

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 2, 1979

The Assembly met at 2 p.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. R.A. LARTER (Estevan): — Mr. Speaker, it is my pleasure to introduce to you and through you to this legislature, 16 Grade 12 students from the Yellow Grass High School. They are accompanied by their teacher Allan Wagner and their bus driver Wef Midget. I would like to tell the students who are visiting here today that I am welcoming you on behalf of Mr. Pickering (Bengough-Milestone) who is away on very urgent constituency business. I would like to let you know that he won his game this morning 2 to 1 over Doug Wonkel . . .

HON. MEMBERS: — Hear, hear!

MR. LARTER: — . . . and he's in the semi-finals this afternoon. We hope you have a very informative day, a good visit in the legislature and a safe journey home. I will be meeting with you afterwards for pictures and a bottle of pop downstairs.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

MR. R.G. LONG (Cut Knife-Lloydminster): — Mr. Speaker, I would like to introduce to you and this Assembly the mayor of the town of Cut Knife and council member, Mr. Merv Ash. They are down here on government business. I would like to welcome them to the legislature and wish them well in their deliberations in the city.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Northern Municipal Council

MR. H. SWAN (Rosetown-Elrose): — Mr. Speaker, I would like to ask a question of the Minister of Northern Saskatchewan (Mr. Byers). I notice that he is not present with us this afternoon and I would ask the minister covering for him to answer the question.

Is the minister aware that the Northern Municipal Council has decided to take a cut in salary voluntarily from between \$15,000 and \$17,000 down to a per diem rate which will yield approximately \$8,000?

HON. G.R. BOWERMAN (Minister of Environment): — Yes, Mr. Speaker, we are aware of that.

MR. SWAN: — Supplementary, Mr. Speaker. Is the minister also aware that the councillors are prepared to give up their trucks and their credit cards, to go onto a mileage base, which again they say will be a reduction in costs?

MR. BOWERMAN: — Yes, Mr. Speaker, we are aware of that.

MR. SWAN: — If the minister is aware of those two things — and it's a very responsible act that this particular group is taking — I would like to ask the minister, under these conditions with a responsible group of people showing local leadership, if you are now willing to grant them more local autonomy to operate the affairs of their municipal district in northern Saskatchewan?

SOME HON. MEMBERS: — Hear, hear!

MR. BOWERMAN: — Mr. Speaker, we very much appreciate and commend the members of the Northern Municipal Council for taking the action which they have taken. I think it is a responsible step and it does indicate, I believe, the thing which we have been saying all along with respect to the Northern Municipal Council and with respect to the legislation which established them having the responsibility of a regular rural municipality even today. So yes, we do commend them and there are ongoing considerations about how local government will develop in the North. I am sure that with that responsibility and that responsible kind of step by the Northern Municipal Council, we can look forward to progress in developing local government in the North even further in the future.

SEDCO Loan to Rogers 77

MR. P. ROUSSEAU (Regina South): — Mr. Speaker, a question to the minister in charge of SEDCO. Mr. Minister, last week you were quoted (an article in the Leader Post) as saying that the loan to Rogers 77 was approved on the basis of the company's record prior to 1978. That same day on a radio interview you indicated that the loan was approved on the basis of recent information. Could you tell this Assembly, Mr. Minister, which of those two statements is correct?

HON. N. VICKAR (Minister of Industry and Commerce): — Mr. Speaker, the loan was authorized prior to the information being received in the House and prior to the information we had received that the Rogers group was intending to go into receivership.

MR. ROUSSEAU: — Mr. Speaker, I am not sure I got the answer to my question. The question I asked, Mr. Minister, was, which of the two statements that you made was correct? Which of those two statements — the one based on prior knowledge of 1978, or the one based on recent information just prior to your making the approval?

MR. VICKAR: — The information we based our assumption on approving the loan was on the information that we received at the time that we accepted the application.

MR. ROUSSEAU: — Mr. Speaker, I guess I will have to try another angle. In your investigation, Mr. Minister, did you check on the company's credit rating?

MR. VICKAR: — Mr. Speaker, I am not around and I don't go into the proceedings of the checkings which SEDCO does on formulating an application. I am quite sure SEDCO is capable of all that and no doubt has looked into it.

MR. ROUSSEAU: — Mr. Speaker, I presume from that answer that there was a credit check made. Well maybe I shouldn't presume that — the answer was maybe, I suppose. Were you aware, Mr. Minister, that a division of the Rogers group was on a C.O.D. basis

and had been for quite some time, with their suppliers?

MR. VICKAR: — No, Mr. Speaker, I personally was not.

Approval of SEDCO Loans

MR. W.C. THATCHER (Thunder Creek): — Mr. Minister, from your answer you indicated to the question from the member for Regina South that you did not become involved in the approval of SEDCO loans. Would you inform the Assembly, what amount of a loan, that is shall we say approved by the management of SEDCO, do you become involved in before it goes to order in council? In other words, is that figure \$250,000 or is it \$500,000 or is it \$1 million or \$10 million or a \$20 million loan?

MR. VICKAR: — Mr. Speaker, I am only one member on a board of 10 or 11 people who make these decisions. For the benefit of your question, the management at SEDCO is allowed to make loans up to \$100,00 and anything more than that goes to the board for approval.

MR. R.L. COLLVER (Leader of the Opposition): — A supplementary question, Mr. Speaker. I am sure the minister will be aware from the answers that he has been providing to this Assembly, that the loan, in effect, was approved by cabinet. I am sure that an order in council was issued on that very loan. Would the minister inform this Assembly, whether or not the credit check information is provided to the board and is provided to cabinet before they formally authorize these extremely significant loans, as in the case of this Rogers group. Would the minister further inform this Assembly whether or not he checked with Dun and Bradstreet, who do provide a credit rating service to industry, and whether or not, in examining the Dun and Bradstreet report, he was able to discern that this division of Rogers group was in fact, on a C.O.D. basis for some years prior to the government authorizing the loan, and prior to the company going into receivership?

MR. VICKAR: — Mr. Speaker, the loan was approved by the SEDCO Board in all sincerity. A loan approved by the SEDCO Board of \$1.5 million and over, then has to have cabinet approval. That is the process that it takes. SEDCO Board made the decision, and made the recommendation to cabinet and cabinet had to make the final decision by order in council.

Whether the SEDCO Board or SEDCO people (management) went to Dun and Bradstreet for information, I can't answer that. They seek their information from all sources. It is entirely up to them to do so. I don't have the application forms in front of me to tell me where they sought their information from.

MR. COLLVER: — Mr. Speaker, a supplementary question.

MR. SPEAKER: — I will take a new question.

MR. COLLVER: — Will the minister inform this Assembly whether or not either the board of SEDCO or the cabinet is provided with the credit checking information before it gives its authorization?

MR. VICKAR: — Mr. Speaker, I've said before that SEDCO people, SEDCO management, make these investigations and have it all prepared for the board's decision at a board meeting.

MR. COLLVER: — Is the answer no?

MR. ROUSSEAU: — Mr. Speaker, getting answers today is like pulling teeth. Mr. Minister, will you advise this Assembly either today or tomorrow whether or not SEDCO did in fact receive a credit rating on Rogers 77? Was there a credit investigation made? Were you aware of the fact that a division of Roger's group was on a C.O.D. basis at the time the application was made?

MR. COLLVER: — And if so did it go to your board?

MR. VICKAR: — Mr. Speaker, again, I am not personally involved in the bringing up of the information. I am sure my people at SEDCO searched out all avenues before they made a recommendation to the board.

MR. ROUSSEAU: — Supplementary. I asked you to confirm to this Assembly whether or not it was done. I'm not asking for . . .

MR. SPEAKER: — Order, order. I'll take a new question.

Ownership of Service Printing Co.

MR. G. MUIRHEAD (Arm River): — Mr. Speaker, this afternoon I wish to ask a question of the Premier. Would the Premier tell this Assembly who owns Service Printers Company?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I do not believe that I have that knowledge as a member of the Government of Saskatchewan. It is not the function of the Government of Saskatchewan to tell you who owns companies strewn around the province.

MR. COLLVER: — I beg your pardon?

MR. BLAKENEY: — That's right.

MR. COLLVER: — You don't check the companies to find out if they're in conflict?

MR. BLAKENEY: — No. Not on a question on question period. Service Printers is a trade name and I happen to know who owns Service Printers, but I happen to know casually who operates a great number of companies under a great number of trade names and it's not my function to answer those sorts of questions unless you want to direct them to the Provincial Secretary or something. It's not my function to know.

MR. MUIRHEAD: — Supplementary question, Mr. Speaker. Anyone can answer this who wishes. If there's anyone that can. Mr. Speaker, in view of the Supreme Court of Canada ruling a Moncton mayor guilty of a conflict of interest which I'm sure you'll all see, I wish to ask this question. Does the Premier, or whoever wants to answer this question, not agree seeing that the Government of Saskatchewan is doing business with Service Printers, who we think are the NDP party of Saskatchewan where profits must be made and used at election time . . . doesn't whoever wants to answer this question agree that that's a conflict of interest?

MR. BLAKENEY: — Mr. Speaker, I think that this particular subject has been raised

many, many times and I think we're certainly very well aware of all of the facts and we're very well aware that in other provinces, let's put it that way, the same advertising agency does business with the government as does with the political party, and we see no reason why the same printing company shouldn't do business with the political party as does with the government, or as the case may be. As I said, I think all the facts are known and we take the view that this printing company which, as the members will know, Service Printers is in effect owned by, and I'm not stating it from my knowledge as Premier, but as will be known from previous records in this House, is owned by the CCF Publishing and Printing Company Limited, which has a good number of shareholders. That is all on the record and will be known. Nobody I think is denying that the owners, the shareholders of the CCF Publishing and Printing Company Limited are largely supporters of our party. No one I think denies that. It is our view as has been stated on a good number of occasions that the fact that that may be associated with our party ought not to preclude it from bidding on government business and getting government business any more than the fact that some other printer is associated with another political party . . . (inaudible interjections) . . .

MR. MUIRHEAD: — Supplementary, Mr. Speaker. Would the Premier just give a simple yes or no. Does he feel that this is a conflict of interests or not. Just a simple yes or no.

MR. BLAKENEY: — Mr. Speaker, I'm not here to give simple yeses or noes on opinions. I'm here to answer questions about the government of Saskatchewan and I'm not here to give my opinion as to whether or not something is or is not a conflict of interest. Anyone is entitled to make his or her own judgment but this is not an open quiz. If you are entitled to ask me my opinion on these things, then I can ask you your opinion on these. My job is to answer questions related to the government of Saskatchewan, and I note very carefully that a good number of members opposite attempt to ask me questions about my political party that they are unwilling to answer about their political party, and I am here to answer questions about the Government of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — Mr. Speaker, during the question period today, and the Premier will be aware questions arising out of answers that he gave are certainly legitimate questions for this legislature. He said that the dealings that the government of Saskatchewan had with Service Printers Incorporated was similar to the dealings that the Government of Saskatchewan had with Dunskey Advertising. Is the Premier telling this Assembly today that the Dunskey Advertising is owned by the NDP (New Democratic Party)?

MR. BLAKENEY: — No, I'm not here to say what the NDP owns, accordingly I am not able to help the hon. member on an official basis because, regrettably, the Government of Saskatchewan has no knowledge on an official basis as to what the NDP owns.

SOME HON. MEMBERS: — Hear, hear!

Selling Price of SEDCO

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, question to the minister in

charge of SEDCO (Saskatchewan Economic Development Corporation) (Mr. Vickar).

Mr. Minister, I believe last Thursday you made an unsolicited announcement in response to a question that wasn't there concerning the sale of Golden Acres property. Would the minister expand on his announcement in question period from last Thursday by telling us at what price SEDCO is selling the building to the people in, I believe he said, Fort McMurray and whether or not SEDCO is providing any additional financing and the general terms and conditions, if so?

MR. VICKAR: — Mr. Speaker, no, I will not elaborate any further on what I said last Thursday. I said that it was a sale that we have a substantial deposit on and when the sale is finalized, hopefully after April 19, the information will be disclosed.

MR. THATCHER: — Supplementary question, Mr. Speaker. May I ask the minister whether or not he is confusing a sale with an option to purchase? Isn't it true that SEDCO has in fact not sold the property but has merely sold an option, whereby the proposed purchaser has until April 19 either to purchase or not to purchase, in effect? Isn't it true that it is not a sale at this time but merely an option to purchase?

MR. VICKAR: — Mr. Speaker, I care less as to how the hon. member interprets my remarks. My remarks still stand.

MR. THATCHER: — Supplementary question. Perhaps I should address this one to the Premier in terms of supplementary. Mr. Premier, would you not agree that when a minister makes a supposed announcement in the question period under the guise of a ministerial statement and then refuses to provide any details on it, that this is a highly unusual and questionable procedure on the part of any minister, particularly when he makes this announcement not in response to a question but merely as an off-the-cuff announcement in reaction to, shall we say, a return by one of the members.

MR. BLAKENEY: — Mr. Speaker, you will have noted that I now am asked to give rulings on the House as to whether or not this is a proper or an improper procedure. I have every confidence in Mr. Speaker and I know that he will provide us with all the appropriate rulings.

All I can say is I was not aware that the minister had made any ministerial statement. He did make a comment during the course of an answer. He did refer to the fact that there were other transactions underway. It is a problem with respect to SEDCO. We all know the difficulty that surrounds whether or not these transactions should be public and the balancing off of the right of the private person to apply for a loan the same as he would from the Industrial Development Bank where no information is disclosed, against the legislature's right to know. It's a nice question and it may well be that if he is not going to give full information the minister should not have given any information. You raised that point. I don't to agree with it but I think it's a defensible position that you raised — that if we are not prepared to give all the details we shouldn't give any. I think the minister takes the position that as soon as the transaction is completed and mature, then so far as if the citizen has no objection, he has no objection of giving the facts.

Pamphlet 'Directory of School Officials'

MR. G. TAYLOR (Indian Head-Wolseley): — My question, Mr. Speaker, is to the Minister of Education.

I have here a rather expensive document entitled the 'Directory of School Officials', which after examining it I see it contains little more than a list of the various jurisdictions and the names of the trustees and superintendents. Having been involved in education for some time I know that all of this information is readily available from the SSTA (Saskatchewan School Trustees' Association), from STF (Saskatchewan Teachers' Federation) and from the district superintendent of schools.

My question to you, Mr. Minister, would moneys not be better spent in such areas that would provide a more direct benefit to students of Saskatchewan than the publishing of this pamphlet?

HON. E.B. SHILLINGTON (Minister of Education): — Mr. Speaker, anything that would assist the school system in bettering its administration is of direct benefit to the students of Saskatchewan. I may say that that particular pamphlet has been requested by a number of organizations including some trustees and some teachers. It is true that one can get the information with some degree of work. You can phone around and get the information from various groups, but there are a great many people who want that information fairly often and want it at their fingertips and that is what that booklet supplies.

MR. TAYLOR: — Mr. Speaker, I think one phone call would get the answers to this, but I ask a further question, Mr. Minister.

I would like to know how many of these were printed and at what cost?

MR. SHILLINGTON: — Mr. Speaker, I don't have those details with me and I am sure the member didn't expect it. I would remind the hon. member you'll have an opportunity to ask that in estimates.

MR. TAYLOR: — Supplementary. I will be looking forward to that answer. I think it is important to the people of Saskatchewan. I would say, though, if you are going to put out a pamphlet of this type, that you have omitted many very important people in education. I see no consultants in here, no program directors, no principals. To me it looks like just another way of a bit of advertising and political patronage in the education system.

Statements of Bert Sheasby

MR. L.W. BIRKBECK (Moosomin): — Mr. Speaker, I should like to direct a question to the Minister of Labour.

Mr. Minister, very simply, the question is, do you support, in full, the statements made by Bert Sheasby, Director of Safety Services, Department of Labour, in the March 27 edition of the Leader Post, in particular as it relates to the feeling that disclosure of the company's name would result in bankruptcy?

MR. SPEAKER: — Order, order! I'll take a new question.

MR. BIRKBECK: — Mr. Speaker, obviously I haven't asked the question in a way in which you would understand it to be of an urgent and pressing nature.

Mr. Speaker, I ask again the Minister of Labour and I think the Minister of Labour understands the importance of the question, that is very simply, do you support the statements made by Bert Sheasby, Director of Safety Services, with respect to the problems that we have been having with chimneys throughout the province and, in particular, in the southern region?

HON. G.T. SNYDER (Minister of Labour): — We have a question finally, Mr. Speaker, related to a statement that was made by the director of safety services in the Department of Labour, related to the failure of a number of chimneys in the province of Saskatchewan.

It's my understanding that there has been something in the order of 500 chimneys that have been found to be defective. The manufacturer, in each of those cases, has provided for installation costs and replacement of those chimneys. I believe the director of safety services in the Department of Labour indicated that he saw no particular value in disclosing the name of the manufacturer in light of the fact that the manufacturer had co-operated to the fullest and had provided for replacement and full installation costs. Accordingly, I'm inclined to wonder whether there's any value in creating a further problem for the manufacturer when he's been co-operating to the extent that he has.

There are a number of manufacturers in the market. In this particular case there has been only one chimney that was found to be defective. Accordingly, with the efforts that are being made I'm inclined to believe that there is really nothing to be gained in light of the fact that the chimney does not carry a manufacturer's stamp and accordingly does not assist the consumer in identifying the chimney, or where it may have been purchased, or who the manufacturer was. Yes, I agree with the director of safety services that there is not a particular advantage in identifying the manufacturer.

MR. BIRKBECK: — Mr. Speaker, I thank the minister for the response because there are two areas in which we disagree and I suppose that's the question I'm asking you now — if you would agree with me that the numbers of chimney failures have not been in the North as indicated by you, but have been primarily in the South, number one; and number two, that disclosure of the company is not necessary in the sense that it's a matter that's affecting manufacturers of all kinds of chimneys. Mr. Minister, really the problem (if I might suggest it to you this way) is not a result of a specific manufacturer's flaw but is in fact a specific problem as it relates to the changing role of our insulation standards. Would you agree that that's not a specific problem with the chimney, but a problem that has arisen from changes in insulation standards in the province?

MR. SNYDER: — I don't understand the question, Mr. Speaker. If anyone else does, I wish he'd clarify it for me. I really don't know what the hon. member is relating to and I find myself unable to comment on his question.

MR. SPEAKER: — Order. I'll seek a new question

Flyash on Scotch Pines

MR. R.A. LARTER: — Mr. Speaker, I'd like to ask the Minister of the Environment a question. The government of Canada is putting some pressure on the United States government as far as the Garrison project is concerned, and with the problem we've had on the Poplar River, whether it's real or imaginary as far as the Department of the Environment is concerned, is the minister aware that from the prevailing northwest

winds onto Boundary Dam this spring, all of the Scotch pine trees are dead on the southeast corner of the dam? I wonder if you are aware of any environmental problem with flyash that is causing the killing of these trees in this area?

MR. BOWERMAN: — Mr. Speaker, I'm not aware of the concern expressed by the hon. member of any trees or other foliage being dead or caused to die as a result of fumes or gases or smoke or whatever it might be.

AN HON. MEMBER: — Flyash.

MR. BOWERMAN: — Well, flyash then. All right. I'm not aware of it.

MINISTERIAL STATEMENTS

Resignation from the Provincial Mediation Board

HON. E. WHELAN (Minister of Consumer Affairs): — Mr. Speaker, the Provincial Mediation Board and its predecessor, the Debt Adjustment Board, have dealt with since 1931 and still deal with the debt problems of those Saskatchewan people who find themselves in desperate financial circumstances. Because these financial affairs must be kept confidential and must be handled by the staff with complete integrity, it is essential that the staff have a high profile of sincerity, honesty and loyalty to those they are negotiating with and for.

Until now, I have carefully refrained from commenting on Peter Daniel's resignation from the Provincial Mediation Board. In addition, the facts of the case and legal opinions on it were not immediately at hand. In a general way, and I had hoped confidentially, I had advised the member for Moosomin (Mr. Birkbeck) of the reasons for Peter Daniel's resignation. This is borne out in his knowledge of the matter and is indicated by his question in question period on February 28, 1979.

During my ten years with the Provincial Mediation Board and since I have been the minister in charge, this is the only instance I have known of where a board member used the information from a debtors' file to make a personal financial gain. The facts show that information obtained from an orderly payment of debts file led Peter Daniel, then a board member to bid on a 1976 Ford Granada which was being held as mortgage security by a Saskatchewan bank. Although the car was advertised when he submitted his bid to the bank, he knew about the transaction and the financial predicament of the debtor because he was a member of the Provincial Mediation Board. After taking possession of the car on or about April 5, 1978, as a result of his successful bid of \$2,850, Mr. Daniel sold the car soon after for a sum of approximately \$4,100. His boasting about the money he had made upset the staff of the Provincial Mediation Board. On May 11, 1978, Don Sinclair, who acts as deputy minister for both the Provincial Mediation Board and the Rental Appeal Commission, learned of this situation. With a secretary present, Mr. Daniel admitted to Sinclair that the situation was as I have outlined. The loan manager at the bank confirmed that the bid had been submitted by Mr. Daniel. We sought legal advice from the solicitor for the Public Service Commission and were advised that, and I quote:

At common law the actions by Mr. Daniel constitutes a breach of trust by a public official. Mr. Daniel was appointed to the Provincial Mediation Board and as such has a public duty to assist in handling their financial problems. His actions were an abuse of his public duty as he is by implication

of law a trustee of the property of persons seeking the assistance of the Provincial Mediation Board. The law is well established that such a trustee must not in any way make use of his position for his own interest or private advantage. A person who accepts a position with the Provincial Mediation Board accepts a trust to deal with or help manage the property of debtors seeking the assistance of the Provincial Mediation Board. On becoming such a trustee he is not free to purchase or in any way deal in debtors property for his own benefit and advantage. His actions placed him in an obvious conflict situation where his own interests conflicted with his duties as a member of the Provincial Mediation Board. The fact that he may not have had any dealings personally with the owner of the car, or even that the information was available to all members of the public through newspaper advertisements is totally irrelevant.

The then chairman of the board, Jean Gordon, met with the rentalsman, solicitor of the Public Service Commission and a secretary and again she met with the rentalsman, Peter Daniel and a secretary. She also discussed this with me in my office and agreed that no other action was possible but to ask for his resignation. His resignation was negotiated by the Deputy Minister (Rentalsman) Don Sinclair.

Peter Daniel was in my office twice — once when he was transferred to the Provincial Mediation Board and secondly, when his resignation had been negotiated with three months salary in lieu of notice by the rentalsman.

Debts and debt problems are not categorized according to a person's political beliefs or affiliation.

The chairman of the board, when I was hired to work for the Provincial Mediation Board, was a Conservative, the former Deputy Speaker of the Anderson government. The alternate board member had been the president of the young Liberals and was a close friend of the late Jimmy Gardiner.

If the Provincial Mediation Board can be criticized, and over the years because of its sensitive nature it has been, to my knowledge this is the first time a board member's actions were categorized as an abuse of his public duty.

It is regrettable that this information has to be disclosed because it colors the record of a young civil servant and casts harmful reflections on the integrity of the Provincial Mediation Board and its staff.

It seems to me that anyone in an orderly payment of debts program can now, as in the past, place the disposal of a vehicle under the management of the Provincial Mediation Board without concern.

The attack by the member for Moosomin (Mr. Birkbeck) on the new board member Murray McConnell was, in my opinion, completely unwarranted.

Mr. McConnell was an investigative officer with the Provincial Mediation Board from October 1, 1977 until the time of his appointment as a board member, September 1, 1978. His appointment was as a result of his experience, his ability and his practised good judgment and discretion. McConnell's political beliefs and actions were not a consideration in his appointment. The Deputy Minister, Don Sinclair, hired McConnell and recommended his appointment to me.

MR. COLLVER: — Mr. Speaker, it is a pity that the minister chose today to present this statement to the Assembly, rather than February 28 when he was asked exactly the same question, as to whether or not the individual involved was fired. The minister replied and I wish to quote the minister's comments on page 105 of Hansard. The minister replied, 'No one was fired, it was a resignation'. A resignation (splitting hairs) in terms of whether or not the man was fired or whether he was asked for his resignation would have clarified the situation completely. With reference to Mr. Daniel leaving the debt board, had the minister not been so concerned with hiding the facts from the people of Saskatchewan on February 28, if he had come forward with this statement that would have cleared the air for all involved, the only issue then was whether the new man who works for the debt board was, in fact, a campaign worker for the minister and whether his political beliefs led him to that job.

The fact remains the minister chose not to do that. The minister chose, in fact, to state categorically that there was no firing. Now today in his statement because the people found out there was in fact a firing and a request for resignation, the minister chose to come before this Assembly and clarify the situation. We are as concerned as the minister to ensure that the mediation board in Saskatchewan is totally free of anyone who would use his position on that board to further his own ends, whether it be his financial ends as apparently is the case with Mr. Daniel or whether it be his political ends as it appears to be the case with the new member.

SOME HON. MEMBERS: — Hear, hear!

Co-operative Home Building Program

HON. D.W. CODY (Minister of Telephones): — I want today on behalf of the Minister of Co-operation and Co-operative Development and myself, as the minister in charge of the Saskatchewan Housing Corporation, to announce a new 100 per cent provincially funded co-operative home building program.

Mr. Speaker, in May of last year the federal government withdrew its assistance home-ownership program, thereby destroying the existing co-op program. Mr. Speaker, we believe that the need still exists, in this province, even though Ottawa may not. The program which will be operated jointly between the Saskatchewan Housing Corporation and the Department of Co-operation and Co-operative Development, will provide up to \$12 million in the 1979-80 fiscal year for mortgages under this program. It will also provide for up to \$150 per month in interest reduction for low income applicants.

A third feature, Mr. Speaker, is that under this program, the co-op will be able to hire a general contractor thus giving assistance to the house building industry. The program will see the Saskatchewan Housing Corporation providing the land, the financing and the technical advice to co-ops while the Department of Co-operation and Co-operative Development will provide assistance to the applicants in the development and establishment of the co-operatives. We think it's an excellent program and once again, the Government of Saskatchewan has to bail out the Government of Canada because of the fact that they withdrew their financing of the Assisted Home Ownership Program.

SOME HON. MEMBERS: — Hear, hear!

ANNOUNCEMENT

Congratulations to Prince Albert Raiders

MR. J. HAMMERSMITH (Prince Albert-Duck Lake): — Mr. Speaker, before the orders of the day, I would like to take this opportunity to inform this Assembly that on Friday, March 30 for the fourth year in a row, the Prince Albert Raiders won the Saskatchewan Amateur Junior Hockey League Championship.

HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — I'm sure that all members of this Assembly would wish to join me in congratulating the Raiders, the Raider organization and the city of Prince Albert and also join me in congratulating the Swift Current Broncos and the Moose Jaw Canucks for their efforts at honing the skills of the Raiders to prepare them for further competition and I trust that the member for Swift Current and the member for Moose Jaw will take our congratulations and our condolences to their respective teams with them. I would like to say that the Raiders are again carrying the Saskatchewan banner in the Manitoba-Saskatchewan playoffs and last night in Winnipeg defeated the Selkirk Steelers 5-3 in the first game. I'm sure all members join with me in wishing the Raiders continued success in their efforts to return the Centennial Cup to Saskatchewan.

HON. MEMBERS: — Hear, hear!

COMMITTEE OF FINANCE — INDUSTRY AND COMMERCE - VOTE 19

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Chairman, I would like to ask the minister about the policy of the Department of Industry and Commerce and, therefore, the policy of SEDCO (Saskatchewan Economic Development Corporation) with reference to the approval of loans. Would the minister inform me how a board of SEDCO can possibly make a decision on a loan that it is going to grant unless it has the credit information in front of it?

HON. N. VICKAR (Minister of Industry and Commerce): — I'm afraid I'm going to have to ask the member for Nipawin (Mr. Collver) to ask that question in Crown corporations, because he's relating totally to the operation of SEDCO. I'm prepared to answer the question as much as possible in question period, but at this particular time, I think we're dealing with industry and commerce, and I'm prepared to answer questions in industry and commerce.

MR. COLLVER: — Mr. Chairman, I'm sorry, and I want the members of the Assembly to understand this. The other day in Crown corporations, we established in Crown corporations, against our suggestion by the way, and against a motion made by the Progressive Conservative Party, that you could not examine in Crown corporations, anything pertaining to Crown corporations for next year in Crown Corporations Committee, and now the minister says we can't examine that policy here in this House, where would the minister suggest we get the information we require? Surely, surely, the minister is not trying to tell this Assembly, and the people of the province of Saskatchewan, that they are not entitled to know how the board of SEDCO makes a decision for a loan. Surely, he's not trying to tell the people of the province of Saskatchewan that they're not entitled to know whether or not, in establishing the criteria for the loan, the board has access to the credit check information. Surely, he's not trying to tell us that, by attempting to avoid this question. My question is a very simple one. It is not with reference to any specific loan; it is not with reference to a great many loans. The minister will know that in the estimates for this department there is a grant to SEDCO.

The minister will be aware of that. Before this Assembly grants money to SEDCO surely they are entitled to know how the board arrives at its decisions. I again ask the minister, how does the board of SEDCO arrive at its decision to grant any loan? Does it have before it the credit information pertaining to that particular organization to which it is granting the loan?

MR. VICKAR: — Mr. Speaker, I answered that question in the question period and I'm afraid I'm going to have to be strong in my commitment to SEDCO. The question has to be directed to SEDCO in Crown corporations, and at that time he will get the information.

MR. COLLVER: — Mr. Chairman, the minister will know that information he does not wish to make public. The minister will know he does not wish to make it public because he, as a member of the board of SEDCO today admitted that he had never seen the credit check information pertaining to the Rogers Group as one example. The minister is embarrassed at not having seen a Dun and Bradstreet report which is the simplest possible kind of credit check information, and costs for the minister's information \$4.30 — \$4.30 plus a regular annual fee to become a member of Dun and Bradstreet and get a credit check which is updated every month on every organization. The minister will know that. But he admitted in this House today that he didn't have this information, had never seen it, and he's a member of the board of SEDCO. And as a member of the board of SEDCO he was required to approve that so-called loan that was made, which is nothing other than the biggest mistake, or one of the biggest mistakes, ever made by this government— to grant and authorize the loan three days before an organization declares receivership. Absolute and utter irresponsibility. Now he's saying that he's never seen this information. Another kind of credit checking information is to get what is known as a bank report. The minister will know that a bank report is available on any organization that you want it on. You contact the bank of that organization and the bank gives you a written report on the affairs of that organization or that company, updated as far as they know. Did the minister see that? He says no. He never saw any part of it. Yet he's a member of the board of SEDCO. Now, Mr. Chairman, how in the world are the people to take the minister's reluctance to provide this information? He won't provide it here. He can't provide it in SEDCO.

MR. CHAIRMAN: — Order.

MR. BOWERMAN: — I thought we were dealing with the estimates of the Department of Industry and Commerce and all we've heard from the member for Nipawin (Mr. Collver) is questioning with respect to SEDCO. I would think, Mr. Chairman, that if we're going to keep this committee in order that the member should address his questions with respect to the matters relating to industry and commerce and not with respect to SEDCO which is a Crown corporation.

MR. CHAIRMAN: — Order, order please. I would like to draw to the attention of the members of the Assembly that I think that the question would be better dealt with . . . (inaudible interjection) . . . Yes, it's on industry and commerce but it's at the bottom of the page where it says:

Grants to local authorities and other third parties to provide for and authorize a grant to the Saskatchewan Economic Development Corporation for the purpose of funding a portion of the Corporation's venture capital expenses.

Or on page 107 when we deal with Saskatchewan Economic Development

Corporation. There are two places where I think it can be dealt within estimates. I would rule as I have tried to keep the committee in order to deal with them according to the items item by item, and I think there is certainly less confusion and it's better for all concerned and I would rather deal with it down in that place.

MR. COLLVER: — The only comment I would make to you and I appreciate your ruling and I agree with your ruling that it is the purview of this Legislative Assembly and this committee to deal with matters relating to SEDCO because in fact the item at the bottom of page 61 does refer to SEDCO. So I couldn't agree more. But, Mr. Chairman, you will agree I'm sure that Item 1 is supposedly a broad ranging discussion of various topics pertaining to the administration of the Department of Industry and Commerce; that's where we are questioning the minister. Now, on this particular item where you see 'Grants to local authorities and other third parties', we are to question the minister specifically under that item as to those grants. I understand that, but on Item 1 of the overall expenditure of the department is the time that traditionally this Assembly deals with the policy of the government relating to all of these expenditures. Therefore, I would respectfully submit to you, Mr. Chairman, that this item under Item 1 on the votes and expenditures of the entire department, that Item 1 is the area to discuss the policies of SEDCO as it relates to these expenditures and as it relates to the expenditures of money for the Government of Saskatchewan relating to SEDCO. Would you not agree, Mr. Chairman?

MR. CHAIRMAN: — My interpretation relates to the policy regarding industry and commerce. When we come down to the bottom of the page, 'Grants to local authorities and other third parties', as I've stated, then I think there is room for your question there. So I will accept your question only on Item 1 now and bring in your previous question when we come down to the, 'Grants to local authorities'.

MR. COLLVER: — Thank you, Mr. Chairman. I will do just that and I will ask the minister about SEDCO under that heading.

MR. J.G. LANE (Qu'Appelle): — We asked the minister on Friday and he was to supply us with some information. Is he now prepared to supply it to this Assembly?

MR. VICKAR: — Mr. Chairman, I have before me the documents that I wish to table to reply to the hon. member's question, but I would like to ask one of the pages, please, to come forward. I would like to get them Xeroxed, so that we have a copy because we don't have an additional copy.

I have before me the copies that I will be tabling. One relates to Aid to Trade completions for the year 1978-79 that were under question. The other document was the Western Canada Activities for the Aid to Trade. He wanted to know the studies that were done by the Regional Analysis Branch of the department and I have that before me as well and I will have that Xeroxed and the activities of the agent general's office. I have that and I will Xerox that for you.

With respect to another tabling that you asked, in regard to fermentation studies, I have a statement that I would like to make, Mr. Chairman, at this time. My statement reads as such.

On March 30, during questioning with respect to the reference in the department's annual report to the establishment of an industrial fermentation complex, I indicated that I would be prepared to table the study that was done in this connection. I would like

to clarify this point, Mr. Chairman.

The concept of an integrated fermentation complex originated in 1974 and since that time a number of studies have been done. These studies indicate that certain of these types of industries could be viable in Saskatchewan. On the strength of this information the department has been in contact with a number of companies, some of which have shown interest in this project. Upon reconsideration of the matter, I have concluded that because of the ongoing nature of this project, making the material and these studies public at this time, could jeopardize further negotiations with interested companies and would, therefore, not be in the public interest.

Therefore, Mr. Chairman, I ask your indulgence to have me retract the statement that I made on March 30.

MR. LANE: — It's no retraction. It's just a complete deception on the House that you are perpetrating here, of course. We very, very carefully asked you for those studies. This project has been going on since 1974 and I hope the press is starting to see what we are telling them about this government, that they hide and bury all the information on SEDCO, that they are afraid to come clean before the public of Saskatchewan because of their bad business deals, that they have so much undercover that it is impossible for an opposition party to get information out of this government. You can ask questions in Crown corporations — not the year under review — not in the public interest. You try asking the same questions in the House — not in the public interest. Time after time. All that the government gives for an answer — it's not in the public interest. I say to you, you are probably the most secretive government in your business dealings of any government in this country. I suggest that that's beyond a question. You refused to give information on potash, refused marketing studies showing that potash is a highly risky venture. You refused to give the information on uranium development. You refused to give it on some of the absolutely unconscionable transactions you have entered into with SEDCO. Now you stand up today and say, it's not in the public interest, when you yourself (and I recall on Friday) ruled out the defence of public interest because I challenged you on that and said that you didn't use that defence then.

You know what happened, and the press knows what happened. The hon. minister had a meeting with the rest of his cabinet over the weekend and decided, oh boy, we don't dare give this information out because there is no such project — it's a political football in Saskatoon — it won't get off the ground, that in fact, the only way you are going to have such a project is if you give an arm and a leg of free public moneys to try and save your political hides on it. That's not the first time that that has happened. It's a complete backing down of the stated position of the minister and I think the press should take note that the minister completely did a flip flop from his position on Friday. It wasn't a bad question on Friday, but he wanted time to get the information. He did refuse on Friday to give us the names of the companies, but not the studies. Now he changes his mind.

The fact of the matter is that it is just one more indication that this government's business dealings are so bankrupt of any morality and any sound business dealings that they are afraid to give the information to the people of this province. You stonewall in Crown corporations, you stonewall in the House, because you know that either you don't have the capabilities or you have got so many political business dealings around that you wouldn't dare let the public see. I suggest that the way you handled it would make the Olympic committees look like a nice honest little relationship. The fact is that the public of this province can only come to one conclusion from the way you handle

your business dealings, and that is that you have got one great amount to hide. One of these days, (and let me warn you) the public is going to get to the bottom of it and you won't be the government for another 20 years.

Now, let's get on to Henninger. Let's see how much you are prepared to table on Henninger, seeing as how you backed out on the other one.

MR. VICKAR: — Mr. Chairman, I enjoy very much the verbal garbage that the hon. member has just given us in the House. I think if the hon. member was in his private practice, dealing with companies and firms like SEDCO has done or like industry and commerce has done, he would probably act in no different manner. There is a certain amount of confidentiality that has to be taken into consideration when you are dealing with these firms and businesses, and until such time as these things are finalized, I think he readily understands that it cannot become public knowledge.

With the involvement of industry and commerce in the Henninger malting plant, I have the following statement to make, which I can table for the hon. member if he so wishes.

In 1972, officials of the department became aware of the fact that some companies were having difficulty in finding the source of the supply of malt. This led the department to undertake some investigations into the matter.

In early 1973, the department commissioned a feasibility study for a malting plant in Saskatchewan. The study was carried out by D. D. Dick Engineering at a cost of \$10,000, and was completed in July of 1973. The study indicated that a plant which would need to capture only 1 per cent of the world market to function at capacity, could be viable.

The estimated capital cost of such a plant was \$15 million at that time. In August, 1973, the department came into contact with Henninger, who expressed interest in such a project and subsequently decided to proceed with it. Following a decision by the company to proceed, the department's role became that of a facilitator. The department provided information and assistance with respect to optioning land, provisions of services, grain supply, etc. All of the negotiations respecting finances were handled directly with SEDCO. The Department of Industry and Commerce was, therefore, not in a position to make any further comments on those details.

For the information of the hon. member, I think you will find that you will have the opportunity again to go into the operations of Henninger malting in the report this year in Crown corporations — in SEDCO.

MR. THATCHER: — Mr. Chairman, we have become accustomed on this side of the House, with the minister in charge of SEDCO and industry and commerce refuting and contradicting himself, not only from day to day, but from hour to hour and almost from minute to minute. Now, Mr. Minister, you know very well that you are stonewalling and the only public interest that you're referring to is the interest of the New Democratic Party. Mr. Minister, I want to serve notice on you right now that somewhere in the course of this Assembly, you have to come before this Assembly again for page 107 for a vote on the Saskatchewan Economic Development Corporation. Mr. Minister, let me assure you, as well as any other Crown corporation, we are going to demand that not only SEDCO but every other Crown corporation that intends to borrow money in this fiscal year that bring your officials into this Assembly. Because when you start talking in terms of SEDCO, you're asking this Assembly, at some point time (and Mr.

Chairman I relate my remarks to the annual report where SEDCO is mentioned), to approve almost \$21 million borrowing for SEDCO. Let me tell you that if you think you can get away with stonewalling us, you may or may not be right. But you are going to get the same questions when vote 48 comes up and capital estimates and we demand that you bring your officials from SEDCO and tell us why you need this \$21 million and we intend to question you on all aspects of SEDCO.

And I wish to serve notice on the entire government where a Crown corporation is concerned, when your capital estimates come forward, we demand that you bring the Crown corporation people involved. We demand that you bring them into this Assembly to justify why you need this kind of money and that includes Sask. Housing Corporation which wants to borrow \$44 million, the land bank commission which wants to borrow \$20 million and all the way down the line: Sask Power Corporation, \$118 million and Sask Tel, \$52 million. We want those officials in here and we intend to go very deeply into why you want this money.

Now, Mr. Minister, the reason I bring this up is because I'm sure you have been advised: stonewall it today. Stonewall things today and then it's gone and they've got to go to Crown corporations and it doesn't come up for another year. Well, Mr. Minister, let me assure you whether or not you get by with it today remains to be seen, but you will not get by with it when Vote 48 comes up. Now, Mr. Minister, you have made references either direct or indirect in your annual report. As I indicated to you on Friday, your refusal to answer questions on this is inexcusable. You and your people chose to put these references in the annual report; nobody else put it in for you, certainly we didn't. You put it in your annual report; you chose to flag these items. Mr. Minister, I have every confidence that the chairman will support our position that anything in the annual report of your department is fair game and I have every confidence in the fairness of the chairman that he will support that position.

Now, Mr. Minister, again we intend to go into these items. Let me again ask you to expand on your statement from Henninger malting. Your department has had considerable more involvement certainly in the past year, than what you make reference to. Mr. Minister, may I ask you to reconsider your previous statement in the interest of facilitating the movement of material through this House. Expand on your statement. Let's get on with it and let's get this Assembly moving because somewhere you're going to have to make an accounting. If it's not going to be here today it's going to be when SEDCO (Saskatchewan Economic Development Corporation) asks this Assembly for \$20,800,000. Let's get on with it, speed things up, and get out of here.

MR. VICKAR: — Mr. Chairman, I just made a statement on Henninger malting as was requested and I think that's as far as I can go. If the hon. member knows more about the operations of the department with respect to Henninger malting than the department does itself, I would be amazed. I have no further statement to make with respect to Henninger malting. I have made it and it's entirely up to the members opposite. You can get it if you want. As far as SEDCO's concerned, I told them you would get the information in Crown corporations. I have no more to say at this time.

AN HON. MEMBER: — When? We tried. We were refused in Crown corporations.

MR. COLLVER: — Mr. Chairman, I raised before, in this Assembly, the matter of the minister stonewalling with reference to questions pertaining to SEDCO and pertaining to the involvement in SEDCO. This was just placed on my desk today — every member was provided with the SEDCO annual report today, for the year ending December 31,

1978. I notice from this annual report that even though SEDCO owns not only a controlling interest but over 90 per cent of the shares of Prairie Malt, it doesn't even consolidate the financial statements for Prairie Malt. It doesn't even consolidate them! In every other organization known to man, anything more than controlling interest of a financial corporation, anything more . . .

MR. CHAIRMAN: — Order. I wonder if I could ask the hon. member to come back to order and confine his remarks to item 1, the Department of Industry and Commerce.

MR. COLLVER: — I certainly shall, Mr. Chairman. You will recall that the chairman previous to you (the regular chairman of the committee) pointed out . . .

AN HON. MEMBER: — Summarily yanked out of his position but the Attorney General came in because he gave a favorable ruling on . . .

MR. COLLVER: — Yes, and I'm very pleased that this particular chairman is now the chairman of this finance committee. He will recall the votes and proceedings that occurred in the Crown Corporations Committee the other day, which stonewalled the opposition from getting any information in the Crown Corporations Committee.

Mr. Chairman, I suggest to you that item 1 of the Department of Industry and Commerce is precisely the place to talk about SEDCO and matters relating to SEDCO because the fact is that there are grants . . . Oh well, we're back again.

AN HON. MEMBER: — Glad to have you back.

MR. COLLVER: — Glad to have you back is right because we are very pleased that you pointed out . . . (inaudible interjections) . . .

AN HON. MEMBER: — Tell him you're not to go too far away now.

MR. COLLVER: — Mr. Chairman, I want to emphasize here that a corporation, a Crown corporation, which does not consolidate its subsidiary (Prairie Malt) which is the new corporation for the corporation that the minister agreed on Friday to bring us the information pertaining . . . Now, today he has withdrawn that information, withdrawn his commitment as it were, to bring us that information. It is most interesting to note, Mr. Chairman, that this particular corporation is not consolidated. I want to just refer to you, Mr. Chairman, and to the other members of this Assembly on the NDP side who are

not members of the cabinet, who do not have access to cabinet minutes, who do not have access to cabinet information and who do not have access to SEDCO information, I ask you, as I've asked many times in this Assembly, how can you go back to your constituents and tell them that you have done a job on estimates and that you have done a job protecting the rights of the people to be informed and that you have done a job in making certain that every tax dollar that you are responsible for is well spent? How can you go back to your constituents when you get information like that? Do we have a financial statement for Prairie Malt? No. But it is, Mr. Chairman, 91 per cent owned by SEDCO — 91 per cent. Can you get a statement for Prairie Malt? Do you think it's significant? Do you think, Mr. Chairman, that your constituents would be interested to know what happened to \$36 million of the people's money — \$36 million?

MR. BOWERMAN: — Point of order.

MR. CHAIRMAN: — State your point of order.

MR. BOWERMAN: — Surely, Mr. Chairman, the detailed matters of SEDCO are unrelated to item 1 in the estimates of the Department of Industry and Commerce. I don't know how, Mr. Chairman, the hon. member can make any relationship between the detailed kinds of information he wants with respect to SEDCO as being in order when it comes to this committee. I would ask, Mr. Chairman, please bring the member to order.

AN HON. MEMBER: — You want to go back to 1978, do you, in Crown corporations?

MR. CHAIRMAN: — Order. I think I stated before I left the Chair my ruling on it. I agree with the member who just spoke that we have an area during the estimates in which we can deal more thoroughly with SEDCO and I would ask the members to adhere to that ruling and to deal with item 1. When you have something specific and it comes up under another subvote, that's when we deal with it then. Item 1 is what we're dealing with.

MR. THATCHER: — Mr. Chairman, obviously you know what we wish to refer to and we wish to relate the entire package of Industry, Trade and Commerce and its interrelationships with SEDCO. And I think, Mr. Chairman, that its interrelationship is completely true throughout this Annual Report '77-'78 of Saskatchewan industry and commerce. I think the nature of the report demonstrates very clearly the interrelationship which does exist. Now, Mr. Chairman, if you will give us assurances that we can discuss this interrelationship under the heading that you mentioned earlier, we may be able to proceed on but, Mr. Chairman, shall we say and I make no reference to you at all, but shall we say a time or two before we have been led down the garden path and when we get to that item all of a sudden we are rather highly restricted. And after leaving Item 1 shall we say the options available, or the latitudes narrow considerably. My suspicions arise rather dramatically when I heard the House Leader . . . (inaudible interjection) . . .

MR. CHAIRMAN: — Order, order please! I interpret this that you are debating my ruling. I made my ruling and that's the way I want to proceed with it.

MR. COLLVER: — Mr. Chairman, I'm very pleased that you made the ruling, but I do want to make a comment to you and to the Assembly and to the member who just spoke for Shellbrook (Mr. Bowerman). The member seems to think that it is not possible in a discussion of estimates for the next year to bring up expenditures that occurred for the

last year. Now I say to the member that's absolute and utter nonsense. We as a legislature have to be able to relate what was expended in the last year as it is reflected in public accounts to what the government wants to spend in these estimates. We have to be able to do it. You can't just talk about next year without relating it to last year — that's first of all. Secondly, Mr. Chairman, with deference in respect to yourself, sir, it is a tradition of this Assembly and of all legislatures that go through this procedure of estimates and examining that on Item 1 we're supposed to talk about the total expenditure for the Government of Saskatchewan, for the Department of Industry and Commerce, total to be voted \$7,835,900 — that's the only time we get a chance to talk about that. That's Item 1.

Then we go through and talk about the specific expenditures. But on Item 1 we want to relate to all of the expenditures of the department. Now the fact is that there are considerable expenditures within that \$7,800,000 that are expended on behalf of SEDCO. As the member for Thunder Creek (Mr. Thatcher) attempted to point out to this committee, SEDCO and the Department of Industry and Commerce are interrelated. One is a Crown corporation, admittedly, the other is a department of government, but they are interrelated. They are integrally related, of course, they are. Just for example . . .

AN HON. MEMBER: — How?

MR. COLLVER: — Well, it is right in the estimates. It is not necessary for me to point out to the member who calls across, how? It is not necessary for me to point out to him that of the \$7,835,000 to be voted on this year, nothing is going to be spent for grants to local authorities, but last year there was put forward \$1,635,000. Some of these development packages are related directly to what SEDCO is doing. Oh, but the minister shakes his head. Of course, it is. In this very Assembly, last Thursday and Friday, the minister very kindly provided to this Assembly several programs that were interrelated between SEDCO and the department, to try and stimulate small business.

Now, you don't get it both ways, Mr. Chairman. You don't get to say, on the positive side SEDCO does all of these things with the department to help small business and on the other hand not have the opposition have to bring up, to this Assembly, what is going on. Now, the fact remains that in this Assembly it is our duty to study this Department of Industry and Commerce and, furthermore, Mr. Chairman, and I go beyond that, I say to you that it is incumbent upon us to make certain that the Government of Saskatchewan reveals to the people of the province of Saskatchewan its procedures.

I say to the members opposite, to the individual members, who are sitting in the back benches, you do not get this information anywhere else. This is the place where you get it. Here is an organization administered by the Minister responsible for industry and commerce, an organization that he refuses to provide information on, that stonewalls us and you in Crown Corporations Committee. Now, we find that it won't even present the financial information to anyone, to anyone, for a company that it owns 91 per cent of.

Every organization consolidates its financial statements, every one consolidates its financial statements for those companies that it owns a majority share of. Imperial Oil does it, that boogeyman Imperial Oil; Shell does it, that boogeyman Shell; IPSCO does it. Every organization consolidates its financial statements, but not SEDCO!

I say to you, and to the members of this committee, and I say to the minister, what are you trying to hide? If you made a bad deal, and you did, if you made a bad deal tell the

people you made a bad deal. If you frittered away their money, tell them for goodness sakes. They are entitled to know that, but don't change the rules of the game; don't change the rules in the legislature; don't change everything around so that you try to appear a big hero and the people find out some years down the road that you lost a pot full.

Mr. Chairman, this is very, very much like, in the dealings with the Department of Industry and Commerce, this is very, very much like the situation with reference to the Government of Saskatchewan's direct involvement in the uranium business. Very much like it! Don't for goodness sake, you members of the backbench, let your cabinet run roughshod over you.

MR. CHAIRMAN: — Order! I have been very lenient and perhaps more lenient than what the average person might be but I have asked the committee to refer back to item 1 and you will have an opportunity to deal with SEDCO in the proper place. I say that item 1 is the one under question. You are dealing with one specific area and you have the opportunity lower down on the page. Again I showed you on page 107 where you have the opportunity.

MR. COLLVER: — Excuse me, would you please inform this Assembly — you are talking about dealing with one specific area — is it not true that item 1 in the estimates is the time when you traditionally are supposed to talk about the broad policy of the spending of government? Is that not true?

MR. CHAIRMAN: — You are dealing with the broad policy of industry and commerce. That's what we are dealing with.

MR. COLLVER: — Mr. Chairman, then I will deal with the broad policy. The broad policy of the Department of Industry and Commerce is to use SEDCO as a vehicle to hide its mistakes. The broad policy of the Department of Industry and Commerce is spending \$7,835,000 of the people's money to hide from the people how it is frittering away \$36 million in Prairie Malt. And it is using this Department of Industry and Commerce and using this Assembly and I say abusing this Assembly and abusing the rights of individual members, by presenting to this Assembly financial statements which do not consolidate a 91 per cent owned subsidiary of SEDCO. The broad policy of the Department of Industry and Commerce is to try and put a sock to the small business people of our province, to try and say they have all these programs that the minister referred to the other day that amount to less than \$1 million and then fritter away tens of millions of dollars on wasted ventures and on adventures. The broad policy of the Department of Industry and Commerce is to try and make the people of Saskatchewan waste their money and I say that it's the job of every individual MLA in this legislature to make sure that they don't.

I ask you members, what makes you think that that minister alone can operate without any advice from you? What makes you think so? What makes you believe that you, the NDP caucus and the backbench members, are not entitled to know what's going on with your money. Because you don't know and you can't find out. You are supposed to find out here.

MR. THATCHER: — The deputy minister is on the board of directors of SEDCO . . .

MR. COLLVER: — There's another interrelated matter. We have the Deputy Minister, Mr. Melin, who is here in this Assembly to ask questions. He's also on the board of

directors of SEDCO.

MR. THATCHER: — That's not an interrelationship?

MR. COLLVER: — Of course it's an interrelationship! The minister is a member of the board; the deputy minister is a member of the board. Tens of millions of dollars are being expended through SEDCO. All we asked to do, all we ask of the government is to level with the people. Now tell me why is it not reasonable for the minister responsible for industry and commerce to tell the people of Saskatchewan how a financial company, a financial agency, SEDCO, advertising on TV — Come to us First, competing against the credit unions, competing against the banks — how is it possible that the minister who is responsible, the deputy minister who is responsible, are not prepared to answer the question: when we make a decision on a major credit we get a credit report? Why can't they answer that question? If they don't get a credit report, why can't the minister say (and I ask him this) gee, we don't get a credit report. That hasn't been our policy. It's a darn good suggestion; from now on the board is going to get credit reports and credit standings of every single organization that we grant major credits to. Before the cabinet signs an order in council they too will get a Dun and Brad report updated, will get a bank report updated. What's the matter with that? Why can't the minister say that? I'll tell you why the minister can't say that, because he's trying to hide from the people of the province. It is the policy, the broad policy, of the Department of Industry and Commerce to hide from the people of Saskatchewan how it behaves and how it performs. If, for example, it had to bring a Dunn and Brad report forward from the Rogers Group now, the people would say, how could anybody be so stupid?

MR. BOWERMAN: — Point of order, Mr. Chairman.

MR. CHAIRMAN: — What is your point of order?

MR. BOWERMAN: — Mr. Chairman, the member persists in attempting to analyse the detailed operations of SEDCO in this committee. He does that under the guise of calling it a broad policy. I don't know, anytime that I have sat in this House, Mr. Chairman, and witnessed the Committee of Finance doing its assessment and review of the estimates, never have we heard this kind of questioning and this kind of approach to industry and commerce, not that it couldn't be done if it was in order. But I suggest to you, Mr. Chairman, and to the members opposite that to go into the detailed kind of analysis that the member is going into is totally out of order with this committee. With respect to going down to the item under review, the item to which you have referred him, then he could make some points, but that is a matter of a straight grant being made to SEDCO. The answer as to how that ranch should be made, I submit to the chairman, is a matter to be reviewed in the Crown Corporations Committee and with due respect, Mr. Chairman, to page 107, there is nothing to suggest that even the provisions under Vote 48 is a matter that deals directly with industry and commerce. So I would suggest, Mr. Chairman, that you bring the member to order so we can get on with the estimates of the Department of Industry and Commerce.

MR. THATCHER: — Mr. Chairman, if I might speak to that point of order . . .

MR. CHAIRMAN: — Order, order, please . . .

MR. THATCHER: — May I not speak to that point of order?

AN HON. MEMBER: — Sit down.

MR. CHAIRMAN: — I would like to make a brief statement before we proceed any further. I think only questions relating to the last completed fiscal year can be asked in Crown Corporations Committee. Other questions regarding current and future operations are the prerogative of the House including the Committee of Finance. I am asking the committee to deal with specific items in their specific places. I am dealing with item 1; you have been dealing with something specifically out of SEDCO and I ask the committee to co-operate and proceed on item 1 in the manner in which we have in past Committees of Finance.

MR. COLLVER: — I accept your ruling. But you can't possibly be suggesting that in an examination of the estimates for the Department of Industry and Commerce, one of the most major industries in our province cannot be discussed. I'm not asking the minister . . . (inaudible interjection) . . . one of the most major industries in our province is SEDCO and therefore because . . . (inaudible interjection) . . . now, Mr. Chairman, I'm not referring to SEDCO specifically. Surely in item 1, I can talk about the broad policy of the Department of Industry and Commerce. The Department of Industry and Commerce has several broad policies that it has announced. It has announced about \$1 million worth of total expenditures on many various programs to help small business and small rural business. It talks about specific development on certain main streets; the government talks about North Battleford and I talked about Nipawin. These are the broad policies we're talking about. I'm not talking about specific things in the SEDCO statement today. I'm talking about the policy of a major corporation and major industry in Saskatchewan, about the policy of that industry trying to hide facts from people. I'm talking about the impact that that hiding of facts from the people is going to have on all industry and commerce in our province. I'm talking about whether or not the Department of Industry and Commerce is doing its job and that, after all, is what item 1 is all about. Are they doing their job? The answer has to be a resounding no! Now, I notice that a member of the cabinet, because there were two or three individual MLAs who sit in the backbenches, who in fact were paying attention earlier and they started to say to themselves, yes, that's right. Am I getting this information; am I being provided it? He noticed it as well and he jumped right up on a point of order because he didn't want those individual MLAs asking those questions.

Now in order to show party unity, Mr. Chairman, naturally these fellows are not going to ask the questions in here. But they are going to ask the questions in your caucus. These individuals who are concerned, those who are sincerely trying to do their job, are going to find out and they are going to say . . .

MR. CHAIRMAN: — Order, order, please. There comes a time in the rules and the regulations that a chairman of committee has to decide when things become repetitious. I think I have been lenient. I say things are becoming repetitious. I have tried to outline to the committee the places they can bring forth their specific items and I ask the committee to proceed in that manner.

MR. THATCHER: — Mr. Chairman, the Minister of the Environment (Mr. Bowerman) in his comments indicated that we should go to Crown corporations for the answers to the questions we have been asking.

Mr. Chairman, let me say to the Assembly today that we have no intention of waiting one year to go to Crown Corporations Committee to ask some of these questions which the Minister of the Environment would have us do.

Now, Mr. Minister, Mr. Chairman, I suggest to you that (as we have said before) SEDCO and Saskatchewan Industry, Trade and Commerce are interrelated. Mr. Minister, it's a fact in these estimates that SEDCO is asking for \$21 million in loans. When SEDCO comes in to ask for that loan we intend to interrelate SEDCO at that time with the Department of Industry, Trade and Commerce. Mr. Chairman, it may very well be that the trend towards larger Crown corporations in this province make it impossible to totally isolate them from the estimates in this Assembly. I suggest to you very respectfully, Mr. Chairman, that as the years go on this problem is probably going to intensify and you are probably just seeing the first of many such problems developing over the years.

Now, Mr. Minister, Mr. Chairman, we believe and we believe very strongly that we have the right where the department makes reference on numerous occasions (I won't bore you with showing you the specifics), where they make specific references of their relationship with the Crown corporation, that we, as an opposition, have the right to question them on their broad overall perspective. Now, Mr. Chairman, respectfully, I suggest to you that you are probably getting the first instance of a growing change that is going to take place in this Assembly.

If you are going to make your Crown corporations more prominent in this province, then obviously you are going to have to recognize that increase in prominence in this Assembly and, Mr. Chairman, I ask you to please view it from this perspective. Mr. Chairman, I further say that were we not to proceed on this line of questioning, the gentlemen across the way would be the first to condemn us and refer to us as a weak opposition. I say to you, Mr. Chairman, we are only trying to do the job that we were elected to do. We're an opposition. Granted, we could do a vastly superior job in running SEDCO (Saskatchewan Economic Development Corporation) were we on that side, but the people, in their wisdom, have put us on this side. We are on this side, and we intend to do, on the basis of whatever information is available to us, our job in providing effective opposition to the government across the way. Now, Mr. Chairman, I ask you, please allow us to do our job. We ask for no more, and I again suggest to you that this is only the first of what I think will be a recurring problem in the coming years. Please allow us to proceed in our line of questioning. Okay, Gary, go ahead.

MR. LANE: — The minister has tabled and read in this House a statement with regard to the Henninger malting project. Are you now prepared to table the study by D.D. Dick Engineering? After all, it's some five years old, and the project, according to the SEDCO annual report, is now operating.

MR. VICKAR: — Mr. Chairman, yes, there will be no problem in tabling them. I can't do it today, but I can assure the hon. member that he will get that information.

MR. LANE: — Well, are you prepared to table the study for this evening's session so that we have a chance to look at it over the supper hour?

AN HON. MEMBER: — No.

MR. LANE: — I asked the minister. I am sorry to wake you. I am not asking you. Why should I ask the monkey when I can ask the organ grinder, for heaven's sake?

MR. VICKAR: — Mr. Chairman, I don't think my department is ready to table this in the legislature at all this afternoon. Although, as I stated further, I can assure you that you will have it.

MR. LANE: — I am trying to get an idea of when, for the obvious reason that I am going to direct my questioning on your involvement with Henninger, prior to it, just in terms of your statement.

In that particular study, did the study indicate that in fact the project should be at Biggar?

MR. BOWERMAN: — On a point of order.

MR. CHAIRMAN: — State your point of order.

MR. BOWERMAN: — I've stated it many times and I'm going to state it again that this is a not the place for us to be analyzing the Crown corporations . . . (inaudible interjections) . . . the members don't seem to understand, Mr. Chairman, that there are no policy statements with which they would like to associate under Item No. 1 that would permit them to get into the detailed questioning of the malting company or any other detailed company of SEDCO in this committee. Mr. Chairman, I recommend getting on with the committee's business and stopping this line of questioning from the opposition members because all it will do is establish a precedent which they will attempt to carry on in other departments relating to the grants made from the consolidated fund. I suggest, Mr. Chairman, to the members opposite that all we can do is frustrate the operations of the committee by going this route and we will take up far more time than is necessary. The information you require should be sought in the Crown Corporations Committee. It has no relevance to any item that is in the pages of the industry and commerce estimates.

MR. LANE: — Mr. Chairman, if I could respond, I very carefully — I don't know what we're expected to do. I wish the real House Leader would come back because the statement indicates that prior to its going to SEDCO there was a certain involvement in the Department of Industry and Commerce. My question was directed on that prior to is going to SEDCO. Now that means, for the minister's edification, that before it went to SEDCO which is under Crown corporations, while it was still with the Department of Industry and Commerce which even the minister will have to admit is a vital matter for discussion before this committee. So I've asked the minister a question. Would he please respond?

MR. VICKAR: — Mr. Chairman, the member's question was whether I was aware that there was a pinpointed location for Henninger malting to be built in the particular study. I have to confess, Mr. Chairman, that back in 1973 when the study was made I was not in this legislature and I didn't have the opportunity to read the report. And I've already made the statement that we will be prepared to table the report as soon as we can dig it up and make it available to the House.

MR. LANE: — Well, are you then prepared to stand on subvote 1 until you get the study to us?

MR. VICKAR: — No, Mr. Chairman, because the question is pinpointed at the location and I don't know whether the Department of Industry and Commerce would have made a recommendation at that time whether the location be one, two, or three. It may have

been a decision of other parties involved and naturally it was to make a particular choice in a location.

MR. LANE: — O.K. Let's start, where did you meet Mr. Henninger and who made the initial contact? Let's get back to basics.

MR. VICKAR: — The information I am getting is that the initial contacts were made through the consultant that was making the study.

MR. LANE: — The D.D. Dick Engineering kind of put the two of you together, is that right?

MR. VICKAR: — Mr. Chairman, it was only through the course of the study that was made by the consultant that he came in contact with Henninger malting and that's probably how the contacts were made. We have no further knowledge.

MR. LANE: — When you turned the matter over to SEDCO, supposedly, or SEDCO got saddled with it, however you want to phrase it, what was your recommendation as to the participation of Henninger? How much were they to put up? What percentage of the equity were they to have?

MR. VICKAR: — Mr. Chairman, we had nothing to do with making any recommendations and our office would not make any recommendations as to the financial aspects. When Henninger became interested in the operation he went to SEDCO for his financing.

MR. LANE: — You, I would assume, sent him and recommended SEDCO?

MR. VICKAR: — That may be the hon. member's assumption, Mr. Chairman, but I can't answer that because I wasn't around at that time.

MR. LANE: — That's another new excuse that we haven't had from the hon. member. I wonder if he wouldn't want to take five minutes and give all the excuses you are going to use for not giving us information and get it out of the way quick. O.K. What land did you recommend that should be optioned? I would like to know the parcels? I would like to know the owners? And that's in your statement that you made recommendations on optioning of land.

MR. VICKAR: — Mr. Chairman, if the hon. member will read the statement. May I just read it for you for clarification if you can't do it:

It says the department provided information and assistance with respect to optioning land . . .

It does not say that it spelled out any specific parcel of land.

. . . provision of services, grain supply, etc. . . .

And that's as far as our department went.

MR. LANE: — When you talked about optioning land, did you say anywhere in the province of Saskatchewan? Is that what you said, anywhere? You had an option on the province? Don't be so foolish.

MR. VICKAR: — Mr. Chairman, when Henninger malting was making the study, we had

many parcels of land at that time which we could make suggestions to them for. That's what happened and I can't pinpoint any particular land.

MR. LANE: — Where were they located? What options did you give them in your discussion?

MR. VICKAR: — Mr. Chairman, I don't know how else I can phrase this but the department assisted Henninger when they became interested in trying to help them pick up an option after they came to industry and commerce and named the particular locations they were interested in locating at. Now, that could be various parcels of land and I don't know what the hon. member is trying to find out but we do not in our department specify to any particular industry the particular land they're going to locate on.

MR. LANE: — What assistance could you give? Are you going to try and tell us Henninger, a big company, doesn't know how to take up an option on land that it's going to acquire? I'm sure you're not telling us that. Specifically, what information did you give them with regard to option of land? You must have made some recommendations and what were they?

MR. VICKAR: — Mr. Chairman, I think the hon. member wants to pin this thing down to the present location of Henninger malting. I'm informed that the only involvement our department had at that time was on the request of Henninger to get involved with the town of Biggar and ask the town of Biggar about that particular parcel of land. That's the involvement that the department had.

MR. LANE: — Well you didn't really provide assistance with respect to optioning of land, did you?

MR. VICKAR: — Yes we did, Mr. Chairman. We wrote some letters for Henninger malting.

MR. LANE: — You wrote some letters. Whom did you write the letters to, just the town of Biggar?

MR. VICKAR: — I'm told yes.

MR. LANE: — No surrounding farmers or anything of that nature?

MR. VICKAR: — Not that we are aware of at this time, Mr. Chairman.

MR. LANE: — Now I ask you the question; the only assistance which you gave to Henninger with regard to the optioning of lands was writing to the town of Biggar? That's what you are telling us!

AN HON. MEMBER: — Yes or no!

MR. VICKAR: — Mr. Chairman, I'm just telling the hon. member that which we know from memory, sitting here. You have to remember also, Mr. Chairman, that the department which is sitting here this afternoon was not available in 1973 when all of this was going on. We are going by hearsay only.

MR. LANE: — I also know from the department that they are very glad that they weren't

involved at that particular time from all reports.

What services were you going to provide to them that you discussed, in detail? What did you provide? Did you charge them a fee for any of the services?

MR. VICKAR: — Mr. Chairman, the statement does not say we provided the services. The statement says we indicated to Henninger that we would help them acknowledge themselves with the provision of the services that are available for them at the particular location.

MR. LANE: — O.K., so you didn't do anything with respect to the optioning of land provision of services. Now what advice did you give them with respect to the grain supply? What information did you supply Henninger with, in regard to the grain supply?

MR. VICKAR: — Mr. Chairman, my people are telling me the services which they supplied in the grain supply heading, that I have on my statement, was that our department collected the information from the Department of Agriculture, from the Canadian Wheat Board, from the various grain companies as to the availability of a source of barley in a given location.

MR. LANE: — O.K. And as a result of your collection of that information you agreed with Henninger that that plant should be in Biggar, is that correct?

MR. VICKAR: — Not basically.

MR. LANE: — Well did you tell them that they shouldn't be in Biggar on the collection of information?

MR. VICKAR: — I made the statement previously that we provided this information to Henninger and Henninger made the decision as to where they were going to be located.

AN HON. MEMBER: — Agreed.

MR. LANE: — No, oh no. On the grain supply did your information that you collected from the wheat board, Department of Agriculture, and everybody else, make it clear to Henninger that they had no place to go, or the best place for that plant was Biggar?

MR. VICKAR: — You are trying to put words in my mouth and I'm afraid I can't accept that.

AN HON. MEMBER: — Too smart for that, too smart for that.

MR. LANE: — Can you tell us on the result of the information you gave that in fact it is in the worst possible location, that it has to truck barley from hundreds of miles away to get it there because the barley grown in the area is not up to the standard that they need, there's not an adequate supply, and it is in the worst possible location — and can you tell us how that thing ended up in Biggar?

MR. VICKAR: — Mr. Chairman, I can't give him an answer to that question. There's just no way.

MR. LANE: — Well, would you supply to this Assembly the information that you supplied to Henninger with regard to the auctioning of land, the information and the

assistance that you supplied to Henninger? I'd like to know when, days and dates with regard to the provision of services, the information in detail that you supplied to Henninger with regard to grain supply and also the information and assistance in detail that you supplied to Henderson which comes under that broad heading, etc., which I see in your statement. Would you supply that information to us as well as the study that you've committed?

MR. VICKAR: — Mr. Chairman, I'm sorry that information is not available. I cannot give him that information because it's privileged information and it would be information between the client and ourselves and again, that's the same line of questioning that the hon. member has been following all afternoon.

MR. LANE: — Are you trying to tell this Assembly and the public that the information that you get from the Canadian Wheat Board and the Department of Agriculture as to grain supply is privileged information? You have just stated in the bluntest possible manner that you are trying to hide a pretty major blunder made by this government with regard to Henninger malting, that you in fact don't want to give that information to save your political hides and for no other reason whatsoever. I don't think the public is a malt plant should locate on the basis of information that you say your department of Industry and Commerce provided at some point in time, is ludicrous.

Mr. Minister, I think your own statement earlier, where you indicated that really all that you did was point them to the town of Biggar and write a couple of letters on their behalf, doesn't really suggest that things were conducted on that level of confidentiality. What it does suggest, Mr. Minister, is that when Henninger malting were looking at Saskatchewan, when they took a look at Saskatchewan, obviously their first question has to be: if we are coming here, where are we going to go? Certainly, I think it is appropriate for someone who may be appraising this venture with some sort of discerning view to wonder why your department wrote a letter only to the town of Biggar.

Perhaps if one was a trifle on the facetious side he should suggest that, maybe that is the minister the government of the day thought was in trouble. Maybe that was the minister who perhaps needed an industry. Perhaps, shall we say, the minister who represented, or the member who represented the constituency of Biggar at that time had that kind of power that you now possess so that he could perhaps select Biggar, where a new industry was going to go, just as it is common knowledge in the trade that somebody wishing to establish in Saskatchewan can get any sort of financing if they're going to go to Melfort, if they would choose to go to Melfort. Maybe that's fair game; maybe it is fair game. I really don't know. But, Mr. Minister, when one looks at Henninger malting now and you see a situation where in the past year alone the province's equity in this venture has gone from 78 per cent to 91 per cent, then, Mr. Minister, I think your assertions that it is not in the public interest to tell the public what is going on when they now own 91 per cent of it really does not carry a great deal of credibility.

Mr. Minister, Prairie Malt indeed is a very, very strange venture indeed. A West German consortium or a West German group comes into the province and they're going to go into the malting business. They get diverted to the town of Biggar, which with all due respect to the town of Biggar, is a, shall we say, a strange choice for the location of a malt plant. Now, certainly on this side of the House we support this concept of getting our industry out, away from the key centres of Saskatoon and Regina. I think that's motherhood; I think everybody supports that concept. Whatever industry you can get out to Biggar, fine. If you can get it to Melfort or if you can get it to Riverhurst, or if you

can get it anywhere to get it away from the larger centres, I think you'll get support from all quarters in the province. But a malt plant, particular a borderline malt plant, to send it out into the country was a strange decision.

First off, because of the river. The location of the river which makes it very, very difficult to get the barley required across that river from the heavy grain growing areas in the southern area. The minister, obviously a prime consideration in locating a plant of that sort has to be its raw produce and I don't think I'm being disrespectful to anyone when I suggest that Biggar is not exactly the centre of malting barley in Saskatchewan. There are a lot of areas in Saskatchewan that produce a lot of malting barley, but I don't think Biggar is the predominant one.

Now I notice the rookie member for Regina Lakeview seems to be waving his arms et cetera and I invite the member for Regina Lakeview to get into this. Heavens, it's a wide open ball game, get in and bail your minister out. Goodness knows, the minister needs some bailing out. Now, I invite him to get in because I predict that from about 4:45 on, we're going to get a speech from the Attorney General. We haven't had too many in this session and I say to the member for Regina Lakeview, we would love to hear from you on this issue. But get in before 4:45 because what the Attorney General will do, he will take his time when he's going to get up to take a strip off us for what we've been saying to the minister over there and he will kill the clock. He will not sit down until 5 o'clock. So if you're going to get in, get in before 4:45 and we invite you to get in.

But to return to the question of Henninger malt, Mr. Minister, strange things have happened in it. It's gone to a strange location for a variety of reasons. And then, over the years, since it became a viable operation (I won't say viable; I'll say an operation), the ownership of the people of Saskatchewan has increased dramatically every single year to the point where we now own 91 per cent of it.

Now, Mr. Minister, what we want to find out in this House today is how we have evolved to a situation where supposedly a consortium or a group comes here to go into the malting business and we end up holding the whole blasted thing — 91 per cent? That's what we want to know. What is the role of the Department of Industry and Commerce. What role did you play? Did you advise SEDCO to increase its ownership in the past year alone from 78 per cent to 91? Did you advise SEDCO that a share investment of \$24,331,000 was a viable investment? What was your role in this? Please tell us!

MR. VICKAR: — Mr. Chairman, again and again the hon. members want to know what industry and commerce's involvement was with Henninger malting. I read a statement in the House as to what our involvement was. We have no further involvement and I'm sure that the hon. members will get all the information they are looking for in Crown corporations when it comes up there. You'll have ample opportunity to ask the questions you're asking here in the rightful position of Crown corporations.

MR. J.G. LANE (Qu'Appelle): — You've indicated with Henninger and we're going to wait for the D.D. Dick Engineering Study. I'm sure the minister will not unduly delay that particular study which I'm sure is available to him and hopefully we can have it for tonight's session.

MR. BOWERMAN: — He's not going to give it to you. He told you that already.

MR. LANE: — He's not going to give it to me?

MR. BOWERMAN: — That's what he said. You're not going to get it tonight.

MR. LANE: — No, he said not this afternoon. You weren't awake again. I'm going to have to ask the chairman to ask the government, if we're going to have a new House Leader to get one who pays attention. It makes things go more smoothly.

You have, as a matter of general policy, a business services, etc. branch. I would like to know how many and the names of the companies which approached your branches or that you had contact with and which were subsequently sent to SEDCO for loans? They are significant according to your statements in the annual report.

MR. VICKAR: — Mr. Chairman, none would be sent to SEDCO from industry and commerce. It is entirely up to the individual where he goes for assistance. If he asks us, after he's failed in all his ventures to get his funding from the private lenders, then we will suggest to him, possibly, go and see SEDCO, but we will not send him anywhere.

MR. LANE: — That is not in accordance with your own TV ad which is, see SEDCO first. You are obviously suggesting or considering SEDCO as an option. You are not going to tell us that SEDCO isn't considered as an option to these people when you are dealing with them? If so, I would like to know the number where you indicated that SEDCO was an option.

MR. VICKAR: — Mr. Chairman, that is impossible because SEDCO may come up in the course of discussions and so may the Bank of Commerce or the Royal Bank or what have you and it is his choice to make that decision.

MR. LANE: — Well, again, you are not quite accurate because your officials, in fact, do suggest SEDCO and have done it on numerous occasions.

I have a list of every SEDCO loan that has a security registered at the Corporation Securities Registration Branch. Now, it runs into the extent of several pages, from December 20, 1971 until March 16, 1971. Unless you are prepared to give us a list, are you telling me that you want me to go through and ask you on each of these whether, in fact, they talked it over with industry and commerce first?

MR. VICKAR: — Mr. Chairman, I am suggesting that it is quite possible that we talked to every one of those clients. But the member is asking me specifically which one we recommended to go to SEDCO. I am telling him that we do not recommend. We may make suggestions, as I said previously. But my department is not aware of where we made a specific recommendation unless the client approached us first.

MR. LANE: — Well, O.K., let's take a look at Rogers, for example. At any time did your officials, the department of Industry and Commerce meet with Rogers?

MR. VICKAR: — Yes, the department has had conversation with Rogers, but not particularly with the financing program.

MR. LANE: — What did you discuss with Rogers then? Did you discuss their inventory position? Did you discuss their accounts receivable position? Did you discuss how they are marketing?

MR. VICKAR: — Mr. Chairman, the discussions that our department had with the

Rogers Group took place four or five months ago and had absolutely nothing to do with the financial structure whatsoever. It was strictly related to other factors.

MR. LANE: — Well, what other factors? Did it have to do with marketing?

MR. VICKAR: — It doesn't matter.

MR. LANE: — So, we get another refusal on a financial bad deal, to give the information and the department's involvement.

Were you in any way in discussion with the member for Thunder Creek's (Mr. Thatcher) favorite matter, the Golden Acres Motel prior to an investment? Did you discuss the advantage of having a motel in Moose Jaw and if so, what were your recommendations?

MR. VICKAR: — Of course, Mr. Chairman, the hon. member knows full well that this goes back to 1973-74, somewhere in that neighborhood. I just finished telling him a few moments ago that the people who are with me this afternoon were not involved; they weren't available; they weren't around as a matter of fact at that time. I can't answer those questions.

MR. LANE: — What about one that hit the news some time ago, Choiceland Dehydrating Limited? Were you involved in that? What recommendations did you make on that one?

MR. VICKAR: — Mr. Chairman, our department is not aware of any communications that they've had with that group.

MR. LANE: — What was your recommendation and involvement in Canasphere Industries? Did you make recommendations with Canasphere?

MR. VICKAR: — Again, Mr. Chairman, I don't know what the member is trying to prove. Yes, we were involved with Canasphere Industries, but we can't give him any information as to what specifically we did to help Canasphere Industries to promote themselves.

MR. LANE: — What about another one of those small industries which has become a big one on the horizon, making nothing but money for the people of Saskatchewan, Fibro Industries? I think it went bankrupt a couple of years ago. What recommendations did you make on that one?

MR. VICKAR: — We are not aware at this point in time, Mr. Chairman. We just don't know, we may have been involved. We are not aware.

MR. LANE: — Another one, Fleury Industries, that is just thriving in this great province of ours, is another SEDCO loan. I don't know but my recollection was that Fleury had some deep financial trouble that it wasn't able to get out of. What recommendations did you make on that?

MR. VICKAR: — Mr. Chairman, I have to make the same statement I made a few moments ago. The questions which the hon. member is asking, I will have them available, he'll be able to get them in Crown corporations and the people from SEDCO will be there to be in a position to answer the questions. Industry and Commerce is not

aware of anything related to the questions that the hon. member is asking at this time.

MR. LANE: — I've asked you some very specific questions and I've asked what your department's involvement was and what recommendations they made. I don't know why you keep refusing to give me the information. What about Intercontinental Packers? You must have made some recommendations and some advice with regard to Intercontinental Packers . . . (inaudible interjection) . . . Oh, no they are not smart enough to come over to this side where the good lawyers are. They keep insisting on sticking with their own.

Now, Mr. Minister, would you mind telling me what recommendations you made with regard to Intercontinental Packers and what your involvement was? Did you do the marketing studies and that sort of information?

MR. VICKAR: — Mr. Chairman, I think if the hon. member is going to follow that line of questioning I would like to suggest to him that he write to our department and ask for specific information on any one of those subjects that he is now telling us about and our department will be prepared to itemize a reply for each one of them. It might take three or four or five months but remember he is going down the line back to 1971 and 72, way back and we are prepared to give him the information that he is now looking for but it's going to take a little time to get.

MR. THATCHER: — Well, Mr. Minister, I don't think the member for Qu'Appelle is going to accept your assurances that somewhere along the line that he will get an answer because I have accepted assurances from you at face value in the past and I won't bore you with the particular instances but I'm afraid that I have learned on a personal basis that the assurances that are forthcoming from you do not appear to readily come true. Mr. Minister, from the line of questioning that the member for Qu'Appelle has pursued and from the sort of answers we have been receiving from you, would the minister agree that it is a fair assessment of your department that industry, trade and commerce as such has diminished greatly in importance over the past two or three years? Is it fair to say that it has diminished as SEDCO has increased in importance? Would it be a fair assessment to say that really your department is not fulfilling all that great a role as one would use the definition of industry, trade and commerce?

Now when you think of industry, trade and commerce that would seem to mean somebody that's going to come into the province and set up a business, regardless of what it may be, but that industry, trade and commerce would more or less be the ones that they would go to, that they would be the ones that could help them on market analysis and land, etc., etc., and you could go on and on. It appears from your answers (and feel free to correct me if I am getting an incorrect impression), but it feels to me that your people put out a greeting card and say welcome to Saskatchewan, our opportunities here are wonderful, we have a big province and then you send them over to SEDCO. Then as your department diminishes in importance, SEDCO, as a Crown corporation, is assuming many of the traditional roles that one would view as appropriate for industry, trade and commerce.

MR. VICKAR: — I am not prepared to reply to any assessments which the hon. member is making. I'm quite satisfied that the department of Industry and Commerce is doing its job and doing it rightfully and SEDCO is another operation, another Crown corporation aside from that, doing its job and doing its job in the field as it is spelled out to be.

MR. THATCHER: — Mr. Chairman, Mr. Minister, one of the reasons that we are still here,

instead of having a quick session through this as I had hoped we would this afternoon, is because you haven't been responding to much of anything and that's basically the problem this afternoon. I suggest when the minister looks at the papers tomorrow that he is probably going to find himself quoted not all that often because your answers today have been I'm not going to respond to this or, it's not in the public interest.

Let me tell the minister, we've got to have some answers. If we don't get the answers obviously you are going to ridicule us as an opposition. Well, Mr. Minister, we are asking only the same questions that I believe you would ask were you on this side of the House. Let's please get a trifle more specific and answer some of these questions as they relate to SEDCO and industry, trade and commerce.

MR. VICKAR: — The questions all afternoon related to the operations of SEDCO and I have said time and time again that SEDCO is a Crown corporation and the answers will be available in Crown corporations and I cannot supply those answers in the estimates of industry and commerce.

MR. LANE: — Would you mind telling us what recommendations and advice you had given to Miksoo Aviation? They got a significant loan from SEDCO. Did you discuss the marketing, did you discuss the contracts that were possibly available, did you discuss any of those matters with Miksoo Aviation?

MR. VICKAR: — Mr. Chairman, my department did have some involvement with Miksoo Aviation, but there again, we don't have that information here and I would request that the hon. member ask for that information and we will be prepared to give it to him, in the same manner (as I made the statement a while ago) with the rest of the information that he is seeking.

MR. LANE: — Picture it from my point of view — on this you promise to give us the information, then we ask it and get a commitment out of you on Henninger and this plant up in Saskatoon, the fermentation plant — you stand before us the next day and say: no, it is no longer in the public interest. I am going to ask you: are you prepared to commit yourself and your riding on supplying me with the detailed information that I have asked you on every one of those questions? I challenge you to do it.

MR. ROUSSEAU: — Mr. Minister, last week, last Friday to be precise, you indicated or stated, or better still, boasted in this Assembly that your department accounted for a 60 per cent increase in the manufacturing in this province since 1974. I suggest to you, Mr. Minister, that maybe you should do a little homework on that particular statement because a 60 per cent, dollar increase is regression. You have gone backwards. You are doing less manufacturing in this province today than you were in 1974. Let me give you some examples, because random sampling telephone calls this morning gave me this information.

For example, a front end loader manufactured in 1974, the same model as is being manufactured today, sold then for \$719. Today that same piece of equipment now sells for \$2,717 or almost a 400 per cent increase — dollar increase. Another piece of equipment in 1974 selling for \$970, today is selling for \$1,513. They went up almost as much. Another piece of equipment — 50 per cent increase. Others at a 75 per cent increase.

Mr. Minister, can you tell me (because frankly, what you have indicated to this House is an insult to the intelligence of these members and of the people of Saskatchewan) how

you can consider a 60 per cent, dollar increase, an increase in manufacturing in this province?

MR. VICKAR: — Mr. Chairman, the information that the hon. member is getting is the information that he has probably cooked up from somewhere, but I can give him the information that I have here, from 1976 to 1977, the one year. Our percentage of growth at that time was 4.9 per cent, which is a 5 per cent increase in volume, in real volume. In 1978, over 1977, again we are looking at the real volume increase of 10 per cent. I don't know where the hon. member is getting these other figures.

MR. ROUSSEAU: — Are you telling me, Mr. Minister, that you received from all the manufacturers in this province a list of all the equipment that they are selling, item by item, every piece of equipment, every piece of goods that they manufacture? They report to you, the volume by unit? Are you telling me that this is what is happening in this province now?

MR. VICKAR: — Of course not, Mr. Chairman. We don't get our figures in that method at all. We get our figures from the statistics that are prepared for the industry.

MR. ROUSSEAU: — Where do the statistics come from? If you are telling me that they are not reporting to you the volume of the equipment they are building or manufacturing, only the dollars, and that is what I am suggesting that you are getting, how can you possibly tell me that you know what the increase in volume is in real product?

MR. VICKAR: — Mr. Chairman, we are using Statistics Canada figures and those figures are available to you the same as they are to us.

MR. ROUSSEAU: — Well, I suggest to you, Mr. Minister, that I did not manufacture my information. I did not take it from the top of my head. I got it from the businessmen that I telephoned who gave me factual figures, and that is exactly what it is. Your 60 per cent increase in manufactured goods, as you indicated in this House last week, was a dollar volume increase, not real volume, not real product.

We have been here for the last two days telling you that your department is not functioning. Your department is not a credit to this province and sooner or later something will have to be done with it.

Before I sit down, Mr. Chairman, I would like to ask the minister for some salaries of your department heads. Will you please indicate to me the deputy minister's 1978-79 estimated salary, his actual pay and his 1979-80 estimate, as well as the next two in line.

MR. VICKAR: — Mr. Chairman, the deputy minister's salary 1978-79 estimated \$41,000; 1978-79 actual \$44,872.50; 1979-80 estimate \$45,450.

MR. ROUSSEAU: — I also asked for the next two in line in that department.

MR. VICKAR: — Well, we have the executive director's, Mr. Chairman, in each position. I'll give you the next two then. The estimated salary for the second would be \$30,520. The actual for 1978-79 is \$36,553; the estimate is \$36,240. The third one that you are asking for is \$37,375 for the estimated 1978-79. The actual for 1978-79 was \$42,760 and the estimate for 1979-80 is \$40,500.

MR. ROUSSEAU: — Some answers to those last two are in order. First of all, the \$30,520 jumping to \$36,553 is a 20 per cent increase and then you lower it for 1979-80. Can you give us a good reason why? The same thing applies to the next one. I'd like an answer on both. I would also like to know who those two individuals are.

MR. VICKAR: — Mr. Chairman, the two names that were involved other than the deputy, the next one I gave you was Wayne Lorch, and the second one was Bryce Baron. In all cases the actual salary includes retroactive salary adjustment for the period October 1, 1977 to March 31, 1978. This adjustment was paid in June of 1978, and as well the actual salary payments include the negotiated six per cent increase for the last six months. The 1979-80 estimates include the foregoing six per cent provision for salary increases and is applied to the entire fiscal year. No provision is made for the anticipated salary increases as of October 1, 1979 because a new contract has not been negotiated.

MR. ROUSSEAU: — Mr. Chairman, were there any merit increases in those two, well in fact all three of them for that matter?

MR. VICKAR: — No, Mr. Chairman.

MR. ROUSSEAU: — How much was that retroactive pay for the executive director, Wayne Lorch, which is really the biggest difference between the estimate and the actual. I'd be curious to have that exact figure.

MR. VICKAR: — Mr. Chairman, I am informed that in both those cases other than the deputy minister, these positions were reclassified during the course of the year and that made the difference in the salary structure. We don't have the exact figure on hand.

MR. ROUSSEAU: — Mr. Chairman, can you answer this question. Why were they reclassified?

MR. VICKAR: — It reflects the increase in the responsibilities in the various departments and we restructured the whole thing.

MR. ROUSSEAU: — I can't accept that. The position was still the same, I take it. He was still the executive director. Is that not correct?

MR. VICKAR: — There were expanded responsibilities and therefore, the restructuring of the workload for both of these positions and they were increased on that basis.

MR. ROUSSEAU: — In the 1978-79 actual salaries paid, it's obvious that the estimates were way underestimated, considerably so, including the deputy minister, the two executive directors from \$41,000 to almost \$45,000 for the deputy minister and \$30,500 to \$36,500 for the executive director and the other, Bryce Baron, by \$5,500. Can we expect the same thing to happen in 1979-80? In other words, instead of the \$45,000 estimate or \$36,000 or the \$40,500 salaries paid, can we anticipate that it will be another \$4,000, \$5,000 or \$6,000 over and above that (include in that merit, the reclassification, the retroactive, the 6 per cent, whatever).

MR. VICKAR: — No, Mr. Chairman, I don't anticipate that type of an increase.

MR. ROUSSEAU: — Do you anticipate any increase?

MR. VICKAR: — We don't look for any particular increase at this time depending on the negotiated structures October 1, 1978. I've already indicated that that's an estimate to that point in time. What happens after that I can't tell you.

MR. ROUSSEAU: — Mr. Chairman, were there any executives in industry and commerce in 1978-79 who did not receive a merit increase throughout that year?

MR. VICKAR: — Mr. Chairman, there were no merit increases. They received their normal standard increases.

MR. ROUSSEAU: — Mr. Chairman, your department is not as generous, I guess, as the other departments that we've had estimates on. You're the first one that's had no merit increases in the government. Did you have in 1978-79 any consultant fees paid out or any individuals under contract and if so, who, how many and what amount of money was paid out?

MR. VICKAR: — Mr. Chairman, the answer is yes, we did have consultants, but we don't have that information here and our department can provide it. That's no problem.

MR. ROUSSEAU: — Mr. Chairman, when can you provide it? How about this evening?

MR. VICKAR: — No way, Mr. Chairman, can I provide that. That will take my department a few days to compile.

MR. ROUSSEAU: — I would like a more accurate answer as to when I can expect it.

MR. VICKAR: — Mr. Chairman, just as soon as the department can get at it, they will get it to the hon. member. I would like not to be pinpointed down to a particular day.

MR. LANE: — Just for clarification, does that include individuals, companies, partnerships, whatever is under consulting?

MR. LARTER: — Mr. Chairman, I would like to ask the minister — the people that have done the feasibility study for the government when you were considering putting certain taxpayers' money through industry and commerce, when you are encouraging them to come here, are these same people still working for industry and commerce or SEDCO that have done this feasibility study for the malting group?

MR. VICKAR: — As far as we know, Mr. Chairman, the consultant firm that did the study at that point in time was D.D. Dick and Company. We're not knowledgeable about whether they are still available or not. They probably are. I don't know.

MR. LARTER: — Mr. Minister, what I am concerned about is, here is a venture that we've gone on with the Saskatchewan taxpayers' money and if the same people are advising us as to which way we should go in putting out moneys . . . I was amazed to hear the minister say again this afternoon that SEDCO doesn't have to come to cabinet until they've reached the level of a \$1.5 million loan. Do you know that in the banks in our communities, unless you lay the title to your land on the desk of the bank manager, some of them have to go to head office for over \$50,000, over \$100,000 or over \$150,000? Do you mean to say that you don't see that loan, there is a possibility you

won't see that loan until it reaches a level of \$1.5 million?

MR. VICKAR: — Mr. Chairman, the question again does not relate to . . . We have not used that particular consultant since the time that he was employed for Henninger malting.

MR. LARTER: — Mr. Minister, in the second part of that question I asked you if, when SEDCO is loaning out money, they don't have to come for a decision from cabinet until you reach \$1.5 million, is this not . . .

MR. CHAIRMAN: — Order! Might I remind the hon. member for Estevan that I think he is pretty specifically dealing on SEDCO again and there is an area down here — grants to local authorities and so forth and I think we'll cover it at that time. I ask the co-operation of the Assembly to expedite and go ahead on item 1.

MR. LARTER: — I respect your decision. Mr. Minister, I would like to ask you if you do not feel, in the industry and commerce wisdom where they allowed this to go on with this malting plant, that you have jeopardized the position of industry and commerce in what they can do with small business throughout the province of Saskatchewan? I would ask you if the figure for 1978 was \$1 million, don't you think that the decisions that have been made by industry and commerce to go along with SEDCO you have really jeopardized the small business help from industry and commerce in this province?

MR. VICKAR: — There again, Mr. Chairman, I indicated to the members earlier of what involvement industry and commerce had. If he wants to ask a question like that as to what SEDCO's involvement is, there is a different location for that question. I will ask the hon. member to hold his question and ask it when the appropriate time comes about.

MR. LARTER: — Mr. Minister, do you not agree that . . . I believe the chairman ruled a while ago that the only place we can get up-to-date answers to our questions are in the House. He suggested that the questions we get in Crown corporations are a year old. Do you agree with this?

MR. VICKAR: — Mr. Chairman, Crown corporations are a year old, that's very true. But the question which you are asking relates to a specific subject and those questions will be able to be answered in Crown corporations on that particular subject.

MR. ANDREW: — One short question, Mr. Minister, and it relates to your earlier reply, I believe, to the member for Qu'Appelle (Mr. Lane) that you did not want to table the report of the grain study which was done by the Canadian Wheat Board. A brief phone call today to a Mr. Sizzler who is the director of Brewers' and Malting Barley Research Institute in Winnipeg indicated that the prime criteria for malting barley; first of all, it has to be the right variety; it must have a 96 per cent germination test; it must be 11 per cent protein or better, and of course, has to be free of disease and from free from weathering.

Now, from that that top quality barley can be broken into two categories, six row and two row. The six row is grown in an area south of the line from Melfort to Kamsack south. That is the six row. The two row barley is grown in a line from Kindersley to Rosetown and south. Are you prepared in view of that information to now table for this House, for the Assembly, that information and your study on that information?

MR. VICKAR: — Mr. Chairman, I'm not prepared, as I stated before, regardless of what information the hon. member has.

MR. E.A. BERNTSON: — Mr. Chairman, some of your members were heckling and I didn't get the comment in your response to the member for Kindersley (Mr. Andrew), but the bulk of malting barley in Canada is grown in Alberta. Fifty per cent of all malting barley and malt produced in Canada is for the export market. All of that is just lovely. The information you gathered from the Canadian Wheat Board and the Saskatchewan Department of Agriculture, which you have refused to table here today for reasons that are becoming apparent . . . (inaudible interjection) . . . Quite simply, a line from Kamsack to Melfort produces the bulk of the six row malting barley in Saskatchewan. A line — Kindersley-Rosetown south — produces the bulk of the two row malting barley in Saskatchewan. Would you now be prepared to either produce your studies that indicated Biggar was the place to go, or challenge the expertise of the director of the maltsters themselves in Winnipeg?

MR. VICKAR: — What is the question, Mr. Chairman?

MR. LANE: — The question is that that particular plant where you've spent I don't know how many millions of dollars isn't anywhere near the malting barley areas of this province. How did you manage to give that information? Were you giving misleading information to Henninger? Is that what happened? Or did you have poor information?

MR. VICKAR: — I have no comment on that information, Mr. Chairman. I was just handed a note and it apparently comes from . . . I'm not taking any responsibility for it. I just want to tell them that the view across the opposite side indicates there is no malting barley, not enough to supply the plant at Biggar. The note I have, and it apparently comes from reliable sources . . . (inaudible interjection) . . . says . . .

MR. CHAIRMAN: — Order, order please. Order. Might I remind the Assembly that ordinarily when they are speaking the correct and right procedure (and I think they are abusing the right procedure) is by trying to speak from their desks or their chairs. The minister was on his feet at the time. I asked the minister if he had a reply to the question to proceed; if not, I'm calling item 1.

MR. VICKAR: — Mr. Chairman, I would just like to read this little statement which I have here. It says that 70 per cent of all barley seeded in Saskatchewan is of a malting barley variety. The Biggar-Luseland area has been a consistent area for malting barley acceptance and there is enough malting barley grown within a 75 mile radius of Biggar to utilize to the capacity of this particular plant.

MR. BERNTSON: — Mr. Chairman, I don't blame the minister for not wanting to accept responsibility for that and I would suggest to the minister that there would be enough in a 50 mile radius if the plant were located in Rosetown or Kindersley, or Kamsack. The simple fact is your decision to place the plant in Biggar was political, to save a minister. Secondly, (and this was my question a while ago), will you either provide the studies, the information that you got from the Wheat Board and Saskatchewan Department of Agriculture on which the location of this plant was based — the decision to locate the plant in Biggar was based — or challenge the expertise of this particular individual who just happens to be the executive director of the Maltster's Research Laboratories in Winnipeg? He is the guy who determines which barley goes malting and which does not. Now would you please table the information — quite frankly, I'm asking you to come clean.

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MR. VICKAR: — Mr. Chairman, I have nothing to hide and I have already stated I will not be tabling that information.

MR. LANE: — Mr. Chairman, can I call it 5 o'clock?

The Assembly adjourned from 5 until 7 p.m.