Hon. Member has moved and I would like to further examine it. We could move to other legislation.

MR. CHAIRMAN: Mr. Minister, I guess the correct procedure would be that you move we report progress.

The Committee reported progress.

BILL NO. 96 — An Act to amend The Income Tax Act (No. 2)

Sections 1 to 3 agreed.

Section 4: new section 3(b) agreed.

Section 5: Section 4 amended agreed.

Section 6: Section 5 amended agreed.

Section 7: Section 8 amended agreed.

Section 8: Section 12 amended agreed.

Section 9: Section 15 amended agreed.

Section 10 agreed.

Motion agreed to and Bill read a third time.

BILL NO. 76 — An Act to amend The Department of Finance Act

Section 1: Revised section 37 agreed.

Section 2: new section 16A agreed.

Section 3: new section 21A agreed.

Section 4: new section 55 agreed.

Section 5: Section 61 amended agreed.

Section 6: Section 63 amended agreed.

Section 7 deleted agreed.

Motion agreed to and Bill read a third time.

INTRODUCTION OF GUESTS

HON. D.L. FARIS: (Arm River) I wonder if I could beg the indulgence of the House at this point to introduce some 40 adult basic education upgrading students, accompanied by Stuart Mein, Joe Milton, Diane Morris and Judy Kraus from the Regina Plains Community College. We welcome you here this afternoon and we hope that you find the proceedings interesting.

I hope that I have an opportunity, after you leave the gallery, to meet with you.

HON. MEMBERS: Hear, hear!

HON. N. SHILLINGTON: (Regina Centre) I wonder if I might just add my words of welcome to this group. I don't know how many of them reside in my constituency but they are located in my constituency. I hope they find today's deliberations both enlightening and enjoyable,

HON. MEMBERS: Hear, hear!

HON. G. R. BOWERMAN: (Minister of Northern Saskatchewan) Mr. Chairman and Members of the Assembly, I have with me this afternoon the Deputy Minister, Marcel L'Heureux, sitting with me, Mr. Moxley who sits to my left, Mr. Stobbs, Mr. Morris, Mr. Bunz, I believe it is, Mr. Krip, and Mr. Worster, the Assistant Deputy. Mr. Stobbs, is with Project Management and Municipal Services. Mr. Moxley represents the Resources and Economic Development branches. Mr. Worster represents the Health, Education and Welfare branches. Mr. Morris is the Director of Administration Branch, and the other two boys are from Administrative Services.

ITEM 1

MR. G.N. WIPF: (Prince Albert-Duck Lake) Mr. Chairman, ever since the inception of the DNS in the North there has been a lot of criticism, criticism towards that department, some justified and I believe some unjustified. This afternoon and maybe this evening we will get on with some more of it. I believe that one of the reasons for a lot of the criticism towards the DNS is — what is it doing for the people of the North, who is benefiting up there in the North? Is it the residents of the North? Is it a job creation program for people from the South? Who is benefiting? There has been millions of dollars spent up there and I would like to find out just how many individuals from the North have benefited by this. How many have set up their own businesses so that they can create employment for their own people, the people in the North and help develop the North the way they would like to see it develop?

I have another criticism about the DNS. I spent a lot of time in the North and I believe in the concept of getting up there and doing something but I also feel that we are rushing into it. We are trying to push the southern ideas on the North just a little too fast.

AN HON. MEMBER: . . . Up North . . .

MR. WIPF: When you go up to the North maybe you can have something to say about it rather than just going up to cast a line to fish. If you live up there you will know.

I believe we are trying to rush the development of the North too much, too fast, for the people there and bring the idea of the way we live in the South to those folks. I also know that there are many areas in the North that do need a lot of assistance and through the DNS we have given these people some assistance. A lot of the criticism has come over the last couple of years. The Northern Municipal Council is in conflict with the DNS. Two different sets of ideas, I suppose, trying to be put across and the Northern Municipal Council . . .

MR. McNEILL: Why . . .

MR. WIPF: Why don't you stand up and talk when you have a chance?

I believe that the Municipal Council is a locally elected municipal body. It probably gives a lot of good advice and should be listened to a little more than they have been.

There are some areas of general concern, Mr. Minister. I will be asking for some information. How many people does the DNS employ on a contract basis, what are their qualifications, who are they? I am interested in finding out today about the Delta Holdings Company. I have asked before about some of the . . .

MR. CHAIRMAN: Order, please! I think we have been able to keep the decorum of the House fairly reasonable today. Let's try and keep it in that manner for the rest of the afternoon.

MR. WIPF: Thank you, Mr. Chairman, I was having a little trouble getting across there. It is a little hard on a newcomer to this House to try and get with the decorum when I am getting feedback from across the floor. I am finding it a little difficult but I will keep on going.

I should like to know about some of the evaluations that were done on the Delta Holding properties. How many evaluations have been done, who has done them, what is the cost of doing them and what is the purpose of doing them? That's my first question. I wasn't really satisfied with the answer I received last time.

MR. BOWERMAN: Mr. Chairman, the brief comments of the Member for Prince Albert-Duck Lake are, in part, a reality of what has taken place with respect to this new department and the new program initiated by this Government in 1971. It was a major consideration, a major program for northern development, which was considered to be necessary. No longer did we feel that we could continue to operate in northern Saskatchewan in a manner in which governments previous to ours had been operating. If the North and the citizens of northern Saskatchewan are to receive benefits similar, at least with some more equality between the benefits which were accruing to people in northern Saskatchewan and the people in the remainder of the province, it was necessary to establish a northern development thrust. This thrust could best be developed through a single agency or single department. It was to administer the affairs in what had been long ago determined as the Northern Administration District. That was the objective in putting together the department.

The Member refers to the spending of massive sums of money. I want to advise him that if he does some simple mathematics and divides the northern population of about 30,000 citizens into the northern development budget of \$61 million both capital and program ordinary, that it comes out to a per capita of approximately \$2,000 per person. If he does a similar kind of mathematics related to the Budget for the province and divides the 900,000 population into roughly \$1,500 million, which is the provincial Budget, he will find that that comes out to around \$1,700 or \$1,800 per capita.

Therefore, Mr. Chairman, for the first time in the history of this province, people in northern Saskatchewan are beginning to receive what is their due insofar as the overall spending of the province is concerned. And while there may be a marginal difference of \$100 or \$200 per capita more in the North, I am sure there is no one in this Legislature who doesn't recognize some of the additional costs involved in performing services in northern Saskatchewan. Building schools, providing health

services or transportation or communication are all problems which cost more money. Therefore, I think when he gives the interpretation of a massive sum of money being provided to northern Saskatchewan, he doesn't do justice to the people who live there and he's not interpreting the facts as they are.

With regard to suggesting that we are pushing too fast or that we are rushing too much into a northern development program, I would be pleased to have the Member go to La Loche and tell the people there that we are moving too fast. I would be pleased to have him go to Patuanak or some of the other isolated communities in northern Saskatchewan and tell them that the road which is going into Patuanak to alleviate them of the hundreds of years of non access means that we are moving too fast to build them a connection with the rest of Saskatchewan. Therefore, I think that the Member's appraisal or his assessment of spending massive sums of money and moving too fast in northern Saskatchewan won't sit very well with people who live there and who, for so many, many years, have not received their fair share of the expenditures of this province with respect to its citizens.

With regard to the Northern Municipal Council, he suggests that there has been some conflict with the DNS and that is true. There has been some conflict with the DNS. Not all municipalities agree with the Department of Municipal Affairs but the Department of Municipal Affairs has a long history in this province of providing the kinds of legislation, the kinds of facilities, the kinds of grants and services that has put together local municipal government. While it hasn't always been totally agreeable to either Municipal Affairs or to individual municipalities, it has jointly worked for the progress and development of municipal government in Saskatchewan. That's true with regard to the Northern Municipal Council. You say there has been conflict with the Department of Northern Saskatchewan and although that may be true, we do provide, and we have provided, for the first time in the history of citizens living in northern Saskatchewan, not only the authority to undertake the establishment of rural municipal government, municipal government by election, but we have provided them with the finances whereby they could run their programs and whereby they could make their complaints known.

Budgets will be approved later in the Estimates for the expenditure or the granting of funds to the Northern Municipal Council of about \$1.5 million or \$1.6 million, I believe. Less than 50 per cent of that is designated on a per capita basis to the individual communities around the North and more than 50 per cent is spent by the Northern Municipal Council for their own administration, their own interpretation of needed services. So I suggest to you that while you indicate that's a conflict, to me it indicates there has been not only a sincere and genuine effort made but an effort fulfilled in establishing local government in the North. We are putting our money where our mouth is with respect to the establishment of that local government.

With regard to the number of contract employees, we have no persons under contract employment. Now that doesn't mean to say we don't have consultants or that we don't retain consultants from time to time. But it is the advice from my officials that with regard to contract employees, we don't have contract employees. With regard to the other question on the evaluations done on Delta Holdings' property in La Ronge, there

were two consultants retained, McGinn from Regina and Cooper from Toronto.

MR. WIPF: Mr. Chairman, you say there have just been two evaluations done on that one organization in Saskatoon. Was there an organization or a company brought in from Vancouver to do the evaluation on the Delta property?

MR. BOWERMAN: No, I gave you the two names, McGinn from Regina and Cooper from Toronto.

MR. WIPF: You say that there are no employees in the DNS contracted to the DNS. I am not talking about construction or advisors, but there are no employees on contract?

MR. BOWERMAN: Yes.

MR. W.C. THATCHER: (Thunder Creek) Mr. Minister, I notice in your Estimates, Item 1, in your executive administration, you are showing salary increases of 26 per cent. I picked another one just at random — your administration branch — I notice your salary increases there are 36 per cent. Would the Minister tell me why his administrative people would be valued at such a considerably higher figure than his executive people?

MR. BOWERMAN: I think the Hon. Member's question, Mr. Chairman, was the reason why there is less increase under the executive administration for personal services than there is in the remainder . . .

MR. THATCHER: No, no personal services. I did not include personal services in my calculations at all, strictly permanent positions. Under executive administration it is 26 per cent, under administrative branch, permanent positions, it is 36 per cent. I did not compute personal services at all.

MR. BOWERMAN: I am not sure, Mr. Chairman, we can give the Hon. Member a definitive answer in the sense that there seems to be no apparent reason for that difference between the administration branch and the executive administration branch, other than it may be the longevity of employees in the one branch as opposed to the other. There may be a number of other contributing factors, but to make a definitive statement as to precisely why that is so, my officials tell me there is really no specific answer that one might point out.

MR. THATCHER: Mr. Minister, I find that a rather shocking answer. Firstly, I think 26 per cent is a pretty good pay hike from one year to the next. And the figures are quite clearly there. In your administration you go to 36 per cent, 10 per cent higher than your executive administration. I would assume that your executive administration people would include your top level people and these are the people who run this department, the people that make it tick. Somewhere down the line your administration people go to 36 per cent and the Minister says he can't give us any sort of an answer.

Now, Mr. Minister, very respectfully, I'd suggest for you to come up with an answer. I count one, two, three, four, five, six people there, seven with yourself. I would suggest that you come up with a better answer. Let's get on.

MR. BOWERMAN: Again, when you refer to the increases, you are not taking into account the increase in the number of staff from 15 to 18.

MR. THATCHER: Mr. Minister, would you explain the increase from 15 to 18?

MR. BOWERMAN: I either don't follow your questioning or I can't give you a more definitive answer than I have. We may be able in time to find what you are looking for but we can't give you a definitive answer now. I am not able to explain why that apparent difference shows up.

MR. THATCHER: Mr. Minister, I haven't done this for your other portions here. I just picked one and grabbed the next one at random, skipped one and took the next one.

Now last year you had 18 permanent positions. You paid them a salary of \$257,680. Now I am just going right out of the Estimate book for 1978 — again 18 employees. And you are paying them \$324,210. With my figuring, that comes out to 26 per cent. Now if I can make it a little clearer — under Item 3, Administration Branch, permanent positions, last year you had 42 for a total salary of \$418,560. Divide that by 42 and you get a figure. Then take the figure \$542,030 for 1978, divide that by 40, which is what you are saying is for this year. You will get an average figure. Then take the difference between them and compute then as a percentage increase. I get 36 per cent. There must be a reason for that. If somebody who has set up an empire, such as you have in northern Saskatchewan with so many departments under you, cannot answer a basic and elementary question, then obviously something is wrong.

I'll sit down and I am sure after clarifying it, you can give me a precise answer.

MR. BOWERMAN: Well, regardless, Mr. Chairman, of the temper of the Member for Thunder Creek, what he is attempting to do is oversimplify. We could go through the individual employees there and bring out the individual salaries, and so on, but there is no precise and definitive kind of statement that we can make without an analysis, without a deeper analysis. In answer to your question, it's not there.

MR. THATCHER: Mr. Minister, I am astonished. You know I must ask to be the critic for your department next year because it's got to be a piece of cake. They always seem to give me the tough ones. I'd suggest that your seatmate would have stuffed that one down my throat five minutes ago. Unfortunately, he's not here so you can't refer to him.

But, Mr. Minister that has got to be an absurd answer.

That is about as basic and as elementary as you can get and you can't answer it. I'm not talking about a section that's got two, three, or four hundred employees. I can't believe in these particular areas, areas which are highly sensitive areas, I would assume, certainly the administration and the executive administration, that there would have been that much of a turnover and if there has been, then perhaps your department deserves a very close scrutiny. Something appears to be wrong. That little elementary question appears to have you and your departmental officials at a loss, for what reason I don't know but perhaps one could speculate on competency. Let's move to your overall global Budget.

Now, if I'm not mistaken, the total expenditure that we are talking about, voting and appropriating to your department is \$41,986,060. Mr. Minister, very quickly running through your Estimates and taking your administrative costs, which you are listing and they are here in your Estimate book, I come up with a figure that 64 per cent of your Budget is being used on internal administration, 64 per cent. That is an incredibly high figure and I would suggest to you that there is not another department in the Government that comes even remotely close to a figure as high as that. If there is, it should be looked at very closely, too. Would the Minister, if I have the wrong figures, dispute them? You have lots of people there to take them apart. Very quickly going through them, I come up with the figure of 64 per cent for administration. Your total, in turn, is \$26,982,000. I included personal services in that. That is an astonishingly high figure for internal administration, unless I made an error, which I don't believe I have. I did not take any grants into that figure at all.

MR. BOWERMAN: Mr. Chairman, the Member is likely to come up with a variety of figures this afternoon and he is likely going to suggest that they are the accurate ones. I tell you, with regard to your proposition that we are spending \$41 million, that if you add the total expenditures it will be (that is if we are going to do any capital improvement) \$61,055,000 — not \$41.9 million as you pointed out. So somehow we've got to deliver another \$20 million worth of services related to capital construction. Now that will throw your figures out a little bit I would suppose but maybe you hadn't thought about that. But if you take that into account, I think that you will see it. The numbers that my officials give me is that our wages or permanent positions are about 25 or 30 per cent of our ordinary Budget.

MR. THATCHER: Just one second, Mr. Chairman. Well, Mr. Minister, again I am a little surprised at your answer. Now if you want to take the extraordinary accounting procedure of including your capital expenditures in there, then fine, you can reduce that 64 per cent down to 44 per cent. It is still an extraordinarily high figure. Using your capital expenditures in there, I think beneath the facade when you seem to be stumbling, you know that that is a very ludicrous proposition. But let's do it your way.

Forty-four per cent is an astonishingly high figure for administration. Your capital expenditures of just under \$20 million — \$19,069,000 — is really not all that high a figure, when you look at where you are spending it. I can't believe there is that much administration required to disburse almost \$20 million in capital. Now, Mr. Minister, I will tell you

where I got my figures and you have one of your fellows duplicate it.

Simply take your administrative costs as they appear in your Estimates and total them up. Take them as a percentage of our Budget and you will get 64 per cent. Now if you want to throw your capital expenditures into that, you will get 44 per cent. Still it's an extraordinarily high figure. I think it does lend some credence to the arguments that are put forward by the Department of Northern Affairs that somebody up there is building an empire, that you are building a wall from the rest of Saskatchewan and Lac La Ronge is very rapidly turning into nothing more than a condensed version of Regina.

You know it is a real tragedy up there, Mr. Minister. I can recall some seven or eight years ago flying into the La Ronge airport and things were happening up there then. You would see planes from all over. There was something going on. I believe La Ronge was the busiest airport in Saskatchewan at that time. And now when you fly into the La Ronge airport all there is is some government aircraft. The place is full of 'G' licences. Now that you have changed the numbers on your licence plates I suppose the 'Gs' won't be quite so flagrant. But you have just absolutely destroyed the activity up there. Nothing is happening up there. The only thing that is happening up there . . . mind you Delta Holdings has a little activity going on up there . . . but nothing is happening except government, plain old boring, depressing, bureaucratic government.

You know, Mr. Minister, I wouldn't laugh too hard because the way you have handled your questions so far we could be a little disrespectful and we could laugh at you too. I'm glad you find something funny over there. If your performance so far in your Estimates is any indication of how you run a department, then no wonder that airport in La Ronge is such a depressed looking commodity right now.

MR. BOWERMAN: Mr. Chairman, I am invited to get into a real debate with the Member for Thunder Creek. It is nice that he did come in out of the rain, although I gather from his remarks that he is fairly well soaked this afternoon. He came in off the ranch and they got a little rain out there. Now he is going to blow his top and display either his ignorance or his ability, which ever he wants to choose, with respect to the numbers.

With regard to his comments, Mr. Speaker, I only want to make the brief comment that he missed it by 20 per cent. That's not a small figure you know. You said 64 per cent, if you take it one way, or 44 per cent if you take it another. That's a fair mistake in the first place. If you take the total Estimates, if you take the blue book and go through the total figures in the blue book, I don't know what the relative percentage would be if you added up the costs for administrative services across the Government. I don't know what percentage that would be. But, if it were lower, even if it were lower by another 10 or 15 per cent, that would not be significant because much of what we do, much of what is now being done in the North, is being done by the department. Much of what you would do or a contractor would do or you would get someone else to do, or a municipality would do for itself in the South, is not the case in northern Saskatchewan. Therefore, I think it is obvious you would expect to find a higher percentage of admin services in northern Saskatchewan, in this department, than you would find

in other departments. I don't know what the average cost across the blue book would be, but I do suggest to you that even if it is higher, if the administrative services are higher in the Department of Northern Saskatchewan, I think it can be substantiated by the fact that much is being done — municipal services, road construction, advisory kinds of services, transportation — all of these kinds of things where there are no contractors. You can't get contractors to go into the North, except where they make allowances in large percentages for the costs that are going to be involved and of which they are uncertain. They don't know how to bid many of these programs. Therefore, Mr. Chairman, I think that the Member for Thunder Creek will appreciate that some of this is necessary.

MR. THATCHER: Well, Mr. Chairman, I find the Minister's comments rather contradictory. At the outset of his remarks I was ignorant; I didn't know enough to come out of the rain. I did come out of the rain but I may not have been very wise in my choice of locations. Then he refers to my ignorance and then he verifies my figures. I would say to the Minister that if my figures are given out of ignorance, I challenge you to refute them. You have got enough people over there. Refute my figures! I have given you numbers; all I have had from you is retort. So, if they are wrong, show me where they are wrong. I still maintain when you take into consideration your capital expenditures, which you do not as a rule to compute administrative costs, it is 64 per cent; 44 per cent if you do take them. I challenge you to refute them if you think they are made out of ignorance.

However, I would like to pose a question to the Minister. He has indicated that the bulk of the work being done in northern Saskatchewan is done by the Government, that they cannot get the contractors to go in there. The contractors up there, if I understood him correctly, indicated that they are not capable of tendering or not capable of reading the specification for a tender. I find that rather strange. Would the Minister tell me why private contractors will not go in there? Will the Minister tell me why everything must be done in terms of government, because once upon a time private contractors did go into the North? If conditions are remotely favourable for them to go up there, if there is a volume of work, which in terms of your Budget and your Public Accounts there must be, why can't you get them to go up there? Why must you have this over-bearing preponderance of administrative costs? I would be interested in the Minister's explanation for this.

MR. BOWERMAN: Mr. Chairman, I don't have my digital computer here like the Hon. Member has. He has been going through the numbers. My officials, who have theirs with them, indicate that if we are using the same figures and if we are using the same columns for administration, their figures are 25 to 30 per cent where you are talking about 64 per cent and 44 per cent. Maybe you had better take your computer and throw it away and either add or get another computer. I am saying that the officials, now having gone through the numbers that you refer to, show 25 and 30 per cent.

Why contractors don't go North is that for the last two or three years construction work in the South has more than kept contractors busy. Also the bids which we were getting for jobs to be done in northern Saskatchewan by contractors from the

South were simply beyond reason. They were beyond what we knew we could undertake to do the jobs ourselves. Secondly, our mandate in the department of the North is that we employ local people. You can't get contractors to bid on jobs in northern Saskatchewan and expect them to take on inexperienced help from the North to undertake the trades and so on, or to perform the jobs that need to be performed. Therefore, it's part of both, partly the contractors who have enough work to keep themselves busy in the South, and secondly, our mandate or our objective in the North is to use local employment, regardless of their skills. In those communities where we have 60 per cent or 70 per cent unemployed, we believe that it is good business. We believe that it is a good objective to work on that basis, even though it does require some additional administrative costs and it may spin out the project a little longer, we believe that it is better to try to reduce that unemployment problem and improve the welfare roles than to go out on the straight tendering process in the South.

MR. THATCHER: Mr. Minister, I couldn't agree more with your concept of employing local people up there, and making every effort to take as many of them off the welfare roles as possible. I don't think anybody, on either side of the Legislature, is going to dispute that concept.

The part I am questioning is the fact that at this point in time in the South general contractors are telling me that there really isn't all that much work going on in southern Saskatchewan. There doesn't appear to be all that much work down the pike. They are telling me that for the ones that are being tendered right now, they are encountering situations where there are 18 to 20, whereas a year or two ago there would be two or three tenders. Obviously they are in a very competitive situation.

The Minister talks in terms of construction. I am not completely clear whether he is talking in terms of general construction. I would ask the Minister to elaborate on that point. Keeping in mind your ultimate objective in providing employment for the people of the North, have you attempted to work out some sort of arrangement with, say, the Construction Association to lessen your costs now that they are in a more competitive position than they have been previously? I can see the Minister's point on that. Have you had discussions on lowering your administrative costs by getting private contractors up there, making some form of a subsidy or an arrangement or whatever the case may be? Are they employing local people? Has the Minister or his department explored this avenue at all?

MR. BOWERMAN: I don't want to misinform the Member for Thunder Creek. We are not without southern contractors in the North. For example, gymnasiums, schools or some of the major housing projects and things like that, contractors have bid on those and are there with outside employees as well as us encouraging them to retain local people. We are happy if there are 18 or 20 people bidding on a tender. Our tenders will be out and we will be happy to receive them. Certainly if it shows that we can use their services, we will. Not only that but we will guard against the possibility of them importing employees from the South when we have unemployment to the extent that we do there. Not only because of the extent of unemployment, but if we are ever going to be successful in getting people with work

experience or work habits and if we are ever going to get people so that they have some skills in carpentry, wiring, plumbing or whatever, we are going to have to be prepared for a period of time, to run this gamut. The kinds of jobs that we are doing up there are straight public housing programs, the kind of housing projects you would find in a city or a town that is under CMHC. Air field construction, road construction, building schools, the larger projects are the kinds of construction programs that are going on.

MR. THATCHER: Mr. Minister, if I could just quickly review your capital expenditures. Now air field construction — it is not a high sum, but do you do that yourself, or do you . . .

MR. BOWERMAN: Yes.

MR. THATCHER: Okay. How about road construction and improvement of public camping and recreation sites? Construction of municipal facilities — do you normally do that yourself? Acquisition and construction of public facilities — do you do that yourself?

MR. BOWERMAN: Partly; that will either be jointly tendered or done under project management services.

MR. THATCHER: Educational facilities — I believe you indicated that is done, primarily, privately.

MR. LANE: (Qu'Appelle) You mentioned that you did have northern contractors. Would one of the northern contractors be Nordic Builders? I believe it is Builders and Developers. If so, are there any contracts or have there ever been any contracts that DNS tendered with Nordic?

MR. BOWERMAN: Yes.

MR. LANE: Is there a Melvin James Lafreniere employed with the department or has he ever been employed with the department?

MR. BOWERMAN: Yes, he was.

MR. LANE: Mr. Lafreniere, according to a document I have from the company's office, indicates Nordic Builders and Construction and Developments Ltd. The annual summary of Capital and Shares (this one was made up the 6th of January) received from the company's office shows one-third of the shares were filled, to the date of this return, by Melvin James Lafreniere. Don't you think it highly improper that employees of the Government of Saskatchewan or the Department of Northern Saskatchewan would be involved in contracts with the very government that's letting out the contracts, as you've just admitted?

MR. BOWERMAN: I understand from my officials that was the case. That it is not now the case.

MR. LANE: (Qu'Appelle) What do you mean, it's not now the case? Did you stop the practice of allowing government employees to tender on the . . .

MR. BOWERMAN: I didn't say that we were not aware that Mr. Lafreniere had shares in the Nordic Company. My officials tell me they had a reading from the Registrar of Companies last week and that is not now the case.

MR. LANE: Are there any rules in your department as to contracts between the Government and employees of DNS carrying on a secondary occupation? Or are there any rules or policies of the department with regard to an employee, who perhaps gains information while a member of the DNS, subsequently resigns and then uses that information in his private dealings after?

MR. BOWERMAN: The same rules that govern all, employees in the government under the Public Service Commission govern employees under the Department of Northern Saskatchewan. There are no separate or distinct rules governing the employees in the Department of Northern Saskatchewan that are different from other departments of government or the Public Service Commission.

MR. LANE: I should like to ask some questions on Delta. First of all, I think it's probably in order that the Minister should give some background to the Government's relationships and dealings with Delta Holdings and Delta Systems. There were concerns in 1974 and there was a subsequent investigation by Mr. Zarazechny, on behalf of the New Democratic Party, expressing some concerns of the relationship between the Government and Delta. If I recall, when the original arrangements were made with Delta none of the principals of Delta Holdings or Delta Systems had any contract experience at all. In fact they were given a contract to build 30 houses for the Department of Northern Saskatchewan although they had no building track record. They subsequently ran into financial difficulties and didn't finish the contract. There was some dispute I believe as to whether they were required to build all the houses or not.

I would like to know why you originally gave the contract to Delta when they had no building track record at all or contracting track record. I'd like to know the status of that particular contract now. I would like to know how many leases or how many different properties the Government has or is leasing from Delta. The press reports at the time indicated that Delta would never be able to make complete restitutions to the sub-trades that subsequently, in many cases, went bankrupt but that they would make payments on a pro rata basis. I would like to know whether all of the sub-trades were paid off in full or if any of them were and if so, which ones. I would also like to receive from the Minister a copy of any lease that the department has with Delta.

MR. BOWERMAN: The reason we have an agreement with Delta Holdings is that we got the lowest tender from them. The agreement we have with Delta Holdings is by far the best proposal that we received out of, I think, eight or nine invitations to tender and out of the three that tendered, Delta was the lowest.

MR. LANE: By how much?

MR. BOWERMAN: Well, that's seven or eight years ago and I don't know whether we have it here or not. But the detailed information asked for (probably we missed last year) has been talked about every year since the agreement was made. If you don't have the information by now, it's not my fault. We certainly have tried to provide the information to the House. I'm saying that with regard to Delta Holdings they provided us with a bid that was, to a large extent, the lowest of those received. They were to build originally, I think, 2 apartment blocks and 22 houses. They did finish the 22 houses I'm told and so the property that is now being leased is the 2 apartment blocks and the 22 houses under the agreement. If the agreement has never before been tabled, and I'm sure that it has, I see no reason, unless there's some precedent that suggests we should not be tabling agreements between private companies and the Government, not to table it or provide it to the Member. I'm not now or never have been concerned that the Government didn't make a good and reasonable deal with Delta so far as the department was concerned.

In relationship to rents, I suggest that the Member in his reference implying that we should know what the arrangements have been between Delta and their suppliers or Delta and their sub-contractors is nonsense. I'm simply suggesting to him that it's no different than any other companies that have undertaken contracts with the Government and subsequently had financial difficulties and gone by the way. Whatever agreements the Delta people had with their sub-trades or with their suppliers is an agreement not affected by the contract or the agreement that we have with them. There is no relationship between the two.

MR. LANE: I suggest that there is a relationship. I believe there was a question of some tender the other day dealing with some boys in Manitoba that had some pretty good ties with the NDP. At that point they weren't necessarily the lowest tender; they certainly had the track record. Now in this case it's the lowest tender and absolutely no track record. Now do you know in your involvement with Delta, how many sub-trades went bankrupt or out of business? Are you aware of the situation? I realize that you've said, and properly so, that's Delta's business. And are you aware or did you encourage Delta to make any arrangements with its sub-trades to try and pay the sub-trades off?

MR. BOWERMAN: This had nothing to do with the department. The department tendered and Delta Holdings provided us with a bid which, I suggest to you, was lower than any other bid that we received and we entered into an agreement with them. The agreement was that if they were to build, we would rent from them at a fixed price.

MR. LANE: And for how long?

MR. BOWERMAN: Twelve years on the apartments and I believe fifteen years on the houses. That was the agreement. The agreement didn't go beyond that point. So far as the department is concerned, we have never felt that it was our responsibility

nor would I be able to provide an answer to the Member on how Delta arranged with its sub-contractors or its suppliers.

MR. LANE: (Qu'Appelle) Now the question is: why are you now doing the valuations that you were asked about before you had a Toronto company and McGinn from Regina? Why did you bother doing these valuations if you had nothing to do with Delta?

MR. BOWERMAN: They made an offer to sell. They made an offer to sell their properties in La Ronge to the department. The original concept of the department was to go to the people who lived in the North and provide them with the opportunity to build housing for the department when it was moving to the North. For them to provide the housing, there would be some local initiative and the local people would benefit from that investment. These were to be local contractors. Delta provided the lowest tender and we accepted it. With regard to why we evaluated them, it was because the policy of the department subsequently changed. Because the northern people would not respond to building houses for the department we then undertook to build our own housing and some of our own buildings for staff. Because we had gone into it partly, Delta made an offer to sell and we were not prepared to accept any offers until we had an appraisal done. That's why we had the appraisals done.

MR. LANE: When was the offer to sell made and what amounts are we talking about?

MR. BOWERMAN: About a year ago I believe, I can't give you precisely the date but it was about a year ago that they approached us.

MR. LANE: Was that offer in writing to sell? How would they approach you?

MR. BOWERMAN: They wrote a letter to the department in Prince Albert.

MR. LANE: It was in writing?

MR. BOWERMAN: Yes.

MR. LANE: The offer was in writing. Did they tell you the amount of the offer that they were prepared to sell it to the Government?

MR. BOWERMAN: Yes, the figure was quoted in the letter.

MR. LANE: What's the figure?

MR. BOWERMAN: I don't think that I'm at liberty to answer the Member's question. It's neither accepted nor rejected nor otherwise. It's simply a proposal.

MR. LANE: Well, I think it is. Have you got any other offers to

sell to the department, homes or apartment buildings in northern Saskatchewan?

MR. BOWERMAN: Lots of them. Lots of people in La Ronge have wanted to sell their houses to the department either because they were moving out or otherwise. We have purchased some of those private homes and apartment buildings. There's been a verbal contract by another firm that has an apartment in La Ronge but there's been no written request.

MR. LANE: (Qu'Appelle) Have you done an evaluation of that one, or are you doing an evaluation? Have you any interest in buying it?

MR. BOWERMAN: Maybe. Yes.

MR. LANE: I think it is in order, in dealing with Delta, that that offer be tabled in this Assembly and secondly, that the valuations be tabled.

MR. BOWERMAN: I would suppose, Mr. Chairman, if the Government were to buy then it would be required to table any documents with respect to the purchase price. But as long as negotiations are going on the valuations provide no decision, either rejecting or accepting. I certainly don't see any reason or any obligation on the part of the Government or the department to table such a document. I think the Member knows that.

MR. LANE: We will accept your undertaking to supply the documents upon the sale. Can you tell us if there is a sale by Delta to the Government? Is it the Government's intention to pay off the rather substantive mechanics' liens against the Delta property? Or is it the Government's intention to do away with the mechanics' liens and then purchase the property clear title?

MR. BOWERMAN: Well, I think the question is hypothetical, Mr. Chairman. There has been no decision not to purchase or no decision to purchase them. We can only speculate because that is what the Member is doing. If the proposal was to purchase then I suppose the due processes of transfer of agreements and titles clear would have to be made. I don't know the details of that but certainly that would have to be done so that clear titles were delivered to the Government.

MR. LANE: You say they were delivered or would be delivered?

MR. BOWERMAN: Would be delivered.

MR. LANE: It makes a very substantive difference because if the mechanics' liens are lapsed by the Government then Delta is, in fact, getting free the value of the mechanics' liens and of course gets a pretty substantial profit if it does, a substantial profit for someone who originally got into the deal having absolutely no contractor's experience whatsoever. It ends up bleeding the small contractors in northern Saskatchewan whom you said you are trying to help and for whom you are trying

to create work. They are being put out of work and some are put into bankruptcy. There seems to be three people who will come out of this with an awful lot of money if the sale goes through in clear title. I think it is incumbent that if the Government should get into any sale that those mechanics' liens and the small contractors that we paid off should at least be given something for this rather shady deal that your own party had to investigate four years ago or three years ago.

MR. PENNER: A couple of questions to the Minister. Did your department provide loans to either individuals and/or companies or corporations in the North?

MR. BOWERMAN: Yes.

MR. PENNER: Would the Minister give us an indication of what the criterion used by his department is for giving out these loans?

MR. BOWERMAN: Under The Economic Development Act, the provision is made for the making of certain loans and guarantees. You can refer to The Economic Development Act to get that criteria and the regulations governing same. I don't have them here, but they could be provided. You will have them in the books there. I understand the department tabled that explanation in Public Accounts.

MR. WIPF: Mr. Minister, Mr. Chairman, the Minister said that through the Delta deal the Government took the lowest tender which was the best deal they could get. I understand in the last couple of weeks that, through the Contractors' Association, a school at Stanley Mission came up for bid. It was just a contract on supplying management, a project manager, a project supervisor and a time-keeper. There were several contractors who bid on that and the highest contractor was the one who was picked. Can you explain that to me and tell me the difference between the highest contractor and the lowest contractor? Were there any local contractors from the North who had bid on that job? Are there any of the contractors who bid on that job doing work for the DNS right now?

MR. BOWERMAN: I understand there was a request made for a job of project managing in the construction of the school at Stanley Mission and that those tendering would be required to say what mark-up they would be calling for with respect to the various sub-trades. It is a triple arrangement between Indian Affairs, the Northern School Board and the Department of Northern Saskatchewan.

MR. WIPF: Can you tell me the difference between the price of the bidder who got the job and the low bid? What was the size of the contract?

MR. BOWERMAN: We don't have the details of that specific tender or the specific arrangement here. What you may be talking about is the tender on the project management alone. There were about eight bids on project management but that doesn't mean that the lowest tender was not acceptable. That was only the bid on

project management. They had to come in with tenders on what the mark-up would be on the sub-trades. That's why we can't give you a definitive answer. We don't have the material here and we won't know until that contract is finished.

MR. WIPF: So, you won't know how much it is going to cost you until the contract is finished? Okay, is that a cost-plus contract?

MR. BOWERMAN: Partly it is, yes.

MR. WIPF: I understand the contract, as you say, was for project management, to supply three men for the job on which you had eight contract bids. You say you don't have the figures for that contract. I believe it was around \$270,000 but I could be corrected. The difference between the high and the low tender was in the \$80,000 area. That is a substantial difference and they weren't supplying sub-contract, it was just to supply this management personnel.

MR. CHAIRMAN: Order, I would like to interrupt the proceedings of the Committee of Finance to permit the introduction of students The Member for Melville.

WELCOME TO STUDENTS

MR. J.R. KOWALCHUK: (Melville) Mr. Chairman, I want to thank the Members of the this House for the opportunity to introduce this group of students on behalf of the Minister of Tourism who is not able to be here today or tomorrow. This group of students is from Buchanan, Saskatchewan. There are 40 of them in Grades Five and Six. They came this morning and visited the Saskatchewan Telephone building. I understand they had lunch at McDonald's. They visited the RCMP Museum and the Chapel and this afternoon they are visiting the Legislative Buildings. I understand they are staying tomorrow as well. We welcome them to this Legislative Building. We hope they are going to have a good day today and a good day tomorrow because tomorrow they will be visiting the Museum of Natural History, the Saskatchewan Power building and a number of other places here in Regina.

On behalf of all Members here, we want to welcome the students from Buchanan and also welcome the teachers, Frances Maximiw, Betty Popowich, Doreen Chicylo, Pat Sorstad and the bus driver who brought them in here, Einer Ericksen. On behalf of the Members, again, we welcome you and hope you have a good day and a good trip home tomorrow.

HON. MEMBERS: Hear, hear!

COMMITTEE OF FINANCE — DEPARTMENT OF NORTHERN SASKATCHEWAN (Cont.)

MR. BOWERMAN: Mr. Chairman, the point that we were discussing was this matter of the tender for a school facility in Stanley Mission which is jointly financed by the Northern School Board, Indian Affairs, and the department. The suggestion from the Members opposite was that we didn't take the low tender. We said that's right, we didn't take the low tender on the project management bid. The bids on that project management tender came in between \$160,000 low, to roughly \$240,000 high, as I understand it.

But the person who bid the project management at \$160,000 was asking for a 30 per cent mark-up on the plumbing, from 20 to 30 per cent mark-up on all the trades. The fellow that came in at \$240,000 or somewhere in that bracket, was bidding the mark-up on his sub-trade between 10 and 15 per cent. Without having the details of the contract here, I can't tell you if what you are proposing is fact. I suggest what you are proposing is not accurate or correct because it starts from the wrong premise. The tendering process has more than that short simplified answer to it.

MR. WIPF: Mr. Chairman, I will accept what you said. However, there were some contractors in the North and I believe there was one from La Ronge who bid on this. You said earlier you were trying to get the northern contractors working. My understanding of this contract, correct me if I am wrong, is that this was just to supply the three men and that the DNS would supply and would pay for the rest. They would be paying for the board and room, they would be supplying local people for the job and paying their wages and so on.

I don't say accept the low man. He might not have been qualified to handle this but there were local contractors between that \$160,000 and \$240,000 which is quite a substantial difference when we are trying to save money up there. Has the work of the sub-contractors been put out as tender, has that been tendered out, or is it going to be tendered? Is the mechanical contract going to be tendered out, or was it passed out?

MR. BOWERMAN: The sub-trades will be tendered by the person who is awarded the project management contract and, therefore, we would not be tendering for the sub-trades. With respect to the northern contractors, there is one northern contractor, as I understand it, who bid; that's a bonafide northern contractor. There is another one that may, in fact, call himself a northern contractor but his base is Regina. I believe the northern contractor was the low tender for project management but he was high in the plumbing and he was high in the sub-trades.

MR. MacDONALD: Mr. Chairman, I have a few question on a couple of other subjects.

From what I understand there is the Saskatchewan Act — The Northern Economic Development Act — is that what you call it? Does that Northern Development Act make a report to the Legislature each year?

MR. BOWERMAN: It doesn't make a separate report, Mr. Chairman. It could report, for example, in Public Accounts if it was questioned in that respect. It could be reported in the annual report of the department but it makes no separate and distinct report to the Legislature.

MR. MacDONALD: Could the Minister tell me the number of loans that have been made by the Saskatchewan Northern Economic Development Corporation?

MR. BOWERMAN: Yes, 383 — that's total.

MR. MacDONALD: Does it also make grants?

MR. BOWERMAN: Yes.

MR. MacDONALD: Could you tell me the total number of grants that have been given to individuals or companies?

MR. BOWERMAN: There would be some difficulty because, for example, the fish price subsidy and the transportation subsidy are grants to fishermen and you would have to count the number of fishermen who shipped fish and who got a subsidy payment as part of the grants program. I think it would be very difficult for us to give you the total number of individual grants but I can give you the amount.

MR. MacDONALD: Out of these 383 loans can you give me the total amount of the loans, to date?

MR. BOWERMAN: Approximately \$3.3 million.

MR. MacDONALD: Can you tell me the number of companies or individuals in default, who have not kept up their repayment?

MR. BOWERMAN: I am going to give it to you generally. Our collections are running at about 60 per cent or better of the total amount of loans granted. We find that is higher than the provinces to the East and the West of us. We find that we are actually running better than the credit unions are at this point in time.

MR. MacDONALD: The credit unions in Saskatchewan?

MR. BOWERMAN: No, that operate in the North.

MR. MacDONALD: What you are telling me, Mr. Minister, is that 40 per cent of \$3.3 million will be lost?

MR. BOWERMAN: That's delinquent, that's outstanding. That doesn't mean to say they won't be collected. It just means that our current collections are running a little over 60 per cent.

MR. MacDONALD: In other words there are 40 per cent of the loans that are delinquent at this time?

MR. BOWERMAN: Yes, that's right, in arrears.

MR. MacDONALD: Can you tell me the amount of that 40 per cent that is delinquent? If a company borrowed or loaned \$100,000 and is in delinquency, I am asking the amount of the loans of the company that are outstanding or are delinquent, behind in their payments?

MR. BOWERMAN: I don't know again whether we can be definitive to the Member's question, Mr. Chairman, but perhaps I can give you this

general answer. We find that the larger loans are the loans that are more successful in being current in their payments. It's the loans like \$4,000 to a fisherman or a trapper where we are having our difficulty in collections. The larger ones are the ones with which we seem to be having more success in keeping current.

MR. MacDONALD: I would still like to know the amount of money. Now for example, if SEDCO, or the Saskatchewan Economic Development Corporation makes a loan and it becomes delinquent, the amount is readily available?

Can you give me the average length of time that these are delinquent? Now are they delinquent for one year, three months, six months, or what is the length of time?

MR. BOWERMAN: We have developed a categorization of them and I think we have three months, six months, a year.

MR. MacDONALD: That's what I would like to have, Mr. Minister.

MR. BOWERMAN: Okay, I have the number here: the current accounts from one to three months — 88; non-current accounts from three to nine months — 27; outstanding accounts from nine to twelve months — 7, collectible accounts from one to three years — 65; repayment by assignments — 145; paid on account — 27; funds approved but never used — 21. We don't appear to have that number here. I have no objections giving it to the Members, but we don't have it on hand.

MR. MacDONALD: Mr. Minister, that's interesting. Out of 383 loans 187 are delinquent, whether they be for three months, three to nine months, or nine to twelve months or one to three years. As I understand your figures, 187 are delinquent.

MR. MacDONALD: Can the Minister tell me how much has been written off as a bad debt of these 65, from one to three years.

MR. BOWERMAN: None.

MR. MacDONALD: None have been written off, so they are just considered delinquent accounts. You don't have a write-off policy for bad debts?

MR. BOWERMAN: There is a write-off policy in Finance, but we haven't done that yet. We have not written off any accounts and we are out to collect them. The department has increased its emphasis on collection. I suppose the Department of Finance or the auditor may come to us and say you either have to write them off or collect them. That's something outside our influence.

MR. MacDONALD: Could you provide the Members of the Assembly with the list of those 383 individuals or companies who have made a loan?

MR. BOWERMAN: I understand that question came up in Public Accounts and it was rejected. I don't think we should be giving the accounts of 300 individual persons in northern Saskatchewan. I just don't think we should be giving that information. I have no reason other than I think it would be poor business to give to this Legislature, Mr. Chairman, the details of an individual or person at Patuanak who may have a \$4,000 loan from us. I just don't think that would be the right kind of information to give to the House.

MR. MacDONALD: I would like to suggest to the Minister that it is also very bad business to have 187 out of 383 loans in delinquency. We have had some very unfortunate experiences with the Saskatchewan Economic Development Corporation in southern Saskatchewan. I would say that the record of the Saskatchewan Economic Development Corporation is like a breath of fresh air compared to 187 out of 383 loans that are delinquent in northern Saskatchewan. I intend to pursue this at far greater length next year. I want to have all this information if I can — the specific number of loans, the accurate amount of the loans, the number of companies in default and their time period. I want that accurate information so we can do a check on it next year. I am not suggesting that the Department of Northern Saskatchewan should have the same tight rules as a banking institution or anything else.

It looks to me, if I can add correctly, more than 50 per cent of the total number of loans to either individuals or companies is delinquent. It would appear to me that maybe 40 per cent of the total amount might be delinquent, but that over 50 per cent of the loans is delinquent. The NDP record in business management and loaning to private individuals is a bad one. Surely to heaven the Department of Northern Saskatchewan should be making a full report of this to the Assembly. As I say, I am shocked. We have not pursued this area before because the Northern Economic Development Corporation was relatively new. The Department of Northern Saskatchewan was just beginning.

I notice for example, there are 88 loans in the last three months that are delinquent. That's what you told me, didn't you? That, Mr. Minister is astounding! I would recommend to the Department of Northern Saskatchewan that they immediately tighten up their policy. They have had some very, very bad experiences. I also think that it should be incumbent on the Minister and the department to report regularly to this Assembly on this kind of a record. I am very shocked to be perfectly honest. I didn't realize that any record of any lending institution of taxpayers' money could be that bad, that 187 out of 383 loans could be delinquent. I think we require some more investigation, and I would suggest that perhaps the DNS should be brought before Public Accounts. It's unfortunate they weren't this year, to try and justify it. I'm not going to say anymore about that, but I am going to tell you that next year I certainly will be doing a great deal more investigating in this regard.

I want to pursue a couple other lines of questioning. I am not an expert at this. I merely want to say that I have had some reports from fishermen in the North. I would like to ask the Minister a couple of questions on the fishing policy. There

seems to be a general feeling among some fishermen that I have talked to that they are concerned about whether or not the DNS intends to establish a fishing season on the lakes. As you know in the past there was restricted fishing on certain lakes. I believe it was from about the 15th of May until the 15th of September. Then they normally opened up again early in December for winter fishing until the end of March. As you know, when these seasons were removed many of the lakes almost became completely fished out. Now there is a genuine concern, at least by some fishermen who I have talked to, that the fish are starting to come back in some of these lakes and they want a fishing season in order to protect the fish population so it will expand. Has the Minister or the department any intention to put a specific season on certain lakes, particularly for commercial fishing?

MR. BOWERMAN: Mr. Chairman, just before I answer the matter of the question on fishing, I want to make a comment with regard to the matter of loans in the Economic Development Loans' account. The Member seems to take issue with what has transpired with regard to loans in Northern Saskatchewan. I want to indicate that, as I understand it, the department was called into Public Accounts, and probably in this year's Public Accounts took up most of the time of the Committee on this subject of economic development loans. The questions were both asked and answered there. That doesn't satisfy the Member, I recognize.

The experience which we are having in Northern Saskatchewan with respect to the Economic Development Loans program is that we are doing better in our collections than the province of Alberta which is trying to run a loans program and a northern development loans program, as is Manitoba. I am suggesting to you that in our experience, while it is not as good in terms of what one would expect from people in and around Regina, we think for northern development purposes that we are having a measure of success in that program. You can take the numbers as you want, but it suggests to me that people in the North who have made loans from the department are, in fact, making a genuine effort to repay. It may be that it will take people longer to repay. It may be recognized that our collection system is not actually good enough. I want the Member to understand that in Patuanak or in Turner Lake or any one of those small communities, a fellow who comes from the lake after getting a catch of fish or has his fur sold and receives a cheque has no place to divide up that piece of paper. There is no mechanism, in some cases not even a post office from which he can send his money. Unless the departmental employee is there when the cheque arrives and provides some assistance to the fellow to divide up the cheque for payment purposes and for his own purposes, we are likely to miss getting the payment once the cheque is cashed. The income is low and they have a lot of places to put their money. They are likely to spend it on things other than repaying the loan. There are some complications that do suggest collections might be better but we think we are not doing all that badly. If you get into an area of trying to have a loans program or an assistance program in northern Saskatchewan and I don't care which government is on this side of the House, you are going to have some difficulties in getting the kind of return payments that you would get in some other areas of this province.

With regard to fishing season, I think you have the fishing seasons mixed up with the limits. There are seasons now, winter and summer, but each lake has a designated poundage limit

on the lake. The poundage limit is set roughly on the basis of a certain number of pounds per water acre. There is some biological significance to that, as well as some historical experience.

MR. MacDONALD: First of all, I am going to make a comment on the loans. Certainly the Minister has almost verified the concerns which I expressed. Surely to heavens the Department of Northern Saskatchewan is not just handing money in loans to anybody without having a proper procedure and method of repayment. I would hope that that would be a responsibility that would be incumbent on your officials and the department as a whole. When any money is given there should be some kind of evaluation and it should be for long term development, long term benefits. It shouldn't be just for individuals for whatever purpose it may be. I am sure even your own officials must be a little bit concerned about delinquency in accounts because there is no way the taxpayers of this province are going to justify a 50 per cent delinquency rate on taxpayers' money loaned to individuals or companies. There is just no way.

Nobody is objecting to loaning money to people in northern Saskatchewan for projects which are going to provide long range benefits to the North which will provide employment and generate capital in the North. But just to give it to anybody and have that kind of delinquency rate, there is something wrong.

I have one other question on fishing. I think one other Member of the Opposition wants to pursue this issue on loans. I also received a complaint, and I don't know how valid this one is either. Fishing is permitted in the channel between little Peter Pond and Churchill, which is a feeding ground for fish. There is a request that this not be done. Is there any validity to this particular argument? Is the situation as I indicate?

While I am on my feet, I also understand the hospital at Buffalo Narrows has been virtually closed. It is only open from 1:00 to 5:00. There are no patients in it. I got this from somebody in the North. I am asking the Minister if this is fact? Is the hospital only open on a part-time basis?

MR. BOWERMAN: I am tempted to go back and discuss economic development a little more but I'll not do that, I'll leave it.

With regard to population of fish — the time when the big Peter Pond Lakes, or Buffalo Lakes as sometimes called, had the tremendous slump in production was from the year 1964 to 1971. They have only now begun to come back a little. I am sure the Member wouldn't take anything from what I have said to suggest that the Government was responsible for that. The Nyska channel has been fished for years and contains a big pickerel spawning area. The resurgence of the fish population in the Peter Pond Lakes seems to indicate that while there needs to be some change in the method of production, the main criterion for maintaining fish production in that area seems to be net mesh sizes rather than the place where you fish or the time when you fish.

With regard to the Buffalo Narrows Hospital, at one time it was considered as a hospital but it's really a nursing

station now. Its purpose of operation is different from the hospital at Ile-a-La-Crosse or La Loche. There is a nurse and a doctor has an office there, with office days. There is a dental nurse and that kind of thing but it is not now operating as a bed hospital.

MR. J.G. LANE: (Qu'Appelle) I should like to revert to some questions on the loans given by the Government. First of all the Minister's reluctance to give out the information is a little strange because we have the information from last year, as to the individual loans and the amounts given out in each individual case. This was tabled in Public Accounts last year by the Department of Northern Saskatchewan. I have a list of all the ones in default and it runs for four pages.

There is an interesting thing about the northern Saskatchewan loans, and that is, first of all, they'll make loans and then they will turn around and give a 100 per cent write-off. In other words, the same person to whom they make a loan they say to take the money and don't pay it back. I'll give an example. It is not the little ones that the Minister raised. There is one for \$250,000, Co-op Fisheries for a 100 per cent write-off. There is another one but I am a little reluctant to give the name. There seems to be a great deal of similarity between a loan here that hasn't been paid for three years and the name of one of the employees of DNS, listed in the Public Accounts. My general question will be, is there any person employed by DNS that has a loan that is outstanding?

MR. BOWERMAN: Probably so.

MR. LANE: Probably so. This department is looking more and more like an internal handout program to butter everybody's bread who is working in the department.

First of all let me give you an example of some . . .

AN HON. MEMBER: . . . La Loche!

MR. LANE: I'm not interested in that type of operation. Let me give you an example of some of the types. There is a \$48,000 loan. I am not going to give the names, although they are listed. If the Minister wants to question the documents, I am prepared to get a photocopy to him. The reason the \$48,000 loan hasn't been collected, and this will be an interesting thing to show how tight the department runs things, is because there is not enough revenue. There is another loan for \$21,000, no payments made, none whatsoever; a \$37,000 loan — no payment made. I am just looking for the bigger ones. There is another one for \$15,000; he has a small camp and there is little revenue, so he doesn't have to make any payments. There is another one for \$17,000 but not enough revenue; \$20,000 — no payment, good equipment; \$50,000 loan but no payment. I am just picking out some of the bigger ones here. A \$22,000 loan was moved to a 75 per cent write-off; he is an outfitter with no revenue, so you just simply move it over, write off 75 per cent right off the bat; a \$20,000 mink ranch, no payments. Here's an \$8,000 loan for fishing — he's a Doolittle — so no payments; \$50,000 — no chattel mortgage, no security taken whatsoever, the individual died so there's no chance of collecting. Another one is a \$15,000 loan to an individual and the

only comment is 'lazy fisherman'. So we don't have to collect anything, he's lazy. I am going by a document that was tabled in Public Accounts, I'm not giving the names. It's not a matter of tabling anything, it's a matter of the fact that this is a document that should be tabled in Public Accounts if requested in Public Accounts. If the Hon. Member is to take the position that it shouldn't be tabled because it's a little embarrassing, I submit to him that is precisely the duty of the Public Accounts Committee to try and bring out and investigate the financial management of the Government. One payment, a \$100,000 loan, another \$5,000 loan, the guy may be mismatched to the job, so that there is no reason he has to pay it back. Those are the comments of the department.

I suggest first of all I should like a list from the Minister of all loans made by the department to its own employees. I should like then to ask the Minister of all the business that the Government has, and I believe there is a residential rehabilitation program or something like that that Nordic Builders and Developers has the contract for, which said contract was let while one of the principal shareholders was a shareholder. I might advise that we have, subsequent to your comments today, checked with the company's office and that they have no record of change of directors or shareholders and that the individual who is an employee of the department in fact seems to have taken advantage of his position within the department to get contracts.

Now I would like to know how much in value of contracts was given to Nordic Builders while one of its shareholders was an employee and a senior official of the department.

MR. BOWERMAN: Mr. Chairman, we are attempting to determine here where the document comes from that the Member is referring to. There is no recollection among the officials . . .

MR. LANE: We'll get a copy for you. It's a Public Accounts Committee document for last year.

MR. BOWERMAN: And when was it tabled in Public Accounts Committee?

MR. LANE: Last year.

MR. BOWERMAN: Okay, there is no recollection among the officials that that account was tabled last year in Public Accounts but if the Member indicates that it was and if it bears that stamp, then I suppose it was.

I suppose that the Member can go through that list. It would be, I suppose, not greatly different than if a person went through a list of persons who have loans from the credit union in La Ronge and the reasons, and the wherefores, and the whys as to delinquent accounts. I suppose it would not be different than if you went down to a car dealer in Regina and went through the reasons why people hadn't paid for a new car that they had purchased or a new stove or whatever it might be on their Simpson's' or Eaton's' accounts. But I am telling you that so far as the department is concerned, that we have an economic development loan program which we are fairly proud of, proud of to the extent that we are providing a service which has

never been and no one else will provide in northern Saskatchewan — a loans program — and there are some good things coming from that loans program which we make no apologies for.

Now if the Member has gone through the list reading off various ones, the officials have difficulty on this side recognizing that document as being the document which deals or comes under the economic loans program. You were referring to some accounts, some loans, made to mink ranchers and otherwise which don't seem to be recalled specifically to mind at this particular moment. We would be happy to have the document and to review it and we would be able to comment better with respect to it.

We presume if there had been anything greatly wrong with the material, the Public Accounts Committee would have noted it last year when it was tabled as you suggest. I would suppose they would have investigated or undertaken their investigations on that basis. At least they would have come up with more suggestions than they did. Well, you say they did, well fine, that report was tabled in the Legislature then.

With regard to the other matter, with respect to the department employee, which question was raised earlier regarding the Nordic Construction, the information which the officials have provided me with, which they indicate was received only within the matter of a week, six or seven days ago and I have it before me, it does not show the departmental employee as a member or as a shareholder in that construction company.

MR. LANE: (Qu'Appelle) You know you haven't answered my questions. First of all I asked you the number of loans to employees of the Department of Northern Saskatchewan and then secondly, I wanted to know how much business was done, what contracts were made with Nordic Builders and when the individual was an employee of the department. I want to know the contracts that were tendered, where they were successful bidders, and I refer you in particular to one of the residential rehabilitation contracts — RRAP contracts. I'm just trying to find one of the communities that this company got the contract on while the individual was, I believe, director of that particular branch or co-ordinating the RRAP loans and program.

MR. BOWERMAN: Mr. Chairman, I will table the document list of persons holding shares in Nordic Construction Limited as of December 31, 1976 so that the Member can review it.

With respect to the number of loans to employees, I answered the Member saying that it is quite possible that employees do have loans with the department. They wouldn't be granted the loan when they were employed with the department but they may have been granted the loan at some time when they applied for a loan and subsequently came to work for the department. So they now well may be employees.

MR. LANE: I interject . . . You've given me . . .

MR. CHAIRMAN: Order, order!

MR. BOWERMAN: The Member seems to be getting fairly excited with

his pieces of paper that he has over there and he seems to think that that's going to prove something. I am suggesting that if you would listen I will give you the answers to the questions that you raised.

The number of loans to employees, employees would not receive loans when they were employed with the department. They may have received the loan and subsequently become employed with the department and, therefore they may well be employees. And there would be nothing wrong with that. They may only be part-time employees. He may be a fisherman who has a loan, he may be somebody who has received the loan for a company or whatever, or for the development of a company and during the off season he may well be employed by the department in driving a cab or working on a house or whatever it is. And that will likely be the case in a number of situations. I can't tell you how many there are; I suppose if we went through each individual one, we could come to the conclusion that there are whatever number there might be but it may well change tomorrow or two weeks from now simply because of the situation which does exist.

Insofar as contracts with Nordic, I don't know whether we can provide that . . .

MR. LANE: For your information, it's Nordic Builders and Developments Ltd., not Nordic Construction, the document you gave me. Nordic Builders and Developments is the company with the contract, a totally different company and one of the of shareholders is Melvin James Lafreniere.

MR. BOWERMAN: The arrangements, as I understand them, with Nordic are not as you say. There is a distinction between the company you are asking about and the one that we have information on. All right then, if that's the case, I will accept that. But with respect to the Nordic that you're talking about, I don't know where its registered office is or I don't . . .

MR. LANE: I will get you a photocopy right now, okay.

MR. BOWERMAN: With respect to the work they do, it is under the CMHC RAP program, where we are the deliverers for the RAP program, and the contracts are negotiated not with us but with the homeowner and we provide the payment for the program or deliver the program on behalf of the Federal Government and if Nordic is doing a construction job they do it for an individual person.

MR. MacDONALD: And you pay the bill?

MR. BOWERMAN: And we pay the bill and are subsequently reimbursed by the Federal Government.

MR. LANE: . . . A provincial program?

MR. BOWERMAN: It is not a provincial program.

MR. LANE: It's not a provincial program but you just admitted that you administer it. And what you've done, your own employee, who's

administering it, has been feeding the contracts to his own building company, Nordic Builders and Developments Ltd., of which I have just given you a copy of the summary of capital and shares. You can check the second page, he's an employee and as a matter of fact there's some indication that he may now have two-thirds of the share instead of just one-third as of November 29, 1976. Now surely to goodness, there's got to be something at least unethical about a senior civil servant feeding his own contracts to a company in which he is a shareholder.

MR. BOWERMAN: Well, we'll try and draw this together. There are a number of questions floating about and I'm having difficulty in hearing you and listening to the officials so that I might be able to provide an answer.

With respect to the RAP program and the Nordic Builders and Development Ltd., I am told by the officials that the cheque to those persons goes directly from CMHC or the RAP program to the homeowner and to the contractor. The department does not deliver or does not make payment to either one of those persons, but the CMCH, when the work has been completed, delivers the cheque to them. The department further than that is involved only by its field people who are out in the field checking the projects and approving the projects for payment by CMHC.

MR. LANE (Qu'Appelle) I'm assuming that your officials are getting me a list of the loans to the employees and the second thing that I want to know . . .

MR. BOWERMAN: No.

MR. LANE: Why not?

MR. BOWERMAN: Mr. Chairman, as I said before, I would not table in this Legislature — you might as well sit down, we can't both have the floor at the same time — I said that I would not table in this Legislature any information which deals with loans to individuals. May I say that the instrument which you have sent to me was not tabled by our department in Public Accounts last year. If it was tabled in Public Accounts last year, it was tabled by someone other than this department.

MR. LANE: I will tell you who tabled it.

MR. BOWERMAN: All right, you go ahead and tell us who tabled it but it wasn't tabled by this department. I think the fact that it was tabled does not do justice to the people who receive loans if the information in detail about their method of repayment or otherwise has been tabled. The information dealing with individuals should not be for public use and if there are problems in a general way with the program, I think that it's quite legitimate for Members of this Legislature or this Assembly to question, but otherwise the tabling of documents dealing with individuals, persons named and otherwise, I think is not proper.

And with respect to tabling further information, as far as us tabling information about individuals, we are not prepare to do so.

MR. LANE: (Qu'Appelle) Another question. Are you prepared to table for this Assembly the loans to employees that are in default? And I suggest that they are substantial, that in fact many employees of DNS are pretty remiss in their payments. I also suggest on that list that I gave you that some of them are pretty strongly in arrears. Are you prepared to at least tell us the loans to employees that are in arrears?

MR. BOWERMAN: No, we are not, Mr. Chairman.

MR. MacDONALD: Mr. Minister, it begins to look that when I asked these few innocent questions about this Northern Saskatchewan Economic Development Corporation, we have opened up a sordid mess and now it is no wonder that the Minister won't table the names of individuals. I find out that you made 383 loans, I find out that 187 of them are delinquent, which is over 50 per cent of them. We find out, for example, that one man is administering a program in the department selecting projects, assigning them to his own company. Regardless of whether it is your funds or not, you are administering the program and he is making the decisions and channelling money to his own pocket and his own company.

We find that employees are getting loans, we find that employees are delinquent and you refuse to table this information. Mr. Minister, this is a sordid mess and in order to clear the Department of Northern Saskatchewan you should lay all the facts on the table. All the facts! Everybody who has a loan, any employee who's got a loan, any employee who is delinquent, I have a list here and, my God, there's how many, I don't know! What collateral do you take? You told me you didn't write off and now I find here that you do write off. What kind of collateral do you take for the loans? In other words, you say that a loan that is delinquent for three years, any other loaning institution, whether it be SEDCO or anything else, at least seizes the collateral. You people don't do anything, you are not paid collateral. What is the policy? Do you take collateral when you make a loan on a boat; after a certain period of time if the loan is not repaid, do you take the asset? How many assets — but you told me you haven't written off any loans, you still have them for payment. Have you taken any of the collateral back? What is the position, Mr. Minister, on collateral and what is the policy in making a loan? It would appear to me that just anybody can walk in the door, ask for a loan for anything he wants, the department hand it out. If he doesn't pay for it the department makes no effort to collect it. You've set up no machinery to collect it. You turn around and give loans not only to individuals but people who work for you.

Mr. Minister, I cannot recall a situation similar to this, where employees of the Government are getting loans from the Government; where employees of the Government receiving government payroll, receiving government money are not paying back their loan; where government employees are assigning their own projects to their own company and making a secondary profit. Mr. Minister, I think you should clear this matter up and table the documents as requested by the Member for Qu'Appelle (Mr. Lane) and all the documents which I requested earlier about all the loans. We have the list here, the only thing is it isn't up-to-date for the past year. It was, from what I understand, tabled by the Provincial Auditor. So what is the reluctance

of the Minister to do it now? Let's clear this matter up and I hope that the Minister and the department people are going to go back from these particular estimates and clear this matter up within their own department.

MR. BOWERMAN: I have indicated, Mr. Chairman, that we will not be tabling those documents. We will not be tabling the loans to individual members to whom we have made loans. That is, as I understand it, and I have no verification of the fact, but I understand that it is a document that was prepared by the Provincial Auditor and I presume that it was tabled in Public Accounts. That is what the Member says it was and, therefore, I take no responsibility for this document and I certainly am not going to table documents from the department. If the Provincial Auditor deems it appropriate for him to do so in Public Accounts, then I would suggest what you should do is to get them from Public Accounts.

The matter of us, the department, not cancelling those accounts, I say that's true, we don't. If there have been accounts cancelled here they have been cancelled because of a policy or a provision in the Department of Finance or the Provincial Auditor I indicated that that was true, and the transcript will show that is so. So far as my making further comment with respect to this matter, I am not prepared to do so.

With regard to the economic development loans program we feel that while there are some problems associated with loans in northern Saskatchewan to people who do not have regular sources of income, there will be accounts in arrears. We find that our success in repayments is better than our provincial neighbours to both east and west of us and, therefore, we think that the economic loan program is working fairly well. With respect to employees, I say again, that employees are not loaned money while they have been employees. They would have been provided a loan and may have subsequently become an employee. I am not going to reveal that information either, if they are in arrears or whether they are not in arrears. I am not prepared to table that information for the Members.

MR. MacDONALD: A few additional questions, just so I can find out exactly how sordid a mess this is. Can you tell me what interest rate is charged on loans by the Northern Saskatchewan Development Corporation?

MR. BOWERMAN: They are charged in accordance with the provisions of The Economic Development Act — six per cent.

MR. MacDONALD: Could now the Minister outline for me the criteria for an individual obtaining a loan from the Northern Saskatchewan Economic Development Agency? Can you give us the criteria, what kind of a check, do you have an investigating team, is his past record checked into, is there any effort made to protect the taxpayers' money? Just exactly what is the procedure for obtaining a loan, what criteria do you use, what collateral do you demand, etc. Could the Minister give us at least an explanation of how you operate this program that looks to be in this mess?

MR. BOWERMAN: Every individual application is assessed on its own merits and there is a policy that deals with that and that policy was in fact tabled in the Public Accounts. We can (and it was tabled by the department in Public Accounts this year) provide the Member additionally with the policy and with the kinds of requirements we have on chattels and on property that we take as collateral for loans that we make. If you want to spend the time this afternoon we can do that in getting the various long-winded details and application forms that we go through. I indicate to the Member, I assure the Member, that each application is taken on the basis of its own merits. There is a procedure which is followed which does provide for an assessment to be made, an evaluation to be made on whether the individual should have a loan. That's number one. Then whether or not the individual gets a loan, whether he can pay it back, and on the basis that he may be able to pay it back, there is an assessment made.

MR. PENNER: May I ask a couple of questions of the Minister? Is it correct, Mr. Minister, that one of the criterion for obtaining a loan is that the person has already been turned down by a bank or other kind of lending institution for obtaining that money?

MR. BOWERMAN: Yes, that is one criterion. One of the other criterion is that he be a northern resident, a bona fide northern resident, having resided in the northern administration district for half of his lifetime or 15 years, whichever is the lesser.

MR. PENNER: Okay. The Minister talks about feasibility studies having been done on all those who are wanting to apply for a loan, and yet his own figures indicate that they have roughly a 50 per cent loss factor in terms of being able to recover. I have to ask then, what kind of feasibility study are you doing? What quality of feasibility study are you doing when you have that kind of loss rate?

MR. BOWERMAN: What the Members, Mr. Chairman, are doing is they are saying that because a loan is outstanding, it is not going to be paid. That is what you are saying. And that's not the case. We don't believe that is the case. Sure there are loans that are in arrears. About 40 per cent of the loans are in arrears, but we believe that the collections will yet be made, and I said that we don't have a write off, the department doesn't have a write off policy. If loans are going to be written off, it is on the basis that the Department of Finance demands they be written off or the Provincial Auditor requires that they be written off. But, so far as we are concerned, if the loans are in arrears, we believe them to be collectible, although they certainly run out the further you go down the list. I gave you one to three years, there are 65 of those. Now, I don't know the individual loans, but I suggest that probably most of those 65 loans are likely to be people who have got a \$4,000 loan, a fisherman or a trapper, or someone who doesn't have a regular source of income from which to reclaim or to repay the loan. The arrears may be as a result of an annual payment, so he may have missed three annual payments, and it may be for a number of reasons. What I am suggesting to you is that on the average,

or in general, we think that the program is working fairly well.

MR. MacDONALD: Mr. Minister, a little while ago I asked you for the amount of loss, and you told me you had no write off policy, that you didn't have any losses. Now you tell me that the Department of Finance or the Provincial Auditor has written some of these loans off. Now, I want to know out of the \$3.3 million, how much of that has the Provincial Auditor or the Department of Finance written off.

Now I have some, like this list provided by the Provincial Auditor' there is quite a substantial amount. You told me you didn't have any losses. I want to know, what is the amount that has been written off, that has been lost, that has been loaned by this Economic Development Corporation?

MR. BOWERMAN: My officials continue to tell me that there have been no dollars written off — no loans written off, even by the Provincial Auditor. There may be doubtful accounts but there have been none written off.

MR. LANE: (Qu'Appelle) How many loans to employees were made to those employees, if it came out in Public Accounts last year, getting free living accommodation paid for by the department? How many of those employees who had free housing or subsidized housing, who were called to account in Public Accounts were getting loans from the department?

MR. BOWERMAN: There is no free housing to any staff member in the North. No there wasn't. There were some that were in arrears but the arrears have been collected. That way it isn't a matter of free housing. No staff member has received free housing from the department.

MR. LANE: The Provincial Auditor brought to your attention, December 4, 1975, with regard to the matter of housing in northern Saskatchewan. He questioned most severely the rental arrears of employees and he says, and I refer to page 2 of a report that was sent to you by the Provincial Auditor, December 4, 1975.

During the year a number of houses and trailers were being occupied by employees with no rent being paid for the accommodation.

Now would you start telling the truth about what the heck is going on in that little nest that you have got up there. Don't try to tell me that there is none. I am quite prepared after the answers you have given me today to believe the Provincial Auditor any day, over the statements you have made.

We have brought out today that your employees are feeding contracts to themselves through their own companies; that there are loans to employees; that some of which are undoubtedly in arrears, if that list is any indication. I cannot believe that the Government of Saskatchewan would allow that type of situation to even exist. I am sure that the other Cabinet Ministers don't know what is going on in northern Saskatchewan, or if they do they are guilty of guilt by association of allowing this and I am being polite in saying, unethical operation

of a government. In fact, the Provincial Auditor says there was free housing. My question to you again is: how many of those employees who were getting the free housing referred to in the report that you received, were getting loans from the department as well?

MR. BOWERMAN: Mr. Chairman, I challenge the Member's statement that he just made. He said the auditor said that the staff was getting free housing. Now I ask the Member to read what the auditor said, and if it says free housing I will withdraw.

MR. LANE: (Qu'Appelle) "During the year, a number of houses and trailers were being occupied by employees with no rent being paid for the accommodation."

MR. BOWERMAN: It doesn't say that the rent hasn't subsequently been collected. It doesn't say that there is a policy in the department of the North that we give the staff free housing as you have insinuated or inferred. I am saying that you are out to lunch on this. The staff has had its rent collected. It's true what the auditor reports. It is true there was staff living in trailers and some of the houses and rent had not been collected. That doesn't mean that the rent hasn't subsequently been collected. It doesn't mean that we have a policy of having staff living in houses free, as you are trying to infer and you know differently. You know better than that. All you are trying to do is confuse and becloud the issue.

MR. LANE: I have asked again for the amount of business that went through the RRAP program to the Nordic Company, and we, I believe, have the name clarified. I would now like to know whether there are any contracts of DNS with a company or any negotiations with a company Cidron Plumbing and Heating?

MR. BOWERMAN: Mr. Chairman, there needs to be a clarification and I am not able to make that clarification here. There has been, as we have already observed, a document which the Members opposite have tabled which talks about Nordic Builders and Developments Ltd. and we have a document which we tabled or sent across the way which has to do with Nordic Construction Ltd.

MR. LANE: That's a separate company.

MR. BOWERMAN: All right, that's a separate company. That is what I am trying to point out. There are at least two around here that we seem to be talking about and the department has been dealing with Nordic Construction Ltd. We can check out which of these ones we are referring to, but I think it would not be right of me to make any assumptions that any one of the three are the ones that we are talking of here to this day. Therefore, until the department can check it out further, we will have to not answer the question with respect to Nordic Construction or Nordic Contractors.

MR. LANE: In both cases, my questions are dealing solely with

Nordic Builders and Developments Ltd. That is the one that has a senior official of the Department of Northern Saskatchewan as its major shareholder. That is the one to which he has been feeding contracts.

MR. BOWERMAN: Mr. Chairman, we will get the information because the only thing that we have on our records is that it is referring to Nordic Construction and it well might mean the company you refer to or it might mean the other company as has been tabled here this afternoon. We will try to get that information.

MR. LANE: (Qu'Appelle) Could you also try to get information on a company called Cidron Plumbing and Heating? I believe it is tendering for . . .

MR. BOWERMAN: The officials don't appear to recognize the name as being a name with which they are familiar.

MR. LANE: Well, if I can advise the Minister the name was registered April 7, 1977, as a plumbing and heating company to be incorporated and carry on business in the Province of Saskatchewan, in particular in northern Saskatchewan to do construction business. The main shareholder is the same individual, Mr. Lafreniere, an employee of the Department of Northern Saskatchewan. I would like the assurance of the Minister when that company is incorporated that there will be no contracts entered into between the Department of Northern Saskatchewan and that company so long as he is a shareholder or as long as he is an employee and a shareholder.

MR. BOWERMAN: Yes, I have no difficulty in giving that kind of an assurance to the Member. I would like, the Member is a lawyer, to ask him whether or not he has in fact made allegations this afternoon or has inferred that the employee you referred to has or is undertaking fraudulent actions, or if you are accusing the employee of theft?

MR. LANE: That is precisely what I am trying to find out. If you would give me the information, I could then make a statement.

MR. MacDONALD: One more question to follow this up before we get off it. Would the Minister tell me what is the department's policy in relation to the allocation of contracts or loans, to individuals who draw permanent wages from the Department of Northern Saskatchewan? Can we get a clear, clarified statement as to what is the policy of the Department of Northern Saskatchewan relating to its own employees in relation to public contracts and loans?

MR. BOWERMAN: We do not make loans. We do not knowingly make loans to employees. That doesn't mean to say that employees don't have loans but the policy does not permit us to make loans to employees, nor would we make loans to employees if they were an employee and then made an application for a loan.

MR. MacDONALD: One further question. Has the department any policy of collection from its own employees on delinquent loans made prior to seeking employment with the department?

MR. BOWERMAN: Well, I would think that the loan would be in a better position than any other outstanding loan. It would be in a better position if he was an employee than it would be if he wasn't an employee because we could garnishee the wages and we do garnishee wages, and we do take collateral. So if he is an employee and his loan is not current and he isn't making arrangements to pay for that outstanding account in order to keep it current then I suppose that we would take the normal procedure we would take in any other case and we would collect it by way of garnishee.

MR. MacDONALD: Can the Minister then tell me, has he garnisheed any of his employees' wages in order to recover a loan under The Economic Development Act?

MR. BOWERMAN: Not to this date.

MR. WIPF: Would the Minister tell us precisely how many businesses have started and are working profitably under the Economic Development Branch and also, how many of the business have been started and went broke in the first, second or third year? I understand that the Economic Development Branch also provides expertise and management and financial advice and many other areas. How many of these businesses that you have started have ended up broke with all this assistance?

MR. BOWERMAN: I can't give you that information, there are very few, however. There are very few companies that we have loaned money to or financed that have gone broke. They may be in arrears, but they have not gone broke and they are still continuing to go on and in fact they are still in business. Some of them may have gone out of business by either sale or otherwise but to answer your specific question, I am advised there are very few companies or persons to whom we have loaned money that have gone broke.

MR. MacDONALD: I have one more question, Mr. Minister. From this document, it hasn't got 'amount of allowance,' you told me that there is no write off. I am still insisting it is on that document. It has got 'amount of allowance' 10 per cent, 25 per cent, 50 per cent, 75 per cent and 100 per cent! Would you explain what that means, for example, Co-op Fisheries \$250,000. The amount of allowance 100 per cent — \$250,000. What does that mean?

MR. BOWERMAN: I said this is not my document. It is the Provincial Auditor's and if he has tabled it in the Public Accounts, you should have been there or had some of your people to ask him what he meant by 'amount of allowance'. I am not answering for the Provincial Auditor.

MR. MacDONALD: You are saying that that loan is still outstanding?

MR. BOWERMAN: I am saying, Mr. Chairman, that I don't want to answer your question because it is not my document.

MR. MacDONALD: Did you loan the Co-op Fisheries \$250,000 and is that loan still repayable or has it been repaid?

MR. BOWERMAN: Yes, we loaned them \$250,000 and it is still repayable.

MR. MacDONALD: Has any of it been paid?

MR. BOWERMAN: Yes, I am told that some of it has been paid.

MR. MacDONALD: How much?

MR. BOWERMAN: We can't give you the answer on the amount or how much.

MR. WIPF: Mr. Chairman, in the Economic Development Branch, how many businesses that have been wanting to start up right in the La Ronge area have had to back out in the last two or three months? I refer specifically to one, an autobody shop that was going to start up there, and how many others like this have had to back off or just drop their plans and for what reasons?

AN HON. MEMBER: On Item 1 . . .

AN HON. MEMBER: No you're not . . .

AN HON. MEMBER: It's still Item 1.

AN HON. MEMBER: Shut up!

AN HON. MEMBER: We have not . . .

MR. WIPF: How many executive type aircraft does the DNS own for the executive, like a Piper Aztec or Cheyenne? How many Pipers do you own?

MR. BOWERMAN: The Department of Northern Saskatchewan does not own any aircraft.

MR. WIPF: How many in Government Services then? I understand that there is one of these Cheyennes maybe two, based in La Ronge, is this right?

MR. SHILLINGTON: I wonder if I might make a suggestion to the Hon. Member. Our Estimates are coming up next, the airplanes are owned by DGS and we operate them and service them. Why don't you ask us in our Estimates, we'll answer your questions.

MR. LANE: (Qu'Appelle) Are you prepared to answer questions in Government Services on aircraft owned by Government Services that are operating in northern Saskatchewan?

MR. SHILLINGTON: Yes.

MR. LANE: There was a list submitted by the Provincial Auditor a year ago of apparent internal control weaknesses in your assistance plan operation in northern Saskatchewan. They are somewhat extensive. One of the main ones was that overpayments may not be collected, write offs of approximately \$5,000 per recipient were found in some cases. Now how many write offs, in fact, of SAP were made in the year and what were the largest numbers that were written off?

MR. BOWERMAN: Yes, that question was raised I suppose in 1971 as early as that, or 1972 at least and it has been answered every year that I know of in this Legislature and in Public Accounts. I don't have the information here, it has been in this House, Mr. Chairman, on many occasions and I have no way of giving a further answer to it at this time.

MR. LANE: Well, I don't have to accept that and the Minister knows it. The fact is that the Public Accounts Committee has not yet reported to this Assembly. Their meetings are private meetings, they are not public and if you are standing up and saying that Members cannot ask questions of the Minister in Estimates while Public Accounts is going on and before the report is tabled, then you are abusing the process of this House. This question has been asked before and it has been answered before. Now why don't you answer it this time, because I am asking you again?

MR. BOWERMAN: Mr. Chairman, the reason I am not answering it in this case is because it has been answered before. It has been answered on a number of occasions before and I don't have the information with me at this point to answer it.

MR. LANE: Will you then supply me before the House prorogues with the number of overpayments under SAP in the last year of DNS and the amounts of each overpayment? Now I am not asking for the individual's names, I am making that clear so that the Minister doesn't get a little paranoid about it. I am not asking for the names, I am asking for the number and the amounts.

My second question is on SAP. Has the Department of Northern Saskatchewan ended the practice of single signature on social assistance cheques as has been done in southern Saskatchewan and if so, when?

MR. BOWERMAN: We can provide the answer, I am not going to suggest we can provide it before the House prorogues, because I don't know when it will prorogue and that's what you asked us to provide. We have no reason for not providing the information but it will take some time to get it and I am not guaranteeing when it will be available.

With respect to the single signature on cheques issued by Social Services, it was changed about the same time as it was changed in southern Saskatchewan.

MR. LANE: There was another practice and I am just picking out some of them. There was an internal control weakness set out that when SAP cheques are requested to be suppressed after payroll cut off, there is no follow-up to ensure that the cheques to be suppressed were actually cancelled. This was one of the internal control weaknesses submitted by the Provincial Auditor last year. Now has that weakness been corrected and if so, how?

MR. BOWERMAN: All of the provisions that you are reading from have been corrected.

MR. J.L. SKOBERG: (Moose Jaw North) I would just like to say that the Hon. Member that has been asking the questions was the chairman of the Public Accounts Committee last year. Every single question that he has asked today was asked last year and every single answer is contained in the report of the Public Accounts. The answers are there. He is not concerned with knowing the truth or telling this House what's in the Public Accounts. He referred to the House about whether or not there were any people employed by the department using the houses that are provided by the department. That question was answered, it is there in the Public Accounts and it is available to every Member.

I can't for the life of me understand why we have committees set up in this Legislative Assembly that refer these particular items to those committees such as Public Accounts and then have even the chairman of Public Accounts for last year come in here and ask the questions that he is asking. I would also wonder, Mr. Chairman, why we do have representation from that party on Public Accounts when they are not interested in giving their representation the opportunity of asking questions in Public Accounts unless they have to come in and ask the questions all over again. And surely, if we are going to be sincere and sensible in this House, that Member and chairman of Public Accounts last year knows what the answers were, he knows what was said and he is now trying to misinterpret what was said last year, which is not in the realm of reality whatsoever.

MR. LANE: Mr. Chairman, you know it has been the general consensus that the Hon. Member was perhaps born three days late and has been running three days late but he is now running a year late, because I have been asking the questions on what information was determined a year ago and I have asked questions about what is going on now. And if you think it is improper for me in Estimates to ask the Member how many overpayments have been made in the last year then I think you are missing the point about what the intent of the Estimates is. I strongly suggest that the Hon. Member perhaps go and talk to his House Leader when he returns and just find out what Estimates are all about. Perhaps it would be better for him to start and participate in the Estimates; if your own party would start to bring before this House what's going on in northern Saskatchewan you would be a lot less embarrassed than

you are today. The fact is that I have the right as a Member of the Opposition, as does every other Member and every backbencher over there, to question the Estimates and I'll take that right.

MR. MOSTOWAY: Just for two more years!

MR. LANE: Yes, it will be two more years and then you may be lucky enough to be over here asking the questions while we are answering. And I will tell you something when that day occurs, the information will be given in a lot more forthright manner than it was given today.

MR. WIPF: The DNS has gone into a plan up there of building log homes, I believe chimo homes or whatever you call them; can you tell me how many of these homes they have constructed in the last year?

MR. BOWERMAN: None.

MR. WIPF: How many have you constructed?

MR. BOWERMAN: None.

MR. WIPF: How many have you started constructing then?

MR. BOWERMAN: None.

MR. WIPF: How much money have you spent on the project?

MR. BOWERMAN: I don't know the amount of money, I don't know even if the mill has arrived in the province.

MR. WIPF: Will you repeat that?

MR. BOWERMAN: I don't know whether the chisim mill, you called it a chimo mill, it is a chisim mill. Well, the chisim mill hasn't arrived in the province, therefore, it hasn't been able to manufacture any log houses.

MR. WIPF: Then the DNS has not constructed any log houses. I understand you did have one on display down here in Regina.

MR. BOWERMAN: No, with respect to the proposed development of a log house constructed by the chisim design, chisim mill design, there have not been any houses built, the mill has not arrived in the province. There have been log houses built in northern Saskatchewan by other processes and they are either by hand or by another process of construction of logs but there has been no log homes built by the chisim mill.

MR. WIPF: Okay, of these homes that have been built by other processes, how many . . . ?

MR. BOWERMAN: Recently there have been

four built by what they refer to as a new dawn construction process.

MR. WIPF: What is the size of these homes in square footage?

MR. BOWERMAN: About 1,100 square feet.

MR. WIPF: And what has been the cost of constructing these homes?

MR. BOWERMAN: They're running about 15 or 20 per cent higher than the frame construction, basically because they are experimental and because all of the labour that went into them was not acquainted with the log construction, so they're running about 15 or 20 per cent higher than the frame construction.

MR. WIPF: What is the dollar value on the house? What you are talking of?

MR. BOWERMAN: Mr. Chairman, \$65,000 or \$70,000.

MR. WIPF: I understand that you've had them through the winter. How much higher is the heating bill than in a normal home up there?

MR. BOWERMAN: None of them have been completed for occupancy so we haven't been able to give a proper evaluation or assessment.

MR. WIPF: These homes running at \$60,000 or \$65,000, I understand you are going to be building these for residents of the North.

MR. BOWERMAN: No.

MR. WIPF: You say not necessarily. What are they being built for?

MR. BOWERMAN: It's a choice which northerners may want to use. It's a choice of a kind of house or a kind of material that they may want to use. And they may choose log as opposed to a frame house or they may choose that process as opposed to a chisim type log home or they may choose it as opposed to the octagon type log construction. The four houses that were built in La Ronge under that plan were experimental in nature, experimental so that we could determine what the heating factors were like. We could also be experimenting as to shrinkage and kinds of problems that are associated with the construction of a log house and they really haven't been properly evaluated at this point.

MR. R. KATZMAN: (Rosthern) Last fall I was questioning the Minister about lakeshore sites that were being given out in the North. And he informed me he would supply me with some information, I'm still waiting for it and that's why I'm rising now to ask, can you give me

the criteria required for the allotment and would you mind suggesting if more than one lot can be acquired by one family?

MR. BOWERMAN: The policy with respect to cabin lots or recreational lots on or in the Lac La Ronge Provincial Park is different than the one outside of the park. The one in the Lac La Ronge Provincial Park provides for persons to have a lot side by side but no closer than one half mile to each. There can be two lots side by side, no more than two lots side by side. And there cannot be another two lots closer than a half mile distance from that site. And that's where there are no sub-divisions, a sub-division in the sense of a group lot. Outside of Lac La Ronge Provincial Park the policy is the same except it's one mile.

The Assembly recessed from 5:00 o'clock until 7:00 o'clock p.m.

MR. KATZMAN: I was asking the Minister when 5:00 was called about the allocations of allotment space for camps and cottages. I am wondering, the practice seems to have started up there that one family is getting two or three lots being the minimum development and then is going to be selling them later to others who are applying and being turned down. Is the department aware of that?

MR. BOWERMAN: Well, I know the problem that the Member speaks about. We do everything we can to prevent that from happening. But there really is no way that you can totally guard against that situation occurring. A person can take up a lease for a lot and he can follow out the instructions and within two years, have a cabin built on it. After the two years is over, he has got his cabin built and there is no way we can prevent him from selling it and transferring the lease. So that problem does exist, but it's something we guard against and try not to have happen too often.

MR. KATZMAN: Well, last year when we opened up all the island sites that were not opened before and allotting sites, you have families applying for two and three different spots, father, son, other son, wife and you were getting two and three, and it's first allotment; it was not as if they were getting one, and then selling and then going for another. If the department is not trying to let this happen then why didn't you stop it when you allotted the lots?

MR. BOWERMAN: Well, I have to say that I can't deal with it in generality. We tried to weed out anybody who was part of a family unit under 18 years. If there was a husband and wife who applied, and we were aware of it, we didn't acknowledge it, but if you've got any specific examples, we would be glad to have them and you don't need to give the names here, but we would be glad to check them out. As I indicated it was not the department's policy to carry out a program that would allow for every family member to apply for a lot.

MR. KATZMAN: Well if you see the same name coming for allocation, do you not check to see if they are related?

MR. BOWERMAN: Yes, they cross check them and they use the SHSP numbers to check them. But that doesn't necessarily solve the problem. It's just one of these things that has a loophole in it. It's like a draw for moose licences.

MR. LANE: (Qu'Appelle) I have some questions on the matter that was raised and I am sure the Hon. Minister was expecting this question. With regard to the northern camps, first of all we have been advised by the Attorney General that the matter is under investigation. Could the Minister advise at what stage that investigation is at and when we can expect the report?

MR. BOWERMAN: No I can't.

MR. LANE: Are you expecting the report shortly?

MR. BOWERMAN: I will expect it when I get it.

MR. LANE: Is the report now in the hands of the RCMP or is it past that stage?

MR. BOWERMAN: I have no knowledge.

MR. LANE: Would the Attorney General care to answer or leave it for Attorney General's Estimates.

MR. ROMANOW: Mr. Chairman, perhaps I should answer it. I don't know if it matters if I do it now or in my Estimates. The situation remains unchanged from two weeks ago or so. The RCMP are still investigating this matter in all of its aspects. I don't expect the DNS will get any kind of a report, any kind of a police report since police reports are confidential, at least I think them to be confidential. In due course, I don't know when, I hope as soon as possible, the RCMP will complete their job, the prosecutors in my department will complete their job and some kind of a final decision can be made. I can't give you any time on that.

MR. LANE: A question then to the Minister of Northern Saskatchewan. You indicated during Question Period on the northern camps that perhaps part of the problem was lack of supervision. I think the concern of all is that this doesn't happen again. What actions has the department taken to ensure that this situation doesn't arise again?

MR. BOWERMAN: I don't agree with the Member that I indicated there was a lack of supervision, that is lack of supervision from the department's point of view. There may have been a lack of supervision from the camp's point of view, but the camp has been closed and it was closed long before the issue was raised in this House. It will not be reopened until such time as the people from Ranch Ehrlo have met together with the department officials and have worked out what would appear to them and to the department to be a reasonable proposal for reopening again.

MR. LANE: (Qu'Appelle) Can you give the House your criteria for guidelines for licensing this type of camp in the future, and can you advise us as to what your procedures will be to double check to ensure that the licensee is complying with the licence or that the input into the application for the licence is, in fact, accurate?

MR. BOWERMAN: Well the regulations have been published, gazetted and I don't suppose we have them here with us. I don't think we have the regulations here with us and, therefore, I refer you to the regulations as the guidelines that the Government gave camps and the required supervision by the department.

MR. LANE: My question was, and it's a similar type of question one used to ask with regard to the assistance plan and that is the Government seems to take a policy that when an application is made for a program that the application is in fact correct; which in the matter of the assistance plan we have been questioning for several years, that no one checks to see whether the input into the application is in fact accurate. And my question again is: do you have a procedure to review the accuracy and the background of the individuals who make an application for a licence?

MR. BOWERMAN: Yes, the application is reviewed with the applicant and the staff reviews or investigates at the site and knows what kind of facilities and so on are there.

MR. LANE: Do you have a regular supervisory program for the camps as to how often you would supervise them? What are the regulations in that regard?

MR. BOWERMAN: Yes, it is as I have indicated on previous occasions, there were regular visits in the sense that once a month or maybe twice a month, or maybe in one month there were no visitations but basically there was a regular visitation program to the camps and both by our staff and by the RCMP.

MR. WIPF: Just one or two short questions. Would the Minister tell us what the ratio is of civil servants to residents in the area that DNS covers. For instance, say you had 30,000 residents in the area, how many civil servants in the DNS, how many people in the DNS?

MR. BOWERMAN: Roughly one to six or seven hundred.

MR. WIPF: One to six or seven hundred. Sir, you have 60 employees with the DNS, I think you said one to six or seven hundred.

MR. BOWERMAN: There are 500 permanent employees with the Department of Northern Saskatchewan and there is about 30,000 population so it's one to six hundred, pretty close.

MR. WIPF: One final question here. The Prospector Incentive Plan, is that finished?

MR. BOWERMAN: No it's not finished.

MR. WIPF: What has happened to it? Has it been taken over by another department?

MR. BOWERMAN: It operates in the department. Part of the Bill which you just passed and wanted me to withdraw today, at least that's what your comments are on the bill today, provides us under the Prospectors' Incentive Plan to maintain the program.

MR. LANE: (Qu'Appelle) A quick question for the Minister's edification. Say there are approximately 500 employees in DNS in northern Saskatchewan that there are 30,000 people, I think that is one in sixty rather than one in six hundred.

Item 1 agreed.

ITEM 2

MR. WIPF: A question on this Mr. Chairman. What is the financial commitment for training the northern people up to the level of university so that they can get some of these administration jobs, taking the people out of the North and training them?

MR. BOWERMAN: We would have to go to the various sub-vote items in order to be able to dig out the number of dollars. There is a northern career plan, there is a training in DNS program and the officials tell me that it is broken up into the various sub-votes. We will get the figure if you want to go on with some other question.

MR. WIPF: Okay. It's kind of hard to find in the other sub-votes as you say there, but how many people so far in the North have been trained to handle top jobs, administrative jobs and how much of this roughly \$883,000 of this year is earmarked for training the northern residents without going to the other sub-votes?

MR. BOWERMAN: I don't know how we would give a figure which would be accurate or informative to the Member because, for example, we may take a person and he may work on a heavy machine, that is either a scraper or a caterpillar or something and he may, in fact, fulfil the hours of training and be trained in that, but he may not stay there. They have a tendency not to stay on the job a long while, they may go back to fishing.

MR. WIPF: In the higher or administrative positions?

MR. BOWERMAN: If you are asking about the people at the supervisory or supervisory maintenance level, we are roughly estimating 25 or 30. There would be another 25 or 30 in university training that will come back into senior or higher level jobs in the department.

MR. WIPF: There were ten people added to the department. Are these additions put in here as trainers, what are their purposes?

MR. BOWERMAN: You will find that that is a transfer from other branches. As you go down the item, you will find that is mostly a transfer out of some other branch, coming into this one. The net increase will not show up.

Item agreed.

Item 3 agreed.

ITEM 4

MR. WIPF: One question on this. What is the main purpose of this department?

MR. BOWERMAN: This is the branch that the Northern Radio Communications program comes under, the two-way radio system, publicity, educational, extension services this type of thing.

Item 4 agreed.

ITEM 5

MR. WIPF: You have four of a staff here, who is the administrator of this social development branch? Again, its purpose?

MR. BOWERMAN: This covers the assistant deputy minister's position, and his staff, which deals not only in social services but health, education and welfare in the jurisdiction of administration. It breaks down that part of it, as being social services.

Item 5 agreed.

ITEM 6

MR. WIPF: A couple of questions on this. Just what services are provided under the health services branch?

MR. BOWERMAN: All the services that one would expect to receive through the Department of Public Health in terms of public health nurses, public health inspector, dental nurses, hospital services, baby clinics — comes under public health nurses and so on.

MR. WIPF: Well, does the ambulance come under this health service? The ambulance service in La Ronge, is this contracted by the DNS, or is this a private company?

MR. BOWERMAN: It is a private ambulance service.

Item 6 agreed.

ITEM 7

MR. WIPF: What commitment out of the budget here is there for providing services to the elderly in the North?

MR. BOWERMAN: There is a figure of \$150,000 for services to the elderly and some Employment Support Program services. That would not be the only thing. Part of that would be for the old age assistance and this type of thing.

MR. WIPF: A year ago a study on senior citizens' services for the elderly in northern Saskatchewan, I think it was called, was advertised; is this study finished now? Who paid for the study, what vote did it come out of? Can you table a copy of it?

MR. BOWERMAN: It was a study done under joint auspices of DREE and the department. It was contracted to the Saskatchewan Senior Citizens' Association I believe. The report is in, it hasn't been cleared by the department. I presume that when it is, I would see no reason why it couldn't be released.

MR. WIPF: Under the Social Services branch, I believe this is the area that you give grants for alcohol rehabilitation centres in the La Ronge area. Is this the right item? What funding is available for this type of rehabilitation in the North?

MR. BOWERMAN: It provides for a \$10,000 grant, that is a start-up grant. There is also provision under The Social Services act, as I understand it, for another \$5,000 of assistance that may be made. The remainder is strictly on a fee for service while in the dry-out centres.

MR. WIPF: Do you have a mechanism so that these centres can be on a continuous basis, or are these just start-up grants? Can they be operated on a continuous basis? I think last fall there was a \$10,000 grant given out to start a project in La Ronge, it never got off the ground. Can you explain the reason for that?

MR. BOWERMAN: Well, the Member will know that it is not always that one can have success with these kinds of ventures. Provision is there for start-up grants, the provision is there for some assistance in that regard. If the units or the centres will operate on a fee for services basis, they can continue to operate. If they are not operating very well, and if they have problems, internal problems as they usually do, they oftentimes come apart.

MR. CHAIRMAN: Order, please. I think we can do with a little less assistance from both sides of the House here, so we can hear each other.

MR. KATZMAN: Mr. Chairman, I notice your voice is starting to go. If you would like to just call the item only, and not read the figures, we would agree to it.

MR. CHAIRMAN: Is it agreed that I just call the numbers?

Item 7 agreed.

ITEM 8

MR. WIPF: One or two questions on this. How many clients did you have last year for a full year, how many throughout the winter, and with the SAP program that you have up there, what effect does this have on job creation programs that you have going in the North? Does the availability of SAP interfere with any of the long term job plans that you have? Do you find people leaving it to get on to SAP?

MR. BOWERMAN: We have the figures here, Mr. Chairman, we could give them, they are computer print out figures. It deals with it month by month. We would have to average it.

MR. WIPF: While you are looking at that, do you find that the clients in SAP are declining, that we are getting less clients on SAP?

MR. BOWERMAN: I think that is generally true with the exception of last winter, the winter we just came through; there were some increases because the employment potential went down, I gather that is the result. So we are up from a year ago. There has been a general decline, except during this last winter, it went up again. We hope it will level out again.

You asked whether or not the Saskatchewan Assistance Plan was affecting employment, we say no. We believe it is the other way around. If there is no employment for them, then we have to provide Saskatchewan Assistance, but if there is employment, we don't have to.

Item 8 agreed.

ITEM 9

MR. WIPF: Just under the other expenses here, we have \$523,000. What is included in this?

MR. BOWERMAN: Northern teacher program is the major item in there.

MR. WIPF: The Northern School Board?

MR. BOWERMAN: As I understand it, we have contracted to do the northern teacher training for the Northern School Board. We normally make a grant, I understand it is coming back to the department for the department to undertake the program.

Item 9 agreed.

Items 10 to 12 agreed.

ITEM 13

MR. WIPF: What permanent jobs are available in the North under this Grants to Community Colleges? How many people have they put out, that are on permanent jobs now?

MR. BOWERMAN: The principal of the school for the college and one or two secretaries or something of that kind.

Item 13 agreed.

Items 14 and 15 agreed.

ITEM 16

MR. WIPF: A few questions on this. Is this the area where you look after land leases? How does an individual go about getting a lease on some property? I believe that a land development program that you have around the cities doesn't allow you to just build a cabin within eight or ten miles from the area. How do you go about getting these leases?

MR. BOWERMAN: Not within three miles of a settlement. That's the policy.

Item 16 agreed.

ITEM 17

MR. KATZMAN: Does this cover the aircraft that you have leased?

MR. BOWERMAN: Yes.

MR. KATZMAN: You own no aircraft, they all come out of Government Services, correct?

MR. BOWERMAN: I must answer that we do lease aircraft.

Item 17 agreed.

ITEM 18

MR. WIPF: In this item how many branch directors have resigned say, in the past six or eight months?

MR. BOWERMAN: None. There have been no resignations from this branch. I think you are looking for Item 20. None under this branch.

Item 18 agreed.

Item 19 agreed.

ITEM 20

MR. WIPF: In this one, then how many of your branch directors here have resigned in the past six or seven months?

MR. BOWERMAN: One.

MR. WIPF: One. The DNS is probably the biggest contractor in a northern Saskatchewan. Do they bid out the jobs or do they just go in and do the job or are they putting most of their work up for contract?

MR. BOWERMAN: If you are talking about housing, it's basically done by the department using local labour. I don't know if there are any — there was one local contract in Green Lake for five houses. Otherwise it was done by project management. Other kinds of jobs, as we said earlier this day, may well be tendered, some of it is done by project management itself. There is sort of a multiple way of doing it.

MR. WIPF: Is there a plan or is there any assistance to help the local people up there get into the construction field and building the houses? How many have started up or what seems to be the problem why DNS has to do all the work?

MR. BOWERMAN: Economic development loans program, but . . .

Item 20 agreed.

ITEM 21

MR. WIPF: We have an increase in staff here from 8 to 14. What is the reason for the large increase in staff?

MR. BOWERMAN: We didn't have a municipal services branch and most of these are transfers in from other branches. Emphasis was put in this area after the three communities, Uranium City, Creighton and La Ronge had decided that they would receive their municipal services through the department.

Item 21 agreed.

Item 22 agreed.

Vote 26 agreed.

CAPITAL EXPENDITURE — VOTE 27

Item 1 agreed

ITEM 2

MR. KATZMAN: On the road construction, is a portion of this fund

for the proposed road that goes up to the Cluff Lake development and so forth?

MR. BOWERMAN: No.

MR. KATZMAN: What construction is this for then?

MR. BOWERMAN: Oh, there's a road announced from south of Buffalo into Dillon, Michel and that country, beginning on that road and finishing up with the Patuanak road as I understand it, Stanley Mission, roads of that kind.

Item 3 agreed.

Item 4 agreed.

ITEM 5

MR. WIPF: What facilities are you planning on this year in this area?

MR. BOWERMAN: The main items in there are the sewer and water programs. Those are the main items. There may be some others, water, sewer, and electricity.

MR. WIPF: Your new office building that I understand is planned in La Ronge doesn't come under this item?

MR. BOWERMAN: No.

MR. WIPF: What does it come under?

MR. BOWERMAN: Public Utilities. Sub-vote 6 is public utilities and 5 would be the one of public buildings, dealing with the proposed office building as well as other public buildings.

MR. WIPF: Could you tell me what amount of money is set aside in here for the proposed office building in La Ronge? In this Item 5, that home we were talking about in Creighton today, is the cost of building that home in the 1976-77 Estimate here of \$2 million? What was the price of building that home and is it finished yet?

MR. BOWERMAN: About \$900,000 is in there for the proposed La Ronge office building.

MR. WIPF: Did you get the other question?

MR. BOWERMAN: Would you repeat it, I am sorry.

MR. WIPF: Can you inform us of how much money has been spent on that project so far and what is the square footage in that home.

MR. BOWERMAN: \$208,000 has been spent.

MR. WIPF: How big is that home, what is the square footage of that home?

MR. BOWERMAN: It is about 3,000 square feet.

Item 5 agreed.

Item 6 agreed.

ITEM 7

MR. WIPF: In this Item 7, the new school at Stanley Mission would be included in that?

MR. BOWERMAN: Yes.

Item 7 agreed.

Federal Contributions

MR. WIPF: One question on this. There was a \$500,000 grant — Federal-Provincial Rural Development Agreement from last year — it is not here this year. What was the \$500,000 earmarked for last year and what was it used on?

MR. BOWERMAN: I think it is the Special ARDA agreement under DREE. We are just in the process of trying to sign an agreement now, so it wasn't put in here.

MR. WIPF: What was that \$500,000 used for last year, what was it earmarked for?

MR. BOWERMAN: No special programs come in under assistance kinds of things.

Total Federal Contributions agreed.

Vote 27 agreed.

Supplementaries agreed.

MR. BOWERMAN: Mr. Chairman, before we complete the Estimates we had this day passed to me a document which was said to be tabled in the Public Accounts last year. I want to make sure that this document is now tabled in the Committee.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: (Qu'Appelle) For the Minister's edification the side of that document was marked confidential in Public Accounts. The reason is that the department asked that it not be made public, so you tabled it.

MR. BOWERMAN: The department didn't ask that.

MR. SKOBERG: I happened to be on Public Accounts on that and there was an understanding with the Clerk of the Assembly that the information that was tabled was marked confidential with the elimination of names at the request of a Member of the Conservative Party and supported by ourselves.

MR. LANE: With all respect, I think the Hon. Member was not paying attention at the time. If you check the right side of that document it lists the reasons. It was the right side of the document that was a matter of some concern. It is the right side of the document that was not to be used and that was the understanding in Public Accounts. That is precisely the reason for it.

MR. SKOBERG: Mr. Chairman, the Hon. Member for Rosthern made it very, very clear in Public Accounts last year that he did not want nor did he want on the part of his party to have individual people named in any document that was produced for public verification or publication. The Hon. Member made that very, very clear. The Hon. Member now who used to be with another party, who was the chairman of the Public Accounts asked for that type of publication of names, addresses and everything else that went with it. But the Hon. Member for Rosthern took exception to it at that time and said he would agree to it if names were not made available.

Mr. Chairman, all I am suggesting at this time is that it may be time now in our history and parliamentary process that the Hon. Member who was the chairman of the Public Accounts Committee, and also the Hon. Member for Rosthern get together and make a decision as to whether or not they agree on what was required last year on Public Accounts.

INTRODUCTION OF GUESTS

HON. N.E. SHILLINGTON: (Regina Centre) I wonder if I might with leave of the House introduce some boy scouts who are in the Speaker's Gallery. They are nine in number. The second Regina Lakeview group is from the Lakeview United Church. On behalf of all Members I should like to welcome you here. I hope you find the evening enlightening, perhaps more enlightening than some of the Members on the floor.

HON. MEMBERS: Hear, hear!

GOVERNMENT SERVICES — VOTE 13

MR. CHAIRMAN: Would the Minister introduce his support staff please.

HON. E.B. SHILLINGTON: (Minister of Government Services) Beside me is the Deputy Minister of the Department of Government Services, Dennis Foley. To his left is Bev Hill

from the Administrative Services Branch; she is the Director. Immediately in front of me is Jim Nixon, who is Director of Central Services. On my right and in front of me is Don Nevill who is Director of Property and Planning Branch. (If I get through this without making a mistake it will be a marvel.) On my far right, the Director of the Public Works Branch, Wilson Phillips. On my immediate right is Don McMillan, who is Director of the Communications Secretariat. Immediately behind me is Doug Archer of the Financial Control Division.

ITEM 1

MR. E. ANDERSON: (Shaunavon) I want to ask a question of clarification of the Minister. It would seem, in listening to the different Public Accounts, that the Government has grown to the point that they don't quite know how many civil servants they employ. I should like to give the figures that I have gathered from different statements.

In Highway Estimates the other day the Minister of Highways gave a figure of employees in that department that varied from 1,500 to 2,500 people, a variation, but then as others have said, what is 1,000 in variation. We have even a further discrepancy when this Government speaks of its people employed.

The Minister of Finance claims we have a total in 1976-77 fiscal year of 10,617 permanent civil servants and 3,278 nonpermanent jobs. If this is right and the Minister of Highways is right, most of those non-permanent jobs are with the Department of Highways around the 2,500 mark.

Now the Minister in charge of Government Services has reported, in the press, that we have 11,725 permanent and temporary job holders on the books in 1976. This is 2,170 less than the Minister of Finance and he doesn't leave enough men to cover the Minister of Highways need for temporary employees.

Mr. Snyder stated that we have 8,957 Crown Corporation employees for a total of 20,682 people employed by this Government. In the figures that I got from Statistics Canada on the province, we find that in the year 1976 there were 18,976 people employed in Government Services of Saskatchewan with an additional 11,159 employed at public expense and Provincial Government enterprises. This means that we could have up to 31,494 people of this province employed at the taxpayers' expense and 1,359 in government owned agencies. These figures show that there is a variation of over 20,000 people whom the Government says they employ, the different Ministers.

The massive amount being spent in Regina and throughout for government buildings has proved that our civil service is growing. I say we have a 20,000 variation in what has been said. I should like to ask the Minister: can you give me the figure as to how many people are employed by this Government and how many feet of office space does this Government own or rent?

MR. SHILLINGTON: The first question, Mr. Chairman, is being asked at the wrong time. The Public Service Commission will be here in due course.

We can give you the office space, however, as that is our department. The number of square feet is 1,892,000.

MR. ANDERSON: This is the total for the province. Could you break it down to Regina, Saskatoon and rural areas?

MR. SHILLINGTON: We have it for the leased space; we don't know if we have it for the owned space. Would it be satisfactory if we undertake to supply it to you a little later?

MR. ANDERSON: That will be fine, Mr. Minister.

MR. WIPF: Just one question here. On the executive aircraft that the DNS uses, how many executive aircraft does the Government own and rent to the DNS, or lease to the DNS?

MR. SHILLINGTON: The aircraft owned by the Department of Government Services and made available to the Department of Northern Saskatchewan are six trackers, used as you know for fire suppression; one Aztec, used at the moment for executive work; one Cheyenne; three Cessna 185 and one Baron.

MR. WIPF: Is the Cheyenne on a scheduled flight from La Ronge to Prince Albert three days a week? Is it on a scheduled flight?

MR. SHILLINGTON: No.

MR. WIPF: It just comes in when needed then? It doesn't come in on a Wednesday, Friday?

MR. SHILLINGTON: No, it is just on call whenever it is needed for executive work.

MR. J. WIEBE: (Morse) Just a few brief comments and one question.

I understand that Central Vehicle Agency comes under this vote. I should like to relate a little story that happened just to exemplify what is happening within the Central Vehicle Agency, while it may only be one vehicle, who knows how many other vehicles are treated in a similar manner. As well I would like to ask the question as to what corrective measures the Minister has taken in this regard?

I refer to a car which, I understand, left the city of Regina and managed to make it as far as some point in between the towns of Morse and Herbert. This vehicle, for some reason, was abandoned along No. 1 Highway. Whether that happened during the morning, it is still difficult to tell. The RCMP while patrolling that particular highway noticed that this government vehicle was stranded on the side of No. 1 Highway. The keys were in the vehicle. They realized that possibly the vehicle was being left and waiting for someone to come along and pick it up and so they bypassed it. On their next tour they noticed that the vehicle was still there and on closer

inspection they noticed that it had a broken fan belt so they then in turn contacted the local garage at Morse and asked the garage to tow that particular vehicle in, which the garage of course did. The next morning the garage received a call from the Central Vehicle Agency stating that there is a vehicle that has a broken fan belt somewhere along No. 1 Highway and would they please go out and pick it up.

Now this was at least 24 hours after the vehicle was abandoned and the person who was responsible for that particular vehicle did not even have the courtesy to ensure that it was properly looked after and taken care of at the time that it was abandoned.

Now what took place within the following period of time, I think, is what is rather interesting. That particular vehicle was repaired within a matter of an hour and a half. It doesn't take long to repair a broken fan belt. It would have taken the person who was operating that car the same amount of time to have that fan belt repaired and the car continue on its way. This did not take place with the result that shortly after the repairs the garage phoned the Central Vehicle Agency and said that the car is now repaired, you can come and pick it up. Fine and dandy. A couple of weeks went by and still no one came to pick up the car. The RCMP were wondering why the car was still there. They in turn contacted the Department of Highways saying that a government car is located at Morse and would someone please come and pick it up. The Department of Highways phoned the Central Vehicle Agency. Central Vehicle Agency said, yes, we will come out to pick it up. Three separate phone calls were made by the garage, the RCMP and the Department of Highways to the Central Vehicle Agency to have that car picked up. It was not picked up. I might emphasize here too, that this was what we felt a normal procedure to follow with the hopes that Central Vehicle Agency would come up and claim their car, pay the account and return it. All these efforts were to no avail, so the only thing left was to issue a press release which I, of course, did, calling on the Attorney General to investigate the actions of the Central Vehicle Agency, especially in case of this particular situation.

Surprisingly, it was on a Friday morning when that press release was first issued and by about 3:00 o'clock that afternoon the car was picked up and taken back to where it was supposed to be. Another strange thing happened. About 11:00 the Central Vehicle Agency phoned this particular garage and said, yes, we will be right out to pick this car up if we can find a car carrier to come and get it. You know at that point in time I thought how ridiculous, here they were going to hire a car carrier to come out and pick up one vehicle that was in perfect running shape. Thank heavens Central Vehicle Agency had a change of mind and they sent someone out to pick the vehicle up and I understand it was returned to its regular resting place.

Let's look at another thing. That car was stranded on the highway, keys in the car; there were 17 credit cards lying on the seat of that car, 17 cards that required the signature only of any individual who came along, who could have filled up or repaired any vehicle or got any amount of gas from those 17 cards. They were left within that car that whole period of time. The question that I have to ask again, is why did Central Vehicle Agency not come out and pick up that car? Why is there not more care given to people employed by the Government before they are given a car to operate? My third question is: the

Minister the following week issued a press release stating that the problems that were encountered with this car, or in cases such as this, have now been cleared up and if he would please advise this House what action he has taken to clear up situations similar to this one?

MR. SHILLINGTON: The trouble occurred on a Friday night when someone, who was going to Swift Current to teach a class on a Saturday, had trouble with the car. She felt that there was nothing she could do about it and she locked the car, as she felt that there was nothing that she could do about it until Monday when the offices were open.

The first thing Monday morning she called Central Vehicle Agency. I don't think that it is fair to suggest that the employee had the car, if that is what you are suggesting, and didn't do anything about it. She took action as soon as she could. Central Vehicle Agency, as soon as she called Monday morning, got in touch with the garage, which, as you relate already had the car. From there on in I don't take any particular pride in the way the thing was handled. It is true that the car wasn't picked up when it should have been.

In seeking advice on how to handle this matter, I suppose I could have asked Lionel Coderre, who had lost a car, too, in his time, but that is no excuse for us to leave a car behind.

Before this incident occurred the matter was largely in hand. It occurred before I became Minister. My predecessor, the present Minister of Labour (Mr. Snyder), was Minister when he and the officials of the department became concerned about the lack of control over the Central Vehicle Agency. Again, without being partisan, the system we had was the system bequeathed to us by the former administration, who had implemented part, but not all of the Royal Commission on government, which suggested the Central Vehicle Agency.

What my predecessor did was to commission a study by Clarkson Gordon on the Central Vehicle Agency. Just about the time the incident occurred, or sometime before it occurred, we had the report and were in the process of implementing it. We now, via computer, keep track of the car if the car is overdue. I can explain the process if you are interested in it. This is some of the paper that is turned out weekly to keep track of the cars; it is now monthly, I am told. Someone in the Central Vehicle Agency contacts the department to which the car was assigned and the car is chased down. I don't mean that the car couldn't be left at Morse for a couple of weeks, that could happen under our system, but that would be the maximum time that it would. At the end of the month someone would strike out and start looking for the car. So we now have a control system for the Central Vehicle Agency.

MR. WIEBE: Was that control system in effect at the time when this car was, I guess we can say, lost, and yet I can't say it was lost. What puzzles me is that even though the system wasn't working correctly, and you didn't have all the computer records as to who had the car and why it wasn't in after 38 or 28 days, whichever the stipulation is, why after three phone calls from the RCMP, the Department of Highways and the garage owner, over this period of three and a half months, didn't someone realize in the Central Vehicle Agency — it wasn't that long

ago, it was about three months ago that this all took place or in that period of time — why didn't someone realize within Central Vehicle Agency; hey we have a car out there and it has been there longer than 28 days! It has been at that garage longer than 28 days. Why didn't someone go and pick it up? The only way that we were able to shock Central Vehicle Agency into coming out to pick up that car was to make it public.

It is unfortunate when MLAs have to take this approach, but this is what happened and once that approach was taken, bingo, within four hours they were out there and that car was picked up. Why wasn't there that same response when the garage owner phoned? Why wasn't there that same response when the RCMP phoned? Why wasn't there that same response when the Department of Highways phoned?

MR. SHILLINGTON: I am sure that it broke the Hon. Member's heart to have to issue that press release. I know that it would have broken mine had I been in the Opposition. Nobody attended to the car because the people in the department were not doing their job. I have said that I am going to accept public responsibility for that because I am the Minister, but the staff in the department has accepted private responsibility for it. There is no other explanation other than the fact that the people in the department, in that branch, were not doing their job when they were contacted. There is no other explanation than that.

MR. WIEBE: I understand that the Director or the man in charge of the Central Vehicle Agency has been fired, someone who has been with the Agency through three different administrations, the CCF, the Liberals and now this present Government. Was he, or let me put it this way, can the Minister assure this House that there was just cause as to why he was fired? If so, was the incident which I have just talked about part of the reason or could that be part of the reason why this dismissal took place.

MR. SHILLINGTON: It is true that the Director of the Central Vehicle Agency was relieved of his duties. This incident was a very minor factor in that. While it is dreadfully embarrassing this was by no means the most serious problem we had in the Central Vehicle Agency, only the most visible one. It is just a minor part of the reasons why he was dismissed. Again, I am extremely reluctant to get into the reasons in detail, as I think it is most unfair to the guy.

MR. WIEBE: Well, yes I agree with you. My only other question then, Mr. Minister, would be, has there been severance pay given to the gentleman, and if so how much and for how long a period of time?

MR. SHILLINGTON: We are in the process of negotiating that detail.

MR. WIEBE: So in effect there will be severance pay made available to this individual, if you say you are negotiating it.

MR. SHILLINGTON: I don't know if I should say that we will because I don't know if the lawyers and the negotiators would want me saying that. Suffice it to say that we intend to be fair to the man.

MR. W.H. STODALKA: (Maple Creek) Mr. Chairman, in the case that the Hon. Member for Morse (Mr. Wiebe) mentions we had a car that was almost lost. During the course of the year were there any that were actually lost?

MR. SHILLINGTON: No. All the ones that were lost have now been recovered.

MR. KATZMAN: (Rosthern) Earlier the Minister was asked about aircraft. You said you have 12 aircraft, the six trackers, and so forth. What additional aircraft do you have?

MR. SHILLINGTON: It's all here very safely stored in this wad of paper. There were 12 aircraft that I listed previously all of those north of the 54th type of thing, in the DNS. There is in addition, one baron, a beach baron, in Saskatoon and tomorrow it will be going to the DNS as well for the fire suppression. But, as of today, it is in Saskatoon. There is in Regina, one Cheyenne and one type of Navaho.

MR. KATZMAN: Are these the two executive aircrafts that you just referred to, the last two?

MR. SHILLINGTON: Those are the only two executive aircraft in use in the South. That is right.

MR. KATZMAN: What is the rate that you presently charge to yourself for the use of one of these aircraft?

MR. SHILLINGTON: Well, we took our courage in our hands this year and we doubled the rate that we charge on those aircraft. I don't know if it is allowed under the price and compensation guidelines but we did it anyway. It is now 60 cents; twice what it was last year.

MR. KATZMAN: Last year I believe it was 30 cents when I asked the question. The 60 cents, what does that include? Does that include the cost of the aircraft, the maintenance, the pilots and so forth?

MR. SHILLINGTON: Yes, it includes capital costs, if that is what you are asking. Ask your question again, then.

MR. KATZMAN: Does it include capital costs as well as the pilot, and depreciation?

MR. SHILLINGTON: It covers all operating costs but not administration costs.

MR. KATZMAN: Except administration?

MR. SHILLINGTON: Yes.

MR. KATZMAN: And does the 60 cents cover or does it still require additional funds pumped in after?

MR. SHILLINGTON: It may or may not cover it. We haven't had a full experience with it yet. At the moment we have a lot in the advance account, but it is a little early yet to know. We have just had this 60 cent thing in for a short time.

MR. KATZMAN: Well, what was the loss that you had, would you say, per month under the old system?

MR. SHILLINGTON: We can get that. It will take a moment though.

MR. KATZMAN: I will go to another question if you would like? On the 12 aircraft, I believe that air ambulance right now does not have an aircraft or will be losing theirs shortly.

MR. SHILLINGTON: At the moment one of the executive aircraft, a Navaho, is available for air ambulance work. It can be made available for air ambulance work in a matter of minutes. We have one in Regina. That is right. We have tenders out to lease a Navaho for the air ambulance for the summer. What we do thereafter will depend on what is needed for the fire suppression in the North. But during the summer, we will have a Navaho on lease here for air ambulance.

MR. KATZMAN: Have you got the answer for the other question yet?

MR. SHILLINGTON: I am informed that we don't have the figure here. I can supply it to you but we don't have it here tonight. The total loss, I am informed, was \$172,000 but we have to break that down. We can't do it here.

MR. KATZMAN: Okay, that is the figure I was looking for. That is on the two executive aircraft only or is that on your total fleet?

MR. SHILLINGTON: The problem is that it is on the total fleet. To break it down, I would have to have some time.

MR. KATZMAN: Okay, what is your charge per, I guess per mile or per hour — I don't know how you handle it, with your tracker towards DNS- for the six trackers as well as the spotting aircraft?

MR. SHILLINGTON: This is the first year that these tracker aircraft have been in operation. We are obligated to charge the Department of Northern Saskatchewan all of the costs, but we don't yet

really have the remotest notion what they will be. Our acquisition costs, I am informed, are \$199,000. I can't give you any idea what our operating costs on it are going to be, I expect they will be fairly high because of the natures of the aircraft, and the use of them, but I couldn't even give you a useful estimate right now as to what the cost would be. We haven't established a mileage charge.

MR. KATZMAN: I realize that you have got a problem there. What about the pilots there, are they in your service or in Northern Saskatchewan's service? I am referring to the fire fighting.

MR. SHILLINGTON: They are in our service and they are under contract.

MR. KATZMAN: And the charges will go back to DNS again?

MR. SHILLINGTON: That is affirmative, yes.

MR. KATZMAN: So then possibly next year at this time you will be able to break them down?

MR. SHILLINGTON: Next year, at this time, we will be able to give you a complete breakdown of those figures.

MR. KATZMAN: On the remaining aircraft that are going up there I referred to six others, how many of them are in the firefighting?

MR. SHILLINGTON: At the moment, one of them. The three Cessna 185's that I mentioned previously are on patrol. The Baron and the Aztec are being used for bird dogging; a process by which you lead the trackers. You understand? Okay.

MR. KATZMAN: On the bird dog aircraft, these have to be specially fitted?

MR. SHILLINGTON: That is right.

MR. KATZMAN: What was the cost?

MR. SHILLINGTON: They have to be specially fitted with radio equipment which costs about \$3,000 apiece.

MR. KATZMAN: I believe one of these is situated at Meadow Lake and where would the other one be situated?

MR. SHILLINGTON: No, I am informed that they are all based at Prince Albert. They might have been on assignment at Meadow Lake at one time or another but they are based at Prince Albert.

MR. C.P. MacDONALD: (Indian Head Wolseley) I just have a few questions, Mr. Minister, on Item 1.

I notice every day I come to work and drive by here that I drive by the Taj Mahal and I am not sure what that Taj Mahal is. I am not sure where I am, in New Delhi or if I am in London, England, or where I am. That is a very expansive beautiful building that is being constructed down the street and I want to ask the Minister a few questions on it. There are some very unsavoury rumours being circulated around town about the cost of that building and so forth. So I should like to ask some very brief questions. Can the Minister tell me how many square feet are going to be in that Taj Mahal when it is completed?

MR. SHILLINGTON: I assume the former Minister is referring to the provincial office building. It is in my view, one of the best designs and one of the most economic buildings that we have put up. The usable office space is 188,000 square feet, gross office space is one quarter million. There is, in addition, 107,547 square feet of parking.

MR. MacDONALD: Could the Minister tell me what the total complement of civil servants will be in that quarter million office space, how many square feet per civil servant will be in there?

MR. SHILLINGTON: We haven't yet allocated the office space so I don't know, with precision. The average, in the Government, is 178 square feet per civil servant. So, you can do your own math.

MR. MacDONALD: How many square feet per civil servant?

MR. SHILLINGTON: 178.

MR. MacDONALD: 178. What percentage of the total office space rented in the province by the Government of Saskatchewan will that building be, a quarter million square feet, what percentage of the total office space? From what I understand the total office space is something in the neighbourhood of 1,892,000 or 2 million square feet, a quarter of a million is one-eighth of the total. I calculate it one-eighth, less than one-eighth, one-seventh of the total square footage of the entire square footage that the Government of Saskatchewan is now renting. Is that a fair assessment Mr. Minister?

MR. SHILLINGTON: No, the figure I gave you earlier was the total office space in use, not the total office space leased. I can tell you what percentage it is, in proportion to our leased space, in just a moment here. The total space we lease is, I am informed, 1,131,000 square feet. That is right.

MR. MacDONALD: 1,131,000, so what we are really talking about is about 20 per cent or 25 per cent of the total leased space, a quarter of a million, 1.1 million, that has got to be close to 25 per cent, Mr. Minister, at least I am using rough rounded figures, 1.1 million and a quarter million.

MR. SHILLINGTON: The Hon. Member is comparing apples and oranges. The 1,131,000 square feet is office space; it doesn't include the

parking and the public areas and so on. The earlier figure that I gave you was the same.

Mr. MacDONALD: 188,000?

MR. SHILLINGTON: Yes, it's just the office space leaving aside the parking and public areas.

MR. MacDONALD: So we are talking 20 per cent. Can the Minister tell me how much additional space has been contracted for in Saskatchewan, and I include the building on Victoria and Rose, I include the building on Albert Street. How many square feet of additional space are there that have been contracted for, that has not yet been moved into by the Government? I refer to the buildings such as the one on Victoria and Rose, the one on Albert Street, how many square feet has been contracted for, that is yet not in use by the Government of Saskatchewan?

MR. SHILLINGTON: Roughly, 110,000. It is primarily in the Chateau here in Regina.

MR. MacDONALD: Mr. Chairman, 110,000 which is approximately an additional 10 per cent of the space that is already leased that you are talking about 1.1 million. So you are talking about an additional 10 per cent. We are talking 18 to 20 per cent in this building, we are talking an additional 30 per cent of additional space. Now I will come back to that. Can the Minister tell me what was the original tender for Taj Mahal?

MR. SHILLINGTON: It wasn't given out to a general contractor. It is a construction and management project, so we can't give the estimate of what it is. There was no original tender for the whole building. In other words, we are our own general contractors. That is one way of putting it.

MR. MacDONALD: Can you give me an estimate of the final cost?

MR. SHILLINGTON: We couldn't keep the Liberals out of the waterfall if we did. We have \$28 million as the original estimate for everything which includes the parking, the paving, the landscaping and everything.

MR. MacDONALD: Mr. Chairman, \$28 million! My goodness, that is a lot of money. Can the Minister tell me now what that would come out to per square foot? You must have that right on your fingertips.

MR. SHILLINGTON: Mr. Chairman, \$70 a square foot.

MR. MacDONALD: \$70 a square foot. Now can the Minister tell me how the estimate is bearing up? In other words are you overspent, are you running according to your original estimate?

MR. SHILLINGTON: We estimate that we will be a few hundred thousand light which is for all practical purposes, right on. If you want our computer estimate it's \$700,000. We are under spent by \$700,000.

MR. MacDONALD: Well, I hope to heavens you under spend by a few hundred thousand dollars, when you are talking \$70 a square foot. Can the Minister tell me what office buildings have their contracts running out in 1977, that he's going to vacate in the Province of Saskatchewan? In other words, all of a sudden we've got this fantastic 188,000 square feet, 1,000 civil servants going into this one building. He's got another 10 per cent which would be, I suppose, another 2,000 civil servants. In other words are you vacating some of your space?

MR. SHILLINGTON: I can get it for your next question. I'm going to list off about seven or eight buildings. I'll give it to you later if you like.

MR. MacDONALD: Okay. Can the Minister tell me now, what is the cost per square foot of the new office building in Swift Current and the new office building in Prince Albert and the new office building in Saskatoon? I'd just like to find out whether the Taj Mahal is related to- whether they are all \$70 per square foot or is it just the waterfall and the Taj Mahal?

MR. SHILLINGTON: I find, somewhat to my relief, that the figure for the Wascana office building is ball parkish. You must keep in mind that with respect to the Wascana office building, we're doing a lot of, what the engineers call, site development, paving of roadways, landscaping and so on. Indeed, \$5.7 million of the \$28 million is the roadways and the sidewalks. That isn't a factor in these other buildings because they are just built on a block and the city looks after the street. In spite of that, the Swift Current office building, which I'll assume because I don't have the figure here in over land costs, comes to \$62 per square foot. The Saskatoon building comes to \$76 per square foot for the office space with a parkade as well which is coming in at \$24 per square foot.

MR. MacDONALD: I'm still not finished with Taj Mahal over there, because I want to pick my office opposite the waterfall. Can the Minister now tell me in response to the other question, have you got that information?

MR. SHILLINGTON: What I'm going to give you is a lengthy list. There are a lot of small buildings we're getting out of. I'll read it if you want. It's in addition to this. We are vacating some space that is owned by the Crown corporations as they need it for expansion purposes for themselves. I'll read this to you if you want, but it's going to be meaningless because there must be 20 buildings here we're vacating.

MR. MacDONALD: Can you give me the square footage?

MR. SHILLINGTON: Total? Yes, I can read them off individually. I

don't know if I can give you the total for all these. Do you want me to read them off?

MR. MacDONALD: Yes.

MR. SHILLINGTON: Okay. We are vacating 1730 Scarth Street, with a square footage of 4,300.

MR. KATZMAN: As of when?

MR. SHILLINGTON: When are we vacating it? When the new building is ready. We are vacating the Trading Company Building at 12th and Scarth Street with a square footage of 8,900. We are vacating the CIS Building at 1920 College with a square footage of 8,900. We are vacating space at the Golden Mile Plaza, located at 3086 Albert Street with a square footage of 5,600. We are vacating the old Imperial Bank of Commerce Building at 1736 Scarth, with a square footage of 7,300. We are vacating the Derrick Building at 2431 — 11th Ave., with a square footage of 2,600. We are vacating the Co-op Block, 1820 Albert Street, with a square footage of 15,800. Unlike most private businesses, the co-ops don't accept charity. Their deal with us is as straight business partners and when we no longer need the space, that's fine with them. Private businesses may ask for charity but the co-ops don't. The Sherwood Co-op Food Mart Building on Albert Street is being vacated with a square footage of 2,500. I believe I neglected to mention that the Sherwood Co-op Building at 1960 Albert Street with a square footage of 11,200 is being vacated. We are vacating the Trader's Building at 2220 Albert Street, with a square footage of 4,900. We are vacating the University of Saskatchewan classroom building; square footage of 2,400. We are vacating the University of Saskatchewan Campion College with a square footage of 5,100. We are vacating the Midtown Centre at 1783 Hamilton, with a square footage of 1,300. We are vacating the Brent Building at 2505 — 11th Ave., with a square footage of 7,500. We are vacating an office building located at 1102 — 8th Ave., with a square footage of 11,800. We are vacating a building at 1355 Albert Street, described as Oxford Holdings with a square footage of 3,800. Similarly we are vacating a building called the TorWest Building which I think is on 11th Ave. I gather we have less than 1,000 square feet in that building.

MR. KATZMAN: Would you mind making a copy of that and sending that list over at a later time?

MR. SHILLINGTON: Yes, we can supply you with the list of those buildings we are vacating.

MR. MacDONALD: Mr. Minister, that comes to a total, including Saskatoon, which is not related here because of the Saskatoon office building, of 120,000 square feet. In this building now we're picking up 188,000 plus 110,000 which comes to a total of approximately 300,000 square feet which is three times, three to one in ratio for what you are vacating. I am adding the space that you have contracted for, like the space on Victoria and Rose and other space, you told me was 110,000, plus the 188,000, that is a total of 300,000 and you are going to vacate 120,000. What the heck are you going to do with the

other 180,000 and how many new civil servants? What I am really saying, Mr. Minister is that when you start building the kinds of buildings that you are building around Saskatchewan, what are you really doing? For example, I understand and I am going to ask you this question: how much per year is the contract for the building on Victoria and Rose? How much do you pay? I hear it is \$88,000, is that approximately correct, per year?

MR. SHILLINGTON: The one that you ask for, on Victoria and Rose is the Humford House. The yearly rent will be \$1,048,188. I just add, if I may, the comment that it is our position that it is cheaper for the Government to own its own office space than to rent it for a number of reasons. One is that our capital costs are generally less than the cost of anyone else. It is cheaper for us to own our space than rent it and we are moving into a position whereby we will have civil servants in space we own.

MR. MacDONALD: For example, that \$1 million rent at Humford House is paid on the cost of that building of approximately \$10 million and from what I understand you have a 10-year lease on that building.

You know it is pretty nice to bring in a building and before you start you get a contract from the Government for \$1,048,000 for a year and in 10 years you have the building all paid for. That is a nice deal. All that I want to point out, Mr. Minister, is that when you start talking about the \$28 million for the Taj Mahal, or whatever it may be, that the costs to the Government (and you have an additional 200,000 square feet, instead of trying to cut back whatever you are doing) just seem to be growing and growing. The number of civil servants seems to be growing and growing as the amount of space increases. In Regina just about every building that you come across, every new building, all you need to do is to get some property and put it up and before you ever start construction, sign a contract with the Minister of Government Services and the building is paid for you and you are laughing for the rest of your life. Surely to heavens in the Province of Saskatchewan, with a million people, that the cost of government and the cost of space and the number of people that are employed in the Government, should not be increasing at the rate that it is, and these figures are astronomical. You start talking about \$1 million a year for rent for one building. You start talking about \$28 million to construct one. You are building an additional 200,000 square feet of office space that you tell me that you are not even vacating. I don't know whether that is an additional growth or just planning ahead for an additional 2,000 civil servants. I don't know, but I think, Mr. Minister, you are moving in the wrong direction.

The Minister of Government Services should be tightening his belt, should be holding back the growth of government. The worst offender is Government Services because the minute you start buying cars, building buildings, renting office spaces, you are just encouraging government growth. I think of the Taj Mahal — please reserve me an office under the waterfall because in 1979 I intend to move over there.

MR. R.H. BAILEY: (Rosetown-Elrose) I just want to ask one question which I could ask a little later one, but I want to get it in now.

During the time of the construction of the government offices in Swift Current the contractor experienced some difficulties and there were several questions asked in this Assembly in regard to the pilings for the building. You will recall that the original pilings were put down and had to be redone, new concrete made and so on. At that particular time we were told in this Assembly that the total cost of redoing the footings and the pilings belonged to the contractor. A little later on a question was asked and we got the answer, well maybe the Government would negotiate a little bit and share the cost. Now we have the moment of truth. What was the story behind that? Did you, in effect, pay some additional cost to the contractor? Let's have the truth now, we have tried for two years and the building is almost up and maybe we will get the answer.

MR. SHILLINGTON: I will read a letter that I wrote to the Hon. Member for Morse (Mr. Wiebe).

. . . The pile foundation designed for the office building was selected by our consultants as being suitable for the design loads and also economical in price.

Poole Construction, the low bidder on the project, undertook to install the foundations. Verification of the integrity of the foundation constructed was required by this department and unfortunately, the piles tested failed when subject to test loading.

Additional soil testing was performed which provided more information, but no new conditions were discovered. Many design solutions to the problem were examined by our consultants before one was chosen, which enabled work on the project to proceed. Prior to corrective work proceeding, negotiations as to price of the work were carried out and concluded with Poole Construction. Poole Construction agreed to construct the alternate foundation as though it had been included in the original contract. The net extra to the Poole Construction contract was negotiated at \$290,000.

In summary, the economy of the first piling section was very attractive, however, due to non-performance of the system an alternate system is being installed. Some additional costs have been incurred but these are primarily due to cost of work increases in the past six months, some of which have been assumed by the contractors in the negotiated cost above with the balance assumed by the owners.

The department is satisfied that the work has been priced fairly and the building will progress to completion to assume its place as a primary asset to the community.

MR. BAILEY: Mr. Chairman, if I understood the Minister correctly, the additional cost of the government was \$209,000. Now that was only a portion of debt. What portion was it? What did the booboo cost? It cost the Government one-fifth of a million dollars. How much did it cost the contractor then?

MR. SHILLINGTON: It cost the contractor approximately \$310,000.

MR. BAILEY: Now, it cost the contractor \$310,000 of which you paid \$209,000, or was the total additional cost \$500,000? Is that correct, Mr. Chairman, \$600,000 and you in turn paid \$209,000?

MR. SKOBERG: Mr. Chairman, I would like to direct a question to the Minister. I am given to understand that most of the municipalities in Saskatchewan are more than pleased that the Department of Government Services of Saskatchewan has seen fit to provide services for the various departments of government in their respective areas. I would like to say, coming from Moose Jaw and I can assure you, Mr. Chairman, that Moose Jaw is more than pleased that we have seen now finally a new government building there. We are more than pleased to see a situation where our various departments of government can be involved in a situation where the people of Moose Jaw and the surrounding districts know where to go. My real question is to the Minister, Mr. Chairman, if I may, has there been any objection from any municipality in Saskatchewan as to the proposal of constructing a provincial government office building in their respective areas? It appears to me that most of us, at the municipal level particularly, found that we have had difficulties in contacting government departments and it is a wonderful relief to now find out that there may be major government expenditures in our respective areas that will also include the department of government that I have some say in, in that particular area. I would like to direct my question to the Minister, if I may, Mr. Chairman, whether he has received an objection from a municipal government opposing the type of construction that this Government has seen fit to build in their area?

MR. SHILLINGTON: No, fortunately, Mr. Chairman, the municipalities have never learned the obstructionist tactics which the Members of the Opposition seem to employ so frequently. Unlike their representatives in the House, we get from the municipalities nothing but co-operation. So it is fortunate, I guess, that we deal with the municipalities when we are building these buildings

MR. KATZMAN: Now that you have made a political speech on how efficient you are, I could correct you that the city of Saskatoon wasn't happy with your original design there and told you so, if you remember correctly.

Going on to the next point, vehicles, and we are not going to talk about lost cars or that type of thing. Does Central Vehicle Agency own all the vehicles that are driven by government employees, including Crown corporations or not including Crown corporations?

MR. SHILLINGTON: We own all of the vehicles used by the departments and some of the vehicles used by the Crown corporations. By and large the special equipment type of vehicles are owned themselves. We own the general standard type of cars, the station wagons and so on. In particular Sask Tel owns a fair number of its own vehicles. With regard to Crown corporations, we provide some of them and some of them are owned by the Crown corporations.

MR. KATZMAN: What about two-ton trucks, and tractors and special equipment that some departments need. Do you own them or do they buy them separately?

MR. SHILLINGTON: No, they own them themselves.

MR. KATZMAN: Do you purchase for them on their behalf?

MR. SHILLINGTON: Yes. The Central Purchasing Agency purchases them on their behalf. It is not Central Vehicle Agency, but the Central Purchasing Agency.

MR. KATZMAN: Last year in Public Accounts there was much discussion about your Administrative Services Branch and your accounting services. Have the problems that were indicated all through the report been corrected and in what way?

MR. SHILLINGTON: The Member will have to be a bit more specific. I wasn't here last year and I'm not sure what divisions you are referring to in the Administration Branch.

MR. KATZMAN: Well, Mr. Schneider I believe, was the name of the gentleman in charge at the time and it was in Public Accounts where it referred to your setting up of different systems and the breakdown of several systems that you had on control of inventory that the Government Services had.

MR. SHILLINGTON: Yes, I am happy to say that those have all been corrected.

MR. KATZMAN: The other portion of it is, will you be marking your vehicles as you have marked all your furniture that you have all over the area?

MR. SHILLINGTON: The assumption that we mark all the furniture is not correct. We don't mark all of the furniture. The Hon. Member suggested to me previously that we ought to mark the cars so that a government car is identifiable. I said in the House that the reason why we took the 'G' off the licence plates was because it was a needless expense and served no purpose. The Hon. Member suggested we ought to put a sticker across the back and so on. All I can say is that I have given consideration to the notion. If I thought that the Saskatchewan public would actually assist us in reporting violators, I think I would do it, but I am just not convinced that they will. My experience has been that the Saskatchewan public, bless their hearts, because they have elected us for two terms will complain vehemently about the manner in which 'G' cars are used but they won't pick up the phone and call us to report the licence number. Some of them will, and we check every one of them out and discipline the employees, but I am a little cynical about how often we actually get a call saying that vehicle number blankety blank was going 70 miles an hour.

MR. KATZMAN: One other question. On the allotment of vehicles,

how do you decide who gets a small car, who gets a large car? For example, the Minister of Highways has a large car that he has a bumper ornament on and very regularly he rides around on the hood going through barriers.

MR. SHILLINGTON: Well, it depends entirely on the size of the person. The Minister of Highways is a big man and so he gets a big car. For smaller people, we give smaller cars. That's how it is decided.

MR. KATZMAN: Seriously, how do you allot the large cars and small cars?

MR. SHILLINGTON: I should add for the benefit of Members present that we haven't purchased cars for quite awhile. The last delivery was about October of 1976 before I became Minister. The Ministers have the right to a standard sized car with certain equipment in it. All the other cars we buy are basically the same. We have standard sized cars which, by and large, are used for travel. Smaller cars are used for inter-city travel. I should add, as well, that my view of the matter is, and I'll have to clear it with the Treasury Board obviously, that the next time we buy cars for any purpose, they should be small cars. I think we have to get into the position of providing some leadership in energy conservation. We have done that in a number of ways. Every building we build now has followed strict standards of energy conservation; much stricter than private industry follows. I think we should be doing the same thing in cars. We should not just be following the pack but providing some leadership. It is my view that when we buy cars again they should be compacts.

MR. KATZMAN: One more question on that topic. Last year in the Chamber we had many gentlemen taking sounding devices and spending a lot of time in the Chamber suggesting that this Chamber would be redone as we have a mike that doesn't work now and so forth. What has happened with that study? Has your department got any recommendations?

MR. WIEBE: If the Member checked with his Conservative representative on the Special Rules Committee which is looking into the renovations of this particular Chamber he would know they will be making representations to the Assembly in that regard. If you would take the time to check with the Member for Souris-Cannington (Mr. Berntson), I am sure that he will be able to tell you in on what the procedure is in this regard.

MR. BAILEY: The Hon. Member mentioned that designating a 'G' licence on a government car was done away with because of additional expense. That is a bunch of hogwash. The real reason for taking the 'G' off the government cars was because you did not want the public at large to recognize that that was a government car on the road. I think that the people of Saskatchewan have a right to know that that is a particular government car, whether they are pulling a boat or where they are going and so on. I notice the Superintendent of Schools buys his own car. But this idea of taking the 'G' off the government licences on cars in Saskatchewan is not because of a

savings in money, don't tell us that, it is because you did not want the public to identify government vehicles on the road.

MR. SHILLINGTON: I should just correct the Hon. Member in one small respect. There are some circumstances in which an employee, who has a car permanently assigned to him, can carry a boat and a trailer.

MR. MacDONALD: Mr. Chairman, two seconds. I was involved in the government about 10 or 15 years ago when the decision was made to identify government cars. It was in response to public demand because of the expanding number of cars in the government fleet. Many people have a curiosity about the number of government cars on the highways and the efficiency of the job that they are performing in the eight hours for which they are being paid. Anybody who withdraws that identification of civil servants from the car licence is doing it not for economic reasons. Please don't tell me that. I agree with the Member for Elrose and it is a very unfortunate thing. I guarantee there will be a public outcry because they will demand to know the number of government cars that are on the road, the expanding government fleet and what the costs are.

MR. PENNER: In connection with that — if you take the city of Saskatoon, all the vehicles owned by the city of Saskatoon are marked. There is no shame involved in that at all. I think the Minister ought to be marking the cars in one way or another, rather than hiding it the way that he intends to do by not having marked licences.

Item 1 agreed.

ITEM 2

MR. PENNER: We suggest that we take the department as read now, Mr. Chairman.

Items 3 to 16 agreed.

Vote 13 agreed.

Vote 14 agreed.

Supplementaries agreed.

DEPARTMENT OF TELEPHONES — VOTE 38

HON. N.E. BYERS: I should like to introduce Dale Robinson, the Rural Superintendent for the Department of Telephones.

ITEM 1

MR. WIEBE: This figure of \$5,000 is considerably low. Is the Minister expecting some rural telephone companies to continue with their construction program in light of the new assimilation program undertaken by Sask Tel, or would this \$5,000 figure be a carryover from last year's operations of work that may have been undertaken and not completed? While I am on my feet, as well, maintenance grants to rural telephone companies are only \$5,000 from \$102,000. Is the Minister telling us, by

that figure, that he is expecting that 98 per cent of all the rural telephone companies in the province will agree to assimilate in the year under review?

MR. BYERS: Well, Mr. Chairman, the Hon. Members will be aware that the Government announced in November of 1976 the voluntary assimilation program whereby the Crown corporation Sask Tel was offering to take over, to assimilate the rural telephone companies. When the Budget was prepared we did not have, and could not make, an estimate of the number of rural telephone companies that would take advantage of that offer to assimilate I am continuing to sign, on a daily basis, six or eight approval for assimilation. They are still coming in. Therefore, we don't really have a clear picture even at this time on how many rural companies may apply for the construction grant in this fiscal year. However, I want to assure you that the construction grant for laying buried cable, which amounts to 50 per cent of the approved cost per mile, will be honoured for those companies that decide not to assimilate and those companies that wish to continue with their own construction program for a variety of reasons. It is not unfair to say that this is an estimate of what we thought the costs might be. However, any companies that want to proceed with the laying of buried cable will be entitled to the normal grant of 50 per cent in this fiscal year and, if necessary, we are prepared to provide additional funding here by way of special warrant.

MR. WIEBE: Mr. Chairman, in other words what the Minister is saying then, and I understand that he has assured the House, is that the \$5,000 figure, which we are looking at in Item 1 and Item 2, is not really an accurate budgetary estimate of what the department expects to spend. Can a person safely say that what the Department of Telephones did was decide that they had better have some figure in there because there could very likely be some money spent in the year under review and \$5,000 seemed like a good figure? That means the Department of Telephones this year will be spending \$10,000 instead of \$1.8 million as was the case last year, which is a fairly substantial drop. What you are saying though, is that if a rural telephone company does not wish to assimilate in the year under review and applies for a construction and/or maintenance grant that that money, if they qualify, will be made available to them and we will then be looking at supplementary estimates for special warrants instead of what was actually budgeted. In effect what could happen is that if the same amount of applications came in this year the Provincial Treasurer would have under budgeted possible expenditures by \$1,000,000. I hope the Minister will understand what I am trying to say.

Now, can the Minister first of all, tell me how many rural telephone companies there are in the province; secondly, how many have applied to assimilate to date; thirdly, how many of those applications have you authorized and signed to date?

MR. BYERS: Mr. Chairman, perhaps this information will be useful to the Members.

There have been a number of inquiries — 486; the number that decided to assimilate (to April 22) — 394 and I am sure that I have signed 50 or 60 since that time. This numbers close to 400. There were about 720 companies at the time the

offer was made. Thirty four have decided not to assimilate; 58 inquiries and they have turned assimilation down for now.

MR. WIEBE: Well, Mr. Minister, so you say that 34 have definitely indicated to you that they will not be assimilating during the year under review?

MR. BYERS: That's right. The main reason of course is that at the assimilating meetings we gave them a rough indication of the year that reconstruction may take place. If a company, for example, had 10 miles of line left to bury and they were not programmed for reconstruction for three years, then the company might conceivably vote against assimilation at this time and complete their program this year. But they could have another meeting to vote on assimilation at any time.

MR. WIEBE: I would imagine, Mr. Minister, that these 34 would also be rural telephone companies that are very, very solvent and would like to have an opportunity to possibly spend some of that money prior to the turning over of those assets to Sask Tel. In effect there are 34 companies that have decided not to assimilate for this year; don't you feel that when we look at just the maintenance grant, that you are going to be spending more than \$5,000 as maintenance grants for just those 34 companies.

MR. BYERS: I hope the Hon. Member understands how the maintenance grant works. The maintenance grant is a grant of \$2.50 per subscriber that is paid annually to an independent rural company. Now he will appreciate that we could not estimate, even closely, how many rural subscribers there would be in the rural companies that had not assimilated. However many there are, we are willing to pay the \$2.50 for the subscriber maintenance grant to the company for the coming year.

MR. R.H. BAILEY: (Rosetown-Elrose) I should like to ask a question of the Minister. When the process of assimilation took place and a rural telephone company joined with Sask Tel, did Sask Tel make any provisions whatsoever for the pensions and the remaining years of the pensions for the employees of the local telephone companies? I know of a few who had some difficulties in that they had two or three years to go to complete them. What steps did your department take?

MR. BYERS: For those employees of rural telephone companies who will be employed by Sask Tel, we have a Bill now before the House to include them in the pension plan.

MR. BAILEY: What about those who didn't come into your employ? They have lost their superannuation, they have just been cut off. You didn't employ them, therefore, the whole thing fell void as far as they are concerned.

MR. BYERS: Well there are many kinds of situations. Many of the employees, the maintenance people, were merely part-time employees and they were not paying into any pension plan. Those that were and will be employed by Sask Tel will benefit from the pension plan.

Item 1 agreed.

Item 2 agreed.

Vote 38 agreed.

Vote 53 agreed.

ENVIRONMENT — VOTE 9

HON. N.E. BYERS: (Minister of the Environment) Mr. Chairman, I am pleased to introduce Grant Mitchell on my right, Deputy Minister of the Environment, and Mr. Bill Howard, the Director of the Administration Branch.

ITEM 1

MR. G. LANE: (Qu'Appelle) I should like to ask my general questions on the Qu'Appelle Valley implementation and related matters.

Referring to the annual report, I note on page 44 that the department has published an inventory of the designated land areas and Crown lands in Saskatchewan. It consists of a complete list of the public lands. I don't believe I have received a copy of that and I would appreciate receiving the same from the Minister, if he would in due course.

What public reaction has the Minister had in the Qu'Appelle area to the planning and development zones to regulate? I am getting, in my particular riding, some reaction. I would strongly urge the Government to reconsider going back and holding the public hearings again as the impact of the plans become more obvious.

MR. BYERS: Well, Mr. Chairman, we are prepared to place a lot of confidence in this process. There are, at present, six special planning areas established. It is our opinion that this approach to land and water management in the Valley is being well accepted by the local governments and by the interested groups. The special planning areas are responsible for reviewing all projects that are put forth by the Provincial and the Federal Governments, and the process appears to be working satisfactorily.

MR. LANE: I see public reaction growing as we come closer to the formalization of this process. Would the Government again be prepared, should a reaction develop, to go through the process of public hearings again? I think it is human nature that people don't become concerned about a particular problem until the effect is more immediate. There has been enough trauma in the Qu'Appelle Valley over the last several years and I suggest to the Minister that it would ease things, should a reaction develop, if he commits to be prepared to review again, with the public awareness being greater.

MR. BYERS: It is intended that the process will be that the special planning areas will develop or assist in the development of a land and water use program for the Valley. When the proposals are in the final stages, they will then be referred back to the public.

MR. LANE: Would the Minister be prepared to supply me with a list of the flood-prone land that was purchased, approximately 4,500 acres and if there has been anything subsequent, the legal description, the name of the vendor, and the amount paid for the land? Then I should also like to be advised if the land was leased back to the vendor as the Government committed itself to do and if the land was not leased back to the vendor, to whom it was leased?

MR. BYERS: We can provide you with that information.

MR. LANE: There was a consultant's report on the possibility of a scenic highway through the Qu'Appelle Valley. I understand the report indicates that the consultant's report was not accepted and that the Government has made no decisions on the scenic highway. Is there any reason for the delay? Surely, if we accept the concept of a scenic highway in the Qu'Appelle Valley, the highway that will be built will have to be of a nature that it is not a high speed number one standard highway. I wouldn't think it would be divided because that would disrupt the scenic qualities of the valley. We are really looking at a two-lane highway, standard in the province. Why can't the Government simply commit itself to the scenic highway without waiting for further studies?

MR. BYERS: Well, Mr. Chairman, it is true that a consultant was engaged to prepare a proposal for the Government on a scenic route through the Qu'Appelle Valley. The first consultant's report proposed a fairly sophisticated highway through the Qu'Appelle. His proposal would have involved a very substantial investment.

The Department of Tourism and Renewable Resources is, at present, developing what I will call a recreation package for the Qu'Appelle. Therefore, Tourism is really charged with the responsibility of reviewing the report to see if an alternate design and so on can be worked out.

MR. LANE: When can we expect some finalizing? What time frame are you looking at, for giving a comprehensive proposal for development in the Qu'Appelle Valley?

MR. BYERS: It is anticipated that there will be some preliminary suggestions that can be advanced to the public this summer for their consideration. It is difficult to predict, at this time, what the proposal will be and what the public's reaction to it will be.

MR. LANE: One final area of questioning. I had written to the Minister with regard to the dredging of a channel basically down the Qu'Appelle Valley. What is the status of that channel? I have had some concern from people concerned with the wildlife habitat disruption, as a result of the proposed channel. Are you basically running it from Lumsden or Craven over through the Valley?

MR. BYERS: The Government has approved a conveyance package, an expenditure for a conveyance package, in the Qu'Appelle as part of the Qu'Appelle implementation program. The level of expenditure recommended by the Qu'Appelle Board is in the order of \$5.25 million.

There are several work projects proposed. The conveyance improvements could be constructed from Last Mountain Lake to Pasqua to improve the channelization to increase the water flows from a minimum of 50 cubic feet per second, now and in many places, up to a minimum of 500 cubic feet per second. There are also improvements planned at the outlets of a number of the lakes like Katepwa Lake, Round Lake, Crooked Lake. I could give you the whole program. Now with respect to whether or not the people in the valley approve of this proposal, we intend to consult with them through the public advisory council and through the special planning areas.

On the proposed level of dredging, I appreciate the concerns that some may have of the effect of dredging on wildlife, fish spawning areas and the like. I think, however, there was a large number of interest groups consulted in the development of this program. There was a technical group established to consult with respect to the effect on spawning areas and the like. There will still be further discussions but, in general terms, we believe that the proposal that is being offered will have the least possible effect on the wildlife.

MR. LANE: (Qu'Appelle) When do you expect that to commence? At which end are you starting? Will you be starting at the Long Lake end?

MR. BYERS: It is proposed to start the improvements at the east end of the valley and work up-stream, within the 10-year program.

MR. LANE: Two questions. On page 43 of your annual report you refer to a Saskatchewan Power Corporation assessment of the Kennedy-Pasqua transmission line. Is it possible to get a copy of that impact assessment?

MR. BYERS: Yes.

MR. LANE: What action is the Government taking with regard to cleaning up the algae in the Fishing Lakes? Are there any plans the Government is taking to clear it up? It is becoming an ever increasing problem. Some days in that area the complaints from cottage owners and permanent residents are unbelievable. It's just green soup on those lakes, and it's ruining a tremendous tourist area. Also, I suggest it is a very vital recreation area for the cities of Regina and Moose Jaw. Could you explain what action the Government is taking to clear up the algae and whether it is even possible to solve the problem in the lakes?

MR. BYERS: Mr. Chairman, to be as brief as I can, I think the three major initiatives the Government has under way, as part of the Qu'Appelle implementation package to clean up the algae are:

1. There will be construction of the tertiary treatment plant in Regina.
2. We are taking some initiatives with respect to feedlots in the Qu'Appelle Basin, and the possible relocation of some of them.
3. At Moose Jaw it is expected that a start will be made next year on the tertiary treatment system.

It won't necessarily solve the problem but it will reduce it. When Mr. Hind was here in 1858, he spotted algae on the lakes before there were many of us around.

MR. R.A. LARTER: (Estevan) Mr. Chairman, I realize the Minister has stated that the Souris Basin was planned for the next 10-year study and action, after the Qu'Appelle Basin study. Did the Minister mention that they were on the third year of the Qu'Appelle project?

MR. BYERS: We don't need to wait for the completion of the Qu'Appelle implementation program to start implementing the recommendations that may come out of the Souris River study. The Souris River study is running on schedule and is scheduled to be finished at the end of 1977 and we expect it will be done in early 1978.

Just to refresh the Hon. Member's memory, the Qu'Appelle report was finalized in 1972 and implementation started in 1975. It's a 10-year program.

MR. LARTER: Could the Minister tell me if there have been any negotiations or any plans? Have you been working with the Federal Government, and possibly with the North Dakota and Manitoba governments, on something that we know has to be done? I am talking about the lower end or the funnel of the Souris River where we are getting all the water in the south-east corner. Is there anything being done about this? Can there be something done? I realize your planning and your projects are going to continue after the study is complete. If agreement could be reached with the Federal Government, this part of the river has to be cleaned out. There are many governments involved. Could you tell me what is happening on this?

MR. BYERS: One of the conditions that we agreed to, in entering into a study like the Souris River study, is that there is a virtual freeze on capital projects until the study is complete. Otherwise, there is no point in spending \$1 million on a study. Therefore, there will simply not be any major capital works until the study is finalized, until the work program is determined and possibly until an agreement is signed with Ottawa to implement it.

I know there are those who get impatient and say that it is obvious that this or that should be done. We have lived with that problem for all these years. I think it is not unreasonable to await the outcome of the study and then determine what the total work program for the basin ought to be. I don't think reasonable people and reasonable governments would tackle that in any other way.

MR. LARTER: I agree with the Minister.

In the past few years it has flooded six out of seven years in the Souris Basin.

I should also like to bring to the attention of the Minister, that on May 4th it was announced in the Leader-Post that the environmentalists had checked the emissions from the stacks on the Boundary Dam power station and they had declared them safe. Did the environmentalists know what was happening on the Boundary Dam Lake when they made that statement?

MR. BYERS: The recordings, that were reported in the paper a few days ago, were taken some time ago. At that time there were certainly no excessive pollutants coming from the stack. As a result of someone discovering something on the waters of the boundary reservoir, there is another examination under way to determine what that scum is and the extent of it.

MR. LARTER: You will be working with SPC on this, and checking s this more closely?

MR. BYERS: Yes.

MR. LARTER: Will the Environment Department be in on the supervising of the cleaning up, or is this an SPC project?

MR. BYERS: Environment will be on the supervision of the clean-up, as will SPC.

MR. MacDONALD: Mr. Chairman, I want to make a few comments on a couple of items in the Department of Environment. There are two or three very fundamental issues that are now before the people of Saskatchewan, as far as the Department of Environment is concerned. The number one issue is the Bayda Commission. I want to tell the Minister that, as far as I can figure out, the Bayda Commission is a sham. I have said so before and I believe that, right now, the operation of the Bayda Commission is a farce. It's a deliberate attempt by the Government of Saskatchewan to cover up. There are several reasons for it.

First of all, I don't think there is any question that environmental concerns right now across Canada and across the world are of major concern to most citizens. We just have to take the spill in the North Sea and the reactions as to what happened to the environment and the concerns of environmentalists across the world. It is rather interesting to see the reaction of the Canadian Government. They immediately stopped drilling and will not proceed with Dome's project in the Beaufort Sea until they get a report on the North Sea.

Let's contrast that with the Government of Saskatchewan. Let's not kid ourselves. The major concern of the people of Canada and the people of North America and the people of the world right now is nuclear energy and the whole concept of the development of uranium resources and the utilization of those uranium resources across the country and across the world. Saskatchewan has to be very fortunate. We have a great deal of uranium in northern Saskatchewan and we don't even realize just how great the potential in northern Saskatchewan is. We have Rabbit Lake, Cluff Lake, Uranium City and many other

discoveries that perhaps could lead to a great deal of potential as far as the development of uranium resources in Saskatchewan are concerned.

All of a sudden we find that, in answer to the environmentalists in Canada and in North America, the NDP Government calls a special commission to investigate the environmental hazards in health and safety with the development of uranium in northern Saskatchewan. We watch the Bayda Commission and on the other hand, we watch the same Government provide millions and millions of dollars, at the same time, for uranium development and exploration in northern Saskatchewan. They are really saying that regardless of what happens in the Bayda Commission, regardless of what happens in that report, they are going to invest \$20 million, or whatever the sum is this year, in exploration and development of uranium. If there is any intention of the Government to listen and abide by the recommendations of the Bayda Commission, there is no way that they can afford to have the taxpayers watch them waste \$20 million in exploration and development.

We watched the Federal Government put a freeze on the Dome project in the Beaufort Sea. Until they get a report from the environmentalists on the North Sea project, they should hold back and see exactly what happens in northern Saskatchewan but we find them going full steam ahead.

I was disturbed as I watched the Department of Environment lead what was supposed to be a brief to the Bayda Commission yesterday. That brief really concentrated on the economic and monetary advantages to the Province of Saskatchewan in government revenues. The television reporting and everything else centered on the economic and monetary advantages and tax revenues to the consolidated fund of the Saskatchewan Department of Finance. Mr. Minister, from what I can understand from people who attended that Bayda Commission and the Government submission, the thrust of your brief was the fact that this was a great economic adventure for the Province of Saskatchewan. I, for one, believe we should proceed in uranium development but I also believe that the Government of Saskatchewan and particularly the Department of Environment have a real responsibility to present to that Bayda Commission their findings on the environmental hazards of uranium development, which they practically ignored.

From what I understand, the Department of Environment has not even, as yet, proposed a set of guidelines for the development of uranium in northern Saskatchewan. They haven't even, as yet, provided rules and regulations for that exploration and development. I say again, Mr. Minister, that they Bayda Commission, as far as the NDP Government is concerned, is a smoke screen. It's a sham and it's a farce. I guarantee right now that when the Bayda Commission makes its report it will have absolutely no impact upon the NDP's attitude and the NDP's thrust which is full speed ahead toward the development of uranium in northern Saskatchewan. You know, of all the political parties in this country, the one that should be taking the leadership, and the one that has tried to take an advantage of environmental concerns is your party, Mr. Minister. Yet we find today that the Bayda Commission is really nothing more than, as I say, a sham and a farce. I want to know, Mr. Minister, has your department advised the Department of Mineral Resources or the Government of Saskatchewan to hold back on any further exploration, development and expenditure of funds until such

time that the Bayda report comes in and is presented to the Government or the Department of Environment? I want to know secondly, has the Department of Environment developed any regulations, a set of standards or any guidelines for the health and safety of workers in the uranium industry in northern Saskatchewan? I should like the Minister to tell us why his department took a back seat, and I say a very back seat, in the presentation of the Government's submission to the Bayda Commission yesterday.

MR. BYERS: I want to answer three or four of the specific questions the Hon. Member has asked and perhaps then make some general comments.

You made the point that the Department of Environment and a number of other government departments and agencies presented briefs to the Bayda Commission. I want to assure the Hon. Member that Judge Bayda and members of the Commission asked the Government departments and agencies to present to the Commission information on uranium, what is the extent of our uranium resources now, what is the supply like, what are our present regulations. Therefore, the Government departments and agencies have responded to the request of Judge Bayda for that information.

Secondly, with respect to the regulations that relate to the health and safety of workers, these regulations clearly come under the jurisdiction of the Atomic Energy Control Board. It is clearly their responsibility. Any of the regulations that come under the jurisdiction of the Provincial Government with respect to health and safety are as good in this province as they are anywhere in the world with respect to uranium findings, certainly in Canada.

On the question whether Environment has told other companies and other departments to hold back, let me say what I have said on previous occasions in the consideration of estimates and that is that the Department of the Environment doesn't direct the Government of Saskatchewan. Companies that are engaged in exploration for uranium or for other minerals may proceed, but they proceed clearly at their own risk. I am awaiting the outcome of the Bayda report scheduled for November 1, 1977 when Judge Bayda and his Commission will recommend to the Government what the future for uranium mining ought to be in the province. I think those are three of the specific questions that you asked near the end of your comments.

Now with respect to your question on guidelines, the province has set up an environmental assessment policy that does contain guidelines. I want to say that it should come as no surprise that the Bayda Commission has been asked to report on the recommendations of Amok's consultant, who did the environmental assessment study for the development of the Cluff Lake Mine. Our environmental impact assessment policy provides that there must be an environmental impact assessment undertaken first. Amok commenced that study in 1973. They engaged a consultant in 1973 to do the study. The report was filed with me in December, 1976 and on the basis of the report, public hearings are being held to ascertain if the mitigation measures proposed in the consultant's report for the development of the Cluff Lake Mines are adequate. Amok knew what the process would be all along. They knew that in 1973. The establishment and the Bayda Commission will come as no surprise to Amok because that is part of the policy.

Now with respect to most of the other things that you have mentioned; you said that the Federal Government reacted very quickly with the North Sea oil spill. You suggest that the inquiry is a sham. I want to remind the Hon. Member that the mining and the processing of uranium in this country clearly comes under Federal jurisdiction. Everyone in this House and most of the people in this province know that the Federal Government has been asked by environmentalists, they have been asked by our Premier, and they have been asked by a good number of other people, to set up an inquiry on the future of uranium mining and development because uranium comes under the jurisdiction of the Federal Government. They have chosen not to do that. Therefore, the Province of Saskatchewan has chosen to do that. It is a courageous move. But we are going to allow the Bayda Commission to operate as an independent commission at arms-length from the Government and give the people and interested parties in uranium in this province an opportunity to put their case to the Bayda Commission. We are prepared to await the outcome of the Bayda report. I think it is somewhat uncharitable of him to suggest that the Bayda Commission is a sham. There has never been an opportunity in this province for the public to state their views on an issue that has as many facets to it. They are given a fair length of time to do that. To suggest that this process is not realistic, I think, is an insult to the intelligence of the people in this province. I think the people of this province are capable of putting their case to the Bayda Commission. Judging by the number of requests that we have had to fund local groups, I am confident that there will be a large number of them who will put their case, not only with respect to the Environmental Assessment Hearings on the Amok proposal but also to the broader question. I think you will get a lot of good advice from them.

MR. MacDONALD: Mr. Chairman, the Minister who sits next to you invests \$20 million to explore and develop uranium in the Province of Saskatchewan. The purpose of the Bayda Commission is a very simple one and that is to assess whether or not it is safe for the health and welfare of the Province of Saskatchewan and, I would suggest, for the world in general and for Canada in general, to proceed with the development of uranium in this province for the benefit of the citizens of Saskatchewan as well as for the Dominion of Canada. You turn around and invest \$20 million in the thing that you're supposed to be investigating to see if it's safe to proceed or not. I suggest it is a farce. It's a political commission and the report will be handled in a political way.

I want to ask the Minister another question. Has the Minister or has the Department of Environment advised the Minister of Natural Resources, in any way, about the advisability of investing \$20 million? Will the Minister also lay on the table of this House the environment impact study on Cluff Lake, so all the Members of the Committee will have an opportunity to assess it?

MR. BYERS: With respect of your last question on copies of the environmental impact assessment report, we do have a limited number of copies of that report. We can certainly at least make one copy available to each caucus if you would accept that as being fair. They are available at libraries and various places. A limited number of copies were printed but we can certainly make one available to you.

On your first question, all companies engaged in uranium exploration know what the rules are, and they can proceed at their own risk, pending the final decision or recommendations of the Bayda Commission and the decision or recommendations of the Bayda Commission and the decision of the Government. Provincial Crown corporations engaged in exploration work are proceeding with the same degree of risk as anyone in the private sector.

MR. E.F.A. MERCHANT: (Regina Wascana) Mr. Chairman, what the Minister is saying to us is that these companies knew in advance that they were dealing with these kinds of problems. In fact, that's not the case. They knew that they were going to face a certain kind of minimum examination but now they are facing a far greater and far more significant examination. The Minister knows that. The Minister knows that that's what Amok faced when they were looking at the Cluff Lake investigation. What the Government has done in error is that the Government has combined a small inquiry, the standard kind of inquiry, with this more broad inquiry and they've got the worst of both worlds. They are not giving a real test to the environmentalists because the environmentalists are not able, as a result, to have a proper investigation.

MR. CHAIRMAN: Someone advised me it is 10:00 o'clock.

The Committee reported progress.

The Assembly adjourned at 10:07 o'clock p.m.