

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session
Nineteenth Legislature

Monday, March 30, 1981.

The Assembly met at 2 p.m.
Prayers

ROUTINE PROCEEDINGS
WELCOME TO STUDENTS

Mr. Chapman: — Mr. Speaker, it gives me a great deal of pleasure today to introduce through you to the Assembly 27 grades 5 and 6 students from Torquay Public School. They are here today in the Speaker's gallery and are accompanied by their teacher, Ruby Steinke; chaperones, Richard Holzer, Myrna Manley; and their bus driver, Jerome Stepp. I want to welcome the students here. I hope they have an informative afternoon in the legislature, an enjoyable visit to Regina and a safe journey home. I will be joining you following the question period. I would ask all members of the Assembly to join with me in welcoming grades 5 and 6 from the Torquay Public School.

Hon. Members: Hear, hear!

ANNOUNCEMENT

Congratulations re Curling Championship

Mr. Lane: — Mr. Speaker, I would just like to call the attention of the Assembly the fact that the Albert Leippi rink of Balgonie, over the weekend, won the Saskatchewan High School Boys' Curling Championship. Albert is from the Davin area, but most of the rink's home club is in the Kronau Curling Club, which I'm sure all hon. members are familiar with. It's becoming, I believe, the home of junior curling in the province of Saskatchewan. This small community, Mr. Speaker, has shown leadership, a tremendous amount of interest and excellent curling. I'm sure all hon. members will wish to join with me in congratulating the Albert Leippi rink of Balgonie.

Hon. Members: Hear, hear!

QUESTIONS

Position on National Energy Program

Mr. Andrew: — My question is to the Minister of Mineral Resources. Mr. Minister, on Saturday in the Saskatoon media there was a report of a statement you made at a meeting in Fairy Glen, Saskatchewan. The basis of that statement was that Saskatchewan has no plans to follow the province of Alberta in challenging the national energy program in court and, further, that your government will pursue the negotiation route and sees that as the manner of bringing about change rather than going through the courts. Does that fairly represent the position of the Government of Saskatchewan? If it does, how do you square that with the statement of the Attorney General last Monday in this Assembly? When he was asked if the province would join the Alberta court challenge to the supreme court, his answer was: I fully suspect that if it goes to the Supreme Court, the province of Saskatchewan will intervene on the side of Alberta and, further, that in all likelihood we will be standing with Alberta in this

particular case.

Hon. Mr. Cowley: — Well, Mr. Speaker, I wish to inform the hon. member that I spoke in Fairy Glen on Friday evening. I do not recall even discussing whether or not we would go to court, either in the course of the speech or in the question period afterward. Certainly I can't imagine why I would have said we wouldn't be going to court when I think in all likelihood we will be going to court. In any event, we expect to sue whatever legal avenues are open to us with respect to the national energy program and, to the best of my knowledge, I made no statements which even suggested that we would not be going to court, although I did say that we were going to attempt to negotiate changes with the federal government. I certainly didn't suggest (I do not believe anyway) that we were not going to follow the legal avenues as well.

Mr. Andrew: — Supplementary to the minister, Mr. Speaker. Could you give the Assembly a definitive statement as to whether or not it is the intention of the Government of Saskatchewan to intervene on the side of Alberta in the pending supreme court case with regard to the Alberta case, and whether it is still the position of the Government of Saskatchewan to challenge the national energy program as it relates to taxation of both SPC and SaskOil.

Hon. Mr. Cowley: — With respect to the Alberta court and the supreme court, I frankly don't know. I would take the advice of my colleague, the Attorney General, on that, and I believe he responded as best he could the other day by saying that in all likelihood we would intervene in the supreme court on the side of Alberta. With respect to the taxation of SaskOil and SPC, I expect there will be litigation in that area. We haven't reached any final decisions there and, again, I will be looking to my colleague, the Attorney General, and to whatever legal advice he can get us with respect to timing and the manner of intervening in a legal sense.

Mr. Andrew: — Final supplementary, Mr. Speaker. Are you saying, Mr. Minister, that the Government of Saskatchewan has not yet decided whether or not to challenge the national energy program as it relates to SaskOil and as it relates to taxation on Sask Power Corporation — you haven't made that decision yet?

Hon. Mr. Cowley: — Mr. Speaker, what I am saying is that the government's policy will be announced in due course. I didn't say whether or not we had made any decisions; I simply said we hadn't made any announcements.

Legislation on Conflict of Interest in Public Service

Mr. Thatcher: — Mr. Speaker, a question to the Premier. Mr. Premier, I note from press reports that legislation is going to be introduced in this Assembly pertaining to conflict of interest in the public service. If I may be permitted a comment, this is legislation which is long overdue. Mr. Premier, would you inform this Assembly whether this legislation will include Crown corporations and the employees of such?

Hon. Mr. Blakeney: — Mr. Speaker, I have not seen the press reports. As far as I am aware, no legislation is proposed to be placed before this Assembly at this session dealing with conflict of interest in the public service.

Mr. Thatcher: — A supplementary question to the Premier. For the Premier's edification, I believe all news media are carrying the story that conflict of interest

legislation for public servants, effective April 1, will be dealt with in this session. I assumed that bill would be dropped today. My question to you, or to whichever minister is involved in this, is: does it pertain to Crown corporation employees also? I suppose an additional question might be: who dropped the story?

Hon. Mr. Blakeney: — I advise the hon. member that the question period is to deal with matters within the knowledge of the Government of Saskatchewan, and may I further advise him that with respect to who dropped the story, that is not within the knowledge of the Government of Saskatchewan.

Mr. Thatcher: — A supplementary question to the Minister of Finance. Since I understand the Minister of Finance is in some way related to this story, could he perhaps inform the Premier what is going on in the Premier's government with respect to conflict of interest legislation?

Hon. Mr. Tchorzewski: — Mr. Speaker, I am no more aware of this story than the Premier has indicated he is. Certainly we have not indicated to the press or anyone else (I certainly have not) that there is going to be legislation dealing with conflict of interest in the public service. When I see the story I will be able to follow up on it, but up until now I have not seen it.

Mr. Thatcher: — A question to the Minister of Finance. Would the Minister of Finance inform this Assembly whether there is going to be a change in rules within existing legislation, and if so would he kindly expand on and inform this Assembly whether changes affecting Crown corporation employees will be included?

Hon. Mr. Tchorzewski: — Mr. Speaker, I am glad to inform the member that we are considering changing some of the criteria and the guidelines that apply to the public service with regard to conflict of interest. we will very soon be making an announcement of what the changes are, and I will be glad at that time to let the member know exactly what they're going to be.

Mr. Thatcher: — A question to the Minister of Finance. For about the fifth time, would somebody over there tell us whether Crown corporation employees are going to be included in these changes which, according to the report, go into effect April 1, which is tomorrow.

Hon. Mr. Tchorzewski: — My regrets to the member that I didn't finish the answer to his question. If I had, I would have said that when we announce the new guidelines, it will then be indicated to what extent they will apply, to whom they will apply, and what they are going to be. Until I make that announcement and because I have to make sure all of the decisions are in order, I really cannot comment.

Statement made by Dr. Diana Ralph re Nursing Home Staffing

Mrs. Duncan: — My question is to the Minister of Social Services. A University of Regina psychologist, Dr. Diana Ralph, stated on an open-line program this morning that this government is more interested in using drugs as a means of controlling nursing home residents than providing adequate funding for adequate staffing. Mr. Minister, I feel that these are very, very serious charges. As Minister of Social Services, would you hold an immediate inquiry into these allegations?

Hon. Mr. Lingenfelter: — Mr. Speaker, I didn't have the opportunity to listen to the program which the member for Maple Creek indicates. But I would just like to say that

the medications which are given to patients or residents of a nursing home are given with some authority by the people who run the nursing homes. I think it would be improper for me at this time to comment on one individual home or another where drugs are given out and whether there is too much or too little. I think it is also unfortunate that the member for Maple Creek would make such a sweeping statement that would condemn all of the nursing homes in Saskatchewan. No, I will not go into a formal investigation of that policy.

Mrs. Duncan: — You answered a lot of questions I didn't ask you, Mr. Minister. I was not condemning the nursing homes in Saskatchewan. Some very serious allegations were made this morning and I asked you if you would hold an inquiry into the charges. I think you are aware of what drugs a nursing home can have on hand and I don't think it covers mood modifying drugs. I don't think it covers much more than patent drugs. I am sure you are also aware that your attitude is rather flippant.

Hon. Mr. Lingenfelter: — Mr. Speaker, my attitude, I am afraid, is not flippant on this matter because it is a very important and critical matter. We do have a policy in the department that we review our policy toward nursing homes on a regular basis and, as we go along, we will be reviewing that part of it.

Mr. Taylor: — Could you explain then your policy on this when there is an actual case of a nursing home being cut back by 4.5 employees although the number of patients remains the same and, actually, the care for the level of patients increases? Some of them are evaluated at level 4 and they are actually level 6. So how can you justify cutting back staff when you have the same number of people in there and as their condition deteriorates they require more staff? Would you answer that for me please?

Hon. Mr. Lingenfelter: — Mr. Speaker, I am not sure if the member for Indian Head-Wolseley is talking about the nursing home in his area, the one which we have had a discussion on in the past. Should he be, the cutbacks which have been made and the temporary staff brought into that nursing home have not affected to any extent the services that they are receiving, in fact, quite the contrary. The ratio of patients to staff, in that particular institutions, is higher than the provincial average.

Mr. Taylor: — Supplementary, Mr. Speaker. Mr. Minister, what is happening is that the temporary staff is not being brought in to fill full-time positions when those employees are on sick leave. Therefore, anyway you look at it, if they are not bringing in that employee on that floor, the care for those individuals must be decreasing. Is that not correct?

Hon. Mr. Lingenfelter: — Mr. Speaker, in the ongoing policy of attempting to run a very efficient operation in our department, we review on a constant basis the number of staff who are involved in in-care and I must inform the member again that the ratio in that particular institution is higher than the average in the province. I would like to say at the same time that when you compare our policy and our nursing homes to other provinces and you look at the Alberta situation where the *Edmonton Journal* carried a complete condemnation of the nursing home care in Alberta, I think you will see that our policy and our nursing home care in Saskatchewan is second to one in the country.

Some Hon. Members: Hear, hear!

Training for Volunteer Firefighters

Mr. Taylor: — A question to the Premier. Mr. Premier, for some time the volunteer firefighters of this province have been approaching the Department of Labour for increased training in the field of volunteer firefighting in this province. I have here a letter signed by an E.C. Allin, the chairman of the volunteer training program of the Fire Chiefs' Association of Saskatchewan. That committee consists of fire chiefs of Biggar, Nipawin, Estevan, Lanigan, Broadview, and Saskatoon. They wrote to you about one month ago requesting a meeting with you to discuss their concerns because they have tried in past years to get extra help through the Department of Labour and have been turned down flat. My question to you, Mr. Premier is: what action have you taken to their letter and what recommendations have you made?

Hon. Mr. Blakeney: — Mr. Speaker, I believe that I asked my colleague, the Minister of Labour, who has the responsibility for dealing with this matter on behalf of the government to respond on behalf of the government to the letter. I will have acknowledged the letter and my colleague, the Minister of Labour, will undoubtedly be in touch with the group. I do not recall seeing the letter which he will have written to the group in reply. It may have crossed my desk; I do not recall seeing it.

Mr. Taylor: — Supplementary question, Mr. Premier. Obviously this group feels certain frustrations in being stonewalled by the Minister of Labour. That is why they wanted to meet with you. Do you realize, Mr. Premier, that out there in Saskatchewan today these are volunteer people? They are having to deal with dangerous chemical spills, they are having to deal with new technologies in fire-fighting. They are requesting help in being better trained to do the job. I would just like to indicate to you, Mr. Premier, that I hold here three books from the province of Manitoba — three manuals. Are you aware that Manitoba, British Columbia, Alberta, and Ontario have fire-fighting colleges to which these volunteers can go to be better trained? Would you not agree, Mr. Premier, that there is certainly a need in this province today to improve the level of training of volunteer firefighters throughout the province?

Hon. Mr. Blakeney: — Mr. Speaker, I certainly want to underline what the hon. member for Indian Head-Wolseley has said with respect to the important role which volunteer firefighters perform in our province in the many smaller communities which they serve. In virtually all of these smaller communities they are the sole fire-fighting force available in order to provide protection for the citizens. Yes, I agree that they perform a very valuable service and I further agree that their role becomes more difficult as new chemicals are brought into play, as new methods for fighting fires become available. I agree in general terms with him that steps should be taken to assist them to improve their training. whether or not such steps involve a college or other training facility, I cannot now comment on. I expect my colleague, the Minister of Labour, who as I say has responsibility for this service on behalf of the government, would be able to make a fuller response when he is available for response in the House.

EMO Aid for Chemical Spills

Mr. Katzman: — A question to the minister responsible for EMO (emergency measures organization). In the past short while there have been two railway derailments in the town of Dalmeny. The second one we had just a short while ago had cars that had fortunately just been emptied of chemicals that are very hazardous and dangerous. Could you inform this House what the EMO has available in situations like that to assist the local fire department who had to take their lives in their hands to be on standby for the chemicals that were involved in these trains?

Hon. Mr. Smishek: — Mr. Speaker, the provincial EMO is basically a co-ordinating agency. We do provide assistance in training people. We used to also provide funding to local EMOs. That has been the role of the provincial organization. I can inform the hon. member that at the present time the Department of Urban Affairs is reviewing the role of the EMO. We do have an internal study in progress, which is largely the result of problems that have been experienced with chemicals being transported throughout this country.

I might also inform the hon. member that this week the officials at the national level are meeting in Ottawa, and a meeting of ministers responsible for emergency measures is being planned and convened by Mr. Pinard, the federal minister responsible. That meeting will be taking place in the early part of May; I have been invited and plan to attend, because there are some new areas which all of us need to examine.

Mr. Katzman: — Mr. Minister, you have not indicated if your department, or urban affairs, or whoever, is prepared to assist with these dangerous chemicals that are involved on the track. We have now had two accidents in one community. We are going to have more and more of them around this province. Is there no part of your government that can assist these people in handling dangerous chemicals, which could be spilled in an area? We could see another Mississauga.

Hon. Mr. Smishek: — Mr. Speaker, the hon. member may not be aware that the Department of the Environment is an agency which also has certain responsibilities. There is a toll-free number available at the Department of the Environment for consultation and advice.

Urban affairs does not have any special staff available for the problems which might be experienced because of any particular spill. But we do have people available for consultation purposes, and we are the co-ordinating body on a provincial basis.

Flood Damage Reduction Program

Mr. Lane: — I would like to ask a question of the Minister of the Environment regarding the Canada-Saskatchewan Flood Damage Reduction Program. The townspeople of Lumsden are very concerned about your refusal to give guarantees against expropriation. I wonder if the minister would be prepared to obtain the consents of the Government of Canada to withhold further action on the Canada-Saskatchewan Flood Damage Reduction Program until such time as the communities affected have input into the government application of the program?

Hon. Mr. Bowerman: — Mr. Speaker, I think it would not be good judgment for the province to intervene, or to indicate in any way that the agreement should now be reversed, or the decisions reversed with respect to it. I think that in the developing of the program the needs of the communities in the Qu'Appelle Valley as well as those in the Souris Valley were considered.

There are, in my judgment, no serious implications with respect to the construction of homes in Lumsden. It's a matter of desire on the part of people, and I can understand that. If they want to continue to build homes in the flood-plain area, surely people will understand (as a result of the history of problems in Lumsden) that to do so will only invite disaster to more homes, if homes are built on the flood plain. Therefore, I would suggest that the agreement, which was reached and has been formulated in terms of

the Qu'Appelle agreement, should continue to be met.

Mr. Lane: — A question to the minister. At the meeting last Tuesday, one of the officials from the Qu'Appelle Valley implementation commission indicated that the way to protect the town of Lumsden would be with a secondary dike. The cost of that was estimated to be \$1.5 million by the officials at the meeting. They indicated, as well, that over \$2 million had been set aside. Would the minister today be prepared to reconsider the basic freeze which has been imposed by the Government of Saskatchewan and the federal government, and reconsider its plans and seriously review the implications and practicality of the secondary diking system as proposed by officials at that meeting?

Hon. Mr. Bowerman: — Mr. Speaker, reconsideration has been given to this matter of second diking which the hon. member talks about. It has been established, and fairly adequately substantiated in areas throughout North America where they have attempted to overcome similar problems, that you can build the dikes higher. But all that happens is that in succeeding years, the waters seem to rise higher and higher and overcome the secondary diking system. Therefore, you have the same kinds of problems. That has been the experience in North America. It's a \$2 million expense, thereabouts, to increase the diking. That doesn't necessarily guarantee that you're going to overcome the flooding problem. If the dikes are overcome by the water, then the same problems exist. If you had infill building and all of the flood plain had been covered with buildings, then you have the same problem even with the expenditure of funds on the increased secondary diking system.

Mr. Lane: — Supplementary to the minister. One of the other reasons for the concern in the community and the area is the conflicting statements which they're getting either from the government officials or officials from Qu'Appelle Valley. The information which you have just given is completely at variance with the information given by officials at the meeting the other day. They indicated that the only real concern with the present diking system in Lumsden is the possibility of an ice jam. The likelihood of that in the broad valley is not very great and a secondary diking system is the answer to the problem of ice jams. So that indicates to me that someone's not talking to someone in your department because the information you have just given is totally at variance with your officials. Would you now be prepared to reconsider?

Hon. Mr. Bowerman: — Mr. Speaker, my officials and I met with the people of Lumsden before the particular meeting to which the hon. member refers. I was at the meeting. The information which we gave to that meeting is the same information which I'm giving to the hon. member here. I'm not aware of what particular official may have been at the meeting. However, I detect from the comments of the hon. member that basically the same information was given there. True, he says the problem which they face is a jamming of ice or of debris in the river system at a flood peak, which can raise the water levels to such a point that they overcome the secondary diking system. It matters not why the water overcomes the secondary diking system. The fact is that if the water overcomes it and building has been going on in the ensuing years, the more damage will occur. I am saying to the hon. member, as I've said before, that if the people in Lumsden insist that they want to build on the flood plain, they can go ahead and build. But they build at their own risk of insuring their homes and their property. They can't build on a flood plain area without assuming that responsibility and that risk.

Letter to Francis Fox re Bill 43

Mr. Andrew: — Question to the Attorney General. On budget day, Mr. Attorney

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General, I asked you a question with regard to a letter which you had sent to the Hon. Francis Fox regarding the objections that you, as a representative of the attorneys general throughout Canada, had to the present Bill 43 (I believe it is) on freedom of information. At that time you indicated that you would be prepared to present, in the very near future, your concerns about that. To date that has not been done.

When making calls to the office of Francis Fox we are told that he cannot release that information to either me or to any member of the parliamentary committee until he has the consent of the Attorney General of Saskatchewan. Would the Attorney General advise the Assembly when that consent, or the tabling of that document, might be forthcoming?

Hon. Mr. Romanow: — Mr. Speaker, I would have to check my files. I think I've already consented, on my behalf and on behalf of the other attorneys general, to Mr. Fox's release of that letter if he so chooses. In fact, when I answered the question on budget day it was my belief that it was to be tabled that very day or perhaps the day before) in the House, which allowed me to say that I would table it here. I take the position that the moment it has been tabled by Mr. Fox, I would be pleased to table it here in the House or give it to the hon. member opposite, who has a special interest in this particular matter.

INTRODUCTION OF BILLS

Bill No. 50 — An Act to amend The Rural Municipality Act

Hon. Mr. Romanow: — Mr. Speaker, on behalf of the hon. minister, I move that a Bill to amend The Rural Municipality Act be now introduced and read a first time.

Motion agreed to and ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 39 — **An Act to amend The Local Improvements Act** be now read a second time.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

COMMITTEE OF THE WHOLE

Bill No. 23 — An Act to amend The Surrogate Court Act

Section 1 agreed.

Section 2

Mr. Lane: — I would just like to make a comment to the Attorney General. I wonder if he could have his officials give consideration to a circumstance which comes up fairly

regularly, and that is where an individual may have one piece of property in his name. Of course, you are required to apply for letters probate in that regard because of provisions in The Land Titles Act, primarily. Would the Attorney General or his officials give consideration to allowing probate to be waived, either by a certification of the court or something, in those circumstances where the cost is really high for the amount of work which has to be done?

Hon. Mr. Romanow: — Mr. Chairman, I will undertake to raise that with my deputy and the officials. I will get back to the member by way of correspondence on the feasibility or desirability of this suggestion.

Section 2 as amended agreed.

Section 3 agreed.

The committee agreed to report the bill as amended.

Bill No. 35 — An Act to amend The Small Claims Enforcement Act

Sections 1 to 6 inclusive agreed.

The committee agreed to report the bill.

Bill No. 3 An Act to amend The Trustee Act

Sections 1 to 3 inclusive agreed.

Section 4

Mr. Lane: — I just have a question to the Attorney General. Section 4(f) is a matter of concern. I raised this before Christmas and I was expecting a response from the Attorney General. The Trustee Act is designed to protect the public. Section 4(f) is a very, very blanket opening to The Trustee Act. Is it the intention of the government opposite to make public the list of any other bodies corporate that may be approved for the purposes of accepting moneys for deposit? I am asking the Attorney General to specifically advise what companies he has in mind.

Hon. Mr. Romanow: — Mr. Chairman, I don't believe we have any other companies in mind at the present time. If there are any, I will undertake to communicate this in writing to the hon. member. With respect to the first aspect of the question: if indeed in the future such companies do arise, is it our intention to make public or to publish it? The answer to that is yes. I will undertake to do that as well.

Section 4 agreed.

Section 5 agreed.

The committee agreed to report the bill.

Bill No. 36 — An Act to amend The Land Titles Act

Sections 1 to 6 inclusive agreed.

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Section 7 as amended agreed.

Section 8 agreed on division.

Section 9 agreed.

Section 10

Mr. Lane: — Just a question to the Attorney General before we come to section 11. Would the Attorney General kindly advise when the new fee schedule is to come into effect?

Hon. Mr. Romanow: — I am not able to advise the hon. member on that. The new fee schedule has not yet been approved by the appropriate authorities, and I just don't have any idea as to when it might be approved. I'm not purposely trying to be vague; it may take several weeks for us to get it in order, so I'm just not able to advise him.

Mr. Lane: — Will the Attorney General advise me as to what increase in revenue the government opposite expects from the new fee schedule?

Hon. Mr. Romanow: — Mr. Chairman, I'm simply not able to tell the hon. member for the obvious reason that the tariff has not yet been devised and has not yet received approval from anybody. Accordingly, the amount of the increase would be very speculative, if that. I would prefer if the question came up later on during session, if we're still in session. If we're not, I'll undertake to give the member a letter in writing outlining the differences and what it means once it has been confirmed.

Mr. Lane: — Would you also then undertake to advise us as to what changes in the operation of the assurance fund are proposed by the basically new section 8, and whether there's going to be an increase on what in fact will be paid, should there be a default or whatever?

Hon. Mr. Romanow: — Yes, I can do that. I've asked the officials to make a note of the commitment which I make.

Section 10 as amended agreed.

Section 11 agreed.

The committee agreed to report the bill.

Bill No. 49 — An Act respecting the consequential Amendments resulting from the change in the name of the Department of Consumer Affairs to the Department of Consumer and Commercial Affairs

Sections 1 to 13 inclusive agreed.

Section 14 as amended agreed.

Sections 15 to 54 inclusive agreed.

The committee agreed to report the bill.

Bill No. 46 — An Act to amend The Highways Act

Sections 1 to 3 inclusive agreed.

The committee agreed to report the bill.

Bill No. 33 — An Act to amend The Water Power Act (cont'd)

Section 2

Mr. Lane: — No, it's not agreed. I think the minister was going to supply us with some information.

Hon. Mr. Bowerman: — Mr. Chairman, I agreed last day to get the legal official from our department to come and to provide us with the information. We were operating under a situation the other day where we weren't fully conversant with the details of section 2.

May I try to explain to the hon. member, with regard to the second part of the Bill, what it seeks to do. I understand that when a power dam is completed that under the provisions of The Water Power Act we now give the final operating licence for that power dam to operate. That licence establishes the initial rental rate for use of water for a 20-year period. They can go on for longer than that, but for 20 years at least.

I understand further, Mr. Chairman, that the regulations under The Water Power Act provide that the rental rates may then be changed every 10-year period after the first 20-year period of the licence. We now, in the amendments that are before us, are seeking to change that provision of the regulations so that they would now permit us to review the water rate charges every five-year period, because of the problems associated with double-digit inflation, and so on, that the terms of 20 years and 10 years are simply too long. Therefore, it is the objective of the legislation to provide the authority for the regulations to be changed, in order that the water power rates may be changed within a lesser period of time. It is my understanding that none of the power dams which are now in existence or licensed within the province will be affected by this, simply because the terms which the renewal of the licence or the regulations now affect will not fall in the middle of a period of time when they have been authorized to make a certain payment. So there are no power dams, including those that are privately owned by Eldorado Nuclear or by the public corporation, Sask Power, that will be affected by this change. They do come in a period of time when the rates will be changed, at any rate, because of the regulations as they now apply.

Mr. Lane: — So we obviously don't need the bill.

Hon. Mr. Bowerman: — We need the bill, Mr. Chairman, for the reason that if we don't make the change now, then we must go for another 10-year period. because of the costs associated with the economics of today, we feel that period of time should now be changed to a shorter period, in order for us to make amendments or increases in water power rates.

Mr. Lane: — Except I think the minister will admit that the proposed amendments allow the cabinet to make changes in any of the rates basically at any time. You may be prepared to commit to the Assembly that you're not going to, but let me show you the

principle that you have argued. You've just argued the very position of people who are opposed to maintenance of the Crow Rate which is that circumstances have changed and we have to make some changes as well. There are a lot of advantages to long-term agreements. One may not have had all the facts at the time of negotiating the price at the outset, but one thing about long-term agreements is that they generally tend to give stability to those involved, and that's often worth a price.

What you're saying is that long-term agreements can be changed with this provision by the government, basically at any time. I'm also concerned, as well, with subclause 2. If, as the minister says, there is no particular problem and they won't be affected, then why do we need subclause 2? What is the concern in subclause 2 that the Crown must be exempt from any action?

Hon. Mr. Bowerman: — Mr. Chairman, let me go over it, so at least I can try to get it clear in my own mind as well as to convey, as I understand it, the purpose and the objective of the Bill in the various sections.

The initial licence, which is granted at the time that the power dam is built, is for 20 years. Every 10 years thereafter, the licence of water rates may be changed. It is true that we want to reduce that now from a 10-year period to a 5-year period. Therefore it may well be felt, as the hon. member points out, in the case of Eldorado or, in the case of Saskatchewan Power Corporation, may feel that it in fact has lost something in the sense that it will now be required to meet with the Department of the Environment and go through a conciliation process or an arbitration process for the setting of the new rates every 5-year period rather than every 10.

However, we believe that because the term in which we are now bringing forward the legislation does not affect any licence in mid-course, all we are attempting to do is move them to that shorter 5-year period rather than 10. I get the hon. member's point. He is making a brief for the water power licences that have been issued — that the power company is now going to be faced with a rate change every 5 years or the consideration of a rate change every 5 years rather than every 10. I don't understand your point.

Mr. Lane: — My point is, as I said the other day, that I don't like anyone who signs an agreement and then decides after he has signed it that it's no longer good enough because circumstances have changed. As I indicated to you yesterday, if two parties have an agreement, it is quite within their legal right to sit down and renegotiate a new agreement. You can do that even if you have the most complex signed document you have every had. You can still sit down and change it if you agree to it.

What you are telling me is that you're now shortening the time period under the existing agreements from 10 years to 5 years because of changing circumstances, the inflation spiral and everything else. But the fact is you did make an agreement. Now you're asking the legislature to come in and change an agreement between two parties that negotiated and hammered out an agreement. I have very, very severe reservations about that and it's not a practice to be followed. I am sure the hon. member would agree that it is not a practice that any government should be making as a matter of course, which this seems to be.

Secondly, the government asked for the rather draconian powers to come in and change an agreement made between two willing parties. Then, because it is the government, it also asks for the power to say, 'If we break that agreement by statute, we

want to make sure after having broken it that no one can do anything to it.' That's the effect of clauses 1 and 2 of section 2 of the Bill. And that is the practical effect of what you're doing. It goes far beyond rates; we go into rentals, royalties, fees, dues, charges, all of that. They can be rescinded, revoked, amended, changed by cabinet at any time. You don't have five-year terms. Then, if you should make a change by a regulation which is beyond the scope of this House for all practical purposes, you say, 'You can't touch us.' All I am saying to you is my principle isn't on the rates. I am assuming that the people who negotiated that at the time were trying to get the best deal they could an Eldorado Nuclear or whatever company was fighting for the best deal it could.

But there's a principle here that an agreement is an agreement. Now, if we're to stand up and agree with this, and the opponents of the Crow Rate are saying, 'Oh, well, it's changing circumstances in that agreement and it should be changed at will,' the federal government is going to have a precedent. If Eldorado Nuclear takes this back to Ottawa and says, 'Well the provincial government just changed the agreement there,' and the federal government then is holding up the Crow Rate and saying, 'You guys changed it for Eldorado Nuclear just with the passage of legislation, so why can't we do it for the Crow Rate?' Let's fact it, that's not beyond the scope of the political arena in Canada.

We are setting a dangerous precedent here and I just can't believe the hon. members opposite are in support of it. We have been through the reasons and the fact is the Bill does allow the government to change agreements by cabinet order, and once the agreement is changed by cabinet they can't take action against the Crown. The Crown is exempt. If the dog gone federal government gets hold of this principle — if Eldorado Nuclear feeds it to them — it can go wandering around saying, 'Oh yes, you guys break agreements.' I suggest it is the principle which I am arguing. I don't know what the rates are; I don't know whether they are fair or unfair. I am just assuming that the parties at the time negotiated in good faith and hammered out an agreement. All I am talking about is the principle of any government coming to an Assembly and asking for the power to change any agreement that it makes, and having taken that power, asking the Assembly, 'Make sure we can't be sued by anyone, so give us the exemption from any action.'

Hon. Mr. Bowerman: — Mr. Chairman, perhaps our error, made the other day, is following us in the debate today — that is, I was using the term which the hon. member is now using (and we were both using last day) and that is "agreement." We were talking about an agreement. The hon. member puts a fair bit of emphasis on an agreement which he seems to think was negotiated at the time the licence was issued. We have authority in the Act to issue a licence. That is not a matter of an agreement; that is not a matter of negotiation; it is a matter of a decision by the Crown to issue a licence with certain powers and certain conditions.

Now, what we are proposing to do is amend that legislation, change that power or that right, or that authority and, yes, I will go with the hon. member's saying, "I think it does." It changes the principle that was set out at the beginning of the legislation which says, "You will have the first 20 years at a certain rate and every 10 years thereafter." What we are saying now is that we want to amend the legislation, the authority granted by the powers of the legislation, that rather than it being every 10 years it would be every 5 years. The proposition is to reduce that period of time. But it is being done under the provisions of a licence, and while that does change the principle that it will be done for a 5-year period rather than a 10-year period and, therefore, the company may feel aggrieved that it now is going to be required to go before an arbitration board, or before

a hearing board on the water power rates, it may feel sufficiently aggrieved that it wished to bring an action against the government. I think that is the point the hon. member makes.

I suggest to you, in my judgment at least, that it doesn't follow the principle of the Crow Rate, and that debate is better left where it is. I do think, however, with reference to the amendments which were proposed to the House, they allow the department to establish new rates in a shorter period of time than the legislation now calls for.

Mr. Lane: — Would the minister be prepared to admit to me that when a licence is granted it has certain terms and conditions on it and those terms and conditions are usually negotiated back and forth. Is that not correct?

Hon. Mr. Bowerman: — I understand that it does not appear on the licence per se, but the licence adopts the provisions of the legislation.

Mr. Lane: — And that is negotiated between the parties? You lay it out and if the company isn't prepared to take it on those terms it will sit down with your officials and say, "All right, what can we work with here to satisfy the basic requirements?" There will be adjustments back and forth. You're doing it . . .

Hon. Mr. Bowerman: — I think we're putting the emphasis on the terminology. There wouldn't be a negotiation. If the dam were constructed and they wanted a licence, they would meet the obligations of the legislation. There wouldn't be any negotiation with the company at that point. If they wanted the licence they would agree to a review at the end of the first 20-year period, and a subsequent review every 10 years thereafter. At this point what we're doing is changing that principle. I agree with the hon. member. We are changing the principle.

Mr. Lane: — Are you prepared to take away the exemption of the Crown which prohibits any injured party from taking action? Now, Saskatchewan was one of the first to allow the Crown to be sued in court, and now we're turning around and taking away any right to civil action.

I am wondering if the minister would be prepared to withdraw subclause 1.2 because of another dangerous precedent?

Hon. Mr. Bowerman: — I am informed, Mr. Chairman, that there isn't a great deal of significance with respect to that. It might well be that we could take it out because, as I indicated, the negotiations on the 10-year time period are either current or will be in the next year and, therefore, the companies involved would not be affected, at least in their present term of licence. But when the new licences are issued, then the shorter term will be granted.

I would suggest that for the case of caution, and for the case of preventing any actions from being undertaken, that the words there, which provide for the Crown to be covered with respect to the changes here, should remain.

Mr. Lane: — You just indicated that you don't see any need for it. The government opposite, as I say, was one of the first to make sure that the Crown was subject to the courts the same as any citizen. Now, you're saying that in a case where you don't expect any problem at all, you're taking the power to exempt the Crown and any of its officials from action. Then here you say you don't need it. Will you not at least be prepared to

admit that subclause 1.2 of clause 2 of the bill should be withdrawn?

I'm prepared to make a motion right now. If you're not concerned about it you should. . .

Hon. Mr. Bowerman: — I'm advised by the official, Mr. Chairman. I was prepared to take that advice that the reason that this is provided for is that it's a matter of abundant caution. There is no great significance. I don't think that any alarm is going to come or any harm is going to come by way of change in the legislation, but the recommendation of the officials, the legal counsel, is that the provisions should be there. They were written in as a matter of caution for the government in this case. I would suggest that they remain.

Section 2 agreed on the following recorded division.

YEAS — 23

Pepper	Mostoway	Poniatowski
Smishek	Banda	Johnson
Bowerman	Vickar	Lingenfelter
Baker	Hammersmith	White
Skoberg	Feschuk	Solomon
McArthur	Byers	Chapman
Gross	Cody	Miner
MacMurchy	Koskie	

NAYS — 14

Berntson	Taylor	Katzman
Thatcher	Rousseau	Garner
Birkbeck	Hardy	Andrew
Duncan	Pickering	McLeod
Lane	Muirhead	

Section 3 agreed.

The committee agreed to report the Bill.

Bill No. 38—An Act to amend The Credit Union Act

Sections 1 to 9 inclusive agreed.

Section 10 as amended agreed.

Section 11 agreed.

Section 12 as amended agreed.

Sections 13 to 18 inclusive agreed.

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The committee agreed on division to report the bill as amended.

Bill No. 25—An Act to amend The Heritage Fund (Saskatchewan) Act

Section 1 agreed on division.

Sections 2 to 5 inclusive agreed.

The committee agreed to report the bill.

POINT OF PRIVILEGE

Mr. Thatcher: — Mr. Speaker, this afternoon in question period I directed a question, which ultimately ended up with the Minister of Finance, pertaining to government policy on conflict of interest in the Public Service Commission. Without going into the substance of the question. Mr. Speaker, I did ask the minister certain questions about changes within that framework of existing legislation. I questioned the minister about press reports. I believe the minister answered and the *Hansard* record will show that the minister disavowed any knowledge of the subject matter which I was referring to as far as the press reports are concerned. Mr. Speaker, since that time a press release has come into my hands dated March 30, 1981, which I understand was released from the minister's office at 10 o'clock this morning. Mr. Speaker, I am shocked that the minister, either deliberately or otherwise chose to mislead this Assembly. I deem it as a matter of very serious privilege when a minister either deliberately or otherwise has misled the Assembly, and I place it in your hands.

Mr. Speaker: — I thank the member for having brought the matter of privilege to my attention. I have not previously been advised of this matter of privilege and therefore would like to take some time to consider it, since it's a matter of high concern when the matter of privilege is raised in this House. I will study the matter and report back to the House at a later time with regard to this privilege.

Mr. Tchorzewski: — Mr. Speaker, can I comment on this as a point of privilege on my part?

Mr. Speaker: — If in fact the member is raising a point of order with regard to what has gone on in the Chamber at this time, it would be legitimate. But I think that I have to study the point of privilege and report back to the House at a later time. There's no opportunity for members to get into any kind of a debate on the question of privilege because I haven't determined whether in fact there is a question of privilege.

Mr. MacMurchy: — Mr. Speaker. I think the hon. member, the Minister Finance, wished to rise on a point of personal privilege as well, to respond to this issue. It may be important that you, Mr. Speaker, and the House . . . In fact, here is his point of personal privilege.

Mr. Speaker: — The Minister of Finance may rise on a new point of privilege, if in fact he feels he has a point of privilege. The Minister of Finance may rise to take advantage of the opportunity that's open to any member of this House under Beauchesne's 322, by which a member may rise to correct the record of the House, and the members of the

House must accept the member's word. I'm adhering very closely to citation 322 of Beauchesne's. I'll just read it in part so the members will be familiar with it:

It has been formally ruled by Speakers that a statement by a Member respecting himself and particularly within his own knowledge must be accepted . . .

Hon. Mr. Tchorzewski: — Mr. Speaker, if I may, I would like to do just as you have indicated in your latter comments. During question period there was a question asked, as the member for Thunder Creek indicated, concerning an indication through a press release that there was to be conflict of interest guidelines released, not legislation. I indicated to the member that I was not aware that release had been issued. I was not of the understanding that it was to be issued and so, therefore, I was not aware of it. I did not disavow knowledge of the fact that there were to be conflict of interest regulations or guidelines. I indicated that there would be and it was my intention to table them in the House tomorrow, which I still intend to do. If by not knowing that the press release had been issued a day earlier than what I thought it might be, I indicated to the House something that should have been otherwise indicated, then I regret that. But I will do as I have planned, which is to table the new guideline regulations in the House tomorrow.

COMMITTEE OF FINANCE

Resolutions

Hon. Mr. Tchorzewski: — Mr. Chairman, as is usually the case when the House sits beyond the period of time which we are approaching, and that is April 1, we have to have an interim supply Bill. I want to move the following resolution:

Resolved, that a sum not exceeding \$184,525,140, being approximately one-twelfth of the amount of each of the sums to be voted as set forth in the estimates for the fiscal year ending March 31, 1982, that were laid before the Assembly at the present session, be granted to Her Majesty on account for the 12 months ending March 31, 1982.

Resolution agreed to.

Hon. Mr. Tchorzewski: — Mr. Chairman, I would move the following motion (for the members' information there are four such motions that have to be moved), as follows:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1982, the sum of \$184,525,140, be granted out of the consolidated fund.

Resolution agreed to.

Hon. Mr. Tchorzewski: — Mr. Chairman, I would move now the following motion:

Resolved, that a sum not exceeding \$77,175,500, being approximately one-twelfth of the amount of each of the sums to be voted as set forth in the estimates for the fiscal year ending March 31, 1982, that were laid before the Assembly at the present session, be granted to Her Majesty on account for the 12 months ending March 31, 1982.

This is dealing with the heritage fund.

Mr. Rousseau: — Mr. Chairman, I would just like to ask the minister, for my clarification: you are talking about the dividend as being \$550 million; one-twelfth doesn't work out to \$77 million. That would represent around \$900 million. I would like clarification of that, please.

Do you want me to ask that question over again? The \$77 million that the minister has just referred to — I'd like a clarification of it. If it is one-twelfth of the expenditures for the heritage fund, that doesn't make sense. He mentioned the dividend as \$550 million; one-twelfth of that is certainly not \$77 million. Would you please explain that?

Hon. Mr. Tchorzewski: — May I see the resolution so I can show it to my deputy? I think I have it. It's the total amount to be appropriated which is both the budgetary and the non-budgetary expenditures. There are certain advances that are made, as well as the direct expenditures that are made, and that will work out to one-twelfth as you see here.

Mr. Rousseau: — Well, it may to you but it doesn't to me. I'd like to know where you get the figures that you are using for non-budgetary and budgetary? The first reply you gave me was from the dividend to the consolidated fund from the heritage fund. which is \$550 million. Now, where is the rest of it? I'll wait for your answer.

Hon. Mr. Tchorzewski: — Mr. Chairman, in answer to the member, we now have the breakdown. It includes the budgetary expenditures, which include not only the dividend but other expenditures which are made for provincial development, energy security division grant to Saskatchewan. It all comes out to \$697,206,000. It also includes non-budgetary transactions such as loans, advances and investments, which amount to \$238,500,000, for a total of \$935,706,000 so the initial interim supply (one-twelfth) is \$77,957,500.

Mr. Rousseau: — Would you mind telling me where you get the figures of the non-budgetary out of the budget?

Hon. Mr. Tchorzewski: — In the estimates book. If the member wants to take some time afterward, he will find it on page 128. It includes Saskatchewan Mining Development Corporation, \$50 million; energy security division to SaskOil, \$62 million. The list is there and you can check it for yourself.

Mr. Rousseau: — I thank the minister for that information. My only question is: why would that be included in the one-twelfth calculation? Surely, you are not borrowing one-twelfth of those amounts of money to put, as it would work out, about \$4 million into the Saskatchewan Mining Development Corporation. Why wouldn't you be doing that at the time you need it? Why would you be doing it on the basis of one-twelfth? I don't understand that. I can understand your budgetary, but not the non-budgetary part.

Hon. Mr. Tchorzewski: — The money is not advanced in a lump sum at the particular time. It's advanced over a period of time. I assume it is needed because the operations which are listed there are ongoing and continuing. They have certain things which they will be doing at the beginning of the new fiscal year for which we are providing money out of resource revenues through the heritage fund for this new fiscal year. Therefore,

we have to provide them with the funds to be able to do that for this next month.

Mr. Rousseau: — Mr. Chairman, we won't hold it up any longer. We will pursue the matter in estimates. My only comment would be this: you don't disburse those amounts on the basis of one-twelfth amounts; I presume you disburse them on the basis of lump sum amounts as required. I will pursue it further in the finance estimates.

Resolution agreed to.

Hon. Mr. Tchorzewski: — This is related to the Saskatchewan Heritage Fund as well, Mr. Chairman. I move the following:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1982, the sum of \$77,175,500 be granted out of the Saskatchewan Heritage Fund.

Resolution agreed to.

The said resolutions were reported, and by leave of the Assembly read twice and agreed to.

INTERIM SUPPLY

Hon. Mr. Tchorzewski: — Mr. Speaker, I move:

That Bill No. 51 — An Act for the Granting to Her Majesty Certain Sums of Money for the Public Service for the Fiscal Year Ending March 31, 1982, be now introduced and read the first time.

Motion agreed to and Bill read a first, second and third time.

MOTION

Printing Error in Bill 39

Hon. Mr. MacMurchy: — Mr. Speaker, on government orders you will note that Bill No. 39 — An Act to amend The Local Improvements Act be now read a second time. Bill No. 39 is not, in fact, The Local Improvements Act, but rather is The Department of Intergovernmental Affairs Act. Due to a typing error, I think a motion is in order to declare all of the proceedings with respect to that particular Bill null and void. Mr. Speaker, some of the hon. members here will recall we got into this situation with **The Snowmobile Act**; we thought we had passed the Act and we had not. I think in order to deal with any confusion, I would move, seconded by the hon. member for Shellbrook:

That all of the proceedings on **Bill No. 39**

An Act to amend The Local Improvements Act taken this day, Monday, March 30, 1981, be declared null and void.

The Speaker: — We have a motion moved by the member for Last Mountain-Touchwood, seconded by the member for Shellbrook. I may say briefly, in consequence

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of this, that the proper item will appear in the blues tomorrow and can be dealt with appropriately at that time with regard to Bill No. 39. I gather the Bill number is right.

Motion agreed to.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY CASH OUTFLOWS

FINANCE

Ordinary Expenditure - Vote 11

Item 1

Mr. Chairman: — I would ask if the minister would like to introduce his officials and make a statement.

Hon. Mr. Tchorzewski: — Yes, I certainly would, Mr. Chairman. Thank you. I will introduce the officials who are immediately here. As the other ones come up, if necessary, I will introduce them. The deputy minister of finance is Rob Douglas on my right. Mike Costello, assistant deputy minister of finance, is behind me. Morley Meiklejohn, executive director of investments and finance, is over here. Don Rowlatt, director of tax and fiscal policy, is down over here. Keith Macrill, director of the administration branch, is behind Mr. Douglas.

Mr. Rousseau: — There are a lot more behind you. You have lots of support, haven't you?

Mr. Chairman, I am going to start out with a few remarks which will take you back a few days to statements you made in this House. I am just going to touch on them. Then I am going to turn it over to some of the other members who have many questions to ask. Then I will be coming back with questions of my own.

However, Mr. Minister, some time ago, in fact on March 13 you made some remarks in this Assembly that I would like to either correct, or ask you to correct me, whatever the case might be. You were actually closing debate on the budget at the time and replying to some of my comments which I had made in my reply.

You indicated that potash in 1975 was selling for \$67.57 a ton and today was selling for \$128.50 a ton. I don't know whether you have ever read this little manual here which was put out by your government. It indicates in that, that in fact your potash was selling for \$75 a ton in 1975. So where you get your figures, I don't know. Then I checked the annual report of the potash corporation, and it indicates to me that it was in fact last year selling for somewhere around \$68 a ton by taking the dollar volume of sales and dividing by the number of tons that you delivered. So I would like you to tell me how you arrive at your figures and why I am wrong and you seem to think you are right.

You further went on to indicate in your speech you made that day that Saskatchewan ranks number one in Canada in per capita spending of health programs. Well, according to my calculations, that's not the case. I believe you mentioned education as well. In your own words, "Education in Saskatchewan ranks first among all the

provinces." By my calculations, looking at your expenditures, you rank eighth. Of course, I'm using last year's figures. Those are the main ones I would like you to resolve and reply to. I will then carry on with some other questions. But, I'll start with that.

Hon. Mr. Tchorzewski: — Mr. Chairman, there may be confusion here because of different units. I have a copy of the remarks I made here the other day. I stand by my figures. There has, indeed, been an increase in the average price per ton of potassium oxide, which rose by 90 per cent during the period about which we are talking, from \$67.57 to \$ 128.50. That is not inaccurate.

You mentioned something about the per capita education expenditures we are making. I also have those figures. That, indeed, is the case, as well as it is the case with the health expenditures.

Mr. Rousseau: — Mr. Minister, perhaps all of your support staff and helpers with you have computers. A figure of \$312,170,000 divided by 4.6 million tons, and please don't give me that new metric system . . . I know you did that with your new report. Even if I go into that, you will find that you're way off on your prices. I can talk about that. You'll find that it's \$80 some per tonne — and that's tonne. So, that's higher, and I know you're going to want to discuss that. But, since you know so little about the potash corporation, I thought I had better ask someone who knows something about it.

Now, I'm not going to leave it on the record as that because you have \$312 million in sales. You have 4.6 million short tons sold. That works out to \$67.86. Now, how do you arrive at your figures?

Hon. Mr. Tchorzewski: — I'm not sure how the member arrives at his price. It may be that we are talking about two different things. I'm talking about potassium oxide tons. It's there. We can tell you the price that was paid, or the price that potash sold for during the periods of time which we are discussing. The price was, as I indicated, \$67.57 per potassium oxide ton. It was \$128.50 at the time afterward when the member referred to what the final price was at \$128.50 a potassium oxide ton. I can't get into the report of the Potash Corporation of Saskatchewan, and I'm sure you will take it upon yourself to do that when the Crown corporations committee meets and will, no doubt, pursue it. But let me just take a look at the potash issue here. Let me read something.

Production and prices for potash are normally expressed in their potassium oxide equivalent. That's the way they are discussed. The 1975 average price was \$67.50 per potassium oxide ton, and the 1980 average price was \$ 128.50 per potassium oxide ton.

I could add, if you want to convert that into potassium chloride tons, the 1975 price on that kind of measurement, or quantity, was \$41.22 per potassium chloride ton, and it was \$78.39 per potassium chloride ton, if you want to use that measure.

Mr. Rousseau: — Will you ever come out with measurements that everyone can understand and that you are consistent with? As I say, I'm not going to pursue the point as to the situation today. But you know, this was printed by your government in 1975. The Premier's picture is on the front on the inside, and he's the one who put the whole thing out. He says right here, "\$75 a ton, 1975 price." Now you are talking potassium oxide measurements. If that's the measurement you are using, then why are you using the potassium chloride measurements in your annual report? As a matter of fact, this annual report happens to show measurements of . . . I'm sorry, of the short ton. Then

you get into the new report and it's in measurements of the new metric measurement of potassium chloride — the metric tonne. Even using that, your figures don't work out. So, I'm not going to pursue it any further. I'll go on to another subject.

I wonder, Mr. Minister, if you would give me a list of the investments that the Department of Finance makes for the Crown corporations?

Hon. Mr. Tchorzewski: — For what period, can you tell me?

Mr. Rousseau: — For the year under review. Sorry. For the past year.

Hon. Mr. Tchorzewski: — While my people are going through that, let me just (and I don't want to pursue the argument on the potash thing) explain the situation. We don't determine how the measurements are made; the industry itself does. It has nothing to do with metric or non-metric, because it's not relative there. I am informed that the industry quotes price by potassium oxide ton and it quotes output by potassium chloride ton. We don't determine that; it just happens to be a figment of the way the industry works. But let me give you the answer to your question. We can get you the answers for the things. But, in order to make it easier for my officials, could I ask the member: do you want a list of all the securities and investments which are there at this point in time or of all the transactions which were done? If you want a list of all the transactions, the list is very, very long. We just wouldn't be able to turn it over to you right now, but I would have no problem getting that for you.

Mr. Rousseau: — Mr. Minister, the reason I'm asking the question is that the question was asked in the Crown corporations committee for Sask Tel, and their reply to us was, "Well, we don't handle our investments. They're handled by the Department of Finance." I presume that to be correct. That being the case, again, I would ask you for the list. I would want that list for the past 12 months of all the investments which you have made, whether they be short-term or long-term, for the Crown corporation listing debentures, stocks, bonds, certificates, and whatever other investments you will make in the course of the year. I would find it difficult to believe that that list could be very, very long. If it is, I won't ask for it today.

I would also like to have the loans and guarantees which are made by the Department of Finance for Crown corporations and the various government departments. I'll give you an example of one which, I understand, would be handled by the Department of Finance through a Crown corporation. Culture and youth, I understand, guaranteed the loan made by Sedco (Saskatchewan Economic Development Corporation) for the movie *Who Has Seen the Wind*. That's the kind of information which I am looking for.

Hon. Mr. Tchorzewski: — Yes, sir. We can get that. The reason I was asking the earlier question is because, if you want us to give you the list of all the transactions which have taken place, Morley tells me that it's something in excess of 700. But we will get you the information you want. That is no problem. As for the question of the guarantees, like the one made by the Department of Culture and Youth to Sedco which helped to finance the production of *Who Has Seen the Wind*, that's public knowledge because it went through the process of an order in council. So that is no problem. None of those questions are a difficulty for us. We just have to put it together and get it for you.

Mr. Rousseau: — Fine, thank you. I'm going to go back to potash just for a second. A colleague to my left will ask you some questions while I answer nature's call. Will you

calculate for me, or have it done by your department, exactly how you arrived at your calculation of the potash? I understand that the potassium oxide is the finished product coming out of the mine, and the potassium chloride is something else. Give me the exact calculation of how you arrived at your figure of \$128, and if it's the same way that was used then. Was it the same as the calculation last year, and is it the same one today? I'll be back.

Hon. Mr. Tchorzewski: — Mr. Chairman, I can provide that as early as tomorrow — as soon as our people can get to work on it.

Mr. Thatcher: — Does your department do all the investing for all Crown corporations? If there are any exceptions to that, would you inform the Assembly?

Hon. Mr. Tchorzewski: — Yes, the Department of Finance provides all the short-term investment services for all of the Crown corporations. It provides long-term investment services for the pension funds in the Crown corporations.

Mr. Thatcher: — In other words, you would do all the investments, regardless of the length of term, for SGI?

Hon. Mr. Tchorzewski: — The Department of Finance has been handling the SGI portfolio since last January or February because SGI requested it. In an effort to co-ordinate our investment efforts, and certainly with the well-qualified expertise there is in the Department of Finance, it seemed to make good sense to us. Since last January or February (and I am not sure of the month), the answer is yes.

Mr. Thatcher: — Thank you very much for the commercial on your department. I think Mr. Meiklejohn handles the bulk of those. I don't think anybody has ever questioned his ability. I understand he is rated very highly in New York. Mr. Minister, when you took over the SGI portfolio, will you tell this Assembly what those investments consisted of, particularly the long-term ones? Would you be specific and tell me whether there were investments in any commodity?

Hon. Mr. Tchorzewski: — Yes, Mr. Chairman, I can give the member the following information. All of the investments were provincial and federal government debentures, as well as some corporation debentures, as well as some mortgages. I am not aware, nor are my officials, of any commodities at this point in time. But once again, we can provide you with the list and the information if you so wish. I think you have indicated that.

Mr. Thatcher: — Mr. Minister, would you tell us what corporate bonds you are holding? Can you tell me if SGI has ever played the commodities market at any time — more specifically, silver?

Hon. Mr. Tchorzewski: — No, I am not aware if that was the case; neither is Mr. Meiklejohn, he informs me. Certainly we will get you the list and the information.

Mr. Thatcher: — I would like a list of the corporate bonds that you hold for SGI. Again, I want to ask you (and be very specific on this, Mr. Minister): are you telling us, and do I clearly understand that to the best of your knowledge, and the knowledge of your officials (whether we are talking the last year, or any other year) that SGI has never held commodities in its investment portfolio, either directly or indirectly? Think that one over before you answer, Mr. Minister.

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Hon. Mr. Tchorzewski: — Well, Mr. Chairman, I can't speak of some things that may have happened in SGI or by SGI, way back, but as far as I am aware, and the advice to me is that there are not, to our knowledge, investments in commodities by SGI. Certainly there have not been any since the Department of Finance has been handling the portfolio.

Mr. Thatcher: — Mr. Minister, would you elaborate a little further on the corporate bonds that you have indicated SGI holds? And, would you tell us whether SGI owns any common stocks in any private companies, and which ones?

Hon. Mr. Tchorzewski: — They would be held by SGI, Mr. Chairman, and we're asking one of my officials to go to the offices downstairs to get that information so we can give you some better answers specifically. Obviously we don't have that information in the top of our minds.

Mr. Thatcher: — Sorry, I didn't mean to interrupt you, but if he's going down to get that information on SGI, he might as well get it on several other key Crown corporations. We'd like to ask the same question about Sask Tel, Sask Power, PCS (Potash Corporation of Saskatchewan), Sask Minerals, Saskatchewan Development Fund and Crown investments corporation. I apologize for interjecting here.

Mr. Minister, can you tell me, in the case of SGI, whether or not its investment portfolio was turning a profit prior to the Department of Finance assuming that portfolio — which I think you indicated was about one year ago. Could you elaborate as to what procedures SGI was following in its investment portfolio? What condition was it in? And, would you perhaps summarize some of the major changes that the department may have made in SGI's portfolio? I'm not asking for every single transaction, but if you have moved in a different philosophical direction, could you briefly describe it to us?

Hon. Mr. Tchorzewski: — Mr. Chairman, first of all, let me indicate to the member opposite that it is our belief that because of the larger portfolio which the Department of Finance handled, we can get a better deal by coordinating it in this way. Obviously, its not just one corporation or one source; its a whole range. We have a bigger package to deal with.

There has not been a general restructuring, in answer to your question. We are probably, as has been indicated to me, a little more active in the corporate bond market and in the mortgage market at the present time. But, there has not been a general restructuring of the kind of financing that is being done for SGI through the services of the Department of Finance.

Mr. Thatcher: — Did I understand you correctly when you indicated that you could not tell me whether or not the SGI investment portfolio has been showing a profit, or has been making money over the past couple of years — particularly since it came under the control of the Department of Finance? Or, did I understand you to say that you lump that portfolio in with the portfolio of all the other Crown corporations?

Hon. Mr. Tchorzewski: — Mr. Chairman, I am informed that, indeed, the investments make money.

Mr. Thatcher: — How much?

Hon. Mr. Tchorzewski: — We've only had it for two months — January and February. So, I can't give you those figures.

Mr. Thatcher: — I'm not interested in the last two months. I want to know about last year, and the year before. You must have that knowledge. You took over the portfolio. You know whether they made it or not.

Hon. Mr. Tchorzewski: — We don't have that information. It's recorded in SGI's books and is maintained by SGI. I guess that in order to get the answers to those questions on what was done before the Department of Finance began to handle the investments, you would probably be best to direct your questions in the Crown corporations committee when you consider Saskatchewan Government Insurance.

Mr. Thatcher: — You know, Mr. Minister, I listened to you in question period today misinform me (deliberately or otherwise — I don't know), but I'm not going to listen to you today. Now, don't you try and tell me that you took over a portfolio from a Crown corporation like SGI, and that you don't know whether in the previous year they had a profit or a loss, or that you have no figures. Who are you trying to kid? You have those figures. Let's have them right now. Did their portfolio operate at a profit or a loss? If you tell me that you don't have that information, or that your officials cannot get that information right now, I won't believe you.

Hon. Mr. Tchorzewski: — Mr. Chairman, I can only repeat what I have said. We don't maintain the accounting records for SGI. That is something which is maintained by SGI. What the Department of Finance does is provides a service to SGI. Therefore, that is where you will have to ask those questions. SGI can better give you the information which we cannot.

Mr. Thatcher: — Mr. Minister, the credibility of your answer is in a minus position. I can't believe that you can suggest to this Assembly that, with a staff like you have in the Department of Finance of some very capable and bright people, when you assumed that portfolio from SGI (whom it is common knowledge mismanaged it and were losing money on it to the tune of some \$30 million to \$50 million — who knows for sure?), you would take that portfolio without certain documentation. You'll never get me to believe that there aren't people in your department (who are probably sitting in this House right now) who can't give you the information which I have asked for from the SGI portfolio. I can only conclude that you're afraid to give that information. You know what it is, or somebody here does. Don't try to tell me any differently. It is an incredibly incredible answer.

Mr. Minister, your people know the situation on that portfolio fully. I think we all suspect that in that portfolio lies a good deal of the answer to much of SGI's financial troubles. If you want to stuff those words down my throat, give me the answer. I suggest to you that a good deal of SGI's financial mess lies in the mismanagement of that portfolio. It's in your hands now. It's a fully bona fide question in the finance estimates as to the workings of that portfolio. I believe that anything your department handles for any Crown corporation is a perfectly legitimate question in finance estimates. Mr. Minister, I want the answer as to the situation of SGI's portfolio . . . (inaudible interjection) . . . Don't give us that one.

While the minister is doing that, perhaps the minister in charge of the Mickey Mouse Club could find something better to do than . . .

Hon. Mr. Tchorzewski: — Mr. Chairman, I have no desire to stuff the words of the member opposite down his throat. He's quite capable of putting his foot in his own mouth, so I really don't want to get into that. All I can do is indicate, as best I can, what the situation is from the point of view of the Department of Finance.

I want to make some comment about the loss in SGI because, I think, there is a tendency to make confusing comments as opposed to what the real facts are. The loss in SGI, which was experienced, was in The Automobile Accident Insurance Act fund. It had nothing to do with SGI proper. So, I think the member is wrong in saying that SGI has not had a return on its investments. Indeed, it had investment income last year. I can recall that by having read the annual report of Saskatchewan Government Insurance. Once again, I'm sure that when it is considered in the Crown corporations committee, there will be sufficient time (the SGI officials will be there) to provide the kinds of answers the member opposite is looking for. As I indicated earlier, all the Department of Finance does for SGI is provide a service for investments. The accounts are maintained by SGI. Therefore, it is SGI that needs to answer those questions.

Mr. Rousseau: — Mr. Chairman, I really find your remarks today very incredible, and this is typical of the answers that we always get when we hit the estimates in this House. Get it from Crown corporations. We go into Crown corporations: "Well, we can't give you that information, you'll have to get it from the Department of Finance in the House." It's called passing the buck.

Last week, or two weeks ago, we asked the Sask Tel officials, the minister (I see he has disappeared on us) to provide us with the list of the investments that were made by the finance department for Sask Tel.

My understanding (and you've finished saying to my colleague,) is that you handle the investments for the Crown corporations. Now you are saying, "You can get that from SGI." Do you know what SGI will tell us in Crown corporations? "We can't give you that information. First, it's not in the year under review; second, it's not in the public interest; third, get it from the Department of Finance." By that time you're long gone.

Now where are we going to get consistency and some answers that aren't what you call passing the buck? Since your department (the man is sitting to your left) handles all of these investments, please don't get up again and tell us that we have to go to them to get the answers, because they are telling us that we have to go to you. Now, one of you has to be telling us the truth, and the other one has to be passing the buck. I was going to say something else, but I'm in the legislature.

Hon. Mr. Tchorzewski: — Mr. Chairman, I will dispute the point that SGI has said that the member opposite should come to committee of finance, because SGI indeed has not yet been considered by the Crown corporations committee.

Let me again repeat what the process is. SGI in this case, because we are talking about SGI, will have a certain amount of money which it is able to invest. It will phone or indicate to the Department of Finance what that amount is, and the Department of Finance will make the investment. I have already indicated to you that we will be able to provide you with a list of investments, and the rate of those investments. I've never said we couldn't provide you with that. We can. It's just that if you ask me a general question. "How much money was made on an investment by SGI?" I can't give you that. If you have made an investment two months ago at a certain rate, 14.5 per cent or whatever, I can't

tell you how much money that's making. I can tell you what the rate is, and I'm prepared to do that. We are putting it together for you.

Mr. Thatcher: — In other words, you are going to give me a statement for SGI's activities last year. In other words, you know what the cash value of the investments were at the start of the fiscal year, last year. And you've taken it over this year, so you should have a statement at the end of the year. You are telling me that you are going to give me a complete list and, as well, a detailed financial statement as to your appreciation or loss on that portfolio. Did I understand you correctly?

Hon. Mr. Tchorzewski: — I can provide the member opposite with a description of all the transactions of the securities which we have invested by the Department of Finance. That means that I can provide you all of that, since we have been doing the investments as of the time the Department of Finance became involved. Information before that, the Department of Finance had nothing to do with. It was done by SGI, Mr. Chairman, and, therefore, it is a question that is better directed in the Crown corporations committee.

Mr. Thatcher: — Now, Mr. Minister, I don't want that. If you want to take that attitude in all these Crown corporations (each one of them) you're going to be here a long, long time. And we'd like to run this through. Now look, you can't tell me, and you know very well, that at the start of the fiscal year, the SGI investment portfolio (or that of any other Crown corporation that had a separate investment portfolio) was worth X number of dollars. It had a book value or a market value of X number of dollars, and you know what that was. At the end of that statement or at the end of that year, it also had a book value or market value. And you know what that is. I want to know what the gain or loss figure was. I don't believe you when you say you can't provide that sort of information.

Now look, be realistic, we all know that SGI didn't say, "Listen fellows, here is our investment portfolio for the bright guys at finance to look after." They didn't pass that over to you because they were doing a good job. They didn't pass it over to you because they were just making gobs and gobs of money. They passed it over to you, obviously, because they were making a mess, because they had people making their investments that were out of their league. All of a sudden the people at SGI realized that they had a crisis on their hands. Unfortunately, they had built a Taj Mahal over there, and then named it after an appropriate person as far as SGI is concerned. But, nonetheless, they passed you that portfolio because they were in trouble. They didn't pass it to you because they were making gobs of money.

Now, once again, I put the question to you. What was the market value at the start of the last fiscal year? What was it at the close of the fiscal year? Mr. Minister, I am not going to Crown corporations with that, because the answer (as the member for Regina South said) is always that it is not in the public interest, as is the case with anything that is embarrassing to a Crown corporation.

Frankly, I have a little trouble discerning what you people mean when you say, "not in the public interest." But now I have figured it out. It means simply that it's not in the NDP's interest. Let's be very clear. You are refusing to divulge the information as to the market value of the SGI portfolio, what it started at in the last fiscal year, and the market value of that portfolio when you assumed control of it.

Hon. Mr. Tchorzewski: — I am not saying that at all, Mr. Chairman. Presumably, that

will be indicated in the SGI annual report at the end of the fiscal year, 1980. There is nothing confidential about that kind of information. It's available. To the extent that we can provide you with the information which we have because of investments that have been made through the services of the Department of Finance, I have already given you the undertaking I will provide the information.

Mr. Thatcher: — With all due respect, I am waiting for it. I am not going to wait one, two, or three months; I want it before we move from item 1. If you are not prepared to provide it, I think maybe you should pull your estimates and we will move on to something else. I am afraid I have been through the mill just a couple of times too many to buy that age-old one: "I'll get you the information, and I will send it to you." We'll have that information before we move from item 1 and we'll discuss it. Again, I ask the minister for that information immediately. If you can't provide it, I think the appropriate thing is to pull your estimates and let's move on to some people who can answer the questions.

Hon. Mr. Tchorzewski: — Mr. Chairman, that is really fairly irresponsible on the part of the member opposite. We shouldn't be surprised because that is rather common coming from him. We had an indication of that just last week. I challenge the members opposite to indicate to me information which was requested at any time last year which we were able to provide but that wasn't provided. I have given an undertaking (I shall do so again) on the information that he asks for. It is voluminous. I have just finished telling you that there are several hundreds of transactions that take place. But we're going to speed it up and provide it to you expeditiously. I am unable to provide it for the members opposite right now, because we need to be able to prepare the information, and we will do it.

Mr. Thatcher: — In that case, Mr. Minister, I think it would be appropriate for you to pull your estimates and come back when you have that information, and then we will discuss it. We're not moving off item 1 until we have it, because we're going to talk about it. As I indicated, I think we've been through this route a couple of times too many with a few too many ministers, who just haven't quite come up with the information which was requested. You shove in the odd "if" or "and," and it becomes a trifle debatable. We want the information before we go on because we believe that in that portfolio much of SGI's present perilous financial position lies.

Mr. Minister, again I ask you. You can give us that information; your people have it. If they don't have it, they can get it very, very quickly for you. Again, I repeat, I want the market value of SGI's investment portfolio one year ago, and I want the value when you took it over two months ago. If you don't have that information, then I ask you to pull your estimates.

Hon. Mr. Tchorzewski: — Mr. Chairman, the market value, as I indicated, will be in the December 30 annual report for the 1980 fiscal year, so that information is already available. If the member opposite doesn't want to consider the Department of Finance estimates, hopefully he's not speaking on behalf of all members opposite, because I'm sure they have other pertinent questions they would like to ask, and I'm prepared to discuss them.

All I ask the member to do is take a look at the annual report and he will see a lot of the information which he is requesting is there. With regard to the investments which we have been making since the Department of Finance began to handle the portfolio, and began to provide advice and make investments as of January, we will get it for you as

quickly as we can.

Mr. Thatcher: — Mr. Minister, I'm not interested in what's happened from January and February; I'll ask you for that information next year. I'm talking about information from other years. If the information I'm asking for is so readily available, and if it is available in the SGI annual report (and I suggest to you it is not), then provide it. I suggest to you that it is not; if it is show it to me. I suggest to you that it's not there. I don't believe that your people took over the SGI portfolio without taking over all the documentation for several preceding years. Again, I repeat the request — provide us with that information. I think it would be appropriate for you to pull your estimates until you can.

Hon. Mr. Tchorzewski: — Mr. Chairman, SGI handled all its transactions for 1980; the Department of Finance did not handle them. Therefore, the member should ask his questions, when he has an opportunity to do so, for the year 1980 (which is not the year under review which we are considering in these estimates anyway; nevertheless, we do range, and I think that's fair) to SGI officials through the minister in Crown corporations committee. The Department of Finance became responsible for the investment portfolio of SGI in January of this year. The 1980 investments were made by SGI. I am quite confident they were secure and that they were good investments, but I will not take the responsibility for them because neither my department nor I was involved with them for 1980. It's something that will have to be reported in Crown corporations committee.

Mr. Thatcher: — In that case, Mr. Minister, tell me the market value of those investments on January 1. Was that the date you took them over — January 1?

Hon. Mr. Tchorzewski: — January, yes.

Mr. Thatcher: — All right, in January. Then give me the market value as of that date.

Hon. Mr. Tchorzewski: — Yes, Mr. Chairman. Sorry about the long delay. I just wanted to get some clarification here. We can get the market value for any given day because, as the members will know, the market value changes. It can change day by day; it can change within a period of hours, or even (I am told) as rapidly as minute by minute. So it is difficult to answer specifically that kind of a question. But we will see if we can do a calculation as of January on the dealings which have been made, and provide you with the information. Once again, I caution the member (and he knows that) that it does change. It fluctuates.

Mr. Thatcher: — May I ask you when?

Hon. Mr. Tchorzewski: — I'm told that, in order to put it all together and work it all out, it may take a couple of days. We're going to try for tomorrow, but I'm told it may take a couple of days. We'll put it together and get it for you.

Mr. Andrew: — Question, Mr. Minister. Last year, in the public accounts committee, there was a comment about some of the questionable management practices of DNS (Department of Northern Saskatchewan). The public accounts committee recommended that the comptroller's office do a full investigation. As I understand it, that investigation was commenced on September 8, 1980. Has the minister or the department, at this point in time, received that report? Will the minister make that report available to the legislature?

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Hon. Mr. Tchorzewski: — I can indicate to the member that we do not yet have a final report. What will happen after that final report has been provided (because the work has been ongoing) is that there will be findings and recommendations, obviously, that we will have to look at. And the treasury board will need to look at it because we are interested in finding the best possible way of running government and expending taxpayer money. The government will have to consider everything necessary in making the decisions to implement any of the findings and recommendations. I can undertake, as the member has requested, certainly to provide a report on what has happened to the public accounts committee, because it was the public accounts committee which made the request. Certainly. I think it's an obligation on our part to report to the public accounts committee as to how the issue is disposed with.

THIRD READINGS

Bill No. 35 — An Act to amend The Small Claims Enforcement Act

Bill No. 3 — An Act to amend The Trustee Act

Bill No. 46 — An Act to amend The Highways Act

Bill No. 25 — An Act to amend The Heritage Fund (Saskatchewan) Act

Bill No. 33 — An Act to amend The Water Power Act, on division

Bill No. 23 — An Act to amend The Surrogate Court Act, with amendment

Bill No. 36 — An Act to amend The Land Titles Act, with amendment

Bill No. 49 — An Act respecting the Consequential Amendments resulting from the change in the name of the Department of Consumer Affairs to the Department of Consumer and Commercial Affairs, with amendment

Bill No. 38 — An Act to amend The Credit Union Act, with amendment, on division.

The Assembly recessed until 7 p.m.