

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 30, 1979

The Assembly met at 10 a.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. G. MUIRHEAD (Arm River): — Mr. Speaker, it is with great pleasure this morning that I introduce to you and to this Assembly, 18 students from the grade 8 high school at Craik. This is a great pleasure for me as it is my old school which I attended for 12 years. I welcome you to the Assembly this morning, their class. I also want to welcome their teachers, Mr. Hymers and Donna Dobrowolsky and the bus driver, Darrell Werdal. I hope you have a really good day and thank you for coming.

HON. MEMBERS: — Hear, hear!

HON. D.W. CODY (Kinistino): — Mr. Speaker, it's with a great deal of pleasure that I introduce to you and to the members of the Assembly today, 28 students from the Wakaw High School. Wakaw of course has had some famous words in the last several months and I can assure you that it's not the Dodge City of the West, it's one of the finest communities in the Kinistino constituency.

We welcome the 28 Grade 12 students here with their high school teacher Ben Hepner. I hope to meet with them a little later on. I hope that their stay here will be enjoyable and educational.

HON. MEMBERS: — Hear, hear!

HON. E. TCHORZEWSKI (Humboldt): — Mr. Speaker, on behalf of the Hon. Jack Messer, who is unable to be here because he is out of the province on some important government business, I am most happy to introduce to the House a group of 44 students from one of the finest high schools in the province of Saskatchewan, from Hudson Bay. I know it is a very fine high school because I graduated from that high school, Mr. Speaker. Hudson Bay is a long way from Regina and, therefore, it's a particular pleasure to have these students here with us. They are accompanied by their teacher Mr. Yourex and their bus driver, Mr. Baron as well as chaperones, Mr. and Mrs. Borowetz. I would like to extend to them our greetings and I ask the members to join with me in wishing them a very worthwhile, exciting and educational stay in the legislature and in the city of Regina. I hope to be able to spend some time with them at 11 o'clock and have a chat with them and have a picture taken, which I know Mr. Messer will see they get a copy of afterwards.

HON. MEMBERS: — Hear, hear!

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Speaker, I would like to join with the Minister of Health in welcoming the group from Hudson Bay. That's a long way from Regina. I think we should all be very enthusiastic about the tremendous time that it takes them to get down here, to take in the legislative sitting and to drive all the way back to the northern part of Saskatchewan. I think it shows a dedication that few in the province have.

HON. MEMBERS: — Hear, hear!

MRS. J. DUNCAN (Maple Creek): — Mr. Speaker, I would like to join with the member for Kinistino (Mr. Cody) in welcoming the students from Wakaw. Wakaw is my home town and I have very many fond memories of growing up there. I hope these students enjoy Wakaw Composite High School as much as I did.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Flooding of Lake Property — Nuclear Refinery Area

MR. R. KATZMAN (Rosthern): — A question to the Premier. Last evening the authority in Saskatoon was revealed in the presentation. In their presentation they made a recommendation of a lake piece of property which will flood part of the property that Eldorado Nuclear wishes to build its refinery on. With that in mind, will the Premier indicate that the Warman refinery will not be building at that site because of the lake flooding?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I think I can assure the hon. member that if there is a lake there the refinery will not be there.

MR. KATZMAN: — With that assurance, I hope the Premier will also remember what happened in Pennsylvania the other day and will have the government set up a commission to re-examine the decision as it affects the SPC (Saskatchewan Power Corporation) who have indicated that they are considering building a nuclear reactor in Saskatchewan in the late 1990's.

MR. BLAKENEY: — Mr. Speaker, the hon. member raises the issue of what will happen in the late 1990's. I think that does not fall within the purview of an urgent question. With respect to the Warman refinery, I would like to assure the House that no refinery built at Warman would be a refinery capable of having any radioactive explosion or radioactive reaction of the type which is possible in a nuclear power plant.

I think all of us should understand that what is being discussed at Warman is not a nuclear plant, but a plant to make from U308 — things like UO3 and UF6.

MR. KATZMAN: — A supplementary, Mr. Premier. I suggest that the statement you have just made is not totally correct because I have been informed by the people in industry that if there was a break in certain areas of a refinery, it could contaminate the whole area around.

MR. BLAKENEY: — Mr. Speaker, the hon. member suggests that under any circumstances or some circumstances, there could be a release of radioactive particles of the type that can come from a nuclear power plant, and I say he is flatly wrong.

Nuclear Reactor Accident at Harrisburg

MR. P. PREBBLE (Saskatoon Sutherland): — Mr. Speaker, a question for the Minister of the Environment. In light of the recent accident at the Harrisburg nuclear reactor in Pennsylvania, and the radioactive contamination that is being caused in the surrounding community, will the minister immediately request the federal government

to do comprehensive safety studies on the dangers associated with the Candu reactor, studies that the federal government has consistently refused to do in the past?

HON. G.R. BOWERMAN (Minister of the Environment): — Mr. Speaker, since the news of the situation at Harrisburg, Pennsylvania yesterday, I have instructed my department officials, and they have followed that instruction, to be constantly in contact with the Atomic Energy Control Board in Ottawa to keep themselves abreast of the situation, as well as any information related thereto. And I also understand that my department officials have been in touch with the Nuclear Regulatory Commission in the United States to seek the information from them as well, so that we might be informed as to the hazards and the complications resulting from the incident at Pennsylvania.

MR. PREBBLE: — Supplementary, Mr. Speaker. The Atomic Energy Control Board has announced that it is proposing to weaken Canadian safety standards at nuclear reactors, making it legal in the event of an accident for Canadians to be exposed to 100 rems of radiation. In light of the fact that this standard would make it legal for hundreds or even thousands of people to be killed or seriously damaged from such radiation exposure, will the minister officially protest any weakening of the federal safety standards at nuclear reactors.

MR. BOWERMAN: — Well, Mr. Speaker, as I indicated in my response to the first question, we will keep ourselves informed on what is happening in the nuclear industry. And we will also keep ourselves abreast of what the Atomic Energy Control Board is doing with respect to its assessment of the health and safety standards which are being set by the Atomic Energy Control Board. If on the review and study which we do, we conclude that these health and safety standards are going beyond what we think are reasonable for Canada and for Saskatchewan, we will certainly make our views known to that federal agency.

MR. J.G. LANE (Qu'Appelle): — Supplementary to the Minister of the Environment. We note the set up question by the hon. backbencher.

MR. SPEAKER: — Order, order! Does the member have a question? Proceed.

MR. LANE: — Can you tell us whether it is your party's position that the hon. member can't bring motions before the Assembly, and that the only way he can get nuclear questions is by the set up. . .

MR. SPEAKER: — Order, order! Do we have a new question?

Private Carrier Jet Service

MR. LANE: — I'd like to direct a question to the Minister of Municipal Affairs (Mr. MacMurchy). The minister, I believe, was on television the other night indicating that he is attempting to talk to various private carriers to arrange or consider jet service connecting Saskatoon, Regina and Denver. Is that a correct statement of the government's attempts?

HON. G. MacMURCHY (Minister of Municipal Affairs): — Mr. Speaker, in response to the hon. member's question, what I said to the press was that I had been in contact on behalf of the government of Saskatchewan with Air Canada and with Pacific Western re the possibility of air service to Denver. At the present time the hon. member will know that we have had service to Minot, which has been withdrawn, at least for the time

being, and our thinking is that it would be more beneficial to the province to have a connection to Denver rather than a connection to Minot, if there is to be a connection to the United States. We think there should be.

MR. LANE: — My question was, would you be prepared to talk to private carriers, as well, to consider that service in the best interest of the province? The press statement seemed to indicate that you had also talked to private carriers. You indicate, today, that you haven't. Would you be prepared to talk to private carriers, as well?

MR. MacMURCHY: — Mr. Speaker, I wouldn't want to respond positively, or to respond at all to that question. Our feeling is that the contact should be made with the carriers that are now providing the service in Saskatchewan, the two major carriers with jet service, that's Air Canada and PWA, give them an opportunity to examine it. Perhaps it is not viable, but if it is give them an opportunity to examine it and report back to the government.

MR. LANE: — Well, again we see a contradiction in the provincial government stand and the federal New Democratic stand, which takes the position that it should be purely a public utility supplying the air service and the transportation in Saskatchewan.

I questioned the Minister of the Department of Tourism (Mr. Matsalla) the other day about the government's stand with regard to CP Air and they indicated that they would support such service into the city of Regina. This is in direct opposition to the statements of Mr. Les Benjamin, transportation critic for the New Democratic Party of Canada.

Will you now tell this Assembly whether or not you have, in fact, made the contacts referred to by the Minister of Tourism and Renewable Resources, to Mr. Benjamin, to get him to change the federal New Democratic policy, which will prohibit CP Air service to Regina, which will, in fact, be detrimental to the citizens of Regina and Saskatoon and, in particular, the people of Saskatchewan?

MR. MacMURCHY: — Mr. Speaker, I was not aware of any statement of the member of parliament for Regina Lake Centre re air service, or the possibilities of air service in Saskatchewan. Certainly I will examine any statement that he has made and consider it after examination.

Answer to Previous Question

HON. W.A. ROBBINS (Minister of Revenue): — Mr. Speaker, since the opposition is up in the air again, this is probably the best time I should answer a question that was asked the other day.

I was asked, I believe, by the hon. member for Wilkie (Mr. Garner) a question with regard to executive aircraft and the utilization of the Navaho and the proportion of time that was spent on air ambulance and on executive aircraft flying.

The answer is, 68 per cent of the time is spent on air ambulance work, 32 per cent on executive aircraft flying time; actual hours were 208 hours in air ambulance and 97 hours on executive aircraft time.

MR. J. GARNER (Wilkie): — Mr. Speaker, first of all that question was asked by the member for Regina South.

My question is to the Minister of Municipal Affairs. You have just stated in this House that on television the other night you were concerned about traffic between Saskatoon, Regina and Denver. When is the minister and when is the government going to start accepting the responsibility that we need air service in Saskatchewan, not from Saskatchewan out of the province?

MR. MacMURCHY: — Mr. Speaker, I think I indicated on air and to the press and I'll indicate to the House that with respect to air service we would have three major concerns. One, yes, service within the province and we will be in touch with NorCan Air regarding their service and their withdrawal of service, as I indicated. So that's that area. Additionally, our concerns with respect to service within the province are connected with service to other parts of Canada, an extension of service let us say providing service to Prince Albert, jet service to Prince Albert — let's say Winnipeg, Prince Albert, Edmonton as an example. Service into Yorkton — let us say Winnipeg, Yorkton, Saskatoon. So we have those concerns as have been indicated by the communities themselves. Additionally, Mr. Speaker, we have concerns for extension of national service. I think that would be our second priority — connection to Vancouver, connection to Toronto and Ottawa, more service in that area. I think our regional services given adjustments in schedules are getting in hand but the national service I think we just need more of that. Additionally we are seeking international service — service to the continent and more recently connection to the business world in the United States. We see Denver as a growing business city and it seems sensible to us to connect a city like that to the new resource development of Saskatchewan.

MR. GARNER: — Supplementary, Mr. Speaker. Mr. Minister, I don't know how to get this point across and I will ask you once more. I agree we have to have air service out of the province but what is the point of having Winnipeg or Edmonton coming into Saskatoon or Regina and if they land in either city on the weekends they have no way of communicating by air? Don't you think we should clean the act up at home first?

MR. MacMURCHY: — Mr. Speaker, in terms of the priorities of need as the government sees them, I listed them in the following order: service within the province and we feel that NorCan Air has provided and can provide, given examination of the needs, service within this province. As I indicated, the next priority was national service, an extension of that service, and then, of course, into the international area. I think our priorities are in order with the member's thinking — provincial, national, international.

SOME HON. MEMBERS: — Hear, hear!

Attendance at Meeting in April

MRS. J. DUNCAN: — A question to the Minister of Social Services (Mr. Rolfes). Mr. Minister, I'd like to compliment your department and the Department of Indian Affairs on the quick reaction to the issue I raised in the House the other day. Could you tell me, Mr. Minister, at the meeting that is coming up on April 12, I think it is, who will be there? Will it be both levels of government and any other interested parties? Who will be attending?

HON. H.H. ROLFES (Minister of Social Services): — Mr. Speaker, before I answer that specific question, let me say that I would hope that the member for Maple Creek (Mrs. Duncan), in the future, would make sure, as I stated in the House, that the facts are as she states them in the House. I think there are, in relating to the particular

question . . . (inaudible interjection) . . . well, if they were the facts, then you are accusing the chief of that particular reservation, of not telling the truth. The chief happened to be on CBC (Canadian Broadcasting Corporation) radio this morning, Mr. Speaker, and contradicted the member for Maple Creek.

SOME HON. MEMBERS: — Hear, hear!

MR. ROLFES: — The chief indicated very clearly that the only time the member for Maple Creek had been on the reserve had been before the election, and she had not been there since. Mr. Speaker, I said the chief had said that the only time she had been on the reserve had been before the election. She had not been there since, and she had taken the information secondhand, Mr. Speaker. I indicated to her in the House that, if her facts were correct, it was a deplorable situation, and that we would take some action. Mr. Speaker, specifically answering her question, it is my understanding that Indian affairs will be present at that meeting. The Department of Social Services from Saskatchewan will be at that meeting. The Federation of Saskatchewan Indians will have a representative at that meeting, and Chief Oakes of the reservation will be at that meeting.

MRS. DUNCAN: — Supplementary, Mr. Speaker. I think you should get your facts straight, Mr. Minister.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — I do have a letter here, and I have been on that reserve more than once in the 15 years that we have lived in Maple Creek, but not in an official capacity. It is apparent that Chief Oakes has done a complete about-face, because the women on that reserve state that that problem was there, that problem is still there, and they are glad it was raised in the House. I would like to know which level of government, seeing this is an election year, is pressuring Mr. Oakes?

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Mr. Speaker, I think the member should be careful in what she is saying. The member is saying that Chief Oakes doesn't have the authority or the jurisdiction to deal with people on his reserve. Those rights have been guaranteed to the Treaty Indians by The Indian Act and the BNA Act of Canada and if the member for Maple Creek (Mrs. Duncan) is now stating Conservative policy in regard to the rights of Treaty Indians as guaranteed by treaties signed by the federal government, if she is now saying that we should ignore those Treaties, those contracts, then, Mr. Speaker, the Conservative leader of this House better state that policy. I think the Treaty Indians, not only of Saskatchewan, but of Canada, would like to hear that policy. I have stated here, the policy of the Department of Social Services is that if we are asked, either by the chief of a reservation or by Indian affairs, to intervene in a crisis situation, we will do so. But the primary responsibility for care on Indian reservations belongs with the federal government and with the chief of that reserve.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — Supplementary, Mr. Speaker. What I am discussing here, Mr. Minister, is eight human beings. I don't care whether they are yellow, black, white, brown or red.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — These are human beings and human beings cannot wait for different departments to come to some bloody agreement.

MR. ROLFES: — Mr. Speaker, I would like to ask the member — let me state it this way — it is my understanding, Mr. Speaker, that not once has she contacted the chief on his particular problem. She has by-passed him. She has not once contacted the chief on this particular problem and has simply gone by hearsay.

Mr. Speaker, I will state again, if the facts are as she states them, I think it is a deplorable situation, but I do think that the member should have at least the decency to contact Chief Oakes and find out if those are the facts. If she is the member responsible for that particular area, then she should go and have a look before she by-passes the chief and makes a national issue out of a situation that may not be as she states the facts.

MR. COLLVER: — Mr. Speaker, I am sure the House will be aware that the member for Maple Creek (Mrs. Duncan), when she states that she spoke to Chief Oakes last Sunday, is saying so as a member of this legislature with all of the penalties if she does not tell the truth to that effect. Mr. Speaker, my question to the minister is quite simply this: is the minister aware that when serious social problems exist, that reports of those serious social problems — from the ladies of the reserve, from the social workers, from the Department of Indian Affairs and from all levels of government — to a member of the legislature not brought to the attention of this legislature would be a dereliction of duty by that individual member? Is the minister further aware . . . (inaudible interjection) . . . Well, Mr. Speaker, I can ask the question as many times as I like. Is the minister further aware that the serious problem that exists on this reserve would naturally provoke the chief, when questioned by the press, to be reticent about admitting it?

MR. ROLFES: — Mr. Speaker, first of all, some serious allegations again are made by the Leader of the Opposition against the chief on the reservation, and, Mr. Speaker, the records will bear this out. He is simply saying that the chief is covering up the situation that exists on the reserve. What I am saying to the Leader of the Opposition is, yes the member for Maple Creek has a responsibility, but she also has a responsibility to know what the lines of communications and the lines of authority are. If a particular situation exists on the reserve I think the first thing she should have done is phoned the chief, or at least talked to the chief, because he's got responsibilities. Secondly, she should have contacted the director general, Mr. Anderson, of Indian affairs. Did you phone him? I say she did not; she did not! What I am saying to the member, to the Leader of the Opposition is that I respect the member for Maple Creek in bringing the issue to the public. What I am saying to her is that she made an error where she did not contact the chief and she did not contact Indian affairs, firstly, to make sure that those facts were true and secondly, to ask the chief and the Department of Indian Affairs to carry out their responsibilities. Had they refused to do that, then yes, I think she has a right to bring it to this House and ask me to intervene and make absolutely certain that those children are protected. I say she did not do that and therefore, she was wrong.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — I will say it again. I spoke to Chief Oakes on Sunday.

MR. SPEAKER: — Order. I'll allow the member to ask a question, the member for Maple

Creek.

MRS. DUNCAN: — Yes, I'll ask a question, Mr. Speaker. Is there some difference between Indian children and white children so that your department won't take action? I also wish you would withdraw your remark.

MR. ROLFES: — Mr. Speaker, from the facts that I have, the member for Maple Creek since the election has not gone to the reserve; she has not seen the situation. She stated in this House that those children were ravaging garbage cans, that those children were locked up in a particular room by a padlock. I am saying, Mr. Speaker, she's going by hearsay. She did not go to that reserve. She did not go to investigate that situation. She went by hearsay and what I'm simply saying . . .

MR. SPEAKER: — Order, order!

Point of Personal Privilege

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Speaker, before the orders of the day, I want to rise on a matter of personal privilege with reference to a member of this legislative Chamber. The Minister of Social Services in question period today called into question the integrity of the member for Maple Creek. The member for Maple Creek has offered to provide to this Assembly a complete file of documentation indicating, Mr. Speaker, the facts that were presented to the member for Maple Creek, before this matter of Indian children was . . .

MR. SPEAKER: — Order, order. Raising a matter of privilege is a very important and serious consideration. The member should be very careful in putting the matter of privilege into terms in which it can be acceptable as a matter of privilege and not get into a debate about what he believes to be the facts of the issue. That is not what is before the House at this time. The member merely states the point of privilege.

MR. COLLVER: — Mr. Speaker, thank you very much for that advice. The point of privilege is, the minister today, during question period, said that the member for Maple Creek (Mrs. Duncan) lied to this Assembly. He said that the member for Maple Creek brought before this Assembly information . . .

MR. SPEAKER: — Order, order. It's a very serious charge when one member says that another member lied.

AN HON. MEMBER: — That's right.

MR. SPEAKER: — It's not within the rules of the House to allow that to continue. I believe that it is a serious enough issue that the member should raise it at the time. Now, I would have raised the issue immediately . . .

AN HON. MEMBER: — How can you?

MR. SPEAKER: — . . . had the member said that another member lied because I think it is that serious. I didn't hear the member for Saskatoon Buena Vista (Mr. Rolfes) say that anybody lied and I was listening rather carefully to what was going on. Now, I wonder if the member can put his comments in proper context that is not overstressing the issue because I didn't hear the word lied.

MR. COLLVER: — Mr. Speaker, first of all, I want to remind Mr. Speaker that it is the rules

of this Assembly that no one is allowed to raise points of order or points of privilege during question period. I'm sure he will understand that the period of time is set aside for questions only and not for matters of order or privilege so it is impossible, no matter what the member says, for us to rise or at least that's our understanding . . .

MR. SPEAKER: — What is the member's point of privilege?

MR. COLLVER: — The point of privilege is this, Mr. Speaker. You don't have to use the word lied to imply to impugn another member's integrity. The Minister of Social Services (Mr. Rolfes) today impugned the integrity of the member for Maple Creek. Mr. Speaker, he did so by stating that the member did not speak to the chief before raising the matter in the House even though that member said that she had spoken to the chief before she raised the matter in the House. Therefore, Mr. Speaker, I ask that the Minister of Social Services be required to withdraw those remarks and to apologize to the member for Maple Creek.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Order, order. It would seem what we have before us here is not a question of privilege but a question of disagreement as to the facts. It's not the job of the Chair to decide the question of facts. That's the purpose why we're all here, to decide what are the facts in any particular issue. I do not believe that a point of privilege has been raised. There is no prima facie case for a point of privilege and, therefore, that ends that.

COMMITTEE OF FINANCE — INDUSTRY AND COMMERCE - VOTE 19

MR. CHAIRMAN: — This morning we have the estimates of Industry and Commerce. You will find it on page 61 and we're on vote 19. Before we start we will ask the minister to introduce his support staff, please, Mr. Minister.

HON. N. VICKAR (Minister of Industry and Commerce): — Thank you, Mr. Chairman. To my immediate left we have Mr. Paul Melin, the deputy minister, and to my left and right we have Bryce Baron, the executive director of operations, to my right in front we have Herb Scott, the executive director of administration, to my immediate rear Wayne Lorch, the executive director of trade and to my left rear we have David Warren, executive director of planning and Ken Selinger sitting back.

MR. CHAIRMAN: — Thank you, Mr. Minister. Are we ready to proceed?

ITEM 1

MR. P. ROUSSEAU (Regina South): — Thank you, Mr. Chairman. Mr. Chairman, I find it very difficult to even start to criticize this department since it's done nothing for so many years, and I can't see them doing very much more in the next few years. For eight years this government has depended on a boom and bust economy depending on high risk industries, agriculture, uranium, potash, and has given no attention whatever to diversification in your industry in this province. We're not in a growth pattern. We only have to read some of the newspaper articles that we see from time to time. As an example, in January, the headlines in the market place, Leader Post 'Business Activity Increased in Regina', . . . the increase of outflow of business places in the city of Regina. That was the increase, an increase of business leaving the province of Saskatchewan for better fields. The Minister of Industry and Commerce is a past business man. I think

he understands what I'm saying although I'm getting some kind of sneering grin from him there. Why are businesses leaving this province? There were four . . . (inaudible interjection) . . . Well, let's give you some facts if you disagree. There were 136 new businesses established within Regina during 1979 compared with 152 the year before — a decrease right there, just right in itself a decrease. But now the bad news — 360 leaving. That's some encouragement. But I don't know that anyone can blame businesses for leaving this province with the interference and the government bureaucracy that has been set up to interfere with the operation of business. Is there a business today that is not dependent on this government? They want businesses to be totally, totally dependent on this benevolence.

I don't see any effort being made to encourage businesses to move in or businesses to stay in the province, rather they prefer to discourage them. We have examples of how many businesses are talking of moving into the Dakotas or Montana because of government interference, high taxes, no incentives other than, again, the grants of this government, rather than making it a better climate, a better economical climate for them to stay — tax advantages perhaps, not just handouts. Most of them, being in very high risk businesses, have no other way.

The private sector, I suggest to you, Mr. Minister, could do very well within the province of Saskatchewan if they had less interference by this government. I would suggest to you that the private sector . . . (inaudible interjection) . . . Are you opposed to the private sector?

AN HON. MEMBER: — Certainly not.

MR. ROUSSEAU: — Are you not? Then, why don't you leave them alone? Why don't you give them the opportunity to grow? . . . (inaudible interjections) . . . I suggest you need a better pipeline.

Mr. Chairman, I have very little, as I said, to say other than the Department of Industry and Commerce could do well to encourage businesses of all kinds to move into this province, to establish themselves, to create employment, because even the government today has to go to the other provinces for letting of their contracts. They are losing enough businesses that now they have to import. A good example of it is our T.C. Douglas Building. Some of the other government projects — who built them? Where did you get your contractors? You had to go out of the province for most of them.

Compare, for example, the cost of land which has been increased in this province as a direct result of government interference. You talk of commercial or industrial lots for sale in the city of Regina ranging anywhere from \$30,000 to \$100,000 an acre. In the United States you can get them for \$5,000 to \$10,000. That is what the businesses are looking for — some way they can come into this province to set up their business without having to be gouged as a result of this government interference in areas like that.

Mr. Chairman, as I said before, with a department which has so little to offer, that has done so little in the past, I have nothing more to say on that subject at this time.

HON. N. VICKAR (Minister of Industry and Commerce): — Mr. Chairman, I can't understand where the hon. member is getting his information. I can readily see that he

hasn't done any of his homework because some of the figures and the statistics that he has quoted is just quoting from maybe a newspaper release or some of the information which he has picked up just by hearsay. I would like to suggest to the hon. member that possibly he should get in touch with the Saskatchewan Chamber of Commerce, the local chamber of commerce or any in the province, to straighten his facts. We are in very close contact with the Saskatchewan Chamber of Commerce and I am sure that the chamber of commerce, themselves, will give you some information that might open your eyes.

Just for your information, Mr. Hon. Member, in the manufacturing sector alone, since 1974, between 1974 and 1978, there has been an increase of over 60 per cent in the province of Saskatchewan to what there was prior to 1974.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — I might also tell you that my department, in the last two years, provided services for over 4,000 businesses, on their request. Now if you are suggesting that our department is doing nothing, go back to the individual businessman and you will find out.

When you are talking about free enterprise and a right for an individual to do business in the province, let me assure you — and here, again, I want you to get your facts straight — there is no area anywhere that does not allow private enterprise to do business like we do in Saskatchewan. As a matter of fact we are promoting private enterprise to continue to exist because of the policies and the programs that we have made available for them to use.

During the course of the estimates this morning, you will find out how these programs are being used for the private sector.

The hon. member mentions the movement of businesses from Saskatchewan to Montana. Well, there again, I would like the hon. member to get his facts straight. I know of only one manufacturer from the province of Saskatchewan who has set up a branch in Montana, and rightfully so. I have no objection, but they did not leave the province of Saskatchewan. These manufacturers are still in the province of Saskatchewan with a branch in Montana and that is quite permissible. I have no arguments with them, because that is where a lot of their sales are.

Mr. Chairman, I can't understand a member standing up and telling the House that the business sector in the province of Saskatchewan has suffered in the last year, or in the years since 1971. Since I have been in charge of the Department of Industry and Commerce, I have seen some great strides forward in the business field. I am prepared, Mr. Chairman, to document, at any point in time, any information that the hon. member might want which would prove to him the increase and the development that has progressed in the province of Saskatchewan.

MR. ROUSSEAU: — I would be most happy to receive from the minister information showing me where such great strides and such great increases in businesses are happening in this province.

Looking at his own report that he has put out, you try to look for development that has increased employment. Yes, he talks about 4,000 businesses seeking assistance, but I would say the assistance was in information telling them where to get their information.

For example, in the industry and market development division you list five companies expanding — not new companies coming in, but five businesses expanding, for a total of 73 new jobs. You don't list the number that have closed and how many jobs were lost on that basis.

You talk of an increase in manufacturing of 60 per cent since 1974. I believe it was a week or so ago that you put out a bulletin indicating a 17 per cent increase in manufactured goods in the province over the past year. Am I correct on that? Over the past year, how much of that 17 per cent is due to inflation or the lowering of the Canadian dollar? I would suggest to you, that all of it is. None of it is a net increase in actual manufactured goods.

MR. VICKAR: — Mr. Chairman, the question was, where did I get my 60 per cent. I said that 60 per cent was the total increase from 1974. The bulletin that was issued a few weeks ago, stating 17 per cent — that is quite true. That was the year 1978.

MR. W.C. THATCHER (Thunder Creek): — Mr. Minister, probably the estimates in your department are not going to take all that long. One of the reasons is because under your stewardship as minister in charge of Industry and Commerce, industry and commerce is no longer a heavy weight portfolio. You have reduced it down to the level of significance that it is probably going to receive. Since you have become the minister, the Department of Industry and Commerce has, shall we say from the public view anyway, virtually disappeared. There are no bold new initiatives; there are no great promotions that we used to be so accustomed to seeing. Even under an NDP government, the Department of Industry and Commerce always played a much stronger role than what it has played in the last year or two. I don't know whether it has been a government decision or whether it has been your ascension to the portfolio of Minister of Industry and Commerce.

Mr. Minister, I was interested in your comments in replying to the member for Regina South, of about how wonderful things were in Saskatchewan and that really no potential investment or no Saskatchewan based companies were leaving Saskatchewan or, shall we say, opening subsidiaries. You mentioned only one. Well, Mr. Minister, where in God's name are you? Look at your construction companies, and you can rattle them off. Poole has opened up new subsidiaries in the United States, granted. They are basically out of Alberta, initially, but they have been in Saskatchewan so long that I think we look at them now as a legitimate Saskatchewan company.

MR. COLLVER: — They started here.

MR. THATCHER: — Pardon me, that's right. They did start here. You are right. They are intensifying their operations in the United States and they are not all big companies like Poole. I'm sure that if either of the members for Moose Jaw were there, they could tell you about a strictly family corporation in Moose Jaw known as Graham Construction, that has opened a subsidiary office in Denver, has opened one in Dallas, has opened them everywhere else, but it is not adding any more in Saskatchewan. Take a look at the Hills. You know what the Hills are up to? They are doing vast developments in the United States, not in Regina. Oh, they are doing a little one in Regina — bush league compared to what they are doing in the United States. The same is true in Saskatoon, Mr. Minister, don't tell us that Saskatchewan capital is not being exported from the province and being used elsewhere because if you suggest that, obviously you are totally not cognizant with the investment climate in Saskatchewan today.

Now, I don't know why I should act surprised that you are not because of some of your statements yesterday. Unfortunately, the question period didn't allow time to get into them today, but I am sure it will on Monday. I am not surprised to know about your limited knowledge about anything. But anyway, Mr. Minister, to get to the nub of the thing (and let's speed this thing up) could you could you get up and briefly tell us exactly what your department is doing to promote industry and commerce in Saskatchewan? . . . (inaudible interjection) . . . no, I'd just as soon we weren't here all day, but I'd like you to be clear-cut and concise. In other words, don't tell us about how happy the Chamber of Commerce is with you, because that's obviously a highly debatable point. Tell us specifically, what are you doing to promote investment in Saskatchewan? What are you doing, short of promoting, I suppose, public investment? What are you doing for the guy that is caught in the middle? The guy that's caught in the middle is that small businessman. He's caught in the middle between government bureaucracy, intense government regulations, and on the other side, he's got the big multinationals, the big companies, with their volume buying and, of course, the access to a variety of other business techniques that he hasn't got. So the small businessman is the guy that's between government and multinationals, and high labor costs. So while you're telling us what you're doing generally for the economy, why don't you tell us what plans you have for probably the most, well one of the most, oppressed minorities in Saskatchewan, and that is the small businessmen?

MR. VICKAR: — Mr. Chairman, the hon. member for Thunder Creek (Mr. Thatcher) mentions the construction industry and the businesses that started in Saskatchewan and moved elsewhere. Well, let me suggest to the hon. member that I am glad these businesses have all started in Saskatchewan and they got so large in Saskatchewan that they are finding themselves in a position where, in order to keep the productivity, they have to move elsewhere to maintain their stocks. They have started in Saskatchewan. The hon. member just told us this. He is looking for some of the programs that our department has developed for small business in Saskatchewan. And I'm going to read a list, for your information, as though you already are not aware. One of the programs is the Small Industry Development Program, which was started April 1, 1978. For your information, we have received in the last year, from the first of April til this date, 63 applications that were approved from small business. The value of these forgivable loans in that small section alone amounted to \$523,000. And we estimate the jobs that were created in that section under that program were 200. The government's contribution per job, in this program, amounts to \$2,615. Compare that to the estimated dollar per job creation under DREE (Department of Regional Economic Expansion), which allows \$30,000 per job. Now we feel that we are doing a remarkably good job by providing a job at \$2,600.

Another program, Mr. Chairman. Under the Product Development Program, we have approved 36 applications. The total value of these grants amounted to \$203,000. In the Employment Opportunities Program, and all these programs, Mr. Chairman, were started on April 1, last year, under the Employment Opportunities Program we have approved 37 applications. The value of these grants to these programs amounted to \$861,000. The estimated jobs created under those programs were 120 and the grant per job under that program amounts to \$7,200.

Under the Special ARDA Program, applications approved were 14; value of grants, \$238,000; estimated jobs 41, grant per job average there was \$5,800.

Under the Small Business Interest Abatement Program, which I might say has been overwhelmingly accepted by the small business sector in the province, we have received 498 applications. The total value of the abatement grants estimated at this time amounted to \$211,000. Under the Mainstreet Development Program, the communities participating to this point are 19 applications approved. The value of these grants that were committed amounted to \$272,000. The number of premises that are eligible for this grant at this point in time are 402 programs.

Mr. Chairman, I don't know where the hon. members get the idea that our department is not doing anything for the small business sector. We are continuously promoting activities in the small business field. We are promoting industry. We are helping to develop manufacturing in Saskatchewan and to this date we have done a job. If you check with the manufacturing people, our Department of Industry and Commerce does work. Sometimes you can't see on the outside because our people are helping the business people and the manufacturing sector on the local level. We have nine business reps in the province of Saskatchewan who are continuously working with business people on the local level.

It is very true that the public at large possibly doesn't have the opportunity to notice the work that these people are doing, but if one was to follow them in their daily duties you would soon see that these people are helping the small business sector in the community. I don't know what further can be done. We are here for the assistance of the business people in the province and I'm quite happy that we are doing a job that is satisfactory to them.

MR. COLLVER: — Mr. Chairman, this particular round of estimates, it's a great pleasure for me to enter into them because of the gentleman sitting next to Mr. Vickar, Mr. Melin. I have known Mr. Melin for a great many years and of all the decisions made by the Government of Saskatchewan, I must say that the only good one that I have been able to discern was the minister's decision to choose Mr. Melin as deputy minister of this department. If any of the activities of the present Government of Saskatchewan (with reference to the Department of Industry and Commerce) bear any fruit, it will be due to the activities of Mr. Melin, and no other, I am sure.

AN HON. MEMBER: — He will get awful tired carrying you on his back!

MR. COLLVER: — That's right.

Mr. Chairman, that minister outlined a great many programs which the Government of Saskatchewan is involved in, presumably to help the small businessman. Then he proceeded to read off some statistics and data. It was an interesting thing — if you tried to add that data up, as he was reading it off, it would amount to less than \$1 million. It sounded like a great many projects and it sounded like a lot of money. It sounded like a terrific job the Department of Industry and Commerce was doing to help industry and commerce in Saskatchewan. The fact remains that of the total budget of \$1,700 million less than \$1 million that the minister mentions is relatively small. Now we are not particularly concerned that the Government of Saskatchewan spend any money in this area. We are not concerned that the Government of Saskatchewan commit more money to this area, to providing grants to small businessmen and grants and favors to businesses around Saskatchewan. We are not concerned about that. We think, quite frankly, that the private sector is quite able, thank you very much, to develop the necessary jobs and opportunities and industry and development in Saskatchewan.

without the direction of the Department of Industry and Commerce.

I suggest to the minister today that it is this very kind of commitment which your department has made that is holding industry and commerce back in Saskatchewan. It is the very kind of small piddling, little ventures which you are involved in that is causing the small businessman to be discouraged. It's not only your department, but your department certainly isn't influencing the departments of government that are materially affecting the small businessman, such as the Department of Consumer Affairs, with some of their autocratic regulations and red tape, as opposed to being rational and reasonable in the administration of this law. Many, many of the inspectors of the Department of Consumer Affairs are in fact acting as little dictators to small businesses, especially in the rural communities in Saskatchewan.

We have cited to this legislature before and will continue to do so I suppose as long as we are in opposition in this legislature, examples of these people in the Department of Consumer Affairs going out to small businesses in rural communities, completely against practical common sense. We told them, for example, of a small Red and White store in Macklin, Saskatchewan, just after they opened, clean as a whistle (we reported this to the House, I think, last year) where the Department of Consumer Affairs went in and took shopping carts throughout their business and said you can't sell this, you can't sell that because it's dented tins. The guy asked him how the heck can I get dented tins out of the warehouse because they all have to be shipped by truck and they're all dented when they get here? They said that's too bad, that's your problem. He said well, I'll have nothing to sell. They said that's your problem.

Now, that's the kind of behaviour of the Department of Consumer Affairs that is causing small and medium business in Saskatchewan to believe that they themselves are not in control of their own destiny. The very small kinds of programs you're involved in in terms of the Department of Industry and Commerce now are causing business people to think, and quite frankly are causing them to turn to government and say, what's government going to do for me today? And that attitude of the small businessman will destroy him. The entrepreneur, and the minister will know this when he was an entrepreneur, must not have the attitude that somebody else will fix it up if I make a botch of it. He knows that a successful entrepreneur has to take his lumps. The successful entrepreneur has got to say to himself I'm dependent on myself, my workers and employees to make a success of this thing, not somebody else. If that entrepreneur believes that every time he turns around, government is going to either step in and over-regulate him, step in and over tax him; or step in and give him a grant when he falls on his nose. That entrepreneur is not going to succeed and the member for Melfort knows that and the only reason that he was a successful entrepreneur was that he was prepared to accept the responsibility himself in his own organization. He knows that that kind of attitude, if it's allowed to prevail in the province of Saskatchewan, will see those entrepreneurs that are good move elsewhere, which is what they're doing, and those entrepreneurs who fall from time to time because they're looking to government all the time to help them out will stay afloat — they won't succeed; they'll stay afloat.

It is this very attitude of your government. What are the kinds of things the Department of Industry and Commerce should be doing as opposed to what it is doing? Instead of taking these kinds of . . . these piddling amounts that you talked about today (and they are, and I'm sure the minister will admit that). They're small amounts relative to the total budget of Saskatchewan and relative to the total business community. How could you better spend that kind of money? Why aren't you out promoting the sales of

Saskatchewan business elsewhere? There's something you could be doing, promoting the sales of Saskatchewan business elsewhere to a much greater degree than you are now. The fact remains, you don't do that. Why aren't you taking the money that you're getting for the Department of Industry and Commerce and acting as a funnel house for information to a far greater extent than you are?

For example, last year in this Assembly, I suggested to the Minister of Industry and Commerce that he provide a service to the people and to the entrepreneurs and small businesses in Saskatchewan to find out, first of all, where the means of government grants are. We suggested that they assist the Saskatchewan Chamber of Commerce in the presentation of the information that they are presenting and make a far more widespread than it is. Why doesn't the Department of Industry and Commerce act as an information agency far more than it does? Instead of a granting agency, why not an information agency? And provide information to those entrepreneurs, who can make significant gains in Saskatchewan, if they had this kind of information made available to them on a widespread basis — why aren't you doing that instead of devoting your energy and attention to what might be called politically sound programs, but which are very damaging programs to entrepreneurial activity in the province of Saskatchewan.

I don't mind going through those programs as you suggested. Certainly they are politically sound. Main Street program, beautiful political program, really nice. Let's pretty up the downtown main streets of the smaller towns in Saskatchewan. It is a darn nice political program. But is it succeeding in assisting the small businessman in these small communities? The answer is no. Is their business better? The answer is no.

AN HON. MEMBER: — Yes.

MR. COLLVER: — Well, some member said yes. I suggest . . . (inaudible interjection) . . . Of course they appreciate it, it is a wonderful thing to have small businessmen in small communities be able to come to the government and say, oh, heck, you spend the money. I don't have to spend it, it is terrific. It is a marvellous thing to do that and politically it is an excellent program. But is it solving the problem of small business in Saskatchewan? The answer is no.

You want to find out about small business in Saskatchewan, come up to Nipawin. I suggest any member in this House come up to Nipawin and find out the difficulties that small business in the smaller centres are going through. Talk to the small businesses in Nipawin; talk to the small businessman, Mr. Minister, in the town of Melfort right now with the shortage of cash in the farm community and you will know that those small businessmen are concerned, and concerned about the future. You know they are because there is a shortage of cash in the small centres right now.

Now that is not the Government of Saskatchewan's fault, it is the fault of the Government of Canada for not moving the grain, not getting sufficient moneys into the hands of the farmers. We know that we discussed that in this very Assembly. I am not trying to blame you for that. What I am saying is, the kind of cosmetic surgery that you are doing is, quite simply, not working. It is not functioning.

If you made an information service, second to none in Canada, if you used that money that you are getting from the Government of Saskatchewan . . . But, as the member for Thunder Creek has suggested, you are becoming materially less and less important as you relate to the cabinet, as your department relates to this government, and the Department of Industry and Commerce seems to becoming a very minor portfolio in the

NDP government and that is too bad. But even having accepted that, even accepting the basic philosophy of the members that are associated with the NDP, could you not use the money that you have to create far greater benefits to the small community businessmen in Saskatchewan? And could you not use your influence, as a member of cabinet, over the minister responsible for consumer affairs and the minister responsible for the revenue? And end the kind of autocratic behavior put forward by the inspectors for the sales tax in Saskatchewan and the autocratic and arrogant attitude of the inspection division of the sales tax department (where they are hammering small and medium businessmen, who don't have the bookkeepers and don't have the administration).

Do you think Imperial Oil or any of those major multinational companies give one tinkers darn whether or not the Department of Revenue sends some inspectors out on sales tax? They do not. They've got lots of administrators and lots of bookkeepers to be able to handle it. But the little guys, the little drugstore, and the small manufacturing plant, in the little small town the grocery store — those people don't have these kinds of administrators. They can't afford to have them. And yet those inspectors continue to go out in an arrogant and autocratic manner and literally destroy the incentive and destroy the enthusiasm of that small to medium business man. And we could go on and on. What I'm suggesting to you, Mr. Minister, is that your programs are not working. They are not keeping the good entrepreneurs here. And the good entrepreneurs who are developing here through dint of their own effort and energy are pulling out and going elsewhere. Your programs are not working and you could use the same amount of money and spend it in such a way that these people would be far, far better off.

MR. VICKAR: — Mr. Chairman, I'm surprised at some of the statements that the hon. member for Nipawin (Mr. Collver) is making. I'm wondering how many times the hon. member has himself been in the town of Nipawin and talked to the business people, to inquire from them directly and not taking from just hearsay, what their business is and how they are doing in the town. And the results I am getting from Melfort are 100 per cent, I can assure you, hon. member. I can assure you that the town of Melfort is doing very well. There are new businesses opening at a rate of one every three months, and I have statistics to prove that. If that wasn't happening then business would be down. All you've got to do is walk down the street of Melfort and you'll see there isn't a closed building in the town . . . (inaudible interjection) . . . I would be glad to move it. Then the hon. member for Thunder Creek (Mr. Thatcher) would have to drive all the way to Melfort to find out if there's a hotel or a motel shut down though. That's the problem. I'd rather keep it in the south.

Mr. Chairman, I want to just make one comment on what the hon. member has said with respect to whether we're helping small business or not. In the list of programs that I mentioned a few moments ago I omitted to mention a particular program that may open the eyes of the hon. members across the way. The Aid to Trade Program that we have for the manufacturing sector in the province of Saskatchewan last year generated for the manufacturers that took advantage of it \$8 million in sales. Now, if that's not an increase in sales and if that's not a help to the small business sector in Saskatchewan, I don't know what is. That was covering the whole province. These were from about 70 approved applications but these were the increases in sales that we're talking about.

He also made mention about the Main Street program as to what it's doing for the business people. I would suggest to the hon. member that he take a drive to Battleford to talk to the people in Battleford because that is just a prime example of the Main Street program that is now completed and what it is doing for the business sector in

Battleford. I need say no more because that is a reflection of what is happening in the rest of the province.

MR. COLLVER: — First of all I would like to comment on the minister's suggestion that his programs caused sales in these 70 businesses to go up \$8 million. I also suggest that in order to find out whether that is a meaningful number, he would have to find out what the total sales were to begin with that started. That's what I was trying to ask him — were the sales of the total businesses \$70 million and they went up \$8 million which is an increase of 11 per cent or 12 per cent which was in fact the inflationary pressure on the community at any rate and, therefore, those increases in sales are not meaningful.

If the minister would examine his own government's statistical review, he would find out that the total private sector's production in the province of Saskatchewan is actually declining when you do it in constant dollars. It's gone up but it hasn't gone up by the amount of inflation which means that the efforts of the Minister of Industry and Commerce are not successful. That's the prime indication. If your total sales in the province of Saskatchewan are increasing faster than inflation then you are doing your job. If the total sales, on the other hand, are not increasing as fast as inflation then you are not doing your job. That's your report card, if you want, and you can examine that report card and say, are our programs succeeding?

Here we are in a province like Saskatchewan that has been called by the Prime Minister greedy and selfish; that's what we have been called, greedy and selfish. Why? Because we've got natural resources in this province that every other province other than Alberta would like to have. Here we are in the province of Saskatchewan with all these natural resources and our relative position in manufacturing in the private sector is actually going down. Now, how in the world can the minister say that these programs are helping? What we are trying to suggest to you, Mr. Minister (you may take it for what it's worth) is that you are expending a smaller and smaller portion of the total Government of Saskatchewan budget. Obviously, the NDP is committed to government action. O.K., but you are supposed to be the token businessman in this Assembly, on that side of the House. You are supposed to be the NDP's token toward the private sector. All right, accepting that, accepting the fact that you are under a socialist government, accepting the fact that you are moving more towards government involvement, surely the private sector (with you as their representative) has a right to the best possible expenditure of those funds that you can make. Surely by spending them in this way, in what you might call the traditional government superimposed way, by spending the money that way you're not gaining the maximum impact from those small dollars. Surely if you were to spend it as an informative service, surely if you were to spend it to promote Saskatchewan business outside Saskatchewan and got those manufacturers and those people to help them make contacts — that's how the Government of Saskatchewan could really help the private sector in our province at this stage of the game. All we are suggesting to you is, re-examine how you're spending your money in Saskatchewan in the Department of Industry and Commerce. Take a look at what you are doing and how you are actually affecting business, then say, given a socialist government, given the ever-increasing direct participation in these various businesses, to help those who are left in the private sector let's spend the money that we've got as best we possibly can.

I am not saying what the Conservatives would do in office. We do not have the same philosophy, obviously. What I am trying to say, accepting the fact that we do have a socialist government, for goodness sakes try to help the private sector to the best

possible means that you can.

MR. VICKAR: — Well, Mr. Chairman, I appreciate the remarks of the hon. member. I can assure the hon. member that if he checks the record and follows the information services which we are providing to the business sector and the assistance which we are giving the business sector to promote their activities within the province and in the rest of the country and abroad, you will find that we are doing a great deal. There again, I can go through some of the brochures which we have and some of the assistance we are giving these private people in programs such as: aids to trade program, manufacturers guides which we send out all over the world, and many other operations which we are doing. We are helping the private sector promote his business.

I want to make just one other comment here that the small business sector in Canada provides (this is total Canada) employment for about 70 per cent, of which Saskatchewan takes credit for a good portion on a percentage basis of that amount at any time. Now the information services that we have and I mentioned earlier, through the business reps in the locations within the province and I would have loved to have been able to give the hon. member some statistics on a day-to-day basis as to what these people do to help promote individual businesses. You can't put it all in the report. You have to get down to the local level to see what they are doing to help promote the individual businesses within a community. I'm aghast to hear the remarks that we are not helping the private sector develop because 95 per cent of our business in Saskatchewan is the private sector and we are helping in any way we can.

MR. COLLVER: — Mr. Chairman, I'm going to quit but when the minister says 95 per cent of our business in Saskatchewan is the private sector, that is just absolute and complete nonsense and he knows it. He absolutely knows that 50 per cent of the potash industry is the government sector, 50 per cent . . .

MR. VICKAR: — I meant small business.

MR. COLLVER: — You meant small business. Ninety-five per cent of the small business is small business. Well, I would say that that is a reasonable statement. Ninety-five per cent of small business is small business and I agree with that statement, Mr. Minister. As a matter of fact, I might even go farther than that and say 100 per cent of small business is, in fact, small business.

Mr. Chairman, all I'm asking the minister to do is get your own statistics. Take a look at your own statistics. See the fact that the private sector is diminishing rapidly in Saskatchewan relative to inflation. See the fact that you are not succeeding and then ask yourself, are the programs that we are undertaking, in fact, helping small business or are they cosmetic political programs? Now, the minister says he is providing information and I think he does provide information. What I'm saying is make a total commitment to information. Make a real commitment to information. Make a real commitment to information, not only in Saskatchewan, but outside Saskatchewan. Get some sales people, Mr. Minister, that are selling Saskatchewan outside Saskatchewan. If you do that, you will make a real contribution. These are the areas that small to medium businessmen in Saskatchewan can't afford. They can't afford to go out and sell our province outside Saskatchewan. There are many (I could name umpteen businesses in Saskatchewan, Flexicoil, Morris Rodweeder) manufacturing concerns of top quality, recognized in their field and you should work as an adjunct to their staff, as an adjunct to all of Saskatchewan businesses. The handicraft industry in Saskatchewan could be a tremendous industry. The Native handicraft industry could be a terrific

business, providing that Saskatchewan went out of its way to sell those products to outside people. Now, think about the number of dollars you have and the kinds of things that you could be doing, instead of taking a cosmetic look and making a smattering. I suggest to you that the business people generally, good business people, good entrepreneurs, would develop main street on their own. They have been doing it for 75 years in Saskatchewan and they could continue to do so. How you could really help them is not by spending money that they themselves are going to spend at any rate. They're going to renovate and pick up their business when business is good. When business is not so hot, they are not going to spend the money. If you want to help them, make business better. By helping them to make business better, they will go out and spend the money themselves on main street programs on that kind of grant. Take that money and put it into really hustling Saskatchewan products and the province of Saskatchewan private sector. You will see that that 100 per cent of small business which you talked about earlier, will grow and grow dramatically in Saskatchewan. So it will be a 'together' move, even with socialists. It will be government moving and the private sector moving instead of, as is the case now in a rich, rich province, government moving and the private sector standing still.

MR. ROUSSEAU: — Mr. Chairman, I guess the minister just hasn't gotten the point that the member for Nipawin was making and I don't know how we can get it across to him. When you quote the figures that you have quoted — you talk of small industries and development program, 200 jobs, a product development program with 36 applications for \$203,000. If you add it all up you get a very few added jobs. Mr. Chairman, do I have the floor, or would that member back there like to take over? Well, would you mind having him back here or back there, or outside of the Chamber? . . . (inaudible interjection) . . . That wouldn't be too hard.

The point that was being made, Mr. Chairman, is that your programs are doing very, very little. The programs that you have instituted are not creating jobs.

One of the questions I would like to ask at this time is, when you indicated in your report the number of jobs that you have created through your development programs, the dollars you have spent and the number of businesses that have been involved, could you also tell us at this point how many businesses have left? How many businesses are gone? You talk, for example, about machinery and equipment, of five businesses expanding. How many businesses that you are not reporting have gone?

MR. VICKAR: — Mr. Chairman, the member asked the question of how many businesses have left the province. We are not aware of any businesses that have actually left the province and closed their doors. We are aware, possibly, that there are businesses changing hands and this happens on a daily basis. So when a business leaves, there is another business taking its place. But, to our knowledge and from our information, we are not really aware that there has been exodus of any type of business, either in the manufacturing sector or in the small business sector.

MR. ROUSSEAU: — But as you say, you don't know. There could have been several and I suggest to you that there probably were.

You gave us some statistics a few minutes ago on aid to trade — 78 applications I believe you said — creating \$8 million in additional sales. There are two parts to my question. First of all (and the hon. member for Nipawin, Mr. Collver, tried to get the information from you and you haven't given it), what percentage of increase are we talking about? How much were the actual dollar sales before these? The second part of

my question is, why are you saying 78 per \$8 million and yet in your report you refer to 136 grants for a direct sales impact of approximately \$4 million? The two figures aren't the same. What's the difference here?

MR. VICKAR: — Further to the question on the Aid to Trade program with respect to the increase in volume, I can give you the exact figure in 1977 as compared to 1978. This shows an increase of 25.7 per cent. Now, our Aid to Trade program assists these manufacturers in selling their product in countries like Australia and New Zealand, as well as assist these manufacturers in the local exhibition grounds or the fairs that we sponsor in the province. All rounded out, these manufacturer statistics which come back to us indicate that their sales have increased as a result of the program which we have established.

When I am talking about the 70 projects — these sales were made in new markets last year. They were not just increases in sales. They were new sales created.

MR. ROUSSEAU: — Well, Mr. Chairman, I still haven't had the answer to my question. All right — you say that 78 applications generated \$8 million in sales, new sales. Does that mean there were 78 new businesses? What are you talking about? I still don't understand you. First of all you said an increase, now you're saying new business. Which is it, increase or new business? Is it a new business coming out? You know, you haven't made any sense on that point?

MR. VICKAR: — I said that these were increases in sales. They were not new businesses established; they were increases in sales over and above the sales they had previously.

MR. ROUSSEAU: — All right, relative to what they had before, what was it?

MR. VICKAR: — This is relative to what they had before.

MR. ROUSSEAU: — They had \$800 million in sales before, did they have . . .

MR. VICKAR: — I have already indicated that the difference between 1977 and 1978 was an increase of 25.7 per cent.

MR. ROUSSEAU: — All right, then, I'll get back to my original question. Why are you giving us in your report of 1978 (the book that I have here) 136 grants at a cost of \$60,000, direct sales impact of approximately \$4 million? Now you are saying in 1978 a direct sales impact of \$8 million. There are two different figures here.

MR. VICKAR: — I'm giving you the figures from 1978. The report is 1977-78. I'm giving you 1978 figures because this is what I have. This is the calendar year here and the report gives you the fiscal year.

MR. ROUSSEAU: — All right, the 1978 that you were talking about was for the 1978 calendar year and the one in the book is up until April of 1978. Is that correct, one year before? Then to add a little more to what the hon. member was suggesting in respect to government interference in business, I'm going to give you an example, Mr. Minister — the Cornwall Centre here in Regina. What right do you feel your government has in promoting such a development rather than the private sector promoting it? And what right does your government have in doing so at the expenses of the small businesses that you will put out of business when you buy up their property? What right do you think you have for that?

MR. VICKAR: — Mr. Chairman, that Cornwall downtown development centre does not fall within my department at all. I'm sure that the city of Saskatoon and the powers to be, that were developing the program, had discussed the total program with the city of Saskatoon people. On the downtown area I will have no comment at this time. I'm sure that the private sector was involved some place down the road. I can't comment because it doesn't fall within my department. I would have to see that somebody somewhere did talk to the city fathers and I'm sure the city fathers agreed with the proposal to redevelop the downtown area to the advantage of the small business sector in the downtown area.

MR. ROUSSEAU: — How can it be to the advantage of the small business sector in the downtown area when you're putting them out of business? You say the city fathers agreed with the provincial government. The provincial government will own all of this land. How can they be agreeing? It's your baby, not the city of Regina's. How are you helping small businesses by taking them out of business?

MR. THATCHER: — Mr. Minister, I think my colleague from Regina South has made a very valid point. There's a bill before this legislature right now which is a very innocuous appearing bill. It's a bill that affects Sask Tel. What the bill does, and, Mr. Chairman, before you bring me to order I'll relate it to these estimates forthwith, when it's passed is going to give Sask Tel the power to cleanly, simply and easily expropriate anything that they want. Now, the background on that bill is that Sask Tel had a few problems down in the core area of Regina. They had, shall we say, a small business stand up to them and actually win a limited skirmish in court. So what Sask Tel has done is come back to this legislature and say we don't want anyone hassling us like this again, give us the power so that there can be no argument.

Now, the point of it is, Mr. Minister, that this bill in its present form allows Sask Tel to go into the downtown core area whether it be Regina, Moose Jaw, Saskatoon, North Battleford, if they decide to do another one of their developments, just simply walk into the premises of a small businessman and say all right fellow, pack up and find yourself a new place, we need this property. Now, Mr. Minister, are you telling us from your past comments that when bills such as this are conceived that can have such a very drastic potential effect on small businesses that the Department of Industry and Commerce plays no role in consultation in these? I find that very difficult to believe. The business which brought this to a head was a hotel which maybe had a little bit more clout than, shall we say, an incident in Moose Jaw where they moved on to a one or two employee welding shop, walked in and said here, get out of here. Of course, this guy didn't have the funds or the expertise to go and get a lawyer and take on a giant like Sask Tel, so reluctantly, he went out of business. I'm not sure, but I don't believe he ever did get re-established. Are you telling us that your department of Industry and Commerce plays no role whatsoever, has no input into decisions like this which can cause tremendous repercussions on the small business community whether it be Regina, Moose Jaw, North Battleford or whatever?

MR. VICKAR: — Mr. Chairman, all I can say in reply to those remarks is that the development committee which is looking after the Cornwall Centre is doing it keeping in mind the business sector in the downtown area. I'm sure that if there are some small businesses leaving the premises, there are other businesses in the small field that will help to enhance the area downtown. The net result of the whole thing will be a better area for the downtown core, increased volume of business and I'm sure that the small business sector will be able to become involved in the area the same as they were

before.

MR. THATCHER: — Mr. Minister, you are not going to get off the hook like that. I asked you pretty clearly and fairly concisely — does your department and do you as the minister, play any role in the development of these bills? You are the head of the Department of Industry and Commerce.

Now, it is certainly a non-debatable fact that the Crown corporations are becoming much more powerful, not only in Canada, but certainly in this province. When they enter into proposed legislation such as the one I just mentioned to you, which can have a tremendous effect in the core areas of our cities, which are primarily made up of shops and small businessmen, are you trying to tell us that the Department of Industry and Commerce has no input whatsoever into this process? Now, don't avoid the question. I will ask it all morning if I have to. If the answer is no, be man enough to get up and say it.

MR. VICKAR: — There is a committee developed to look after the project and that committee is doing a job. The Department of Industry and Commerce, at any time, is open for questions. That particular committee can come to the department if they so wish for any information and our department is always ready to assist that committee.

MR. THATCHER: — Would you tell us what role you, as a minister or your deputy or any of your senior people in the Department of Industry and Commerce, have played in this area? In other words, be a little more specific. Have you played any role or have you not? Mr. Minister, don't sit there like a whipped dog. If you haven't got something to say, then say no.

MR. CHAIRMAN: — Order, please. The hon. member asked a question. The minister is getting a reply and I think he is entitled to consult his members.

MR. VICKAR: — I don't know whether I feel like answering that question after the remark that the hon. member just made. I think it was completely out of order.

I would like to say to the hon. member again, that our department is always ready, willing and able to assist anybody. If that committee wants to ask us for any information that we can readily provide we will be glad to do so.

MR. LANE: — I assume we won't be finished today. I am going to give you notice that I would like you to bring back before the Assembly information for Monday so that your officials will have time to prepare it. It deals with the Aid to Trade Program. I want to know the grants that were approved under the Aid to Trade Program for promotional activities. I want to know what activities were undertaken, which officials attended and the expenses. I want to know, as well, what specific industries resulted from that activity of the department. I would like to know what industries specifically the agent general's office has, in fact, attracted to the province of Saskatchewan, if you would. I would like to know in detail the activities undertaken by the agent general's office. I would also like to know, under the market and feasibility analysis, the regional analysis branch, what specific studies were undertaken?

I would now like to direct some questions with regard to the branch dealing with renewable resources. I'm referring to the annual report on page 7:

During the fiscal year, Saskatchewan Department of Industry and Com-

merce and the federal Department of Regional Economic Expansion continued their efforts to establish a major integrated industrial fermentation complex in the Saskatoon area.

I will assume that that particular 'complex' is the Henninger malting plant, and I would like to know, in detail, what efforts were in fact made by the department and at what stage the department activities are in regard to that project.

MR. VICKAR: — Mr. Chairman, the hon. member's question was making reference to DREE's participation, with our participation, and he's assuming that that is making reference to the Henninger malting plant. Well, I can assure the hon. member that it is not making reference to the Henninger malting plant. The study in question was a joint effort with the department and DREE, relating to a feasibility study which relates to a fermentation program.

MR. LANE: — Now, you're a little more flowery than that in your language in the annual report where you are talking about a major integrated industrial fermentation complex. Do you mind telling me exactly what's involved in that? What's major about what you've just said?

MR. VICKAR: — In the year in review the study relates to trying to bring together several industrialists, several complexes . . . well I can't begin to name them . . . There's a total study, and that at this point in time we're not prepared to deal with any particular name, that tries to bring them all together, and that's why we considered it, and it was a very complex operation.

MR. LANE: — It fits in the report and I suggest to you that you better give us that information. If you're going to flag this out as you've been in talking to these people and leaving the impression that this thing is well along the way, and that it's a major project — and now you want to stand up, and first of all you're reducing the impact with your choice of words; but now you're refusing to give us the information of the companies involved. And I would like to know the names of the companies that you've talked to in the year under review and what type of integrated plan that you have?

MR. VICKAR: — My people tell us that we can give you the information as to the type of projects that we were looking at, and the type of plants that we were discussing with these people; but to name the people that and the manufacturers or the developers that we were talking to we'd be very reluctant to do so at this time.

MR. LANE: — It's very interesting that you didn't start out by saying it's not in the public interest. You just indicated a refusal to give the information to this Assembly, and the question was asked twice. So I suggest to you, one, that your defense of not in the public interest of course doesn't hold water. I'm going to ask you again. You make some flowery language about a great project here. You've cut down on your language today as to how great this is going to be and how major it is going to be. I suggest to you that in fact you haven't talked to anybody and I'm going to ask you again as to the specific companies that you talked to with regard to the so-called major integrated industrial fermentation complex in Saskatoon.

MR. VICKAR: — Again I have to say that we can provide all the information relating to the project with the exception of naming the people who are involved, the people that were involved. My people tell us that we can provide that information but only on a confidential basis because of the competition in the market place. I would suggest to

the hon. member that if he wants that information we will provide it but only on a confidential basis to the member directly.

MR. THATCHER: — Mr. Minister, you knew before you got on your feet that that answer was nonsense. Now you made a very specific reference to that plant in the Saskatoon area. Mr. Minister, why don't you quit fencing around and tell us exactly who it is? I think everybody in this Assembly knows what we are referring to and we have an interest in pursuing this matter. Now you put this in your annual report and I'm sure the chairman will back up the opposition on this that we have every right to question you on any items which are in the annual report of industry, trade and commerce. You, by your own choice, have put that information in your annual report and we wish to pursue it. Mr. Minister, as an opposition, it is our duty and we would be maligned by the people in the press if we were not to pursue it. Your answer that it is theoretically not in the public interest is nonsense. It apparently was in the public interest to put it in the annual report and we are merely asking a question which, if we did not ask, you would be the first to stand and ridicule us for not asking. Now, Mr. Minister, you have had some legitimate questions from the member for Qu'Appelle (Mr. Lane) and I ask you again on behalf of the opposition. We all know what we are talking about, let's get at it and let's get done with this business of the House and move along.

MR. VICKAR: — Mr. Chairman, the program was to see if we could bring together the different areas. I'll name the areas: antibiotics, single cell protein, industrial alcohol and baker's yeast. We were trying to bring these projects together and that's what we're talking about in the report. We're investigating the feasibility of the project in total.

MR. LANE: — You were talking about antibiotics. I'm assuming you talked to some pharmaceutical companies. Would you name the pharmaceutical companies that you talked to?

MR. VICKAR: — I'm sorry, Mr. Chairman, as I stated before I can't name the individual companies in public.

MR. LANE: — Why, because they all turned you down? We haven't seen a stonewalling like this in a long time in this Assembly. It's interesting to note that the very minister talks about negotiating on the Golden Acres Motel when he knows there's not too much chance of that particular project proceeding, but you're to announce negotiations there to try to get a little of the political heat off your back. But here you're not prepared to give information to which we are entitled. I'm going to ask you again; which of the pharmaceutical companies have you talked to on the antibiotics area that you referred to?

MR. VICKAR: — Mr. Chairman, my department tells me that we have talked to a number of pharmaceutical people with regard to that project. We talked to them on a confidential basis. By expressing our confidentiality to them when we discussed it with them, it would be out of order for me to disclose the name of the people whom we were talking to because of the confidential nature of those discussions. As I said previously, there is no way at this time, we can name the individual companies that we were discussing it with.

MR. LANE: — Will the minister not admit that the whole thing is pie in the sky because you've got no chance of getting the industrial alcohol segment of that because the matter is already tied up elsewhere, and you can't get it. You have probably wasted thousands of dollars of the taxpayers' money on highly speculative projects that you're

just trying to get a little political hay out of with no chance of success, or fruition.

MR. VICKAR: — Mr. Chairman, as we were reporting in the report at the time the study was done it was feasible, and the report indicates that it is a study, and that's all the remarks I have with respect to that.

MR. LANE: — Will you table the study?

MR. VICKAR: — Yes, we can provide and we can table the study and give you some of the details in it.

MR. LANE: — The department has taken some credit in its annual report for the establishment of Henninger malting (Prairie Malt) and was involved in studies, feasibility, etc. of Henninger malting. Do you mind advising us of the status of that at the present time?

MR. VICKAR: — Our department has not been involved in Henninger Malting, only in the initial stage away back, and the information that you might require regarding Henninger malting would have to come through Crown corporations and SEDCO.

MR. LANE: — That's not quite accurate, and I think the minister knows that. You were involved in Henninger malting at the outset. You've just admitted that. I want to know whether you have any studies on Henninger malting that involved your involvement at the outset, what studies caused you to recommend this particular project, and what, at that particular time was the amount you thought would be required to make that project feasible?

MR. VICKAR: — We would have to go back into the records to see what information we provided to the people who made these recommendations and studies on Henninger malting (Prairie Malt). The department, at this time, is not prepared because they are not aware, don't remember, what went on three or four years ago when the study was done. You'd have to go back in the information.

MR. LANE: — Will the minister take notice that we will be pursuing that, hopefully in some detail, so he will be briefed and have his officials briefed for Monday so we can pursue that particular area?

A year ago, in your annual report, and again with great pride, you indicated that Saskatchewan became the first province in Canada to establish foreign investment guidelines to insure that desirable foreign investment is not discouraged. That was what you were going to do one year ago.

I have already asked you, in this Assembly this year, where you were on the Equifax takeover, or purchase, through subsidiaries of Queen City Credit Bureau. And it became very, very clear that your guidelines were merely to wait and see what Ottawa did and if Ottawa happened to contact you, if it came to Ottawa's attention, they would check and see what your thoughts were. In other words, there was no initiative coming out of your department and yet you stand up and tried, in previous years, to take great credit that you are really concerned about foreign takeover in Saskatchewan. In fact your policy is a sham and I indicate that with a degree of wisdom you didn't mention it this year. Can you tell me where you failed between your statement of one year ago about these new

guidelines, first in Canada, and then when finally something happens in Saskatchewan you're asleep at the switch?

MR. VICKAR: — Mr. Chairman, the guidelines that we had published at that time were strictly for Saskatchewan businesses and it is very true that the FIRA (Foreign Investments Review Agency) process is maybe not totally satisfactory to all concerned because all the information we get is handed down to us from Ottawa. We have to accept the applications which are presented to Ottawa and then we make our presentation from there.

MR. LANE: — Yes, I'm fully aware of that, but that's not the impression you left a year ago. A year ago you stood up in this Assembly and said, we're the first province in Canada to have guidelines.

AN HON. MEMBER: — . . . (inaudible interjection) . . .

MR. LANE: — Yes, but they are useless. Will you not admit that you have no process wherein you review foreign investment takeovers of Saskatchewan companies, unless it comes through Ottawa? Is that not correct?

MR. VICKAR: — That is very true.

MR. LANE: — That's right. So if Ottawa doesn't tell you (and there is no legal obligation that they should), you don't even know about it. Is that not true?

MR. VICKAR: — Mr. Chairman, it is true that's the way the regulations are written, but we have a clear understanding with Ottawa that in any program which relates to Saskatchewan we would be given the opportunity to make our recommendations to FIRA.

MR. LANE: — Will you not admit that this government does not, in fact, have a foreign investment review procedure specifically directed to Saskatchewan which allows it to initiate review of foreign investment takeovers?

MR. VICKAR: — Our legislation has to be directed through the federal department. We have no input on our own. We have to go through the feds.

MR. LANE: — Would you not admit that in a situation like the Equifax takeover of the Queen City Credit Bureau there is a serious deficiency in Saskatchewan law, and in fact, you are unable and had no capacity to review the takeover of a Saskatchewan company?

MR. VICKAR: — Mr. Chairman, FIRA (Foreign Investments Review Agency) is at present investigating that particular case . . . (inaudible interjection) . . . Only because it never came through FIRA in the first place. They were not aware of it, and they are now doing the investigating.

MR. LANE: — I'm going to accept your evasion of my answer that you don't have any capability, is in fact, an admission that you don't have that capability.

Is the government, in any way, considering establishing a review agency for foreign takeovers of Saskatchewan companies, or not? If so, who is going to be the one to administer it, or have you considered it as yet?

MR. VICKAR: — Mr. Chairman, we haven't considered it as yet.

MR. TAYLOR: — Mr. Minister, I find this report of your department somewhat vague and perplexing, as does my colleague, the member for Qu'Appelle. In comparison to other department's estimates which we have been looking at (and I would like to cite the Department of Continuing Education) where in their report, they are giving some exact figures and statistics . . . in reading this, I see words like prepared, provided, and counselled and so on, and large numbers and great amounts and people here and people there. To me, that doesn't tell me an awful lot, other than that you were doing something. I want to know how much you were doing.

One of the areas that I am concerned about is your communications branch, where you say that you have made some audio-visual materials and you have been presenting them to the general public. On the iron and steel industry, for example, and on the history of the economic development and growth of Saskatchewan, I would be interested in knowing how many times these were shown and where these were shown so that we will have some facts and figures. I don't know if you have this information with you right now but it is a question that I put forth to you.

To me, these could be just another means of political advertising. The other thing that is of concern to me is the Office of the Agent General. I do see that your other expenses — your staff has stayed the same — but your other expenses have gone up a considerable amount.

In looking in your annual report concerning the agent general, again, I see such things as on the farm demonstrations which led to sales in the United Kingdom. How many sales? You know, two is sales. How many sales do you have?

I look at the next one where you are talking about information describing specific industrial development opportunities in Saskatchewan that was made available to a large number of European people. How many again? Let's have a few facts and figures.

Then, in your third statement there, you go on and say the manpower recruitment and

identification of distributors. I think if these reports are going to say something to the people of Saskatchewan they should have a little more in them than what I would call rather vague generalizations. I think if you've been following my colleague's questioning on the one topic here, regarding Saskatoon, you can see from his questions that he is not clear on this. I can't see that there's too much factual there. I'd like a clearer definition and information on this.

Now, I have some other questions, if you want to deal with those now or I can give you some more which are a little more specific. But I'll wait and see what your reply is on these at this time.

MR. CHAIRMAN: — Order, please. I might just draw to the attention of the hon. member that I notice he is dealing with two specific items which come lower on in your subvotes or items — communications is item 5 and item 6 is the Office of the Attorney General. If it's specifically in that area, I would like to maintain the sequence.

MR. TAYLOR: — Mr. Chairman, I was unavoidably out of the House when you started this and I didn't know if the ground rules were for having a large discussion on subvote 1 or if we were going into specifics. From what I've gathered in the House and the questions that have been asked, I thought we were on the large ranging thing. That's why I asked these questions at this time.

MR. CHAIRMAN: — I don't think we have changed our style of questioning. We have been quite lenient with you on subvote 1. As I say, any specific items, I think you can follow quite easily. I would appreciate it if we could follow and ask them in that area. It would expedite the procedures of the estimates. That's all.

MR. TAYLOR: — We'll co-operate fully, Mr. Chairman.

MR. CHAIRMAN: — Thank you.

MR. TAYLOR: — Mr. Chairman, if it facilitates things and speeds things along (the minister has my questions; he's working on the answers) I'm willing to raise these and get the answers under the subvote if you need time to prepare them, if this is what you want to do. I want to make it very clear at this time that on Monday or whenever we get to these subvotes, I would expect the answers to the questions that I've asked.

Now, while I'm on my feet, I would just like to mention a couple of other things that have been brought up to me by small businesses in Saskatchewan. I heard the Leader of the Opposition today talking to the minister about ways in which small business in Saskatchewan could be encouraged. I have noticed many times that the government opposite is saying, and in some cases paying lip service to the fact, that they want to decentralize to get things out into Saskatchewan. Now, one thing that has been brought to me which I think is unfair is when the stores were forced to move over to metric, when they had to get in a new metric scale. We all have our viewpoints about the value of the metric system; I'm not going to go into that. But storekeepers had to convert to metric. Now, depending on the type of scale you had, you could either have a scale remodelled — there's a conversion that can be done — or, I'm led to believe, if the scale was of an older vintage, you had to buy a new one. Now, the merchant had no choice whatsoever as to whether he bought this scale or not. He had to do this. They tell me they were charged E & H tax (education and health tax) on these scales. Is that correct, Mr. Minister?

MR. VICKAR: — We have no control over the metric system. That has been pushed on us, as was mentioned by the Minister of Highways (Mr. Kramer) a few days ago, by the feds away back in 1971, and the changes had to come about. We have no control in our department, whether the Department of Revenue charges them education tax or not. I would assume that if they're buying a grand new one, they have to pay education tax on it.

MR. TAYLOR: — I realize that metric is a federal concern. But I also realize that if your department is trying to promote and help small business in Saskatchewan, this does fall into your jurisdiction. I can't see that this is fair to a businessman. He's forced to change, and then he's taxed on this change.

But, let's go on to another matter, and this may again be in another department. But I voice it here because of the concern that I have, being a rural member, for small business. This has to do with the list of materials that do not have to be charged education and hospitalization tax, or ones that do. Some of these simply, to me, and I think to many people in Saskatchewan, do not make sense. I think the latest list that some have is 1975, and I'll give you an example. Barbed wire, which we all realize is a necessity, is an expensive item. That is tax free. The staples to put that barbed wire in the fence are taxable. Water troughs are taxable. With nuts and bolts, it depends where they're sold. If they're sold in a farm implement business, they can be non-taxed because they are a repair. If they're sold in a general hardware, they have to be taxable. I say to you, Mr. Minister, I think it's high time, if you're really interested in helping these small businesses, that this archaic list be looked over and be updated so that it makes some kind of sense.

MR. VICKAR: — Mr. Chairman, I think the Minister of Revenue (Mr. Robbins) announced in this House a few weeks ago that they were looking at the total picture of the E & H tax structure, and I'm sure that out of those results something will come about. We are looking at all times to help the small businessman, and it is information that we're getting from the small businessman that prompted the complete review by the Minister of Revenue.

MR. TAYLOR: — I take by your remarks then, that you are going to press for some of the suggestions I made here and talk to the Minister of Revenue and that you're in agreement that this is an outmoded and maybe a contradictory list. Is that correct?

MR. VICKAR: — Mr. Chairman, the Minister of Revenue has accepted that responsibility and certainly I concur with him.

MR. THATCHER: — Mr. Minister, in your annual report, you make reference to something which I found interesting. And, if I could very quickly read you the paragraph, it's on page 7 under renewable resources:

The branch undertook an inhouse evaluation of Canadian supply and demand for kitchen cabinet manufacturing and assisted in the negotiation of two product licensing agreements. Existing kitchen cabinet manufacturers were assisted with market information and information on sources of raw material supply.

Mr. Minister, could you very briefly tell us what companies you make reference to in that particular paragraph?

MR. VICKAR: — The two of them were both connected with Homecraft in Melville and they were with a British supplier.

MR. THATCHER: — Mr. Minister, last year a kitchen cabinet manufacturing company commenced operation in Moose Jaw. Now we have been discussing what aids the Department of Industry and Commerce provides to a small business which may be starting up, or trying to expand. Mr. Minister, throughout your report here you made reference to how you mesh so effectively with SEDCO, and with your department and the use of SEDCO from time to time, how efficiently and effectively you can help a new business to get off the ground. Would you explain to me how a situation like this can develop? An experienced group of people who have some expertise in this area decide that there is a void in a specific area of house building, which in this case was kitchen cabinets. Now, they approach your department for some guidance and your department refers him to SEDCO. SEDCO won't take a look at them because they already have a loan out to a kitchen cabinet company in the same area which really isn't doing very well and in danger of going into receivership. Consequently SEDCO concludes if we get another one in there, our first one is going to go under; so they turn them down on that basis.

However, they get going anyway, Mr. Minister. Again, they come back to your department and say we're going anyway. Probably the biggest user of kitchen cabinets in Saskatchewan for this year are going to be projects associated with Sask Housing Corporation. Again they approach your department and they say, how do we get into the Sask Housing Corporation market? Your people say, well we don't know, why don't you phone Sask Housing Corporation. All right, Mr. Minister, you can argue you are not accountable for Sask Housing Corporation, and I agree. But, Mr. Minister, this particular company approaches your department for guidance and the only answer they get (and we've been through this in other committees before)..they approach your department . . . can you at least get us an appointment with the appropriate people in Sask Housing Corporation? Sorry, it's not our department.

Mr. Minister, if I could borrow a phrase from an old Exxon ad of some 10 years ago, that ain't performance. Now, Mr. Minister, what I am putting forward to you: is that a common case, a complaint that you have ever received in the past? If it is, can we expect some sort of action in the future?

MR. VICKAR: — Mr. Chairman, it is completely not a common case; it is not a case at all. Any requests that we get from the business sector that relate to other departments we are more than happy to assist. Should we have gotten a request from the particular firm that the hon. member is suggesting, I am sure that we would go to Saskatchewan Housing in their aid. We are always ready to work with industrialists in the province in any field that relates to other departments outside of our own.

MR. THATCHER: — Mr. Minister, are you telling this Assembly that . . . or can I conclude from your remarks that someone who is interested in either starting a new business or expanding an already existing one, if they approach your department . . . does your department play any role in shall we say stick handling their requests into the proper channels in SEDCO?

MR. VICKAR: — Yes, the hon. member asks if we stick handle a program through to SEDCO. I might set him clear on the facts; we don't stick handle anything anywhere. It is entirely up to the individual as to where he wants to get his financing from or where he

March 30, 1979

wants to get assistance from. We will help that individual with anything we can do with our resources and we can make suggestions to him, but we never will recommend to him that he must go to SEDCO for his financing. It is entirely up to himself.

The Committee reported progress.

The Assembly adjourned at 12:38 p.m.