

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 23, 1981**

EVENING SESSION

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY CASH OUTFLOW

CONTINUING EDUCATION

Ordinary Expenditure — Vote 5

ITEM 1 (Continued)

MR. TAYLOR: — When we broke off before supper, Mr. Minister, we were talking about the problem that may result if the federal government did cut back on its funding, and were also discussing the possibility and dangers of a voucher system. If the federal government were to renege, would you see (apart from tuition, which could become prohibitive) this provincial government putting a greater emphasis on, and more tax dollars into, continuing education, so that the tuition fees would not have to become so exorbitant that many deserving people would be deprived of access to further education which they will need?

HON. MR. McARTHUR: — I'd say we'd be very, very concerned about trying to cushion the impact as much as we can. However, the question, I say quite sincerely, is a hypothetical question at this time, in the sense that I would rather deal very firmly with the federal proposals and try, if at all possible, to deter them from taking this action, rather than contemplate the possibility that this action is going to be carried out. Now, if it is carried out, I think we'll clearly have to be developing some contingency plans to try to dilute the impact on the universities in Saskatchewan as much as possible. Just how far we would be able to go in that regard, given the magnitude of the federal suggestions, is something that would have to be examined further.

For the moment, I'm trying to concentrate my energies in convincing the federal government how wrong-headed it is in what it's doing, and I'm trying to build up a bit of a coalition of other people across Canada and within the province and within the universities and the universities commission to try to advance as strongly as we can how wrong this proposition is. And I might say that I think both the Canadian Association of University Teachers and the Canadian Association of Universities and Colleges, while I don't want to speak for them, also view this very seriously and are prepared to discuss ways of trying to deter the federal government from undertaking this action.

MR. TAYLOR: — I was looking through your annual report of the Saskatchewan continuing education department, and I noticed that in a couple of cases at Kelsey Institute and at STI in Moose Jaw the enrolments have dropped. I remember discussing in some detail with you the impact of the SGEA strike on the students in our technical institutes, and you pointed out that it was the strike that was the problem, and why some enrolments have declined. I think the decline was in the trades section, in some of those short apprentice courses or trades courses. Now, if there were demand for these courses, and because of the strike students weren't able to take them, then has your enrolment increased this year? If there were young people out there wanting to take

that training, and because of situations beyond their control they couldn't take it, then have they come back to the institutes, or have those young people been deprived of that opportunity because of the strike last year?

HON. MR. McARTHUR: — Mr. Chairman, the hon. member is quite right in pointing out that the two categories in which there was a drop in enrolments were both related to the inability to carry on the programs during the work stoppage. These were the shorter programs, one being the eight-week apprenticeship blocks and the other being the extension program.

With respect to the apprenticeship blocks, we have been, in co-operation with the Department of Labour, rescheduling the movement of those students through the institute-based part of their apprenticeship program and have been catching up on the blocks of training which were lost for those students. So we do have an increase. We're attempting to accommodate, and I think are accommodating, most, if not all, of the students who were not able to complete their program during that period.

MR. TAYLOR: — In summation, what you're telling me is that the students, who couldn't take those courses due to the strike, haven't missed out and are showing up in the enrolment figures now.

HON. MR. McARTHUR: — Yes, certainly I think it would be fair to say they haven't lost out, in the sense that they've had to drop out. I think it is probably true that the delays are an inconvenience to them. Some of them have understandably been delayed in terms of when they can get in to the institute to cover that block of apprenticeship training. So, there's a little bit of lost time, but they have not lost out in the sense of having to drop out of their apprenticeship programs.

MR. TAYLOR: — What about the ongoing, longer-running programs, such as nursing over at WIAAS (Wascana Institute of Applied Arts and Sciences)? You extended the year, if I remember correctly. What was the drop-out rate because of that strike? How many students did we lose from the institutes because of that strike? Was everyone able by extension to complete his course, or did some of them just quit?

HON. MR. McARTHUR: — Mr. Chairman, I don't have the exact figures on drop-outs; I could get them for you. The drop-out rate was very low. As you may recall, we provided both a rebate on tuition to ease the financial burden and an extension of the student assistance available. That seemed to accommodate a good deal of the pressure to drop out. There were a few students who dropped out, fewer than we thought. I don't have the exact figures; I will get them for the hon. member. I think we have fairly precisely (I guess we wouldn't be able to say absolutely) been able to identify those who dropped out because of this extension of time. The number was small and I will get the figures for the hon. member.

MR. ROUSSEAU: — Mr. Minister, I'd like to pursue a little the discussion you and I had earlier today on student loans. I notice from the estimates that the amount for grants is \$5 million. How much is the federal government participating with you on that program?

HON. MR. McARTHUR: — All of the federal money is in the form of loans; all of ours is in the form of bursaries. The loans needn't be repaid. Ours are not repaid and they run in tandem. Approximately \$8 million in federal funds are transferred through to students in the form of loans.

MR. ROUSSEAU: — That's compared to \$5 million from the province? Is that the total amount that the provincial government puts out?

HON. MR. McARTHUR: — I should just explain to the hon. member that the amount of money that is appropriated for the student aid fund goes into the fund, but is not necessarily the amount of money that is disbursed from the fund. The fund has accumulated a reserve. I can't remember the exact figure, but the reserve in the fund is approximately \$7.75 million.

AN HON. MEMBER: — Is that federal and provincial?

HON. MR. McARTHUR: — No, that's all provincial and unclaimed money. There is an additional amount of reserve there as a result of deposits originally made by benefactors, way back, a long time ago, and that adds a bit to the reserve. But the unrestricted reserve is about \$7.75 million, and we add the \$5 million to make the total amount of funds available. It's conceivably \$12 million. We are appropriating out of that fund this year approximately \$8 million for scholarships and bursaries, approximately equivalent to the \$8 million loan money that will go out from the federal funds.

MR. ROUSSEAU: — Well, I don't quite follow you. You're going to be appropriating that (I presume what you're saying) \$12 million . . . Roughly the \$7.75 million plus the \$5 million, plus the \$8 million from the federal government will be the available amount. That's the total, but you're only showing \$5 million in your estimates. Now, is that the amount you are anticipating putting out in grants this year? What is it?

HON. MR. McARTHUR: — We'll be putting out approximately \$8 million. Approximately that \$5 million, plus \$3 million from the reserve.

MR. ROUSSEAU: — Why wouldn't you indicate that in your estimates? I don't follow that at all, where you're showing here, to the taxpayers, \$5 million coming out this year. Oh, just a minute — you're saying that the \$5 million goes into the fund, and you've already got \$7.75 million in there. Well, I won't argue too much about why you would want to take out \$5 million if you already have it. If you have that much money in the pool, plus you are putting in \$5 million, that is more than what the federal government is putting in. You left me with the impression today that you do pretty well what you're told by the federal government. They lay down the ground rules, which are followed by the government here, as to the way in which the federal government wants it operated. Why would you have that much participation in dollars and cents, and have that little to say about the loans?

HON. MR. McARTHUR: — The program, Mr. Chairman, is a joint federal-provincial program. The federal government puts in loan funds. I've been trying to implore them to put in bursary funds instead of loans, in order to reduce the debt burden, but they're not prepared to do that. So, if their money comes in the form of loans, our money goes in the form of bursaries, but it's a federal-provincial shared-cost program. The money is shared in that way.

The program runs in tandem; that is to say when we calculate the eligibility, the same eligibility criteria are used to calculate the eligibility for assistance. And some of that comes in the form of bursaries, and some of it comes in the form of loans, because the federal money is loan money. But the criteria are the same for both, because they are

operated as an integral part of one program. So, we do not do a separate calculation, with separate criteria, of bursaries because we don't want a separate provincial bursary program. We are part of the federal-provincial student assistance program, and in that program the federal funds are transmitted through the route of a loan.

MR. ROUSSEAU: — Well, I take it from your answer that because the federal government's portion is strictly in the form of loans and the application that I was referring to was a loan, therefore, they would have the whole say in the matter. I'm not following you at all.

HON. MR. McARTHUR: — There is no application for a loan, per se; there's an application for student assistance. The criteria are then applied to that student's application, and the amount of assistance that will be provided to that student is based on the result of the calculation. That assistance, will then be partially funded by the federal government and partially funded by the province. There is no application for a student loan, per se; there is an application for student financial assistance under the federal-provincial program. We then do a calculation, and the money goes out.

MR. ROUSSEAU: — Then what portion of it is a bursary, and what portion of it then becomes a loan? A loan is repayable. I'm curious to know what portion of a student loan assistance application is for the bursary, and what portion is for the loan?

HON. MR. McARTHUR: — The way it works is this, Mr. Chairman, if I can try to explain it. When we do a calculation, we will identify, by the criteria, how much money the student is eligible to draw under student assistance. If the amount is \$1,000 or less, it is all loaned funds. If it is between \$1,000 and \$2,600, then the amount over \$1,000 is split, 50 cents being a loan and 50 cents being a bursary. If it is an amount over \$2,600, then the whole of the additional above the \$2,600 is bursary. The first \$1,000 is all loan; the next \$1,600 is 50-50 loan-bursary; and the next \$1,000 is all bursary.

MR. ROUSSEAU: — In other words, a loan that would amount to \$4,000, more of it comes from your government than comes from the federal government.

HON. MR. McARTHUR: — There is one clarification. The maximum of the federal-provincial program is \$3,600 — it would be the \$1,000 plus the \$1,600 plus the \$1,000. When you get up to \$3,600 it is half and half.

MR. ROUSSEAU: — And still you have very little to say, according to what you told me today, even if the amount were \$3,600. Now, before you get up and answer that question, the other question I have is (and I'll probably be finished): if you are receiving funds from the federal government, then why isn't that showing up in your estimates or revenue? And if you are disbursing those funds, then why isn't that showing up as well? Are we doing some bookkeeping here that the taxpayers of Saskatchewan aren't aware of? Or is it somewhere else in here that I don't know about?

HON. MR. McARTHUR: — I'm sorry, you asked two questions, and I have forgotten what the first one was. I apologize.

MR. ROUSSEAU: — The first one was getting back to . . . Why do you have so little to say, when you are putting out 50 per cent of the money?

HON. MR. McARTHUR: — We have as much to say as this Mr. Chairman. I think I

indicated to the hon. member this afternoon, we have one voice in ten. There are nine participating provincial governments and one federal government. The province of Quebec is not a participant in this program, so we have one voice in ten. That is obviously how much influence you can carry to the program — one voice in ten. The criteria are established after all the provinces put forward their case for what the criteria should be; then some agreement is reached as to what everyone will accept. It is not necessarily easy to reach an agreement, but it is part of running a federal-provincial program, as I am sure you will understand. There is no one person who can dictate what will be in a federal-provincial program. There must be some basis upon reaching an agreement. So we have one voice in ten. Through that voice, we try to bring about some influence for change, where we see it desirable.

With respect to your question about how the federal money appears in the financial statements, what happens is this: the federal government has arranged to fund its program by guaranteeing bank loans. When we approve the loan portion of the assistance, we issue a certificate to that student; we don't issue them cash. They take the certificate for the part of the assistance they get in loan to a bank, and the bank then issues a loan on the basis of that certificate and guarantee.

MR. ROUSSEAU: — Okay. I'll just make one final comment on it then. You just clarified that point about your having one voice in ten. I would urge you, Mr. Minister, to make strong representation to the federal government that the rules and regulations be changed. And I will throw out the example that I threw out to you this morning. That is very simply that it is shameful and unfortunate that a young person who has ambition and has worked hard and has been able to save a few dollars in the form of assets — as I explained to you the one situation where he bought a house and a car — but has no cash, is required by your regulations to sell that property in order to go back to school, because there is no assistance.

And then we look at another person who has absolutely no care or ambition. He wastes his life in the two, three, four or five years that he's away from school in whatever manner that he so desires, and can come to you and get the money that he needs to go back to school. But the person who has worked, put aside a little money and shown some kind of responsibility in his life is turned down because he is an industrious person.

Now, there's where you must make some kind of representation to the federal government to change some of those regulations. I don't see the justice in your program the way it is.

HON. MR. McARTHUR: — Well, Mr. Chairman, I must again emphasize that when the hon. member says, "your program," he's talking about a program of 10 participating governments.

AN HON. MEMBER: — You're making representation.

HON. MR. McARTHUR: — Exactly. And I've indicated to the hon. member that I have been one who feels that certainly there are a number of the criteria that are overly restrictive. As a result, I think there are students, who are deserving of financial support, who do not get as much support as they should.

At the meeting of the Council of Ministers of Education (Canada), a year ago last fall, I made very strong representation about the need for review and change of a number of

these criteria. I was successful at least to the extent of obtaining agreement from the other provincial ministers of education and then, subsequently, from the federal government to establish a task force to review the whole student assistance program; a report of that task force has now been received. I will be meeting with my other provincial counterparts and the federal government — hopefully in the not too distant future — so that we can determine whether or not we can reach some agreement in making some changes in those criteria and other aspects of the program.

MR. THATCHER: — Mr. Minister, briefly, I would like to just explore the avenue of student loans as it pertains to children from farm families. I believe I'm correct (correct me if I have the number wrong) that at the present time the asset limit is \$150,000. In other words, if the family has net assets that exceed \$150,000, that would automatically disqualify the applicant from the student loan.

Before I go any further, Mr. Minister, do I have the correct number? Is it \$150,000? All right.

Mr. Minister, I suggest to you that that is a highly, highly inequitable situation and something that is grossly unfair to a farm family. Mr. Minister, you, being from a farm family, know very well what that means. Every child from a farm family is automatically disqualified because, as you know, Mr. Minister, any farm that doesn't have net assets of \$150,000 after it has been in operation for any number of years is not surviving. And there are not very many like that. Consequently, I suggest to you that that limit and that concept being used to calculate the net asset value of the farm family is grossly inequitable. And I'm surprised that you haven't received some representations from other rural members on your side of the House. The question I would like to pose to the minister is: has serious consideration been given to eliminating this criteria for the children of farm families? In other words, the obvious alternative would be, instead of going the net asset route which obviously is going to eliminate almost any member of a farm family, to go to a straight calculation of income tax (the current income tax for that given year). I would ask the minister if any consideration has been given to that?

HON. MR. McARTHUR: — Mr. Chairman, the national criteria of which I spoke require that there be a provision in the calculation of assistance based on capital assets of parents of the young people who are drawing upon the students assistance program. There are two options that are provided: one, which was in place at the earlier time in Saskatchewan, was to use a percentage of the total assets, convert that into income and deduct that from the amount that was available to the student; the second is a system such as we have now, in which eligibility is based on the total assets of the parent.

When this system of using net assets was first introduced, the figure was set at \$100,000. Last year we increased the figure to \$150,000 as a minimum. Also, between \$150,000 and \$250,000, students are eligible for loan assistance only. In addition to that, we have set up an appeal procedure whereby, if people who fall outside those limitations have a serious income deficiency problem that detracts from their ability to finance the education of the young people in question, we will grant student assistance. So, while we are required to make a provision for the assets of parents by the national criteria, we have devised what we feel is the most flexible and general program possible within the criteria. Because land values have risen, I am hoping to make a further additional increase in those exemptions, if at all possible, in the coming year.

MR. THATCHER: — Well, Mr. Minister, may I respectfully suggest to you, then, why use those provisions at all? They are completely discriminatory. It should be based strictly on income — that is the fairest and most equitable way to do it . . . (inaudible interjection) . . . Oh, now I am very interested to see the representation that may have come from that minister.

You know a little bit more about agriculture than what you are just indicating now. You know what land values are. You know what any farmer is caught in with paper assets — and they are strictly paper. He doesn't have that cash until he disposes of it, and then if he does dispose of it, the capital gains tax massacres him anyway. But I am surprised that somebody from rural Saskatchewan would make those sorts of comments. In a province that is as agriculturally-based as ours is, that this system has been allowed to remain in place for as long as it has, is, I think, a real indictment of your department as far as facing up to rural Saskatchewan is concerned. Now, if your appeal procedure works, and I suggest that it does not, I really wonder why so many rural MLAs, on both sides of the House, have so many students who simply do not qualify. In other words, regardless of our political stripe, I think all of us who represent rural constituencies are deluged in late August and early September with phone calls and letters from children of farm families who have been refused student loan assistance.

By the looks of some of your rural members on that side of the House, I think I am dead-on. I have discussed it with some of them. Mr. Minister, I cannot believe that we are so locked into everything with the federal government that we cannot acknowledge that this problem exists. You know, being from a farm family, the bulk of those assets is on paper and means very little, other than strictly a few numbers on a piece of paper. I respectfully suggest to the minister that your entire policy here is completely discriminatory toward rural Saskatchewan children. But what I want to know, Mr. Minister — the nuts and bolts and the bottom line today — is what are you going to do about it? Every single one of us, on both sides of the House, were deluged in late August and early September with phone calls and letters from students from farm families, who had been turned down for this very reason. We give the same answer year after year.

Now, what I want to know is: what are you going to do about it? Please don't tell me, "I'm going to make a representation to the federal government." I want to know what's going to happen next year. What's going to happen next August? What am I going to be able to tell my constituents who get turned down next August and September? I think that's a question for both sides of the House.

HON. MR. McARTHUR: — Well, Mr. Chairman, the requirement that there be a consideration of assets as part of a needs-based program is not a surprising one. I will say that I don't think there are any kinds of needs assessment-based programs which do not consider assets as well as income, first of all. So I don't follow the logic of the hon. member's argument in terms of eliminating the requirement that assets be provided for in some form or another.

The second point is that whether or not I agree with you, I must make some provision for the accounting of assets, because it's required under the national criteria. I have no alternative.

The hon. member talks very much as if it would be possible just to unilaterally declare some form of independence and ignore the requirements of a national program. That's not my view of how to participate in a national program, for the simple reason that it's impossible to do and it makes no logical sense to suggest that you can.

Thirdly, I think if we're going to have national programs, it's probably necessary that we make some accommodations and reach some agreements of some sort or other. But, in saying that, I will defend the fact that there is a requirement for assets within those programs. I think it's logical.

In terms of the number of appeals (and the hon. member says he's been deluged with appeals), my figures show that this past year was down considerably, when we increased the levels of exemptions. We had 36 appeals last year, approximately half of which we found to be justified in terms of the income deficiencies and, therefore, the inability to provide the financing; additional assistance was granted on appeal.

That system will continue. I can tell the hon. member that if he will inform me of the appeals taking place, I will ensure that those appeals do get to the appeal committee, and that the committee deals with them as quickly as possible. I would appreciate his informing me.

I will also say to the hon. member that I am discussing with my officials whether or not we can find some way of increasing the exemptions, further recognizing the changes in land values which have occurred over the past year.

MR. THATCHER: — Well, if you're not going to make any changes, Mr. Minister, I promise you a whole slug of them. Frankly, your department discourages appeals. At least the students advise me that they are highly discouraged from making an appeal.

I think the most astonishing thing I find about the minister's logic is the fact that the minister refuses to put the credit and the help of the Government of Saskatchewan at the disposal of young children from farm families. You know, it's pretty funny. You've got all the money in the world to make interest-free loans to buy a potash mine, or get a potash expansion, or to put something up north. You give them an interest-free loan with no repayment schedule. But to help some kids go through university, "Oh, we haven't got the money. We seem to have buckets of money for everything else, but for some kids from farm families who happen to be victimized because their parents have a paper asset level in excess of \$150,000, we haven't got any money." Mr. Minister, that is unadulterated nonsense, and I think that logic is an unadulterated disgrace. Mr. Minister, are you going to tell me in the case of, let's say a doctor with an income of \$90,000 or \$100,000 a year, but very little in the way of assets, that it's quite conceivable his children — probably more than quite conceivable, probably quite logical — could qualify for a student loan? Well, now, we're doing it on assets.

Why don't you do something for the farmers? Why don't you simply get rid of that asset thing, do it strictly on income, as it should be? You know very well that if you take the return on the land, it's not the greatest in the world. The only thing that keeps many farmers going, keeps their credit rating as it has been, is the inflation on their land; it hasn't been the cash flow that has been generated. Mr. Minister, I'm amazed you haven't done something with the background you have. Probably once upon a time you were even turned down for a student loan, I don't know. It really doesn't matter. Maybe we would all have been much better off.

Mr. Minister, you know very well that I've put the finger on a real inequity and many people on your side of the House know that it's a real inequity. I'm really disappointed that you stick by this position that the asset level in rural Saskatchewan is a realistic

criterion. I'm very disappointed, speaking non-politically of course, that someone from your background could think that way, because I don't think the rural members on your side of the House believe that to be the true situation. In other words, Mr. Minister, what I'm saying is that somebody can have a fairly high incomes. Let's say he bought a big house, and he has a big mortgage, and you toss it all together, take the income and the liabilities he may have. He may have the cash flow and yet the asset level may not be up there. A farmer is caught. A farmer can't help what paper value and inflation is doing to his land. I think we all know that agricultural land seems to be going up about 20 per cent a year. All right, but what does it mean to the farmer who owns the land? Nothing — just a piece of paper that once a year he signs for his operating credit at the bank — that's all it means to him. In terms of an increase in his earning potential, it means absolutely nothing. Therefore, Mr. Minister, I'm going to have to leave it this way. I'm shocked that you from rural Saskatchewan take the attitude that we have money for everything else except for what is probably the most important resource in the whole province — our young people, who are going on to be educated.

Now, Mr. Minister, you know that grade 12 isn't enough any more. We've reached the stage where even a bachelor's degree probably isn't enough any more. Post-graduate education has taken a more and more dominant role in our society and will probably continue to do so, and with the cost of education skyrocketing (the part the taxpayers pick up, and the tuition level and the increased cost of living at a university), this is a very appropriate time for you to remove that inequity which stands as a bit of an indictment of this government in rural Saskatchewan. It can be done so simply; you can do it easily. It's just a question of shifting a few funds around, taking a few dollars away from the potash corporation or SaskOil and putting it into a really, truly important resource — our young people.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. McARTHUR: — Mr. Chairman, I'm intrigued with the hon. member's claim for simplicity. I don't know just exactly how he proposes to set aside a criterion that is required as a result of a national program, first of all, even if I were inclined to eliminate such a criterion. But setting that question aside, I would point out to the hon. member that in the case of a professional earning \$90,000, the calculation of income would simply rule the dependent child or dependent son or daughter of that person ineligible for the program. If that person had a very low income because he wasn't working that year, but had very high assets, the asset calculation would affect him, as it affects businessmen and others.

I say to the hon. member that as far as it applies to farmers, we in Saskatchewan have made many adaptations and loosened up the criteria as much as possible, in order to ensure that where farmers do have substantial assets, but a relatively low income we can, on appeal, make a determination to provide assistance. That deals with the problem which the hon. member is raising.

And so I simply say that he's absolutely wrong in suggesting that we do not have money for student assistance. We have a higher level of student assistance than any other province in Canada on a per student basis.

I say to the hon. member that the simple fact we are putting this money in here, making the provisions for appeal where there is a situation of high assets and limited income, so that they can still be eligible for assistance, illustrates that we are prepared to do exactly what the hon. member argues. That is, to provide assistance in cases of

hardship, where farmers have large assets, but for one reason or another the income generating capacity is low.

MR. ROUSSEAU: — Mr. Minister, I think that my colleague for Thunder Creek and I laid out a pretty good case tonight for changes in that program. Since federal participation in this program is strictly through guaranteed loans, and not money put out, why don't you opt out of the federal government? Tell them to keep their program and do whatever they want with it. Run your own on a basis of guaranteed loans, which wouldn't cost you a nickel (unless you didn't collect the money, of course). You're writing off a lot more than that in other cases. Then, all you'd have to do is handle your own program; run it the way you want through guaranteed loans at the bank instead of having to depend on the federal government, and do its bidding.

HON. MR. McARTHUR: — Well, Mr. Chairman, the members opposite make the claim that we should separate ourselves from national programs and become a little island out here, operating separate and independent programs.

I would point out to the hon. member that Saskatchewan was the first province to develop a student assistance program. We worked very hard to have that program expanded to the national level, in order to ensure equality of opportunity for young people from all parts of Canada. I believe that there is a role for a national program in terms of providing equality of opportunity. There is no question that it is sometimes frustrating to try to operate within a national framework, but that's part of what being a Canadian means.

It is right and correct that we should, as much as possible, work within the framework of national programs of that sort. I believe it's only fair to the students, and to the healthy development of universities in this country.

We do play a very active role in trying to provide leadership to obtain necessary and required changes in those national programs. I'm proud of the record which we have in that regard. It is not my intention at the present time, because, as the hon. member suggests, we do have some difficulties and some problems, to take the initiative to destroy a national program. I think that is wrong and I don't think we should go that route, and I do not intend to go that route.

MR. TAYLOR: — Mr. Minister, there are a few questions I want to ask you regarding some of the subvotes. I think we could move on to those and then wrap it up fairly quickly once we've touched on those ones . . . (inaudible interjection) . . . I'm glad to have unanimous approval from the other side.

The first one which I'd like to discuss with you, Mr. Minister, is item 13, the science policy secretariat.

AN HON. MEMBER: — I see that you've gone up . . .

MR. CHAIRMAN: — Order, order! I believe the member for Moose Jaw North wanted to ask a question under subvote 1.

AN HON. MEMBER: — I'm still on subvote 1.

MR. CHAIRMAN: — Oh, I thought you just said you wanted to go down to item 13.

AN HON. MEMBER: — Well, I'd like to move down now. If he wants, then we'll let him ask.

MR. SKOBERG: — Well, I'd like to thank my hon. friend for Indian Head-Wolseley. I wanted to get in this afternoon just after he finished his discussion on the technical and vocational training in the province and in Canada.

I first of all, of course, would like to express our appreciation from Moose Jaw for the expansion at the STI in Moose Jaw, Mr. Minister. We appreciate the amount that it was. All we can say is thank you. It wasn't enough; we'd like to have more.

But the point that I would like to refer to, and have your response, Mr. Minister, is that all of us are well aware that recruiting is going on throughout England and Europe. Even in the auditor's report we see five positions had to be filled from England. In remarks that I made in the budget speech, I referred to the need for technical and vocational training in this province and throughout Canada, and to the fact that there were two gentlemen in England, a very short time ago, recruiting in certain areas. Naturally, all of those were in the engineering, consulting and related fields.

My question is: would it be possible to try to have a crash program, even if it went into the summer, to try to effect some type of technical and vocational training in this province? After having said that, I realize that there should definitely be some cost-sharing with the federal people, whether we like it or not. The fact remains that the people trained in Saskatchewan or Alberta or wherever else, in the technical-vocational fields particularly, do not necessarily stay in the province where they were trained. My question is: could there be a crash program? I realize that four to five years is required for some of the trades that are needed in the industrial expansion that we do have in this province.

My second question is: has there been any consultation with your federal counterparts in this particular area? We in Canada are expanding, particularly in the western provinces, and know that in the areas of industrial expansion we are far behind in meeting these needs. Very many papers have been written about the need for technical and vocational trades in our province, in western Canada, and in Canada as a whole.

With that in mind, Mr. Minister, could you look at a crash program? Can you tell me what has been done with the federal government with regard to the shortage of skills we have in this country?

HON. MR. McARTHUR: — Mr. Chairman, with respect to the question of the possibility of crash summer programs to increase the numbers of people taking and completing technical vocational training, we accommodate all of the indentured people in the apprenticeship programs that are scheduled to take training. The scheduling is done by the Department of Labour with the employers who employ the indentured people. Presently we accommodate all who come forward on the schedule, and we will give them first priority to meet their needs.

The difficulty in terms of trying to handle any additional training would be to have more indentured workers and, in terms of the apprenticeship program in particular, the demand for the training is primarily during the winter months, because during the summer months, there is a peak of work activity and employers and employees don't want to be off the job in the training institutes. We have looked at the question of

greater utilization of the institutes during the summer months, but I don't think we have concluded that we would have the students to take part. That is the difficulty. Certainly, I can explore it more. I have to confess I am not thoroughly familiar with the problems of trying to do this but it is something the department has looked at, and there are some very serious difficulties in doing this. I will, however, pursue it further for the hon. member.

The second point the hon. member raises is with regard to the federal government and the support it provides. This is another area where the federal government has been somewhat disappointing. There seems to be a general trend toward decreasing levels of federal government support for technical and vocational training — not withstanding the fact they keep telling us there is going to be more coming in the future and that they consider this to be a priority. We haven't yet seen the results of that talk and, as a portion of training offered, the amount that is supported by the federal government has been declining through the years.

A little over a year ago, I met with the federal manpower officials with regard to our native career development program, and the possibility of working in a training-on-the-job component with the federal government providing assistance. It was indicated to me that the federal government was all in favour of that, and would support it. When we worked out the program and tried to proceed to an agreement with them, they suddenly changed their minds and now refuse to participate. That is the kind of problem we have in trying to work with the federal government in this area. The federal government has, in much of its talk in parliament and in speeches, been talking about significantly expanding its support for various forms of technical and vocational training.

I had a meeting scheduled today at noon with Mr. Axworthy to discuss that subject. That meeting was cancelled. It is very difficult to get into a position where you can even talk with the federal government. I don't know whether that indicates they have no plans, or whether it indicates they have nothing to back up their plans. It is not a very easy situation to deal with.

MR. SKOBERG: — I have one other point, Mr. Minister. On the follow-up of the training programs that we do have now in place in our technical schools, is there a concerted effort made to follow up on the demands, in order to know what is required in so far as our expansion in this province and elsewhere is concerned?

HON. MR. McARTHUR: — Mr. Chairman, we in Saskatchewan have, I think, the most sophisticated system of follow-up of students in any jurisdiction in Canada. We identify the students immediately upon graduation. We do six month and one year follow-ups to determine whether or not the training that we provide is matching the demand from the market place for job skills, and we make adjustments in our training programs based on that information, as well as information that comes forward from the trades, advisory boards and other organizations that advise us.

In addition to that, we completed, a year or so ago, a major review of technical and vocational training requirements, the VOTECH 90 report — the study I mentioned earlier. Through all of those methods, we maintain a constant check on what is happening, and out of that identify what kind of demands there are, what shifts in demands there are, and we respond to those as quickly as we possibly can. But we do maintain a very effective follow-up of what students are doing, how well our training is preparing them for the job market, and how well the job market is taking up those students.

MR. TAYLOR: — Science policy secretariat; item 13. I see there's over \$100,000 in there. You're getting some staff. What's this going to do, and how does this fit into the whole picture of continuing education?

HON. MR. McARTHUR: — Mr. Chairman, I think, as the hon. member will appreciate, the field and impact of science and technology in terms of our society and education system and on our future development, in areas that cut across just about every aspect of development in Saskatchewan today, whether it be agriculture, resources, human development or whatever, has become critically important. It's as a result of that, that in the fall (I think in November) I announced the appointment of Dr. Guy, former deputy minister of continuing education, as a special advisor on science and technology policy. He has been mandated to undertake a review of the whole question of how we, as a government, in terms of public policy, address the question of science and technology and its future impact on the development of provincial society. He's addressing the question of bringing a renewed focus on the efforts of universities, industry, government and Crown corporations to apply themselves to the area of science and technology, recognizing the very serious track record Canada has in terms of research and development expenditures.

We are working with our Crown corporations, government departments and private industry, to make a much renewed commitment to the whole area of research and development as it relates to science and technology. As an indication of the success in that, I only have to refer to the major announcement of the Potash Corporation of Saskatchewan to commit a major part of its resources to this area. The Minister of Agriculture has announced the \$25 million 5-year agriculture research program. You're aware of the research park at the University of Saskatchewan. There are a number of things happening in that area.

We are trying, through this office, to provide a focus for leadership, a focus for setting priorities and for concentrating on a rational pattern of development and support for the field of science and technology. And that is what this item is making provision for. In addition to Dr. Guy and his staff, we have a science council which is also funded out of this subvote.

MR. TAYLOR: — Mr. Minister, I refer you to *Hansard* and from memory to my opening comments at the beginning of these estimates. We were discussing the concepts of the new Saskatchewan and the technologies that will be required. I would hope that the new department and personnel are going to address some of my ideas and thoughts in directing curriculum, programs and various aspects to satisfy that need. I will be watching with interest to see if that is the mandate and direction this department will be taking. I think it will be an interesting experiment. We will watch how it operates over the next year and will probably have more to say in the estimates a year from now. But that is the direction you are planning to take, is that right?

HON. MR. McARTHUR: — Certainly that is one part of it. Dr. Guy has a unique educational background. He has been involved in education in the university sector, in government and in the school system. Education is certainly one part of what he will be addressing — not the whole of it because he is also addressing the research and development field and science and technology and its application to industrial and economic development. The matter you referred to will certainly be one part of his mandate.

MR. TAYLOR: — I judge from your words then that we can be expecting something in the field which we have been lacking in research and development coming out of that science policy secretariat. Fine.

MR. SKOBERG: — I have a very brief question. Can the minister say whether or not the technical school expertise is being used or taken advantage of, in so far as the science and technology studies are concerned?

HON. MR. McARTHUR: — Yes, certainly the expertise, which is of a very high quality, that we have at our technical institutes will be drawn upon, particularly in terms of the industrial development area and the impact of technology. In our technical institutes, as you know, we have some very highly trained and highly qualified people — in the technological fields, in particular. While we tend to look to the universities for research capacity, certainly in terms of the provision of trained personnel to advise and assist with the technological aspect of development and planning, the technical institutes will be drawn upon as an important resource.

MR. PREBBLE: — I have a question for the minister. When the minister is establishing a science policy is he considering a future government policy to set aside a percentage of resource revenues annually for research in Saskatchewan to increase and stabilize research funding in the province?

HON. MR. McARTHUR: — Mr. Chairman, at the present time, we have not appropriated separate amounts of money for direct support for science and technology in research-related areas from this secretariat. What we are attempting to do with this secretariat is to focus on the areas of science and technology, research and development, and to develop plans from a public policy perspective that will be supported by the various aspects of the Saskatchewan economy. Certainly the whole concept of provision of a percentage of the revenues earned for research and development is one we are pursuing. I would indicate to the hon. member that we have a very early initial success, not our doing entirely, recognizing the leadership provided by the Potash Corporation of Saskatchewan which has indicated that it intends to set aside a certain percentage (which is a very substantial amount of money) each year from its revenues to be directed to research and development. What I am hoping is that through the work of this office and with the co-operation of Crown corporations and private corporations, we will get a similar kind of commitment from a large number of corporations in the province, so that in the end we will have an effect very similar to your suggestion.

MR. TAYLOR: — Item 18 — grants to educational agencies, organizations, associations, and institutions. Mr. Minister, we won't take up the time of the House in a verbal answer, but could you supply the names of the institutions and the amounts of the grants they received?

HON. MR. McARTHUR: — Yes, certainly I can give the hon. member a list. I can tell him that it's not a tremendously long list. I can read it out or I can send it across to you, whichever you prefer.

MR. TAYLOR: — I would like to move to item 20, grant to the Saskatchewan Educational Communications Corporation — capital. In light of Bill 13 in this province which does restrict some of the technology available, can you give me your assurance that our institutes of higher learning will not be sold short on the most modern and up-to-date technologies in the field of communication? Because the implications of Bill 13 make

some of the most modern types of communications not accessible to the people of Saskatchewan.

HON. MR. McARTHUR: — Mr. Chairman, I think the experience we have in the educational system illustrates exactly where the opposition goes wrong on Bill 13. Sask Tel has not only illustrated a tremendous interest in seeing that we have access under the best possible conditions to the best possible technology but it is also actively working on that whole question. Bill 13 makes clear provision for all users to get access under cost-effective terms to the very best technology and that they will get it through Sask Tel.

MR. TAYLOR: — You are assuring me that they will not be sold short in any way, shape or form on the most modern and up-to-date types of communication equipment available.

HON. MR. McARTHUR: — If they are, it will not be because of Bill 13 or anything that Sask Tel does.

MR. TAYLOR: — That will be interesting. The next one I'd like to go to is the training of the disadvantaged. That would be item 23; I see you have reduced the amount of moneys by some \$300,000, which would seem to me rather a strange move in the Year of the Disabled. I think some of the disabled would certainly fit into that category. What is the reason for that cutback?

HON. MR. McARTHUR: — Yes, Mr. Chairman, I can give the hon. member an answer to that. It relates to an earlier comment I had made. The native career development program that we have been developing and are now starting to implement is included under this section. We had anticipated that there would be provision for substantial wage subsidies to be paid in co-operation with the federal government and the payments would be made through the subvote. The federal government has indicated that it is not prepared to participate in such a program. Therefore, the wage subsidy element of that program does not appear here now and that is the reason for the decline. We are now redeveloping that program to find some other way of providing effective levels of assistance. The reduction is because of what we have now discovered is a reduction in the federal payments that would be paid under this program.

MR. TAYLOR: — The wage subsidy would still be available to the basically native people you are talking about — you are looking at another avenue. Which way would you be doing it? Where is it expressed in your budget?

HON. MR. McARTHUR: — Well, I had hoped to meet with Mr. Axxworthy today and to talk about that. I think there are two possibilities. First, payments would be made directly by the federal government rather than run through the federal-provincial program. They would have a supplemental program rather than a co-operative program. I am still hoping that is a route that they will pursue.

Secondly, if they will not agree to that route then we must make other adjustments in the program to cover the wage subsidies and allowances. Until I have a better picture of where the federal government is going, I am afraid I can't answer your question clearly. I do know that it has indicated it is not prepared to provide support through provincial payment of a wage subsidy.

MR. TAYLOR: — So, what you are saying is, if the feds don't pay for this, then you are going to have to look at some other way of doing this if you want to continue it or else you'll have to drop it. You must have had a little more planning than that. Let's take a hypothetical situation that Mr. Axworthy won't come through. I don't think you would want to drop that program so where are you going to pick it up?

HON. MR. McARTHUR: — There is still, I think, our share, about \$500,000 for that program, so we are not proposing to drop that program. There is still that amount, our share, in this budget. We are actually looking at an alternative arrangement, which is under discussion with the native people, whereby, if we do not have wage subsidies, we sign agreements with employers to take the people participating in this program as individuals into their workforces while we provide for block training periods, in which people take, in effect, paid leaves of absence, for which we pay out our portion of the fund. When they are not training, they will be paid by the employers, by agreement, at regular wage and salary rates.

What we are working toward, if the federal government is not going to participate in the wage subsidy program, is a somewhat different model, where the employers will agree to participate and to pay employees while they are actually in the workforce like any other employee. We will take them off work for periods of time on a kind of educational leave of absence and we will then direct our funding to the training programs and living allowances during those periods of training. That's the contingency we are looking at if we cannot obtain an agreement on the other approach.

MR. TAYLOR: — I have a final question regarding the grants of the Saskatchewan Archives Board. Are you prepared at this time to indicate to us where the new archives building is going to be situated, and when we can look forward to the commencement of the construction of it?

HON. MR. McARTHUR: — We're having a few difficulties obtaining a site located east of Albert Street, so I'm now looking west of Albert Street to a nice location. No, I can't tell you. We are looking at locating it in the general Wascana area. As you'll understand, there are certain restrictions in terms of planning where buildings will be placed in the Wascana area, and we're still trying to work out certain difficulties we've had with respect to alternate sites.

I don't think there is any question that one of the sites will be satisfactory, but we haven't made a final decision on the site at the moment because of certain complications in terms of fitting it into the general Wascana plan. That isn't going to be a fatal problem; it just takes a little time.

Item 1 agreed.

Items 2 to 13 inclusive agreed.

Item 14

MR. TAYLOR: — Mr. Minister, I'd like a breakdown on that expenditure: the names of the people and the administrative expenditures under that subvote. That can be supplied at a later date.

HON. MR. McARTHUR: — Yes, I'll give that to you.

Item 14 agreed.

Items 15 to 24 inclusive agreed.

Vote 5 agreed.

HERITAGE FUND

BUDGETARY EXPENDITURE (RESOURCE DIVISION)

CONTINUING EDUCATION

Provincial Development Expenditure — Vote 5

Items 1 to 3 agreed.

Vote 5 agreed.

CONSOLIDATED FUND BUDGETARY CASH OUTFLOW (SUPPLEMENTARY)

CONTINUING EDUCATION

Ordinary Expenditure — Vote 5

Items 1 and 2 agreed.

Vote 5 agreed.

CONSOLIDATED FUND BUDGETARY CASH OUTFLOW

CULTURE AND YOUTH

Ordinary Expenditure — Vote 7

MR. CHAIRMAN: — Order. Our next piece of business is the culture and youth estimates, and I ask the minister to introduce his officials.

HON. MR. McARTHUR: — Mr. Chairman, I'd like to introduce Liz Dowdeswell, deputy minister of culture and youth; Barb Zimmer, sitting behind me here; Ron Borden, immediately behind me; and Dick Clark to the front.

Item 1

MRS. DUNCAN: — To start off youth and culture, Mr. Minister, I wonder if you could give us a short background for Dr. Vichert, his education, where he has been, where he was born, and things like that.

HON. MR. McARTHUR: — Yes, Dr. Vichert, who, as the hon. members probably know, was head of the cultural policy secretariat which undertook the review of cultural policy which led to the report of the cultural policy secretariat, holds a Ph.D. in English. He taught English at universities before working for the Government of Saskatchewan.

MRS. DUNCAN: — Is he a Saskatchewan born, Saskatchewan raised and educated

person?

HON. MR. McARTHUR: — I believe Dr. Vichert was born in Ontario. I could get you his curriculum vitae. I don't have it with me but I can send it to you.

MRS. DUNCAN: — I thought perhaps he was part of that great Saskatchewan heritage. I find the final report of the Saskatchewan Cultural Policy Secretariat somewhat disturbing. A lot of emphasis is placed on Saskatchewan culture and Saskatchewan so-called experience. Could you give me the government's definition of Saskatchewan culture?

HON. MR. McARTHUR: — Mr. Chairman, I am not sure that there is a certified Government of Saskatchewan definition of culture. I am not sure it would be desirable or good to have such a definition. I think, essentially, when we speak of culture, we refer generally to the creative aspect of people's lives. We refer to both artistic development and to the development of one's heritage and one's way of life. It obviously has a very, very broad meaning. It is clear that it cuts through what we would call the artistic development of Saskatchewan society, the community aspects of culture, the family and ethnic aspects of culture, and in many ways cuts into recreation and education as well. I don't think it is feasible to draw a hard and fast set of boundaries around the definition of culture. The question really is one of determining the kinds of activities we should support in that general field, and the most appropriate ways and means of supporting that kind of maintenance and development.

MRS. DUNCAN: — I find it very difficult to understand, Mr. Minister, that you could consider setting up a special Crown corporation on culture when you don't even know what Saskatchewan culture is all about. Not only that, the head of the review committee is not even a Saskatchewan born, Saskatchewan raised person. There are phrases such as, 'alien culture,' things like that. I would like to read from page 3 of the recommendations:

Likewise, culture cannot exist without a sense of place. This point has particular relevance for Saskatchewan because the pressures on the relatively new and fragile culture of this province are enormous. The distinctive Saskatchewan experience could be lost and replaced with the mass-produced artifacts of an alien experience. The consequence would be a profound alienation, as an everyday culture and an imported culture, largely experienced through the media, cease to relate to each other.

Then you go on to say:

The need for a provincial culture policy is very great, and the timing is ideal. There are dangers ahead for the culture of this province, but also a great opportunity, not only to safeguard what we have, but for Saskatchewan to once again be the model for other jurisdictions.

It seems ludicrous to me, Mr. Minister, that you couldn't give me a definition of culture. Yet, you say all these things. Culture is not something that can be confined to provincial boundaries — culture is international. Mr. Minister, if you look throughout the world, whole continents, made up of different countries, share similar cultural values and similar cultural activities. All of a sudden, we have this very nice, social Government of Saskatchewan wanting to confine our culture within our boundaries. Not only that, then you say:

A sense of identity is an intangible quality, difficult to assess, and hard to price. The individual in Saskatchewan, who knows that he is different from someone in Alberta or Manitoba, feels that sense of identity.

That is the most ludicrous statement I have heard. Our culture in Saskatchewan is made up of day-to-day activities that are similar to those in Alberta and Manitoba, and to say that we are different . . . You might think you are different, but we on this side of the House don't think we are different; we think of ourselves as western Canadians. We share a lot of common values and common heritages that intermingle through all ethnic groups in the country. It isn't just confined here.

HON. MR. McARTHUR: — Mr. Chairman, I find what the hon. member says somewhat surprising and that the members opposite treat culture as such a joke. I don't believe, Mr. Chairman, that is really fair. I might also indicate to the hon. members that I find it surprising we would have concluded Celebrate Saskatchewan, in which it was possible for communities throughout Saskatchewan to identify with their historical roots, and the cultural values that have developed in those communities, and the cultural identity of those communities, which differs from community to community, without any question. That we could have concluded Celebrate Saskatchewan and have the hon. members opposite say that it is not possible for individual communities to have an identity in terms of their cultural past, present and future, and that it is not possible for Saskatchewan people to have a distinctive sense of identity, surprises me, Mr. Chairman.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. McARTHUR: — I would say that the hon. members opposite have a real problem with the understanding of culture. I would also say, Mr. Chairman, whether you agree or you disagree, that report makes some very fundamental and important statements about questions of culture. That report suggests that the Government of Saskatchewan should be in a position to recognize and support the cultural aspirations of individual and different communities around this province. If the hon. members want to tell me that the communities of Gravelbourg, Humboldt or Canora do not have a distinct sense of culture which is rooted in the ethnic backgrounds of those people, in the processes of development which have taken place, in the development of the folk art, the literature and other aspects of culture in those communities, I say that you're dead wrong. All you have to do is go to those communities and discover that. I would say that's one of the things which makes Saskatchewan culture distinctive, first of all.

Secondly, there is no argument in that report, whether you agree or disagree with it, to suggest that it should be the aim of government policy to develop islands of culture. It says that we can have distinctiveness; we can develop from our own roots; and we can recognize our uniqueness. It also says that part of having a strong and healthy cultural development is to draw from the best that the world has to offer. If Alberta has something strong and healthy to offer in terms of the artistic and cultural development of Saskatchewan, that is great. I agree that there are things which they have to offer. Similarly, if the rest of Canada or North America, or Europe have something to offer, (and there is no question that they do) that is great. But there is also no question that there are unique features which make Saskatchewan different. We can build on those strengths as well.

SOME HON. MEMBERS: — Hear, hear!

MRS. DUNCAN: — From what you just ended up saying, that could be an alien experience.

AN HON. MEMBER: — I can't hear. That's my point of order.

MR. CHAIRMAN: — He's rising on a point of order that he can't hear the hon. member for Maple Creek. It's in your interest that I would want him to be able to hear. So if we could have a little silence, the member for Maple Creek has the floor.

MRS. DUNCAN: — I would like to say that the recommendations are going to do nothing to protect the individual cultures which we have in Saskatchewan. A lot of the recommendations in this report point to your attempt to control the cultural diversity of this province. Mr. Blakeney and you people back there are attempting to play politics with our children by controlling what they learn in school. The cultural industry will be dead in this province if this report is implemented and a Crown corporation is set up. I find it interesting that even the name "secretariat" comes from Russia. At least you guys are showing your true colours.

SOME HON. MEMBERS: Hear, hear!

MRS. DUNCAN: — Why don't you let the people of this province direct their own affairs? Certainly they need help in the form of grants, but look at the recommendations on page 18, for example:

That texts required for courses with a specific Saskatchewan content be developed and produced by the Department of Education through contracting with local writers and publishers.

Now I would ask you, Mr. Minister, who are you going to hire? Your politically-minded hacks, people with Marxist or socialistic types of views? Are those the kinds of people who are going to be writing textbooks for our children?

HON. MR. McARTHUR: — Mr. Chairman, first of all, there are some tremendous leaps in logic and reasoning taking place here that I'm having trouble with. So, I'll try to grasp them as best I can and follow them through.

The hon. member should perhaps read the recommendations and give me an indication of how she is able to draw the conclusion about these recommendations. And I might indicate, these are recommendations; they have not been adopted as government policy. We are currently holding or have just completed, a series of culture talks around the province in which there has been an open opportunity for groups and individuals with an interest to respond to these recommendations, and they have done so, to their very great credit, in large numbers and with a great deal of thought and work.

And if you suggest to me that a cultural centres grant program recommended here . . . I'd like to know whether the hon. members support it, or whether they do not support it because they see it as some attempt to control culture. If a cultural centres grant program operated by communities is some sort of attempt to control cultural development, I'd like the hon. member to explain that to me further.

If the hon. member believes that an annual grant provided to the organization of

Saskatchewan art councils in order to pay for staffing — a payment to the arts organizations which are involved so that they can have an opportunity to develop their own programs — is an attempt to control the development of artistic talents and abilities in the province, if that is some effort to control, I'd like the hon. member to explain that to me further.

If the hon. member believes that a museum advisory service to assist all those local community museums around the province is some sort of an attempt to control their development, I'd like the hon. member to explain that to me.

If the hon. member believes that multicultural programs and grants offered through the Department of Culture and Youth to organizations is some sort of control over those organizations, I'd like some explanation. And I can go on and on.

I say to the hon. member that one of the major thrusts of this series of recommendations is to provide a basis for organizations and individuals who are involved in trying to sustain and develop the cultural roots of their families and their communities and of the province. And if grants and assistance to organizations, which are applying their creative talents to provide a greater opportunity for all of us to share in what is the best in Saskatchewan artistic abilities, are some sort of attempt to control, I don't know how you define "attempt to control."

The Tories may say that life out there should be every person for himself; if an artist wants to be an artist then that artist should get out there and scramble and make it himself. I say to the hon. members that that is the most barbaric approach to artistic development I have ever seen. It is simply not possible to expect people with artistic talents and abilities to be financially self-sustaining in that way. If you don't understand that about the nature of artistic development and artistic functioning, then I don't know where we start in this discussion.

And so I say to the hon. members, that while this report clearly has some recommendations which could be objected to — there are recommendations in here which I object to — I would invite the hon. members, instead of attacking the whole framework, to deal with these specific recommendations and give me some suggestions on which ones you disagree with. Do you disagree with the ones I read out, or do you not?

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Mr. Chairman, I must comment that I've never seen a minister ask the opposition so many questions before. You know I was under the mistaken impression that we were here to deal with your estimates. I think the bulk of the questions have come to the opposition. And given the leadership which is present at the top of culture and youth, I really don't blame you for asking questions to this side — I said leadership, or should I say lack of it.

Mr. Minister, I'd like to leave that report briefly and I assure you we shall return to it rather extensively. Last year we had another scam operating in the Department of Culture and Youth. I addressed this question to you last fall regarding two employees, a Mr. Tuck and a Mr. Nobes . . . (inaudible interjection) . . . Yes, I would think there would be a few groans over there. I would think there would be the odd groan over there. For those of you who just may have forgotten about Mr. Nobes and Mr. Tuck — for the groans over there from the Minister of Environment who's now making his

greatest contribution to this Assembly from his seat, I'd like you to tell us a little bit about the scam of Giant Enterprises . . . (inaudible interjection) . . . Yes, I would groan if I were you. It was a real beautiful little scam wasn't it? They were a couple of bailiffs sitting in their office, processing and approving the grant. And then what do you think they did? They did the work. That's not a bad little proposition. Mr. Minister, tell me all the work done by Giant Enterprises last year for your department.

AN HON. MEMBER: — And the dollar value.

HON. MR. McARTHUR: — The answer is: no work. The dollar value is zero.

MR. THATCHER: — Mr. Minister, I would like you to tell us the work done by Giant Enterprises on contracts that were approved by your department and funded by grants from your department, either directly or indirectly, and I suggest that the minister be precise.

HON. MR. McARTHUR: — Mr. Chairman, to my knowledge, there were no projects in Saskatchewan undertaken for which there were culture and youth grants paid for work done by Giant Enterprises; however, I will undertake to check the records to determine that this is absolutely accurate. But to my knowledge at this time, there were no such projects.

MR. THATCHER: — Well, Mr. Minister, perhaps you could elaborate on the question of Giant Enterprises. Tell us why your department chose to consult with the Attorney General's department. Why did you choose to have a police investigation into those activities? Why was one of those two employees summarily dismissed if there were no work done? This is the premise, this was the reason given in this Assembly a year ago and I respectfully suggest to you that if what you say is true, then your predecessor misinformed this House, either deliberately or otherwise about a year ago. Perhaps we should turn the forum over to him. He was the minister in charge at the time. He initiated the investigation. He told this Assembly that he had to consult with the Attorney General and perhaps you want to take a moment or two and consult with your predecessor.

HON. MR. McARTHUR: — No, Mr. Chairman, I don't think that will be necessary. The facts of the matter are that the firm, Giant Enterprises Ltd., marketed recreational products. The fact that they were marketing recreational products meant that they were marketing products to organizations and local governments which could potentially have qualified for grants from the Department of Culture and Youth. There was a potential conflict of interest situation as a result of that activity, and that is something we would not condone. That is the reason for the actions taken, and that is quite a different thing than what the hon. member is suggesting.

MR. THATCHER: — Would the minister tell us in how many instances there was a conflict? Would the minister tell me the dollar value, either last year or the year before, of products or services provided by Giant Enterprises for a swimming pool (I think it's on Dewdney in the Premier's constituency), whether there were any others in addition to that, and precisely what their dollar value was?

HON. MR. McARTHUR: — Mr. Chairman, we do not have records on business done between Giant Enterprises and local governments in Saskatchewan. The only cases in which we would have such records are of those projects which qualified for grants. To my knowledge, none of the projects that we funded through grants, directly or

indirectly, involved doing business with Giant Enterprises. As a result of that, I come back to the point that the problem was a potential conflict of interest, because Giant Enterprises was dealing with local governments and other organizations which potentially could qualify for grants. And that is different from having projects actually qualify for grants — projects that Giant Enterprises were doing business with.

MR. THATCHER: — Before I go on, Mr. Minister, are you willing to stake your reputation and your cabinet status on the accuracy of that answer? Yes or no? Let the records show that the minister has declined that invitation. There was nothing very complicated about it, and I suggest that subsequent events will show the minister's answer to be inaccurate. I suggest it probably is, judging by his answer at this time.

Mr. Minister, I want a full report right now, not later on . . . (inaudible interjection) . . . Perhaps the Minister of the Environment, if he has something to say in this debate, could say it at some future time. As he is the minister of a fairly prominent department, there are times when we do look for some comments from him. It's a strange thing that they are always forthcoming when somebody else's estimates are up, or somebody else is talking. And perhaps the Minister of the Environment could restrain himself for just a few moments. Then I'd be delighted to take my seat and allow him to question the minister.

Mr. Minister, I'd like you to give us a full report as to the investigation conducted last year, because I cannot believe for one second the investigation was that innocuous. I don't believe there was a potential conflict of interest. I state categorically that there was a conflict of interest to the point where you dismissed one high level employee and suspended the other. For some strange reason the other one was brought back, and I want an explanation. I think the public servants in this province deserve an explanation. The one you've given, I suggest to you right now, is not accurate.

HON. MR. McARTHUR: — Mr. Chairman, the hon. member suggests my explanations are not accurate. I'm afraid that I can do nothing more than give my explanations, and he'll have to make his decisions as to whether he accepts them as being accurate or inaccurate. That's more his problem than my problem.

I will point out to the hon. member that the employee who was dismissed, Mr. Tuck, participated as a partner in the business Giant Enterprises Ltd. He did not have authorization from the public service commission or the Department of Culture and Youth to participate in that business. The line of work which he was engaged in brought him into contact with organizations and local governments which were involved in the development of facilities, and which could also be purchasing supplies from his firm, to provide for those facilities. That is a clear indication of a potential conflict of interest, and was the reason for his dismissal.

MR. THATCHER: — Mr. Minister, you've only partially answered the question. There's another employee involved who was suspended. He was at the same level of partnership as was the other in Giant Enterprises. I want an explanation why he was reinstated and the other one wasn't.

In addition, Mr. Minister, I would like an explanation why the leader of your party, in his throne speech debate, when making the usual flowery references which all members make to their constituencies, referred to the swimming pool on Dewdney and the government help which had been involved.

Mr. Minister, we both know that Giant Enterprises was very much involved in that swimming pool. They supplied not only certain materials, but were also deeply involved in the construction. I suggest to you, Mr. Minister, that you are not accurate, and that either you are not being informed correctly by your officials, or there is a very serious discrepancy in your answers.

HON. MR. McARTHUR: — With respect to the question of Mr. Nobes, the records show that he did not have the same direct involvement in the advising of local governments and so on with respect to their projects, and so the same potential for conflict of interest did not arise, although he certainly was, as I understand it, involved with Giant Enterprises.

Granted, it's a decision about the degree of involvement and, therefore, the degree of culpability (if you like) involved. It was our considered view that the case of Mr. Tuck did call for a dismissal under the circumstances, and that the case of Mr. Nobes did not call for such drastic action. I might say that the RCMP thoroughly investigated this case and did not have any reason to carry forward with criminal prosecutions in either case. So we were dealing with a question of what is acceptable in terms of employment.

With respect to the swimming pool to which you referred, I'm certainly prepared to provide the hon. member (I do not have it here) with any of the financial data and information we have, when I can get that information together.

MR. THATCHER: — Well, in that case, Mr. Minister, I would suggest we adjourn your estimates until that moment, because we're not passing them until we have this. We would like to wind up tonight. I think, Mr. Minister, that it's pretty fair to assume you knew this question was coming up. Obviously, these questions were coming up. I suggest that you and your officials should have anticipated this. You should have them ready. I suggest you send somebody out to get them, because we'd like to wind your estimates up by 10 o'clock; otherwise we're not finishing tonight and I suggest you adjourn them.

Mr. Minister, the comments about one employee not having the same input as the other one, and that being the reason you retained him, are, if I may respectfully suggest to you, a crock of garbage. Mr. Minister, you know very well that the shareholders list of Giant Enterprises very clearly shows that both Mr. Nobes and Mr. Tuck had the same level of shares or the same percentage of ownership. Your suggestion that Mr. Tuck had more influence on the decisions made by your department than the other employee simply is not accurate.

Mr. Minister, I would respectfully remind you of your answer last fall when you were questioned in this Assembly. One of the reasons that you gave why one employee was retained and the other wasn't was a union agreement. That is something else I want to go into. That answer was yours. You indicated a union agreement played some role in that. The one employee apparently must have been out-of-scope, and the other one was subject to a union agreement. I am glad to see you are sending somebody out. I want you to elaborate on that answer you gave last fall.

HON. MR. McARTHUR: — Mr. Chairman, I don't think the question that was dealt with last fall turned on the terms and conditions of a union agreement. The simple fact of the matter is that Mr. Tuck was an out-of-scope employee, and as such had additional responsibilities as a senior manager above and beyond those of an in-scope employee. The considered opinion was that the problem of the participation of Mr. Nobes, as an

in-scope employee, did not bring him into the same possibility of a conflict of interest interfering with his work. Therefore, the action that was taken with him was a reprimand. It does not turn on the question of whether or not the employee was covered by some specific terms of a union agreement.

MR. THATCHER: — Mr. Minister, you made the statement in the Assembly. I didn't make it. One of your reasons which you gave was that one was retained because of this supposed union agreement. I want an explanation for that. That was your answer last fall. What you just gave me is not an answer. Now, why was Tuck fired and Nobes retained? Both of them were doing exactly the same thing. One was maybe a trifle senior to the other. But I want an answer to why Tuck is out and Nobes is in. We are not going anywhere until I get an answer to that.

HON. MR. McARTHUR: — I think the evidence, Mr. Chairman, shows that Mr. Tuck represented Giant Enterprises. He was, first of all, a management employee in the department who had decision-making responsibility. He represented Giant Enterprises in addition. He was the person who made representations to potential purchasers of supplies from Giant Enterprises to attempt to sell to potential purchasers the equipment and supplies that Giant Enterprises could supply. As a result of that, Mr. Tuck was very directly involved, both in a decision-making capacity in the department, and at the same time, in promoting the products of Giant Enterprises. The same was not true of Mr. Nobes. He did have some investment in Giant Enterprises, but did not have the same decision-making role in the department. According to all the evidence, he did not engage in undertaking to promote the services and supplies of Giant Enterprises to potential purchasers.

MR. THATCHER: — You know, Mr. Minister, you don't even believe that yourself. That is one of the worst explanations that I have ever, ever heard. In essence, you are saying that it is an acceptable practice if you are a middle-level civil servant to be involved in a scam. That is, in effect, what you are telling us. If you are not high enough up, it is all right to be involved in a scam, but if you are a little further up, oh heavens, we have to get rid of you. Now, I want the truth. Why is Nobes still there and Tuck out? Give us a better explanation than that pathetic excuse for a minister's answer.

HON. MR. McARTHUR: — Well, Mr. Chairman, I have given the member the answer. Mr. Tuck was involved in a decision-making capacity with respect to grants that were issued under certain programs of the Department of Culture and Youth. He was also involved in promoting the supplies and services of Giant Enterprises and that put him into a potential conflict of interest situation that was very serious. In the case of Mr. Nobes, the same was not true.

MR. THATCHER: — You know, Mr. Minister, I think you bring discredit on the majority of our public servants in this province by taking that attitude, because there is something more there, and I only wish we had the power to get at it on this side of the Assembly. Something is rotten there and I am not completely clear on what it is.

When a minister of the Crown stands up and tells us that it's fine for a middle-level civil servant to be involved in a scam, I say it is a very unfair indictment of members of the public service and it's an aspersion on all of them. I don't know what sort of nonsense is going on in your department, but your department is obviously rotten when this is the best answer we can get from one of the supposed 'bright lights' on that side of the House.

Mr. Minister, you have the nerve to stand in this Assembly and suggest that it is all right for our middle-level public servants to be involved in a scam — and that's the only word for it. It's a scam when these grants are processed by these people and don't tell me that some of these grants didn't have to go through Mr. Nobes. You know that your deputy will tell you that and so will your advisors. It is unadulterated nonsense when you say Mr. Nobes had no input into them. Maybe Mr. Tuck was a little higher up — that's certainly true. Tell me what, for goodness sakes, has happened to a once proud civil service, when a minister of the Crown in this Assembly stands up and says that it's fine to be involved in something dishonest, that it's fine to be involved in a scam — just don't get promoted while you are doing it. That, in effect, is what you are telling the Assembly; I think you have put a slur on every civil servant in this province.

HON. MR. McARTHUR: — Well, Mr. Chairman, the fact of the matter is that in the case of Mr. Nobes, he owned a relatively small number of shares in this particular business enterprise. I don't condone that. In order to have those shares, he should have had the authorization of the public service commission and the department. He did not have that and for that he has been reprimanded.

I think that the hon. member, in defining it as a scam, exaggerates the situation. First of all, there was a thorough investigation by the RCMP which concluded, as I understand it, that there was no criminal activity involved on the part of either of these gentlemen and that there was no reason to proceed with prosecutions. I would assume that the hon. member, in reference to a scam, is making reference to a criminal activity and so I would suggest to the hon. member that he is simply wrong in describing what occurred here. I would come back to point out that in the case of Mr. Nobes, he was a shareholder in this firm in a small sort of way, and no other aspects of the case suggested any wrongdoing with respect to Mr. Nobes.

With respect to Mr. Tuck, he chaired an interdepartmental committee which makes recommendations to the minister on the approval of grants and, therefore, participated very directly and in a very important way and in a very different way than did Mr. Nobes in the whole process. He is responsible for making those recommendations. I say to the hon. member that holding that position while at the same time holding shares and promoting the services and supplies of this firm is clearly a very, very difficult situation in terms of conflict of interest, and is unacceptable to me. Therefore, it was perfectly correct and appropriate that we should dismiss him as a reprimanding action.

MR. THATCHER: — I would like to point something out to the hon. minister. The RCMP doesn't decide whether charges are going to be pressed. Do you know who makes that decision? The gentleman over there with his back to me. The RCMP conducts an investigation, but do you know who makes a decision as to whether or not charges are going to be laid? That non-political department known as the Department of the Attorney General does — that non-political department that makes all its decisions naturally, on an unbiased, unprejudiced, non-political basis. So, in other words, your department was judged by another branch of government, not by the RCMP. So don't tell us whether or not the RCMP proceeded with charges; they don't have that jurisdiction — that comes from the AG's department. And for whatever reason (we'll never know why), they didn't proceed on it. Tuck and Nobes had the same number of shares in Giant Enterprises; a check with the company's office confirmed that, and that was pointed out a year ago. Your argument doesn't hold up there. But the key question to come out of this is: what kind of a department have you got over there, that this situation can happen? What sort of controls do you have? Obviously none. How could a

situation like this ever happen? There is only one explanation; lousy administration, starting at the top. When a situation like this can happen, when it did happen, when enough happened to warrant an RCMP investigation, it's house cleaning time. Let me tell you, it's time to get a great big broom, and go in there and clean it right out.

The minister can smirk, because he has had an opportunity to do it, but he hasn't done it. He came up with some of the most pathetic answers I have heard in this Assembly. And again, I point out, this is one of the supposed bright lights, one of the supposed new-found heavyweights from over there. And this is the best he can do, and he hasn't done anything about instituting new controls. I want to ask the minister right now, what have you done to ensure there will be no repetition of this in your department? What steps have you taken from last year to ensure that no officials can be put in this position? I would like you to be relatively precise on that. And I hope some of the information I have asked for earlier will be forthcoming. We would like to finish by 10 o'clock; whether or not we do is entirely in your hands.

HON. MR. McARTHUR: — I think the hon. member knows that The Public Service Act requires employees who participate in any way in outside activity for financial gain to declare that participation. Certainly that depends to a high degree on employees being prepared to be straightforward, and making the necessary declarations when they participate in such activities. The fact that certain employees (a very small number, two in this case) did not indicate when they did become involved with this corporation, did not indicate their intent to do so and obtain authorization, is clearly an indication of shortcomings on the part of those employees.

The hon. member can talk about administrative controls to try to prevent that, but one must assume laws and regulations are being obeyed, and when evidence comes forward that people are not obeying them, then you deal with it. No amount, as the hon. member says, of administrative house cleaning, is going to ensure that every single civil servant does, indeed, indicate when he is in contravention of this. I believe the vast majority of civil servants would not act in contravention of this act. When the situation arises, what we must do is be prepared to deal with it and take action. That is what was done in this case.

MR. THATCHER: — Mr. Minister, that is unadulterated nonsense. The only reason these employees were ever suspended in the first place was that, when we started poking around down at the company's office last year, one of your people in there tipped off senior people in your department. You moved quickly before the next day's question period and you suspended them. That is the only reason any action was ever taken.

Mr. Minister, when you suggest that this sort of thing can happen in any government department anywhere, I don't believe you. I simply don't believe you. I don't think every government department is run as laxly, as poorly, and as disgracefully as the Department of Culture and Youth. Frankly, I don't think this could happen in government services. I don't think it could happen over in health. It may happen in DNS (Department of Northern Saskatchewan), but then they have had a few people as deputy ministers there who are of questionable character, ability-wise. But it did happen in the Department of Culture and Youth. Mr. Minister, I think the biggest indictment is that you cannot name one single step which you have taken to ensure that it cannot happen again. Your defences have been incredibly bad. Your suggestion that any civil servant could and would do this is absolutely atrocious. Your inability to name one corrective measure which you have taken to ensure that this isn't going to happen again is a sad indictment of one of the supposedly new-found heavyweights in the

party. Perhaps it may very well indicate what's in store for this party down the road.

Mr. Minister, I want you to tell us what procedures you're going to take to ensure that this doesn't happen again. In addition, I would like you to tell us what that RCMP report indicated. You've suggested that the RCMP report indicated that no criminal charges be laid against them. I assume that you are referring to a report which was made to the Attorney General's office. I'd like you to tell us what that report said and what its recommendation was. Are you will to table the RCMP report in this Assembly and if not, why?

HON. MR. McARTHUR: — Mr. Chairman, the RCMP reports are documents which are handled, as I understand it, by the criminal prosecution people. They do not present me with reports because I do not undertake to prosecute with respect to criminal prosecution. I would suggest to you that the question you are directing to me is not one which I can deal with. I am not the person who receives RCMP reports in that sense. I can tell the hon. member that the RCMP has indicated it will not be prosecuting with respect to this case. So that's the long and the short of the answer, as it applies to this case.

I would say to the hon. member that we have taken steps to remind all employees of the terms of The Public Service Act. They are required to fulfil all terms of The Public Service Act which includes that if they participate in any outside activity for gain, they must receive prior authorization to participate in that activity. Certainly, we intend to insist that all employees, who do participate or intend to participate in outside activity for gain, provide indication of what they're going to do and get authorization from us. Any employees who do not will be dealt with accordingly. But I want to tell the hon. member that at no time did I suggest that civil servants, in general, would do this. What I did say to the hon. member is that two persons did do this. That's regrettable and unacceptable; nevertheless, it's fact. We have dealt with the circumstances, given they did do that.

MR. THATCHER: — Mr. Minister, I wish you'd make up your mind. A minute ago you said you hadn't seen this report. Then you tell us, "I understand it was this; I understand it was that." You chose to fire somebody on that basis. You chose to get rid of Tuck. Yet, you say you didn't see the report. You say they chose not to press charges. You know now, if you didn't know before, that the Attorney General's department does that, yet you still fired him.

I'd like to refer to a question period with your predecessor. I asked your predecessor, on June 6, 1980 (and I'll go to the last line of that):

Mr. Minister, will you make available to this Assembly, in the first part of next week, any business that Giant Enterprises has done with any project receiving a grant from your department within the last three years?

This is the answer from your predecessor:

No, Mr. Speaker, I won't. All that information has been made available to the RCMP. I may advise the member opposite that the RCMP is not in the habit of issuing press releases and making all its information public.

That's probably true. They're not in the business. So in that case, I'm asking you to make it public. I want the answer to that question before your estimates pass. In other words, I

asked the question in oral questions almost a year ago:

. . . any business that Giant Enterprises has done with any project receiving a grant from your department within the last three years?

I want that answer before your estimates leave item 1. If you gave it to the RCMP, obviously, you have it and if you can't provide us, then that meant your predecessor misled this House. I want that answer before we get off item 1. If you can't provide it, then I suggest we adjourn your estimates.

HON. MR. McARTHUR: — Well, Mr. Chairman, I'm certainly prepared to determine the information and make it available to the member. I don't have the information available here, as to what communities Giant Enterprises did business with. But I can undertake to obtain that information and give it to the hon. member.

MR. THATCHER: — I don't know whether it means anything or not, but your predecessor just suddenly chose to leave the Assembly.

Mr. Minister, I'm going to leave that for now and we're going to move into another area. But make no mistake, we're not leaving item 1 until I get the answer to that question that we asked a year ago. And I'm deadly serious on that. We will be here for a while, until I get that answer. So, I suggest that tomorrow you get some busy little bees in your department, and get them coming up with some information — the answers to those questions. Maybe it's a question of privilege as to that answer I received a year ago.

MR. ROUSSEAU: — Mr. Chairman, I have one question pursuant to the line of questioning by the member for Thunder Creek. You indicated that an employee must get prior approval if he's involved with an outside business or activity for personal gain. Will you advise this Assembly if you have given any approval to any of your employees allowing them to carry on any business for personal gain (I guess that's the word)?

HON. MR. McARTHUR: — My department officials tell me that the only cases they are aware of at the moment are people who are teaching classes, particular university classes. I can get a list for the hon. member of people who have been given authorization to undertake activity and give it to him when we put the list together. But the only ones that we are aware of at the present time are those teaching classes, which is a fairly common practice.

MR. LANE: — I'd like to direct a question to the minister on the report of the Saskatchewan Cultural Policy Secretariat. One of the reasons why the report is receiving a fair degree of questioning around the province is because it looks more and more like a document that's merely designed by the individual to promote the political philosophy of the government opposite. Statements, for example:

The measures taken by the government so far (and I'm referring to page 25 of the report), though often courageous as in the case of the Co-operative Programming Network, have been tentative or palliative. A more integrated and forceful policy is needed.

Now, that to me indicates that the government opposite or the report is suggesting that we go back to Co-operative Programming Network, which was a cultural and a financial disaster. As a matter of fact, I think we've been through the debate in this House on CPN and CPN's sole fare for the public being imported American movies.

Now, does it not strike you as rather strange that the individual promoting that report would hold up CPN as the touchstone for future cultural development in the province? And how would you go about developing from a new CPN a more forceful policy? And what form would the new CPN take under these proposals?

HON. MR. McARTHUR: — Mr. Chairman, I think that we should recognize that the concept of CPN involves the concept of pay television which, if the hon. members aren't aware, is widely recognized to provide some very great opportunities to make available to people programming that can be developed and produced here as well as elsewhere, for the purposes, of which the report speaks, of cultural support and development. CPN was developed along those lines.

I'll mention to the hon. member that I don't think it's true to say that the sole accomplishment of pay TV under CPN was to bring in American movies. I, myself, took CPN in my own home. They had an exclusive children's channel which provided, for my money and in my terms, excellent television for young people. Those were not all American programs. Certainly, given the state of development of the art in Canada today, it's not possible to provide full programming with Canadian productions, but there were such productions on there. I can remember watching them with my children.

So I would suggest to the hon. member that his facts are incorrect. There is no question that developing a pay television system has its complexities and its difficulties, but that doesn't detract from the overall concept of pay television being used as a support system for cultural and artistic development.

MR. LANE: — I don't want to rehash the CPN debates but I'm more than prepared to, because it was a sad day in this province's history when we had a financial and cultural blunder such as CPN. It was a decision which has led to higher telephone rates, among other things. You talk about the children's programming. In fact, it had a great number of American programs at that time, and as a matter of fact, lauded its American programming in newspaper ads. So one can question the direction of this particular report when one starts to look at a suggestion like that.

The report as well, as we go into the cultural industry, suggests that Sedco (Saskatchewan Economic Development Corporation) be given a mandate to support the cultural industries. Now, on the one hand the minister suggests that Sedco is going to make a profit and how proud they are to do so. And, based on this suggestion, we're going to use Sedco now to support the arts. Is that a suggestion that the arts should be profitable? And secondly, have you discussed with the drafter of the report the advantages or disadvantages to using Sedco to promote the arts, given the track record of Sedco? And would, for example, Shane Industries' investment in the taco parlour along the highway be an example of Saskatchewan art or Saskatchewan culture? I don't know.

It strikes me that the individual went in with a philosophical bias and used the report from then on to enhance that bias. Is the minister prepared to support that recommendation that Sedco be a vehicle for cultural industries, and what specific industries did the minister have in mind?

HON. MR. McARTHUR: — Well, the minister didn't write the report. The report was

presented to the Government of Saskatchewan for review and, as the hon. member knows, that report has been the subject of a very extensive discussion and consultation, including a series of cultural talks held around the province which have just been completed. I would point out to the hon. member that the particular section to which he refers is prefaced by the comment by the secretariat, that to accomplish the ends which they are talking about, in terms of support for cultural industries, we considered several possibilities.

They then go on to list four. The suggestion is floated that Sedco could be given a mandate as one of the possibilities, not even as a particular recommendation, in terms of providing support to cultural industries. If the hon. member finds it so difficult to even have possibilities discussed, then it's the hon. member for whom I feel some sympathy and not the persons who wrote this report. It was their responsibility to suggest to us possibilities, alternatives and recommendations; that they did. Those are now being considered. I certainly do not, in principle, back away from the suggestion that loan funds should be available to potters or to individual crafts people who must purchase supplies and equipment in order to carry out their craft.

I am not saying that this alternative is one which we are going to accept. But in principle, the notion of loan capital being available is not one which I find necessarily repugnant.

MR. LANE: — Would the minister mind defining the phrases used on page 3?

The distinctive Saskatchewan experience could be lost and replaced with the mass-produced artifacts of an alien experience.

Now I don't know whether the mass-produced artifacts of the museum of modern art or the metropolitan museum are an alien experience that we should be sheltered from. Perhaps the artifacts being shown by the Royal Ontario Museum, now being marketed, are something we should be sheltered from because they are an alien experience. I wonder if you could define for me the alien experience referred to in this report.

HON. MR. McARTHUR: — Well, I do not have a definitive answer on what was in the minds of the authors of the report when they made that reference. However, I would suggest that the hon. member might wish to read the whole of that introductory section. He might wish to read the part which points out that individual art works certainly can and do transcend place and exercise a universal appeal. There is no suggestion in here that there are not important aspects of the world experience which transcend time and place and are valuable in terms of understanding the creative process and what is the very best in terms of the world experience.

The report goes on in that section to refer to certain popular television series which are certainly outside the context of Saskatchewan and Canada; whether it is desirable or undesirable is another question. But the experiences are not experiences with which the people of Saskatchewan are familiar. He refers to the television show "Dallas" as one of the comments. I suppose the hon. member is suggesting that we should support and expose Saskatchewan people exclusively to the "Dallases" of American television productions, in terms of cultural and artistic experiences.

I would say to the hon. member that I can quite confidently say I don't concur with that. I think we do need to be creative; we do need to be ambitious in trying to provide to the people of Saskatchewan both the world's very best and the best which is unique to

Saskatchewan experiences — experiences which are not outside the context within which people live in Saskatchewan communities and in the province of Saskatchewan.

MR. ANDREW: — My question, Mr. Minister, relates to page 25 of the report. What this report is saying, Mr. Minister, is that we have the fundamental freedoms, freedom of speech, and freedom of the press, and all of a sudden this report says those freedoms really don't exist in this province anymore. The problem really runs this way. How are we to be credible when we're talking to Mr. Trudeau with regard to the fundamental rights and do not wish to have them entrenched in the constitution? I agree with that view.

On something so basic as the freedom of speech, of assembly or the press (those are fundamental to our system and have been protected in this country over the years) along comes this report. So on the one hand we're saying, "No, this should not be entrenched in the constitution because the legislatures can look at it more and we don't want the courts to make those decisions." And that's justified. Yet you come stomping right along here basically saying this: "Censorship, well, it's sort of foreign to our beliefs, but we're still going to have to implement it." That's basically what the report is talking about. You get right back into the same fundamental thing. You can read the first three paragraphs of page 25. That's the gist of what the conversation is, Mr. Minister. It basically becomes this: who is going to make the decisions in this province as to what the people should watch and what the people should not watch? Is it going to be the government? Are those the people that are going to make the decision — the government or members of your department or members of your Crown corporation? Once that happens, have we not then really infringed upon one of the basic principles of a society — freedom of speech and freedom of the press?

We'll start with that question, Mr. Minister. That seems to me to be pretty fundamental to what we're talking about here.

HON. MR. McARTHUR: — Well, the hon. member has a strange way of reading. He suggests that the first three paragraphs on page 25 support the notion of censorship. I want to say to the hon. member that I can't see anything in that document that would support that notion.

MR. LANE: — Mr. Minister, let me just read the last sentence of the third paragraph just so you're not . . .

MR. CHAIRMAN: — Order, order!

HON. MR. McARTHUR: — Mr. Chairman, the report suggests that if we are going to make available alternatives to the mass-produced products that come through the media, we have to take positive action to support the development of productions and activities here in Saskatchewan. It does not in any way suggest that we need to censor, and in fact, the report points out very clearly in paragraph 2 that censorship is repugnant. But it goes on to say — which I agree with — that if we are going to provide opportunities of access to the people of Saskatchewan to what we have here in terms of cultural or artistic experiences, then we do need to take some positive action to support the production and the distribution of those kinds of things here in Saskatchewan.

I find nothing that would in any way support the leap in logic that the hon. member makes toward the notion of censorship. I can't imagine how he draws that conclusion.

MR. ANDREW: — Mr. Minister, okay, the last line in the third paragraph. We'll come to

that. "If it makes sense to intervene in order to protect our mineral resources, it makes even more sense to intervene to protect our culture." It's talking about television. So the intervention comes in this way. The government says, "Well, I'm not sure we should watch *Three's Company*," or whatever other television shows are on. That's basically what you're talking about. You're saying, all of a sudden, that those decisions have to be made by the Crown corporation you propose to set up. Those are the people who are going to make the programming decisions. They're going to make the decisions as to what people in fact watch in this province. And that's exactly what it says, Mr. Minister. If you were to argue that it doesn't say that, are you then saying that you should be able to watch what we see right now, whether it's through satellite or through whatever it might be? You're saying no to that. You are saying that we can't watch this show, or this show, or this show, or a predominance of this. We're going to have to superimpose our views through this Crown corporation just as to what kind of shows are going to be seen by the people of Saskatchewan.

HON. MR. McARTHUR: — Mr. Speaker, there is no question that if you're going to provide financial support or distribution support, or whatever kind of help and assistance to the production and distribution of Saskatchewan-produced film, book, materials, whatever, then you're going to have to make some decisions. There is no question about it. Now, that the hon. member should deduce that that kind of intervention, that kind of involvement in support of cultural and artistic development somehow involves censorship is clearly ridiculous.

I will point out to the hon. member that perhaps two of the most successful experiences in terms of providing this kind of support and these kinds of options, in terms of what people have available (not restrictions in terms of what people have available, but options in terms of what they have available) are Access Alberta and Ontario educational television. Now, I don't think those developed under the hands of governments which are trying to censor out of existence other alternatives. Not at all. What they're trying to do is give people choices, and I laud them for that. We have been trying to do the same thing through the films and other productions that we provide through SaskMedia.

The hon. member seemed to be implying that by doing those kinds of things one is engaging in censorship. I say to the hon. members that there is a very, very great difference between providing alternatives and acting through censorship, and I would be the last one to support the notion that you provide people with what's available here in Saskatchewan and here in Canada through censorship. I would suggest to the hon. members that you certainly can do it through the provision of alternatives. And that's what this section deals with, if the hon. members would care to sit down and read it and understand it.

MR. THATCHER: — Mr. Chairman, I become a little more overwhelmed every time I listen to the minister, at his capacity for . . .

AN HON. MEMBER: — Drivel.

MR. THATCHER: — I was going to say absurdity, but I suppose drivel will suffice.

The minister talks about alternatives. Let's read the whole line, as my colleague for Kindersley did:

If it makes sense to intervene in order to protect our mineral resources, it makes more sense to intervene on behalf of our culture.

Now, let's take that back to the first part of that sentence:

If it makes sense to intervene in order to protect our mineral resources . . .

Well, let's just look back and think about what that intervention in our mineral resources meant. Expropriation, threats, extortion, the heavy-handed fist of government — that's what it meant in mineral resources. Tell me what Bill No. 1 or Bill No. 2 from that infamous first session of the 1975 legislature was. You were around in the public service. What were Bill No. 1 and Bill No. 2? According to this, that was an intervention. You bet it was. Threats, expropriation — that's what it was. Let's take it to the end of that sentence:

. . . it makes even more sense to intervene on behalf of our culture.

What does that one mean? Obviously, it means censorship. Obviously, it means direct government intervention, because there's no question that's what that bunch of kooks who wrote this meant. Well, I'd like the minister to tell us whether or not he stands firm in his personal commitment to this report. I can't believe that he does. There's a variety of members over there. I can't believe that they stand behind this report. I can't believe that all members on that side of the House support this kind of drive.

Mr. Minister, what does it mean? It means intervention in the cable industry, which is something you tried to do through Sask Tel and failed. The CRTC (Canadian Radio-television and Telecommunications Commission) told you, "Forget it." So what does this Crown corporation mean? What exactly is behind it? I don't know, but that particular line that my colleague for Kindersley has alluded to scares the living blazes right out of me, because I know what intervention meant in the field of mineral resources. That intervention cost Saskatchewan taxpayers hundreds and hundreds of millions of dollars. We had lots of money to buy potash mines. We had lots of money to throw around up north in joint ventures with the same multinationals that you pretended to take out of the potash business so you could bring them back in the uranium business.

That is what your intervention meant there and I don't know what it means in the field of culture. I can only speculate, but it probably means the same thing that intervention on the part of the NDP has always meant: control, monopoly, the will of the NDP under the guise of what's good for the people.

I'd like the minister to give us a very simple statement. Do you as minister stand behind the contents of this report? If you do, we've got a few other gems to read to you in addition. Are you behind the report?

HON. MR. McARTHUR: — Well, I won't even bother to comment on the imaginative leaps that the hon. member has gone through with respect to potash and all kinds of other interesting subjects.

The report, I will emphasize again, is a report that has been presented to the government by a group that undertook to do some research and study. The report has not been adopted as a matter of government policy. It has been advanced as a basis for discussion for the recent Culture Talks to which the hon. members did not avail

themselves of the opportunity to make presentations. This is not a statement of government policy. We are currently reviewing these recommendations and other options and recommendations put forward by people in response to it.

MR. ANDREW: — I am going back to page 28, as it relates to your Crown corporation, Mr. Minister. What the report says is basically this with regard to television programming, and I'll read it:

Television programming should also be at arm's length from government.

Very good point. It shouldn't be controlled by government. The report then goes on to say that the best way to keep it independent from government is through a Crown corporation because as the report says:

The Crown corporation model seems to provide us the best combination of independence from government and accountability.

Can you tell me, Mr. Minister, where we find independence in this province with our Crown corporations when the board of every Crown corporation has as its members one of the members from the treasury benches and where most of the people appointed to that board are either friends of yours or friends from within the government? Now you tell me: how you are going to have independence in the Crown corporation in programming television when you have a Crown corporation which you will probably control and in which you will probably be the chairman of the board?

HON. MR. McARTHUR: — Yes, in SaskMedia, Mr. Chairman, just like Access and Ontario educational television.

MR. ANDREW: — You're telling me that the Crown corporation you're proposing will have no input from the government opposite, that you will not control the appointments to the board of directors and in that way control how that corporation works and what the program is going to be and in that way control almost every aspect of life as time drones on? You use your Crown corporations for the exact purpose which was alluded to by the member for Maple Creek earlier today, that is, to put your impact on the media which you see as being the most serious medium by which to influence the people of this province.

HON. MR. McARTHUR: Well, Mr. Chairman, I don't know how to comment on such ravings. The hon. member is well aware of the structure of SaskMedia of which I am not chairman and which has a very independent board that makes decisions with respect to content and productions.

The hon. member clearly makes a case for the non-existence of Crown corporations. I know that's the position the hon. members opposite adopt. I can't help them on that. I must point out to them that Crown corporations, both in Saskatchewan and elsewhere, have proved to be an important contributing factor to all aspects of our development. As I say, we have not adopted any proposition here with respect to the creation of any new Crown corporation. That is one of the recommendations being made. I am not one of those who says that Crown corporations, because they're Crown corporations, are bad.

The hon. members clearly indicate where they stand on the political spectrum in Canada today . . . (inaudible interjection) . . . Your governments in Alberta, in Ontario

and your maritime governments don't adopt that kind of backward view. They all recognize that in areas with small populations, where we have a need for support, assistance and involvement of the government, it is possible to intervene and participate in a constructive and imaginative way. Crown corporations are certainly one way of doing that. We have the CBC (Canadian Broadcasting Corporation) and the arts board at the national level; we have all kinds of examples in the Canadian experience.

I know the hon. members opposite, with their views on Crown corporations, would destroy each and every one of those Crown corporations. I don't disagree with the fact you'd do that, because it's part of your political philosophy and I . . . (inaudible interjection) . . .

MR. THATCHER: — You know, with that tired, worn-out, old argument maybe it's time to call 10 o'clock. Honest to goodness, as this evening has gone along the answers have gotten pathetic. That diatribe about our position on Crown corporations is so pathetically bad, even your own backbenchers are laughing at you behind your back.

Mr. Minister, you know very well what this Crown corporation means and you know exactly what it's going to do. I find it a little interesting that the minister himself is hesitant to endorse this report. In fact, he has refused to do so. I suggest that those of you on that side of the House read it. I know we get enough stuff to read. Read some of the lines in this one; I think it'll even shock a few of you. This thing, pure and simple . . .

AN HON. MEMBER: — How many pages did you read, Colin? Has anybody read it to you yet?

MR. THATCHER: — Oh now, that was a good line from the member for Yorkton. I bet he stayed up till 3 o'clock this morning to think that one up. There goes his entire effort for the rest of the session . . . (inaudible interjection) . . .

Mr. Minister, this Crown corporation is for one purpose only. It is for control of the mass media in this province. It is a proposal; it is a kite which will ultimately bring the most important medium, the most influential medium in one way or another under the control of this government.

Mr. Minister, it says here very clearly — there are quotes all over the place. Then you bring forward the argument that it's going to be a Crown corporation and it'll be accountable to the legislature and you'll be able to ask all these questions in Crown corporations committee. I happen to be in a position to know what a piece of nonsense that is, because I've had the answer so many thousands of times that it's not in the public interest.

When we get to SGI, I can just imagine that I'll hear that several thousand times. The member for Moose Jaw North has quite a bit to say tonight, interestingly enough. When it comes to certain questions in Sedco, concerning a project known as Golden Acres, I don't know how many years I got the answer about it not being in the public interest . . . (inaudible interjection) . . .

Mr. Minister, we simply are not going to buy that this Crown corporation, as proposed by these individuals, is not step number one toward taking over the entire mass media. You know, the minister can joke . . . (inaudible interjection) . . . Mr. Minister, this report, I think it's fair to say, is written by people with some very far-out, extreme ideas.

Mr. Minister, I suggest to you that that is typical of your department, and you may stand up and say, "Look, this thing is put out for discussion purposes, we're really not all that serious about it." Well, Mr. Minister, you are serious about it, because immediately after the last election the Premier of this province, at one of his press conferences, made reference to culture being one of his priorities. But I suggest to you that this report, whatever you care to call it, is put out with some form of blessing from the Premier. And I think it's unfortunate that you choose to suggest or choose to lead this House and suggest that this group of kooks put out a paper that we went to all the trouble spending thousands of dollars to prepare, but we really aren't going to proceed on it. You're going to proceed on it, in one form or another.

You make statements that it would make sense to intervene in order to protect our mineral resources, and it makes even more sense to intervene on behalf of our culture. You state:

And the only way we can reach the general public is by competing with the out-of-province corporations, which now dominate the media. The province did not find this a daunting prospect when it created SaskOil or the potash corporation. And the need in the cultural industries is just as urgent, particularly when we consider the new technology.

That's frightening stuff. And I suggest when a minister refuses to endorse what is going to be policy when your estimates are being discussed, it's a problem. It's appropriate for you to say, "Yes, I endorse this report, or no, I don't endorse it." And for those of you on that side of the House, I suggest you read it. You'll find it a little frightening and I think you'll even find it a little repugnant.

MR. TAYLOR: — Mr. Minister, I'd like to get into some of the specifics in this report. We've had some general condemnation of it and justifiably so. But earlier this evening, I heard a lot of mention about a fear of alien influences and out-of-province influences, and then I just happened to be looking through the report. Look under arts and museums on page 30, recommendation R35. Would you believe that recommendation reads as follows: "that the design of major public buildings be open to international competition." What kind of nonsense is this? By the way, where is Vichert at this time? Is he in the employ of the government?

HON. MR. McARTHUR: — Yes, he is currently employed by the Department of Culture and Youth, and has a temporary position as policy adviser.

MR. TAYLOR: — Policy adviser. Well, I would be very careful of the advice, if this report is any indication. How do you justify that, when he starts out in his preamble worrying about the alien influences? I don't know if that is the Manitobans or the North Dakotans, or who it is.

The next thing he says is that we want our buildings open to international competition. Did you even read this report, Mr. Minister? If you did, surely to goodness you would have had someone take the scissors to some of the statements this (I just don't know what my colleague called him) coot came forth with. That's just one thing. I want to turn to some other things he said here. I don't think this man has a grasp at all of what, I feel, is Saskatchewan, and what the Attorney General says it is when he makes his eloquent speeches on our cultural mosaic and how we're proud of our background. This is what this man says, Mr. Attorney General:

Despite the sense of isolation, of being out of the mainstream, which people in Saskatchewan sometimes feel, this province has the rich tradition, and a powerful though undeveloped sense of its own identity.

I don't feel out of any mainstream, and neither do many of the other people in this province. I don't know where he gets this. He goes on to say that one of our great productions is "Paper Wheat." Now, I like "Paper Wheat" because it is the story of E. A. Partridge, who is from Sintaluta, Saskatchewan, about six miles from my farm. I give that play credit for honouring this man who was a pioneer in the marketing of grain. But, if you haven't seen "Paper Wheat," it is the most politically biased production that ever toured the province of Saskatchewan. He uses that as an example of our culture, and it is just politically biased from the word go. If that is what you're thinking about for a cultural policy for Saskatchewan, I say, good Lord, Saskatchewan, watch out! Let's not have this government impose a Crown corporation that's going to push politically biased stuff like "Paper Wheat" down the throats of the people of Saskatchewan.

We will go on to a few more specifics here. I will let my colleague in here for a minute.

MR. GARNER: — Mr. Chairman, I have seen a lot of reports, but there is one line in this report that you have to hear to believe, under cultural industry:

It is apparently not unusual to find trappers in northern Saskatchewan carrying portable colour televisions with them as they tend to their trap lines.

Now, you have the nerve, Mr. Minister, to tell us this gentleman is employed by the Government of Saskatchewan. This is just an example of how this government is out of control. I have never seen such garbage in all my life. Mr. Minister, I can just see the trapper up north with a handful of traps and a portable colour television set. Now, there is no way you can accept a report like this, no way the Government of Saskatchewan should give this man one cent of the taxpayers' dollars for a report with this kind of content. We can make light of this to a point, Mr. Chairman and Mr. Minister, but this is ridiculous! This is garbage! He is nothing more than a paid political hack. Fire him today. Thank you.

SOME HON. MEMBERS: — Hear, hear!

MR. TAYLOR: — Mr. Chairman, I think my colleague has pointed out a very good illustration of how, if this gentleman has the feel of Saskatchewan, thinking that those trappers in the North are watching the "Edge of Night" as they are taking the muskrats out of the trap . . . I can't believe that nonsense at all.

Let's go on to some more specifics that are in this report. Here we are looking under community life, something that is very dear to all of us. He says, "That the language training, particularly in the languages of Saskatchewan should be made a priority of the Department of Education. The highest priority should be upon native languages." Now, I ask you, Mr. Minister, where do you balance that priority? Is that priority for the languages of Saskatchewan? I don't know what languages he is talking about. I know in the curriculum now we have room for French. Is this going to put these other languages above French? Is that what he is talking about? We have room for Ukrainian. We have German offered. We have Cree offered. But still this fellow comes out and says that we have to put the highest priority upon the languages of Saskatchewan. What other ones is he talking about? Where do we get the money if we are going to implement these? He

also says that. Here's rather, I suppose, a worthy thing, but I don't know who is going to pay for it. He says, "that the artists from all disciplines" (that's the potters, the crafters, the dancers, the painters and so on) "be hired by school boards to teach within the school system to serve as artists in residence." What a fine suggestion, but you know very well that in many cases in rural Saskatchewan they are having a tough time just keeping a core curriculum. Where is the money going to come from for these types of suggestions that he brings forward?

Then, looking at the cultural industries, and this is what my colleague here for Thunder Creek was talking about, I am going to read recommendation R22 because I don't think many over there have read it and I don't think they will.

AN HON. MEMBER: — What page is that?

MR. TAYLOR: — That's on page 24. "That a cultural industries corporation be established as one of Saskatchewan's family of Crown corporations." Now listen to this: "to manage the government's interest in the cultural industry including, but not limited to film making, cable television, record making, publishing and crafts." Now what is the government's interest in film making? I understand that they have a bit of interest in the movie houses today with some ads from the Crown corporations. Do you know what I hear is happening now? When those are shown in the theatres they are met with a big "Boo!" right across the theatres in Saskatoon and Regina.

Now, here you are coming with a government interest in the film industry, in the recording industry (I can imagine some of the socialist ditties we will be singing in a few years if this comes about) and in publishing, in the films (that's what you see) in music, the records (what you hear) and in the books (what you read).

Now don't stand over there and try to tell us on this side that this isn't a design to control what the people in Saskatchewan hear, see and listen to and that it is under the guise of somehow protecting our culture.

I agree with the Attorney General when he gets up and says so eloquently across this nation that he is proud of this great culture we have. And I am proud of this culture. He speaks of how his parents came from across the seas and built a fine land here and what they did with the other people and the pride of the pioneer spirit of this province. I am proud of that. You are proud of that. Everyone in this Chamber is and, you know something, boy, that happened and took place without an Crown corporation for culture.

SOME HON. MEMBERS: Hear, hear!

The committee reported progress.

The Assembly adjourned at 10:02 p.m.