

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**May 2, 1983**

The Assembly met at 2 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**INTRODUCTION OF GUESTS**

**Hon. Mr. Rousseau:** — Thank you, Mr. Speaker. Mr. Speaker, I'm very pleased to introduce to you and the members of the legislature, several members of the Prairie Gold Chapter and the Classic Touch Quartet of the Sweet Adelines, who are seated in the Speaker's gallery, Mr. Speaker, they've just returned from the regional competition which was held in Calgary this weekend, where they represented the city of Regina and competed with other choruses and quartets from Saskatchewan, Alberta and British Columbia. And I'm very pleased to inform the House that the Prairie Gold Chorus won second-place medals, and the quartet won third-place medals, and that is the highest achievement ever by a Sweet Adeline quartet or chorus from the city of Regina. I would ask all members to join with me in congratulating, first of all, congratulating the ladies for their achievement, and I would even ask the ladies to stand and take a bow.

**Hon. Members:** Hear, hear!

**WELCOME TO STUDENTS**

**Hon. Mr. Pickering:** — Thank you, Mr. Speaker. It's indeed a pleasure for me to introduce to you and through you to all members of this Assembly, eight grade 12 students from the Avonlea High School. They are accompanied here today by Mr. Duncan McKellar, their teacher. They are seated in the Speaker's gallery just up above to my right. I hope they enjoy question period. I'm sure the members of the opposition have some good questions for us today, hopefully, and if they haven't, it's about time they did. I would hope that they enjoy their stay here, and I'll be meeting with them at 2:30 for pictures and drinks downstairs and some discussion. I would like all members to join in wishing them a pleasant stay and a safe journey back home.

**Hon. Members:** Hear, hear!

**INTRODUCTION OF GUESTS**

**Hon. Mr. Lane:** — Mr. Speaker, it is my pleasure today to introduce to you and through you to all members of the Assembly, His Excellency Osbert W. Benjamin, High Commissioner of Grenada, Mr. Benjamin is accompanied by the Grenadian Consul for Trade and Tourism, Mr. Richard Chermin. Both are seated in the Speaker's gallery and I would ask them to stand and be acknowledged.

Mr. Speaker, it is a particular pleasure for us to introduce Mr. Benjamin to you. He has an outstanding background in both secondary and post-secondary education in the West Indies. He has had the opportunity this morning of meeting with our Minister of Education and Minister of Advanced Education and Manpower, Mr. Currie.

Mr. Benjamin will be spending a couple of days in the province. He will be visiting,

amongst others, the University of Regina, be studying the Agdevco (agricultural development corporation) and other points of interest.

I ask all members to join with me in welcoming the gentlemen to the Assembly and wishing them a very informative and interesting stay in the province of Saskatchewan.

**Hon. Members:** Hear, hear!

## QUESTIONS

### Resignation of Harry Van Mulligen

**Mr. Shillington:** — Thank you, Mr. Speaker. A question to the minister in charge of the Saskatchewan Housing Corporation, and it has to do with the resignation of Harry Van Mulligen as an information officer with SPC. He confirmed this morning that his decision to leave SHC was, in large part, due to your campaign of harassment which continued unabated after a court ruled illegal your attempt to transfer him to Prince Albert. My question to the minister is: will you explain to this House why, after the courts prevented that harassment in the form of a transfer five months ago, Alderman Van Mulligen's duties and responsibilities were so drastically altered?

**Hon. Mr. Hardy:** — Mr. Speaker, I understand the hon. gentleman did resign from Sask Housing. I can't say for sure exactly why he did. And certainly . . . I'm just reading his news release here, and he said, 'My situation with the corporation was leading to boredom and frustration.' And I guess he felt that he had achieved all the goals he could achieve there and that he wanted to look for new achievements, new directions.

So, in answer to that, Mr. Speaker, I couldn't honestly say why the gentleman resigned, except that I do wish him well in his future ventures.

**Mr. Shillington:** — A supplementary. Admit it, Mr. Minister. You've just accomplished by the back door what you weren't able to accomplish by the front door. You've got Alderman Van Mulligen out of your hair.

**Hon. Mr. Hardy:** — Mr. Speaker, I'm not sure that's a question. But I guess it was the gentleman's choice.

**Mr. Shillington:** — A further supplementary. If it wasn't a planned campaign to push Alderman Van Mulligen out, then why did the government's lawyer approach him with a settlement, rather than vice versa?

**Hon. Mr. Hardy:** — Mr. Speaker, that question he just asked is not true. I understand, and I just checked the office, that Mr. Van Mulligen approached Don Carroll who is the industrial relations director over there, in regards to . . . I think the words he used . . . 'I'm a reasonable man and maybe we can work something out.' He was referred over to our legal solicitor. And I assume they worked something out because he did, in fact, resign and he done it on his own free choice and his own free will.

**Mr. Shillington:** — New question. That is not the text of Alderman Van Mulligen's press release, but we won't solve that. I want to ask you a new question with respect to the use of taxpayers' money. If a person is qualified to do a job, why not use him or here to the fullest? Why have them sitting around doing nothing in the hope that they'll get bored enough to quit?

**Hon. Mr. Hardy:** — Mr. Speaker, that's not the case. I understand, and I did check that out, too, and just to see what he was doing. He had in fact . . . I'll just read it off.

He continued as information co-ordinator on behalf of the corporation. His work was assigned him by the corporation's director. He was involved in such work as drafting general program brochures for the corporation, development of the photo bank, and the corporation's use and the corporation's annual report.

I think that's what he was doing before, Mr. Speaker, and he continued to do it.

### **Disclosure of Confidential Information**

**Mr. Shillington:** — New question, Mr. Speaker, to the same minister with respect to another of your government's intended victims, although I think this one may turn out differently. My question has to do with the attempt by government back-benchers to blacken the name of a member of this House through selective, edited leaks of information from personal files. I have finally received, Mr. Minister, a copy of some of the documents that they're passing out. I note that one is a report from a credit bureau — a document which contains Mr. Yew's social insurance number, his credit rating, down to the monthly payments he makes to his credit union. My question is: how do you condone this kind of activity by your government back-benchers, passing out confidential, personal information to the news media?

**Hon. Mr. Hardy:** — Mr. Speaker, I'm not sure what he's reading from, and I'm unaware of what he has there. As I said earlier last week, that in fact a lot of that information we had previous to the April 26th general election. I don't know what he has there. Maybe some of this was after. I don't know how he got it. I would like to know how the hon. member got it, because he asked me to look into last week to see where it could have come from, and whatever, and I said I would do that. We're doing it right now.

**Mr. Shillington:** — New question, Mr. Minister. Everybody in this Assembly, including the media, had access to this information except the opposition, until Friday. Finally one of the media made this available to us. I want to ask you, Mr. Minister, if you condone the use by government back-benchers of confidential information. I would remind the minister that this is unprecedented in this Assembly, or any other, for government back-benchers to be using confidential documents. That is just simply unprecedented. Of course, government back-benchers can obtain the documents. Do you condone government back-benchers using confidential government documents for these shoddy political purposes?

**Hon. Mr. Hardy:** — Mr. Speaker, I don't condone the opposition members using it either. And I think very much so, because as I indicated earlier, there is 1,100 up there in arrears, and I don't know if you have all the information or not, and I would hope that you don't bring it all forward because there are 1,100 people up there probably concerned.

In regard to this here one incident, you appear to have as much information or more than I have, so I'm not sure exactly what you're reading from, and it appears that maybe you got the information from where our back-benchers got it.

**Mr. Shillington:** — Well, Mr. Minister, is an exception being made for Mr. Yew for

some reason or other, or can all of us in the opposition assume that all your confidential files on us are going to be available for government back-benchers to make whatever use of they wish, or is Mr. Yew being singled out for some sort of selective persecution?

**Hon. Mr. Hardy:** — Well, first of all, Mr. Speaker, I really don't think that they'd come under the senior citizen housing, or the rural housing, because of their incomes. I don't think any of their records would be on our files to start with – any of our members – I would hope not. So in answer to that, no, I would say that they aren't available and will not be available because we do not have them.

**Mr. Shillington:** — Well, my question is a supplementary to the minister. With respect to your earlier comment that you were investigating the matter to determine how the information got out, when do you expect this investigation to be completed, and will you advise the House of the results of that investigation since we all apparently have a personal interest in this matter?

**Hon. Mr. Hardy:** — Well, Mr. Speaker, as you well know, each and every person in this province has a job, or should at least pay whatever rent they have to pay, and I don't know if any members over there only rent or not. I really don't know. But I know there's many instances in the North, again I said 1,100 of them that were trying to collect, so you now, in regards to that, all I can say is that there's many, many up there. And we're going to try to collect as many as we can that can afford to pay, and I don't think that any of the members would be in that situation.

**Mr. Shillington:** — Supplementary. Would the minister just answer the question. When are you going to conclude your investigation, and when will you advise the House of the results of your investigation into the leak of this confidential information?

**Hon. Mr. Hardy:** — Mr. Speaker, I said I was going to do an investigation; I didn't say I was going to advise the House because it will be confidential. There may be many other ones involved in regards to looking through them all to see where it could come out, and I would have to make other people's confidential information available to the public, of which I will not do. I won't do it if you're involved either, so at that time I'll investigate it. I will contact the member who was concerned on a private confidential basis and talk to him about it.

**Mr. Shillington:** — Well, surely even the minister, surely even this member can understand the difference between reporting to the House on the question of how the information got out, and reporting the information itself. Now surely even you can understand the difference. Nobody was asking the minister to report the information. We are simply asking you to report to this whole House on how that information got out. Will you report to this House on how the information got out, as distinct from the reporting the information itself?

**Hon. Mr. Hardy:** — Well, Mr. Speaker, there's been quite a bit of information got out of this, from our side of the House in the last while. We'd like to find out where it's all coming out from and we are investigating. If we find out where it comes from we will certainly let you know. But as you very well know – you sat on the other side – and we had some information given to us that we wouldn't know where it come from either. So at the same time, we have much . . . (inaudible) . . . We're looking into it. We'll do what we can to find it.

**Mr. Koskie:** — Yes, to the minister in charge of the Saskatchewan Housing Corporation. I want to say, Mr. Minister, you tend to take the situation very lightly. When individual copied confidential material is being leaked from your department, you as minister are responsible. And what I'm asking you is: what is the nature of the investigation to this here situation that cannot continue to be tolerated? What in fact are you going to undertake?

**Hon. Mr. Hardy:** — Mr. Speaker, that's sort of a retroactive question because a lot of that information was when the previous administration was there. And if we were to go back and look, I don't know which one of them leaked the information either. We are looking into it. We will do the best we can to find out where the lead come from, and if we do find out we will let you know.

**Mr. Koskie:** — Supplemental, Mr. Speaker. Can you indicate, Mr. Minister, that you're looking into it? Can you be more specific as to what particular steps you will be taking into this very serious matter that is before this House? The leading of confidential material from the files of a minister, or a corporation which the minister is in charge of . . . Will you set forth specifically what is the nature of your investigation?

**Hon. Mr. Hardy:** — Mr. Speaker, no, we will not give him any specifics. They'd call it a witch-hunt if we done that, I'm sure. So therefore we will look into it the best we can, in a very, very responsible way, and we will look . . . If we can find it, we will. We'd like to find it just as much as you, because what will be the next leak?

**Mr. Koskie:** — Further supplemental, Mr. Speaker. You seem to be totally confused in your answer. When you are looking into someone taking confidential information and leaking it to the public, that is not a witch-hunt in order to determine how that arose. There is a duty on you to perform that. And what I'm asking you: when are you instituting the investigation, and are you referring it to the Attorney-General's office?

**Hon. Mr. Hardy:** — Mr. Speaker, I've said it three or four times. I understand last week in public accounts, the hon. member from Regina Centre asked for that information in public accounts, which would make it public. I don't know what all he's got there, or will be receiving there, so maybe some of that information will help us lead to finding out where it come form. Maybe it's not out; I don't know, but when he finds that information it'll probably lead there.

**Mr. Koskie:** — New question to the minister. I want to ask the minister in charge of the Saskatchewan Housing Corporation whether or not he views the leaking of confidential material a serious matter, insofar as the continuing ability of the public to deal with the government if in fact you do not view the leaking of this information as being very serious. Do you in fact represent this to be a very serious matter? Simple question.

**Hon. Mr. Hardy:** — Of course I do, Mr. Speaker.

**Mr. Koskie:** — I ask you again: are you going to refer the matter to the Attorney-General's office for a full-scale investigation of the nature of the leak of confidential material from the government?

**Hon. Mr. Hardy:** — We'll be investigating it. And no, we will not be turning it over to the Attorney-General's office.

**Mr. Lingenfelter:** — A question to the minister in charge of Sask. Housing. I realize

that this line of questioning is not one that he will spend a great deal of time with, but my question is related to your earlier statement about a witch-hunt. And I want to tell you, first of all, in prefacing my question, that this information was started in another committee where members of that committee had files that they were using, and I would like to know if you are aware of how they obtained that material.

**Hon. Mr. Hardy:** — That's the same question as the member asked before. We're looking into it.

**Mr. Lingenfelter:** — No, Mr. Speaker, it isn't. I ask specifically about a member of a committee who apparently had a file on another member of this legislature. And I want to ask you whether you know where they received that material from.

**Hon. Mr. Hardy:** — Mr. Speaker, like I said, we're investigating it and that's about all I can say at this time.

**Mr. Lingenfelter:** — Mr. Minister, I would like to know whether your investigation will include questions to those members of that committee as to where they obtained that information from that they were quoting from, and apparently your own staff did not have at that committee meeting.

**Hon. Mr. Hardy:** — Well certainly, the investigation, it will just follow the normal route. I understand, just a few years ago, I can think of a member on our side of the House now, who sat in the opposition when information was leaked. I never heard who leaked that and how it got out. It seems to me it was about SGI, and the member that was here before — personal driving records — so I'm not too sure if it can be found. Certainly we're not happy about it. We'll look into it and do the best we can.

**Mr. Lingenfelter:** — Mr. Speaker, final supplementary to the minister. The reason for following this up to such an extent are twofold, I suppose: one, the incrimination against a member of this Assembly; but secondly, the many other areas which you are responsible for where many private files and documents are held in your control, and the great worry that exists in Saskatchewan now as to income tax documents and other things that you will have as a result of being in control of documents dealing with Sask Housing. I want to know whether or not you can give your unqualified assurance that this will not happen again in the future — where documents of members of this Assembly, or private members of Saskatchewan, are made public through your department.

**Hon. Mr. Hardy:** — Well, in this case, Mr. Speaker, we're investigating, as I said, and we'll do the best we can to see that no leaks happen. In the case previously mentioned, I understand it was the minister that brought it forward himself so . . . And I certainly will never do that so . . . In regards to it, we're looking into it. We'll do the best we can in regards to it, and we'll get back to the members in due course.

**Hon. Mr. Blakeney:** — Another supplementary, Mr. Speaker. The minister has said that he is investigating where this information came from and how it got to members of his caucus. The question I'm asking him is not whether he's investigating, but does he tell this House that he does not know how members of his caucus obtained the information?

**Hon. Mr. Hardy:** — Mr. Speaker, I think I said it last week, and I've said it once today. The information that I am . . . I don't know what he's talking . . . But the information, I

understand, was we had previous to the April 26th general election, of which the other administration was responsible . . . I don't know what else I can say. We're not going to go back and look into what happened before because, as you know, Mr. Speaker, many, many files were missing. We found files in basements, Mr. Speaker. We had to have the RCM Police go bring them over to us. We don't know what files are there. We don't know what files are missing. WE don't know who got them. Them files could well have been left out wherever. So we're looking into it. We've been looking into it for the last six months and we're going to continue to.

**Hon. Mr. Blakeney:** — Mr. Speaker, I'll try the question once again. Is the minister telling the House that he does not know how the members of his caucus obtained the information which they have provided the press?

**Hon. Mr. Hardy:** — Mr. Speaker, I'm not even sure what information was given to the press or how the press received it. I talked to the press — one fellow — and he said he's had it for over a month. I was unaware of it. So I'm not just sure where they got it from, either. Maybe they had it previous to that and give it to our member, I'm not sure and I'm not prepared to answer because I don't know.

**Mr. Shillington:** — One question, Mr. Minister. Are the RCMP involved in this investigation? Did I understand the minister to intimate that?

**Hon. Mr. Hardy:** — I'm sorry, Mr. Speaker, I didn't hear the question.

**Mr. Shillington:** — Perhaps the Minister of Northern Saskatchewan can coach you when I finish the question and not during it. My question to the minister was: did I understand you to say that the RCMP were involved in the investigation?

**Hon. Mr. Hardy:** — No, Mr. Speaker. If he listened closely, I didn't say that.

**Mr. Shillington:** — Mr. Minister, I want to ask you a simple question. Do you condone the use of confidential information by government back-benchers for their own political purposes? Is it your position that if government back-benchers obtain confidential information, they may make what use of it they will? Is that your position?

**Hon. Mr. Hardy:** — Mr. Speaker, I don't condone the use of privileged information, and I don't condone the use of those who do not pay their bills, either. So it's sort of a two-way street.

**Mr. Shillington:** — Mr. Speaker, a question to the Premier. We have just had a statement from the minister that he does not condone the use of confidential information by government back-benchers. Is that the Premier's position as well, or do you disagree with the position your minister just took?

**Hon. Mr. Devine:** — Mr. Speaker, confidential information and privileged information is just that — it's confidential and privileged. That's how it should be treated.

**Mr. Shillington:** — Good. Will you then discipline . . . (inaudible interjections) . . . I want to say that if you mean what you said, then we have passed a major milestone in dealing with this problem. Will you then undertake to discipline the member from Prince Albert-Duck Lake and the member from Prince Albert, who have been in a savage way using confidential information to embarrass the member from Cumberland? Will you then undertake to discipline them for their use of the

confidential information which you indicated you did not approve of?

**Hon. Mr. Devine:** — Mr. Speaker, all I can do is reiterate what the minister said: is that information may get into the hands of the media or may get into hands of members of the legislature from time to time, and we don't like to see confidential information leaked out. We don't like to see internal documents with respect to budget bureau planning leaked out. The previous administration knows that we've had access, when we were in opposition, to information with respect to budgets and stuff in advance. They didn't like it either, but that happens from times to time. Information that is confidential and privileged is to be treated confidential and to be treated in that fashion, and that's how we'll treat it. If some information gets out and the media gets a hold of it or some other people get a hold of it, we don't like it. We'll do everything we can to prevent that from happening, but that's as far as we can go.

**Mr. Shillington:** — And do I take it it's the Premier's position that if the members are able to come by confidential information, because in many departments there are Conservative hacks who will give it to them, do I take it that if Conservative back-benchers are able to come by confidential information your position is they may make whatever use of it they wish?

**Hon. Mr. Devine:** — Mr. Speaker, I can't add any more to what the hon. member has . . . To answer the question the hon. member has raised, if he wants to suggest that government employees throughout the province of Saskatchewan — and there may be 29,000 or 30,000 of them — are about to leak confidential information, then nobody would have any confidence at all in the government employees in the province of Saskatchewan. I want to say I have full confidence in the government employees in this administration and in the province of Saskatchewan that have worked through several administrations — Liberal, NDP, Conservative, etc. So I have all kinds of confidence in those people, and I don't think it's fair that the hon. member stand up and criticize the civil service in general because they can't deal with confidential documents. They do on a daily basis, and I trust them and we respect them for that kind of operation.

**Some Hon. Members:** Hear, hear!

**Mr. Shillington:** — New question, Mr. Speaker. I would have thought that even the Premier with his ability to confuse questions could have understood what I just said. I suggested to the Premier that government back-benchers are in a different position than other members of the public; they have easier access to confidential documents, and they may obtain them in a fashion which others can't. My question to the Premier is: do you condone the use by government back-benchers of confidential information? If they can get it, can they use it?

**Hon. Mr. Devine:** — Mr. Speaker, if you're saying that the members of the legislature can go to anybody in the public service — members from that side of the House, members from this side of the House — and get confidential information, you're mistaken. The public service in the province of Saskatchewan treats private information . . . (inaudible interjection) . . . Well, this is precisely what I'm doing . . . treats the information with confidence; they treat it as privileged information. If anybody is going to operate with the province of Saskatchewan, interprovincially, internationally, at the national and federal level, with municipalities and so forth, with this government, as it has in the past and will now, and will continue in the future, then they have to respect that confidentiality. And there is no member of the legislature that



has any more or less access than anybody else does. And for you to put a black mark on the public service in the province of Saskatchewan, for you to do that is not fair to the public servants in the province of Saskatchewan because they don't deserve that sort of treatment or that sort of criticism. And I would think that you will be remembered clearly by the Public Service Commission for suggesting that that's the kind of thing that they do.

So I would just add, Mr. Speaker, that I have full confidence, I have full confidence in the public service in the province of Saskatchewan and I'm just sorry the hon. member doesn't.

## ORDERS OF THE DAY

## GOVERNMENT ORDERS

## ADJOURNED DEBATES

## SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 31 – **An Act to establish the Indian and Native Affairs Secretariat** be now read a second time.

**Hon. Mr. Blakeney:** — Mr. Speaker, I want to address a few remarks to the House at this time on this bill to establish an Indian and Native Affairs Secretariat, and I want to talk about the bill from a couple of points of view. I want to talk about it in the light of the opportunity it gave to the government to outline its policy with respect to Indian and native affairs, an opportunity which appears to have been missed, and an opportunity which I think ought to have been taken since there are a number of issues surrounding Indian and native affairs which require clarification. I could instance a few, some of which I believe I know the policy of the new government, on which I know the policy of the new government, some of which I do not know the policy of the new government. I would think of the issue with respect to services rendered to treaty Indians off reserves. I think I can gather by implication what the policy of the new government is with respect to that matter, not because of anything which has been said in this House, but because of what I might deduce from reading presentations of the government and of the Premier to the first ministers' conference on aboriginal constitutional matters. However, I am far from clear on the issue because obviously, when the Premier was addressing that conference, he was not primarily addressing that narrow issue of what he feels the respective roles of the Government of Saskatchewan and the Government of Canada ought to be with respect to the rendering of educational, social and health services to treaty Indians off reserves.

Another area which I would very much like to have a statement of government policy on is the matter of treaty Indian land entitlements. The previous government had outlined in some detail its approach to the matter of paying that which we owe to a number of bands in this province in unfulfilled land entitlements. And I will not outline in detail what that policy was. It will be recalled that a method was arrived at for calculating the entitlement by arriving at an interpretation of the treaties. On the basis of that agreed interpretation of the treaties, entitlements were calculated and steps were taken to pay the outstanding debt.

The governments involved, namely the federal government and the provincial

government, were, I think, clear on the basis for setting the outstanding entitlement; and the bands involved were clear on the basis for settling the outstanding entitlement. And in some cases, a settlement has been made in full; and in other cases, substantial progress has been made in identifying land which might be used to satisfy the entitlements.

I understand from certain comments made by the Attorney-General, as he then was, that the government opposite did not accept all of the methods of calculation and all of the bases of calculating what was owed to individual bands. I do not, however, know what the government's policy is. I just know that they seem to be putting some qualifications on the previous tripartite agreement between the Government of Canada and the Government of Saskatchewan and the Indian bands concerned.

I would have hoped that this bill would have been used as an opportunity to outline policy on that very important issue. I would have hoped, Mr. Speaker . . . And I could mention other issues, but I think we all are aware of some of the concerns that face the people of Indian origin in this province. Some of the concerns are well known to the government. They articulated them well in their presentation to the first ministers' conference on aboriginal constitutional rights, and I am now quoting briefly from the Premier's statement to that conference. And I quote in part from page 2 and page 3 of my copy of his opening statement. And now quoting the Premier:

One of my most pressing concerns is the alarming statistics available to me concerning the aboriginal peoples: the lower labour force participation rate, the relatively small number who complete high school, the unacceptable infant mortality rate, the number living below the poverty line. It is painfully obvious that Canadians of aboriginal ancestry do not enjoy the same, or even similar, standards of material and social well-being as do other Canadians. In my province this is unacceptable and, on behalf of my government, I am committed to rectifying the situation.

Mr. Speaker, I agree with that statement by the Premier. I agree also with the need for all of us to commit ourselves to rectifying that situation. And I would have hoped, Mr. Speaker, that the government opposite would have taken the opportunity, in the establishing of this Indian and Native Affairs Secretariat, to outline its policies as to how it proposes to attempt to rectify the situation.

Nobody, I think, suggests that this will be easy or quick. Nobody, I think, can easily say that we have failed in the past. Of course we have failed in the past, but we have made some progress. And what we need to know is what steps the government proposes to take in order to continue that progress even though, in some areas, that progress has been slow.

And I would ask the government – some person speaking on behalf of the government – to outline their policies, because they're of great interest, not only to citizens of native origin, but also to many, many other citizens who feel as the government does, that we as a society ought to act to do what we can to rectify the situation.

I ask the government at the appropriate time, and I suggest this is an appropriate time, to give a statement of policy on what it proposes to do to deal with the alarming statistics which were identified by the Premier, and the steps that are proposed to be taken to, again in his word, rectify the situation.

One last comment I want to make, Mr. Speaker, and that has to do with the nature of the process by which this bill comes before us. The Premier, in his statement to the first ministers' conference on aboriginal constitutional matters, expresses a willingness to accept, in the final outcome of that conference, a consultation clause to ensure that participation of aboriginal people in any future amendment directly affecting them.

He goes much farther in stating what I think most of us would agree with, that the problems facing Canadians of aboriginal origin and the problems facing all Canadians in dealing with the relationships between peoples of aboriginal origin and peoples not of aboriginal origin will only be properly addressed if there is a wide measure of consultation.

The day is long past when we who may call ourselves whites can dictate to people of aboriginal origin what ought to be done for their welfare. The day is long past when we can expect to shape policies without their involvement in those policies.

I think that was recognized by the very fact of the first ministers' conference on aboriginal constitutional matters, and was recognized by the statements made by virtually all of the governments there, and certainly was recognized in the statements made by the Government of Saskatchewan.

I would have hoped, under those circumstances, that there would have been a substantial measure of consultation between the government and the recognized native organizations before this particular bill was laid before the House so that we might have some assurance that the establishment of an Indian and native affairs secretariat would meet with their approval, so we might have some assurance that the decisions made by the government, presumably as a method of rectifying the situation identified by the Premier, is one which will be consonant with the desires of the Federation of Saskatchewan Indians, the desires of the Association of Metis and Non-Status Indians of Saskatchewan, and the desires of any other Indian or Metis group Status Indians of Saskatchewan, and the desires of any other Indian or Metis group which can lay appropriate and sound claims to be the spokesperson of those groups.

As it now is, the FSI and AMNSIS have the best claim to be spokespersons for those groups, and as I understand it, there has been no effective consultation between the government and FSI or AMNSIS (Association of Metis and Non-Status Indians of Saskatchewan) with respect to the establishing of the secretariat, or with respect to the policies which the secretariat will be asked to pursue. If I'm correct in that, and my consultations indicate that I am, then this is a very poor start for the secretariat.

This is at best a difficult task, and it will not be made less difficult – in fact, will be made more difficult – unless we, the Government of Saskatchewan and the legislature of Saskatchewan, carry with us the native organizations, engage them in the task of devising the solutions, engage them in the task of assisting their memberships to become self-reliant in every sense of the word. I, therefore, regret that we are dealing with a bill which has been placed before us without our knowing what the position of the recognized Indian and native organizations are.

Certainly, the task that the secretariat will have to face is a difficult one. The issues facing all of society with respect to the special problems of treaty Indians and Metis people are pressing issues, and I could identify them. The Premier has already indicated some in his statement to the first ministers' conference. One could mention those statistics with respect to infant mortality, or housing, or employment, or

education. One could, indeed, outline many real and pressing needs that need to be grappled with.

I say some steps have been taken. I look at programs like NORTEP – the Northern Education Teachers Program – which I think has been an outstanding success. I look at SUNTEP (Saskatchewan Urban Native Teacher Education Program) which is a program, a new program, which I hope will be an equally outstanding success. Both are designed to assist the people of native origin to become qualified teachers – in the one case to serve in schools in the North, and in the other case to serve in urban schools in the South.

I think of the effort that was made, the idea that was incorporated in the native economic development foundation – an idea of attempting to get members of the private sector to assist native entrepreneurs in becoming successful in the entrepreneurial world of Saskatchewan, and there's every evidence that a number of entrepreneurs, non-native entrepreneurs in the private sector, would be more than willing to assist native entrepreneurs, if we can find the right vehicle. And that's what NEDFO, the native economic development foundation, was designed to do. Unfortunately the new government has laid that initiative aside, and I hope that they will come forward with one which will pursue that idea of harnessing the goodwill and the skills of non-native entrepreneurs in assisting native entrepreneurs to make their way. All in all, Mr. Speaker, I think that we are here dealing with a missed opportunity, a missed opportunity for the government to outline its program so that the House will know what this new agency is going to be asked to do, and a further missed opportunity to engage the goodwill of native groups by participating in extensive consultations with them about the establishing of the agency, and about the program that the agency would be asked to carry on.

I fear, Mr. Speaker, that this indicates that this government has not yet devised a coherent social and economic policy approach to the needs of Indian and Metis people. I don't believe it has a strategy of working with Indian people, working with native Metis people, to arrive at solutions to the problems which beset those of our fellow citizens. I fear that the government has adopted some political initiatives but has not yet got a solid policy initiative. I fear it has adopted some administrative techniques of which this agency is one. And no one can predict failure for the agency, save only the failure which in part meets all of our efforts in these areas. But I think we can say that what might have been a much more valuable initiative will be less valuable initiative because the government has failed to outline a coherent program and has failed to ask native people of Indian or Metis origin to come forward and work with them, first to devise the program, and then to make it a success. For all those reasons, Mr. Speaker, I view the introduction of this bill with very mixed emotions, and I view it as, at least so far, a very considerable opportunity which has been lost.

**Hon. Mr. Lane:** — Thank you, Mr. Speaker. I just would like to make a few comments in reply to the Leader of the Opposition. It would be a rare circumstance indeed, that a legislation establishing either a department or a secretariat or an agency listed in some detail the government's policy within that legislation. And that has not been the practice of this Assembly, and I note that the Leader of the Opposition really didn't expect it. Perhaps he wanted an articulation of that in this opportunity. I think, in fairness, in the reorganization bill, again, that is not an appropriate time to do that. I will take the opportunity to touch in general, because there will be other opportunities in this Assembly to either debate policy, or criticize policy, or whatever action the opposition wishes to take.

I would like to indicate, as I have in the past, in general terms, the government's position. First of all, you indicate whether or not the FSI and the Association of Metis and Non-Status Indians of Saskatchewan took . . . I think it's fair to say that both organizations wanted no such agency. It is our position that, one, the previous system of having those responsible for native issues scattered through different government departments – in Education, in Northern Saskatchewan, continuing education, Urban Affairs, certainly the Attorney-General's department . . . They were scattered. Our intention was to bring them together to attempt to try and develop some cohesive, we hope, long-term directions.

We agree with the Leader of the Opposition that there have been mixed successes in the past and we expect mixed successes in the future. And I don't think anyone is, for a minute, predicting that they can have a policy that is absolutely going to guarantee the success and meet the expectations of both the non-native and the native communities. But our general thrust and direction, as we have indicated, and have indicated in budget, is that we are of the view that there is confidence in the native leadership at this stage, so that we can now look at direct long-term economic development, economic activities that will in fact guarantee some long-term employment for the natives. We have asked the native groups for suggestions, and I think it's fair to say there's been a fair amount of consultation, and we are getting suggestions as to activities that they can undertake.

I question – and I use it by way of example only because I in no way want to be critical of the intent of the previous government – but I use the example of the housing program. A housing program for natives was instituted. It employed a fair number of natives in building the homes. There was no monitoring program to assess the skill development of those involved in the building of the house. There was no assessment capability to make sure that those that went through the program were able then to move into the existing work-force. My criticism of that objective, or that program, I had made before. In my view, perhaps (and I say that guardedly), perhaps there would have been longer term success if the training had gone on. Then those that in fact attained the skills we could in some way guarantee, find employment in the rest of the provincial economy . . . would have been, perhaps, a more desirable approach.

We hope, and I say hope, that we can develop programs that are in fact training native people, allowing them to develop the skills on projects that they select or have a great deal of input in selecting; that in fact when they finish that they will be able to use those skills in other economic activity. That is the direction. And I would expect to have a long-term economic development strategy by later this summer. And a great deal of work has been done on this, and a great deal of work has been done on this in consultation with natives.

You asked the question of the treaty land entitlement. The position of this government was, and we made it abundantly clear . . . Our view of the so-called Saskatchewan formula . . . could have the effect of perpetuating the problems that existed as a result of the treaties; that is, a great amount of very poor, unproductive land that has not made it possible for many of the reserves to in fact become viable. And I'm not talking viable in terms of completely self-sufficient.

We asked for the opportunity. And we realize that . . . and I frankly don't blame the FSI for disagreeing with that position, because better what you have than something else. We had asked the Government of Canada for the data bases last August, so we could

commence a detailed analysis: was there an opportunity, a fair opportunity, to develop a qualitative response as opposed to a quantitative response? Again, I'm not critical of the FSI because I don't blame them for taking the position that 'Don't change that. We have that. We know what it is.' But they did request the federal government not to transfer that information to us. It was not until shortly before the first ministers' conference that the federal government decided perhaps it is worth pursuing, supplied that information to us, and that's put us behind schedule as a result.

The deadline that we had proposed to the federal minister was that if we had got it in August we would attempt to have it done by Christmas. We're looking roughly six months. We're trying to use that as a target.

When I say that, it may well be that that's not a workable solution. It may well be that that's what could come back. We do believe that perhaps it also gives us a little more flexibility in satisfying third-party interests which is a problem no matter how we deal with it.

One area not touched upon, but I would brief the Leader of the Opposition. We have commenced, now that corrections and the department of the Attorney-General are being combined, we have now internal studies on alternative sentencing. I think it fair to say on certain offences that perhaps the native peoples' objection to that standard, and the penalties therefore may be far more effective in causing people not to carry on that activity than the white man's rules, if I can use that phrase. We are looking fairly aggressively at that approach and see again where we can look at that as an alternative.

So I give it in general terms. I certainly expect that by this summer we have a very comprehensive economic development policy. Secondly, that we have a position as to what proposals we would then put forth for consultation with native groups and others of land entitlement. I would expect by this summer that we have serious consideration of where alternative sentencing, for example, can be carried out.

There has been consultation at the officials' level. I don't want to leave the impression that there hasn't, because in many cases there's been significant consultation. But in terms of the policy decision of the government to establish a secretariat or some co-ordinating body, yes, there is a difference of opinion. I think an understandable difference, because why would a legitimate organization, at least one of which takes the position that it should have complete block funding to spend as it sees fit, why would it accept a government agency being involved in that process? We don't subscribe to that objective of that particular organization.

I think it fair to say as well, and we have received some criticism, but we did, when co-ordinating the previous activities, we made an objective that we would attempt to hire native people to administer that agency. I've indicated that over 60 per cent of the employees are native now in what will become the secretariat. Again, I contrast that. I think we were roughly at 10 per cent before, so I think we've made some headway there but the fact of headway, of course, brings you into conflict with outside organizations. And we were aware of that; we knew that possibility. I frankly believe that once these policy positions are established and they are then discussed with the native people that

there will be a fair degree of agreement and a commonality of direction that we then can work from. So I appreciate the comments of the Leader of the Opposition.

I'm not sure that this was an appropriate forum to get into the policy. I've given it to the hon. member in general terms of the direction that we would, we see taking. I do not stand here and say that it's going to be more effective, less effective. I congratulate the previous government on the SUNTEP (Saskatchewan Urban Native Teacher Education Program) and the NORTEP (Northern Teacher Education Program) program. Those are effective programs and I agree with the hon. member.

So again, we do not stand here and say that we've got a more successful approach than you. We have a direction that we believe that perhaps the leadership is now capable of taking the native people. I hope it's successful and I'm sure the hon. member does, too. I'm sure that there will be different proposals come forward in the years which will mean changes in policy, and I hope that the secretariat is flexible enough to be able to deal with that. I move that we close debate.

**Mr. Lingenfelter:** — Mr. Speaker, I want to join with my colleague from Elphinstone in just saying a few words on Bill 31, more for what it doesn't include than what it does. I suppose in starting, I must say that I'm disappointed, as other members have mentioned, with the lack of consultation with native and Indian groups in the province of Saskatchewan. I know that the minister has said that he plans in the future to consult and to carry on those types of discussions. But I'm sure that he will know, as will members of those groups know, that the consultation process would have been much better conducted earlier on. And I'm sure that a year's time in leading up to bringing this legislation into the House was plenty of time and appropriate time for that sort of consultation to take place.

But I would just like to talk a little bit about where this government seems to be heading in the whole area of Indian affairs. And I want to mention in terms of land claims, the slowness which seems to be occurring, at which that whole system and process seems to be occurring, and I think that here again is another example of the lack of consultation and the lack of input from these groups. We have talked earlier in the House about the unemployment rate which has resulted since April 26th of last year. The fact that unemployment in northern Saskatchewan, where we should be having an impact and where this bill should impact, where the unemployment rate is presently running at about 85 per cent and as high as 40 or 45 per cent in southern Saskatchewan. And I think in large part this is occurring because of the lack of activity of the government in the area of job creation and in the areas that the minister, just momentarily ago, mentioned — the lack of housing and housing projects. He will criticize the former government for not having enough controls and not having enough red tape involved in the housing construction by native people.

I would like to say that even though there may have been mistakes made by the previous administration in terms of taking chances, I think that the option that this government has chosen, that to do nothing, to build no houses in northern Saskatchewan, is a very poor choice. And the benefits from that kind of action are coming home to roost, with larger and larger welfare payments and larger and larger welfare rolls coming into existence, particularly in northern Saskatchewan.

I think that in bringing this legislation forward at this time, I would have liked to have seen a much in-depth type of discussion of the actual policy that will be coming into

place as a result of this legislation. I think at the present time it leaves many things open and without any definitions being laid down in terms of where we are headed. I think that in the near future the minister should, and very appropriately, make comments to where he is headed in this whole general area – the area of housing, education, human rights. I know that this government will want to be on firm ground in those areas and I think this is the opportunity, in second reading or in committee, to lay out where you are headed, so that not only we in the Assembly know, but the people who will be affected by this legislation will know clearly where you are taking them.

I think there are other examples that give us a feeling that we may not be heading in the right way, when we look at the funding for FSI and AMNSIS (Association of Metis and Non-Status Indians of Saskatchewan) and see drastic cuts in those areas. I know there was a day care pilot project which was being studied and was well on the way to being implemented, and maybe that is in progress and maybe it is on the way to being implemented, and maybe that is in progress and maybe it is on the way to being coming to fruition, but to date we have heard nothing of it and I'm not sure the present government is committed to many of these policies that were in place in the past.

I would encourage the minister, during committee, to bring forward some of the ideas that you have, so that we will know what your policy is and possibly some of the criticisms is unwarranted. But I think much of it we can lay at the doorstep of the government, because the budget that you have brought out apparently would see a large amount of cut-back in those areas, and policies and programs that we had hoped to be in place, nowhere to be seen.

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

## **COMMITTEE OF FINANCE**

### **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

#### **ENERGY AND MINES**

#### **Ordinary Expenditure – Vote 23**

#### **Item 1 (continued)**

**Mr. Lingenfelter:** — Mr. Chairman and Mr. Minister, I would like to ask a few questions concerning natural gas and natural gas production. I wonder if you have at your disposal information on the amount of natural gas known reserves in the province at this time, at present consumption rates?

**Hon. Mr. Devine:** — We're having a little . . . from calculating feet to metres, but we think we've got it together. Established reserves in the province are 40,000 million cubic metres. That doesn't include probable reserves. And we use about 2,900 or almost 3,000 million cubic metres on an annual basis. 2,900 and something or other were 1982 figures.

**Mr. Lingenfelter:** — So roughly, if I was to think around 12 years of reserve, is that about correct?

**Hon. Mr. Devine:** — That's correct. About 12 or 13 years of established reserves.



**Mr. Lingenfelter:** — You know, when you say established reserve, how do you differentiate that from known reserve, or is there a difference? Is that all the known gas at this time, or is there another category of gas that you could add into that?

**Hon. Mr. Devine:** — The established is generally referred to as discovered and developed. The probable reserves are discovered but not developed. And probable reserves, that is discovered and not developed, would virtually double the established reserves — so another 40,000 million cubic metres.

**Mr. Lingenfelter:** — So we're talking about 24 years in probable as well as developed natural gas. Is all of that reserve in Saskatchewan, or would this include holdings in Alberta? Would that be the Saskatchewan-based natural gas, or would that include, let's say, SPC's holdings in Alberta?

**Hon. Mr. Devine:** — That has nothing to do with SPC's holdings in Alberta. It's entirely Saskatchewan reserves — these figures.

**Mr. Lingenfelter:** — What we're talking about then, at the present rate of consumption, 24 years maximum but 12 years under production at the present time. Can you tell me what impact . . . If there's a 100 per cent take-up of your natural gas extension program, how that will impact on the reserves that we have in the province?

**Hon. Mr. Devine:** — I believe that we addressed this question before, but in ball-park terms, if the farm, just the farm, rural non-farm pick it up, it would be an increase in consumption of 1, maybe 2, per cent. If it's industrial development that we're looking at as well throughout rural Saskatchewan, which is rural farm and non-farm, then it could be an addition of up to 10 billion cubic feet that may be used. And example of the farm increase in use, we could be looking at 0.5 billion cubic feet alone, say, for heating at the rural level on farms, and depending on the rural non-farm, the towns, villages, and other places, that may be tapping into it, it could be more. That's with current economic activity changes, then that could modify the demand.

**Mr. Lingenfelter:** — You know, when you're making your predictions for the future development and consumption in the rural program, what are you using as your consumption rate? You must be making some predictions in that area in order to establish your program on consumption, and you can just give me a brief outline of what your government is predicting the consumption to be once it's in place?

**Hon. Mr. Devine:** — We believe the figures, and we'd have to get more specific figures from SPC . . . SPC is using, from my understanding, about 0.5 billion cubic feet as the estimate of what the rural gas distribution will consume in terms of general use, particularly for heating — and that would be including in an awful lot of people in the general heating sense — and as I mentioned, about 1 per cent, 1 or 2 at the outside, for the general rural gas distribution system for consumption along agricultural uses. Beyond that, for any additional forecast, I'd have to get the numbers from Sask Power. I'm not sure what Sask Power is using today, and I can get that information as a forecast that they may be using.

**Mr. Lingenfelter:** — It would seem to me that that estimate would be quite low in light of the fact that I would imagine if a farmer was to put in natural gas he would use it for grain dryers, and heating your shop and your house, and possibly even . . . I don't

know whether it's possible to run irrigation systems, but I would imagine that you could use . . . (inaudible) . . . engines to drive irrigation pumps. When we're looking at extending this, we are then talking about setting up a natural gas system which has about 20 years of life using the probable, as well as the known sources of gas in the province at present consumption.

I would like to know now how much the consumption rate would decrease if we were to cut off the import of Alberta gas. At the present time, how would that . . . Throwing that into the mix, what would that then reduce our probable consumption to? Probable reserve . . . I'll give it to you in a different way. What would that then reduce our know reserve to, if we were to cut off the Alberta import of gas at the present time? I'm not sure about that formula but it would take it down considerable, but maybe you could just give me that number, of the known reserve we would have, if we were to shift solely to Saskatchewan gas from Alberta and Saskatchewan mix.

**Hon. Mr. Devine:** — If you check your arithmetic on the numbers that I just gave you, several observations are appropriate. One, if we didn't use anybody else's gas at all, nobody else's, we've got at least 25 years of supply — looking at this and looking at our consumption, if we didn't use anybody's, Alberta's or anything else — or about to the year 2025. Second, we now use . . . Two-thirds of the gas we get, we consume, is from Alberta. So if we continued on, using that formula, from Alberta plus our own supplies, we will have in excess of 60 years supply of natural gas. Finally, if we began to explore for natural gas in the province of Saskatchewan so that we can discover the kinds of possibilities that are there, there's every likelihood that we will even be able to expand that beyond even the 25 years, if we are dependent entirely on our own. So given the combination, Mr. Chairman, of the 25 years we have now if we didn't use anybody else's at all, plus the fact that we use two-thirds of what we need from Alberta's well, which runs it up to 60-years supply, and the fact we've just begun to explore for it, we're good to the year 2040 at a minimum.

**Mr. Lingenfelter:** — Well, Mr. Chairman, I was going by your numbers. I had asked you earlier what the known reserve was, and you agreed with me that there was 12 years. And then when I asked about probable, you said you could double that. Now if I doubled 12 or 13, I get 24 or 26; I don't get 60 or 80 or any imaginary number. I'm just going by your numbers, where you said that we had in known reserve and probable reserve, enough for 24 years at today's consumption.

We're going to add on top of that the farm system, and we're going to cut off the import from Alberta, which will certainly have an impact negatively on your reserve, rather than in tripling it or quadrupling it the way you have done. And you'll have to explain that a little more to me to get the people to understand what you're talking about, because if we have 12 years known reserve and 12 years probable, that's 24 years you said at current consumption. Now tell me the leap in logic, how we now have 60 or 80 years if we cut off Alberta's import, because I don't understand it.

**Hon. Mr. Devine:** — Mr. Chairman, I said that we have established reserves of 40 thousand million cubic metres. We use 3,000. Of that 3,000 that we use, we bring in about 1,800 from Alberta. I'll do it the other way around; it may help the member understand. If we weren't counting the 1,800 from Alberta, just what we would use here, our established will last 33 years. Of the 3,000 that we use, approximately 1,800 is coming in from Alberta; 1,200 is from our own use. Right? 1,800 and 1,200 . . . We use 1,800 from Alberta; 1,200 from ours. If that carries on, if it did carry on . . . (inaudible interjection) . . . All right, if it did . . . I've done it both

ways. All right?

I said if it does carry on exactly the way it is, if it does carry on exactly the way it is, it can last 33 years on established reserves and another 33 years on probable reserves, for 66 years, if we carry on just the way we are. If it doesn't carry on, if we stop today using anybody else's gas, we have 25 years without looking for more . . . (inaudible interjection) . . .

**Mr. Lingenfelter:** — That's exactly what I said. We're back where we were before you threw in the 60 and 80 years that we had in Saskatchewan. What we have in Saskatchewan, at present consumption, is 24 years. That's using your numbers.

Now that's not throwing in the farm program or any industrial strategy that you may have. We have, at present consumption in Saskatchewan. What we have in Saskatchewan, at present consumption, is 24 years reserve. Is that correct? That includes probables.

**Hon. Mr. Devine:** — At current consumption the reserves that we have to date, established and probable — approximately 25 years.

**Mr. Lingenfelter:** — Then, Mr. Chairman, Mr. Minister, I would like to know: throwing into the mix the farm program and the rural gasification program, if it were to take off, and the industrial strategy program that you often talk about and refer to, how many years reserve, not only known, but including the probable . . . What kind of a reserve do we have in Saskatchewan?

**Hon. Mr. Devine:** — The answer to the question depends on several things, as the hon. member knows. It depends on how much gas we use from Alberta, and in reality we're using some.

**An Hon. Member:** — But you've said many times we're going to quit doing that.

**Hon. Mr. Devine:** — The point is, we are still using it and we're still under the contract, and it's not a proper assumption to say that tomorrow we're not going to import gas from Alberta.

Second, it depends on exploration, and under the previous administration there was no expansion of reserves, because there was no exploration going on. With active exploration, there is every likelihood that it will have some impact on the reserves identified in the province of Saskatchewan. So when we look at an expansion in the rural gas distribution system for use for natural gas across the Prairies, particularly in the province of Saskatchewan, and some potential for industrial use, and we match that with the rate at which we bring in gas from Alberta plus find our own, we're looking at, as a minimum, 25 years and as high — if we continue to bring in gas from B.C. and Alberta that have identified, I understand, a 50-year surplus of natural gas and they've stopped looking for it — we're looking at a minimum 50-year supply in the province of Saskatchewan, even with industrial development.

**Mr. Lingenfelter:** — I don't know how we can have a minimum of 25 and a minimum of 50, because it's using your election platform and your verbiage and rhetoric for the past year, where you're talking about the ill-conceived idea of mixing more expensive Alberta gas and cheaper Saskatchewan gas. This used to be a terrible idea. Now, all of a sudden, it's a great idea and you're going to continue to do it.

And what I would like to know is whether it's your intention to continue to import Alberta gas or whether you aren't, and whether the policy that was set out by the previous administration was ill-conceived or whether now it has become a good idea, by your own admission. You can't have it both ways. Either we have 25 years supply and you were wrong before, or we have 50 years supply and we were right. It can't be both ways, and I would like to know what your policy is.

**Hon. Mr. Devine:** — Well, Mr. Chairman, Saskatchewan people probably believe it's about time they had it both ways. And they're going to have the ability to deal with their neighbours, on one hand, and move towards self-sufficiency on the other. Now, we inherited the contract, and in the minds of the members opposite at that time, they signed the contract for reasons they felt were justified. So we honour contracts. But it is our intention to move towards self-sufficiency in natural gas in the province of Saskatchewan. So to the extent that we can explore for natural gas, and find more natural gas here, we intend to back out Alberta gas.

You don't just do it overnight. So we will have both. We'll have the expansion of natural gas production in the province of Saskatchewan. We will gradually back out the Alberta gas as we move towards self-sufficiency. We will not be paying as much money towards the Alberta Heritage Fund as perhaps we did under the previous administration, and we will be building the reserves here so that we can expand the production and distribution of natural gas throughout Saskatchewan, on our own terms over time. So the verbiage hasn't changed at all. We want to move to self-sufficiency here. We want to move towards self-sufficiency in the province of Saskatchewan.

We can't cancel contracts that have been signed by previous administrations. They are contracts. And we will work to the best of our ability to back out of those, knowing full well that there's a glut of natural gas from here to Vancouver Island. It's been sitting up there piled high enough to last for 50 years. So we want to move here in the province of Saskatchewan to explore, and to use an effective source of energy that is about half to two-thirds the price of alternative sources of energy. People in Saskatchewan want that opportunity. We're going to provide it.

**Mr. Lingenfelter:** — I think that we have established a couple of things. One, that at the present rate of consumption, without the farm program put into place or an industrial strategy, about 24 years of Saskatchewan gas. I find it interesting how things have changed in one short year, to an absolute belief by the member for Estevan from where this whole idea of importing natural gas was ill-conceived and we would end it as soon as possible, given the fact that those contracts, I believe, and I could be corrected on this, end in 1991 or thereabouts. I guess what I would wonder is whether or not, given your present state of mind, whether you will end those or whether you'll continue the practice that has been established, of mixing the more expensive gas from Alberta in order that we have a longer reserve of natural gas. But given the fact that you are talking about 25 years, what I would like to know is whether or not you are involved in a plan, a submission to the National Energy Board to export gas, and what quantity that would be and how that would impact on the known reserve in Saskatchewan.

**Hon. Mr. Devine:** — Well, Mr. Chairman, it's public knowledge. Certainly I would expect the members opposite to have heard that there was an application to the national energy program. Ocelot Industries applied to sell gas out of south-western Saskatchewan to a utility in the United States. It was denied as a result of the long-term contracts. Apparently — this it the national energy program who suggested this — it

was the long-term contract between Alberta and Saskatchewan, and there was some concern about the flow-back position with respect to that contract. So we are still pursuing measures to develop natural gas in the province of Saskatchewan, to encourage exploration.

To encourage exploration it means that, in an area where there is surplus, we need to find markets. One of the major markets is the development of one in the province of Saskatchewan, through a natural gas distribution system, to get more Saskatchewan people hooked up to use a lower-priced energy, a cost energy.

Others may be industrial organization or industrial development that would lead to expanding markets in the use of that in the province of Saskatchewan.

A third may be the use, say perhaps of something towards the use of fertilizer which uses natural gas.

All those would allow us to begin to have more exploration at the same time we're using more gas. So it's a balance. It moves back and forth. So the application was made for the national energy program. It was denied. If, in some future date, the agreement is struck between Alberta and Saskatchewan, then we can pursue that.

**Mr. Lingenfelter:** — My question was: what was the application for, what quantity, and how, if it will be approved in the future? I imagine that you are involved in the negotiations that will go on. What kind of quantities are we talking about, and how will it impact on the known reserves in the province of Saskatchewan?

**Hon. Mr. Devine:** — I believe the application was for 1,000 million cubic metres, which was rejected. I would point out to the hon. member that most applications to the National Energy Board, even when they're accepted, only a fraction of the application is accepted. And that's pretty much traditional. So he could look back and review . . . Suppose the applicants go for a large market and then hope to get some fraction of that approved by the national energy program.

**Mr. Lingenfelter:** — Well, just to get it straight in my mind, it's 100,000 you're talking about, as compared to 40,000 in terms of an annual consumption in the province, or about two and a half years consumption in the province at existing consumption. Would that be correct? Well, it wouldn't be. It's 3,000, so it would be . . . Just tell me how many years' consumption at the present rate.

**Hon. Mr. Devine:** — About a third of a year. We use approximately 3,000 million cubic metres — this is for about a thousand. If the application settled on, say, a half because the fraction is usually what they receive, you'd be looking at one-half of a third, or about a sixth of a year, if it was a typical kind of an acceptance by the National Energy Board.

**Mr. Lingenfelter:** — Just in closing off that area. I suppose the point to be made is that if you're looking at expanding in an industrial strategy, which is a big user of energy, and if you're looking at nitrogen fertilizer, you'll well know the amount of natural gas that would go into that type of an operation. And if you're encouraging farmers to put natural gas into every grain dryer and every shop in Saskatchewan, you have another major drain on that natural gas. And if you're also going to be exporting it, my point to you is that if you're starting out with 24 years, you should know for sure what kind of reserves you have and not merely wish that you're going to have lots of natural gas. I wish I had lots of gold on my farm too, but it takes a little more than that when you

get down the road a ways to make sure that the needs of this distribution system that you're bringing on is going to have some relatively inexpensive gas to put into it, and that we're not out there importing the whole amount 20 years down the road, because while you may be a hero for three years, eventually someone else is going to have to pay for that ill-conceived idea if that's what it turned out to be.

I have a question on the national grassland park. I wonder if the minister can inform me whether or not there will be money forthcoming this year for the exploration . . . Speaking of exploration for natural gas and the great job you're going to do with it, such a great amount more than what was done under NDP government, how is the exploration in the national grasslands park coming along at the present time?

**Hon. Mr. Devine:** — Before I answer the first question, one comment about the tail-end of the observations the hon. member made with respect to something that is in excess supply for 25 years, and he's talking about farming. It came to mind that I believe in the world there's only about a six-month supply of grain at any time. The hon. member also continues to plant his crop year after year knowing full well that there may only be months' supply, similarly with respect to water. There's probably more natural gas in terms of the long-run supply than there is water. One final observation. When we say 25 years, I think the public should recognize that's 25 years without any more exploration and identification of natural gas . . . (inaudible interjection) . . . Just with constant market development here, without any exploration there's 25 years.

With respect to the grasslands park, the environmental studies necessary to have exploration begin in 12 months will be completed. The environmental studies will be approved. It's a combination of the federal-provincial parties working together. Those studies will be completed within the next 12 months, which will allow, at that time, exploration to begin. We have been listening to the concerns of the farmers and the ranchers and the people involved in the area. We are on schedule – I believe the minister has pointed out several times that we are on schedule – with respect to the development of these environmental and explorative activities, and they will be taking place as plotted out.

**Mr. Lingenfelter:** — Well, maybe I missed part of your answer. Did you say you're doing a study on the exploration for natural gas in the grasslands park?

**Hon. Mr. Devine:** — No, I said that the environmental surveys, and that information, will be largely completed within 12 months, so that the exploration activity will have approval as a result of these environmental activities – or studies, I might have said, or environmental . . . what's the word? . . . surveys – are completed. So the environmental surveys will be taking place over the next 12 months. As a result of that, there should be approval for the exploration activities, and things will carry on on schedule as agreed upon.

**Mr. Lingenfelter:** — Well, this is a new wrinkle that the people in the area and the federal government aren't aware of, because no one has ever mentioned that there's an environmental study that is now holding up the natural gas exploration. And if that's what you're telling us, then we should sit down with the federal department and get this straightened out, because at meetings that have been held over and over again, this is the first that I've heard that there's an environmental study that has to be done in the area before the seismic work can go on. And can you clarify for me: what type of an environmental study are you doing down there?

**Hon. Mr. Devine:** — We have done the environmental surveys to allow the seismic to be carried out. Part of that seismic work is already completed. We are getting environmental approval for drilling, because that is a necessary prerequisite for drilling. That's what will be carried out in the next few months so that the drilling activity can begin.

**Mr. Lingenfelter:** — Mr. Minister, are you saying that there's a drilling program ready to go in the grasslands national park?

**Hon. Mr. Devine:** — There is no drilling going on currently. There's two phases that have to take place under activities like this. Phase one is seismic operations. Phase two was drilling. When we start the drilling programs in 1984-85 we want to make sure that we have fully examined all the seismic information, all the environmental information so that we don't waste any time when this program begins. We are still examining that information. There are still some environmental things that will be done. And within the next 12 months, or approximately this time in 1984, the drilling can begin with both parties being confident that the information that is there is well understood, that we know exactly where we should be drilling, you might say where the hot spots are, where the best activity is likely to be, and so that we don't waste either time or energy, or costs in the drilling activity. We want to examine it as carefully as we can to date to make sure that we can use the information to the best of our ability.

**Mr. Lingenfelter:** — Mr. Minister, are you saying that the results of the initial seismic work that were done under the previous government, that the results that you have received from that survey are of quality enough that you have now established that a drilling program will go ahead? That's what I'm getting the indication that you're saying, and I would like to know whether the residents who are living down there can now expect the second phase, which would only go ahead if the seismic work produced the kind of formations that were oil or gas bearing. Are you saying that you now have a drilling program? You're announcing today a drilling program, as a result of those surveys, that is going to go ahead? Because certainly if the geological seismic that was done did not produce any oil or gas bearing formation, you would have no drilling program. And what you said today is that you're getting a drilling program ready to go — the second phase. So are you saying that there will be drilling activity in the proposed grasslands national park? Here again is a new announcement on the grasslands national park today.

**Hon. Mr. Devine:** — Mr. Chairman, there are no new announcements today with respect to drilling activities in the area. I think it's fair to say, and the hon. member knows, that seismic alone does not determine the presence of oil or gas. The seismic must be followed by test drilling. That's exactly what we've said today, is that we're going to examine the information — that's phase one, the seismic; phase two is test drilling. It's a combination. We look at the seismic information. Certainly the information provided by the previous administration doesn't tell us if there's oil or gas there. It might give us some indications whether there may or may not be. The next phase is to look at the possibility of test drilling to substantiate or further develop the information that you might get from seismic. That is being done so that 12 months from now, when we do active drilling — more than test drilling — that we are not wasting money or wasting time or in the wrong area or whatever.

**Mr. Lingenfelter:** — Mr. Minister, I wonder if, going back to the question on seismic work which has to be done in the winter-time, is there money in this year's budget so

that the winter of 1983-84, some of that seismic work which has to be done and is federally cost-shared, will that go ahead this coming winter?

**Hon. Mr. Devine:** — Well, I can only reiterate what the minister said – the minister responsible for Renewable Resources – saying that our program will be beginning in '84-85, so there will not be drilling this winter, or seismic this winter. The program is to begin on schedule 12 months from now. We'll be doing the other activities that he's talked about and I've talked about, to prepare for that. And it will begin, full co-operation from the federal government, on schedule, as agreed upon, in '84.

**Mr. Lingenfelter:** — Can you tell me the cost-sharing arrangement on that exploration, what is paid for by the federal government and by the province? Is it 50-50 cost-shared or is it a different split than that?

**Hon. Mr. Devine:** — 50-50.

**Mr. Lingenfelter:** — I wonder why. I know the federal government, at a meeting in Val Marie, indicated that they have money frozen by the treasury board for this exploration to go ahead. Why, in light of the fact that the seismic work, as I understand it, does not need any advance work, any environmental studies; it can go ahead tomorrow or as soon as the ground would be frozen in the fall. The hold-up, as I understand it, is the money being put in by the provincial government – and why you wouldn't, when there is 50-cent dollars there to be picked up on a project that you have already determined you're going to do, why this isn't an appropriate time to do it, given the fact that we have relatively high unemployment in the province.

Why wouldn't you move in that area quickly to do two things: one, get the grasslands park project on the road and, secondly, to create employment when 50 per cent of the money is coming from the federal government and they've already put the money up front and are telling people around that that's the problem? And not only they are telling it, in a letter that I received from the Minister of Tourism, he says the second phase of the seismic work and they expected to proceed when there is an improvement in the general financial situation of the province. It doesn't say anything about an environmental study, or any impact studies. It says: when we can get enough money scraped together, we will then match the federal government's contribution. And the onus in that part of the world is being put squarely on the back of the provincial government. And I'm just wondering why, in your own mind, you can't do it, given the fact you're going to do it sometime in the future. It seems to me it would be money well spent creating jobs, and possibly finding natural gas which you could then pump out and export.

**Hon. Mr. Devine:** — Well, Mr. Chairman, I don't want to be repetitious, but the hon. member knows that this is a seven-year program; not many seven-year contracts do you spend all the money the first year just because you have a joint venture with somebody. It is staged over the seven years. We are spending money and have more dollars allocated, as the hon. member knows and he's delighted with it I'm sure, on job creation than any other jurisdiction. So we are focusing on spending money today on those kinds of things that create as many jobs as possible for the dollar spent.

We are on time on our seven-year program. The federal government is happy to see that we are on time with that program. We honour those contracts, and we will be following through on them; the minister has said that. When we do begin the drilling activity in approximately 12 months from now, we'll be in very good shape to move as quickly as



possible to explore all the potential that there is in the park, and we'll have done our homework, and hopefully at that time we will see some substantial improvements in the financial ability of American farmers to buy potash, and people to buy oil from Saskatchewan, etc., etc. Clearly, the member knows that we're trying and succeeding in creating jobs at a very rapid pace in the province of Saskatchewan. And that's where we're focusing on our dollars in the short run, so I agree with him. Jobs are important; that's why we're spending the money on jobs.

**Mr. Lingenfelter:** — Well, on that issue, this isn't the first year that we will forgo a winter without that development in the grasslands park. We didn't have the exploration that was promised and people expected last winter, the first year of your administration. And now we're finding we won't have it next winter either. That's two years. The work that was done there, the seismic work, was done in the winter of 1981 and the early of 1982, prior to your coming on the scene. So we will go two winters without that exploration.

And while at the same time you're creating jobs shovelling snow during the winter or cutting branches on trees, I cannot for the life of me understand how, when there's a project sitting there waiting to be had – the federal government is offering up half of the money – and you know that you're going to have to do it at any rate, and you're already saying that you're going to do it, why wouldn't you do it now? Why wouldn't you use some of the money that's going to unemployed employables – part of the 14 million a month that you spend on welfare in the province – why wouldn't you put some of that money into a job creating program that's there being administered by the federal government? You simply have to put in 50 per cent of the money. You've said you're going to do it. And why won't you look at changing your mind and getting the small amount of money that's necessary to create those jobs?

**Hon. Mr. Devine:** — Well, Mr. Chairman, all I can do is reiterate: our position is that we have focused on job creation and created more jobs than any other province in the country – the only province in Canada that has a net increase in the number of people employed. We have the lowest unemployment in the country. We have more economic activity in the oil patch and the oil industry than any other place, practically, in North America. There is more optimism in the province of Saskatchewan compared to any other province.

The member opposite is always complaining that recently, that he says, 'My gosh, there's a deficit.' Now he says, 'I want you to use more money to increase the deficit.' That's what he's saying: increase the deficit. We are generating more revenue, we're generating more revenue in the province of Saskatchewan with our programs than under the previous administration. We're creating more jobs than in the history of the province of Saskatchewan. Records speak for themselves. And he's saying, 'Well, maybe you should borrow some money and encourage some exploration.' Well, clearly he can't have it both ways. He can't have it both ways, Mr. Chairman.

The program is a seven-year program. The province knows that it's seven years; the federal government knows that it's seven years. It is on schedule and it is on time and it will continue to be on time. The drilling will begin in 1984 as we agreed that it would be. The environmental research has to be done, and it is: the seismic, the test drilling, etc. etc. And it will be on time, on schedule, beginning in '84.

**Hon. Mr. Blakeney:** — Mr. Minister, I want to ask a couple of other quite different questions. Could I ask the minister to outline what is happening in the enhanced oil

recovery projects? I note that it is proposed to spend quite a bit more money pursuant to the Canada-Saskatchewan Heavy Oil and Fossil Fuel Research Development and Demonstration Agreement, and I wonder if the minister could outline what he expects will happen by way of heavy oil development, more particularly experimental development.

I'm asking about what tertiary recovery projects are now under way in north-west Saskatchewan. I'll ask that one. What tertiary recovery projects does he expect would be underway in north-west Saskatchewan? I'll confine it to that for the start, and I'll ask him to deal just with the major projects rather than with smaller ones which also might be under way.

**Hon. Mr. Devine:** — Mr. Chairman, my response to the hon. member's two questions, generally enhanced oil recovery activity is proceeding. There are, I'm advised, 13 projects active in Saskatchewan, generally in the north-west now. Most, which is relatively typical, are short-lived by they have quite positive . . . are looked upon as positive projects. With respect to the second question, the new arrangements and new agreements with the federal government are now under negotiation. There are no new projects now, but we would hope to be calling for proposals by this summer.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, how many of the projects would be under the general heading of fire flooding, and how many would be under the general heading of chemical projects, and how many would be under some other heading?

**Hon. Mr. Devine:** — About three steam, ten fire flood, and no chemical.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, are any of them at a stage that it looks like the technology will be used in the immediate future on a commercial basis? Have any of them reached the stage where we are going . . . somebody proposes to go ahead on a major commercial basis using the steam technology, which I'm sure will be the case here or there, or any of the . . . Are any of them developing a technology which is likely to be commercial within two years?

**Hon. Mr. Devine:** — Well, Mr. Chairman, the projects in the north-west are pilot studies. Certainly the fire flood technology that is being used in the south-west, on the other hand, has been commercial and will continue, I would suspect, to be active. There are some fairly good-looking possibilities with steam technology that may go beyond the pilot stage, but I couldn't add much more than that.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, is the Petroleum and Natural Gas Conservation Board active and, if so, who is the chairman?

**Hon. Mr. Devine:** — No, it's not active.

**Hon. Mr. Blakeney:** — Is it proposed to appoint persons to the Petroleum and Natural Gas Conservation Board in the period under review?

**Hon. Mr. Devine:** — There are no plans.

**Hon. Mr. Blakeney:** — Is not that the agency which deals with pooling by order or unitization or . . . by regulation and, if so, are there no instances of needing that body

to deal with those issues in the upcoming period?

**Hon. Mr. Devine:** — The body deals with statutory unitization, but is not required to deal with voluntary unitization. And over the last 10 years, virtually all the activity has been voluntary, therefore, there is no need for the body to be called.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, I wonder if you would give a brief statement on what activity is occurring in northern Saskatchewan in the hard rock area, excluding uranium? We are hearing stories of increased interest in gold, increased interest in base metals, further exploration in and around Flin Flon for base metal and the like, and I wondered whether the minister would give the committee a statement of what he expects will be happening in the precious and base metal area, excluding uranium, in the next 10 months?

**Hon. Mr. Devine:** — Well, Mr. Chairman, there has been a decrease in new dispositions granted in '82-83, and 7.2 per cent decrease in total acreage under disposition at the end of the year. This is mainly due to a decrease in interest in exploration of uranium.

At the same time, there's been eight new prospecting permits located along the southern margin of the pre-Cambrian Shield between Lac La Ronge and Amisk Lake, and they reflect a continuing high level of interest in base metal exploration following a significant copper/zinc discovery at Bigstone Lake. There have been two active gold interests. One is by Flin Flon Mines, and I understand that they purchased a mill in that area. I believe it's just west of Flin Flon. They haven't really given us a date when they're going to be starting up the mill, but they're active, and it looks somewhat promising.

There's another area — the . . . (inaudible) . . . lake area, north of La Ronge — where several companies are active in gold exploration. Nobody's admitted that they found anything that is going to be commercially viable to date, but the interest is high and the activity is carrying on, and we'll wait and see what they say.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, I wonder if you could give the committee the names of special assistants, executive assistants, and similar categories of employees employed by the Department of Energy at this time.

**Hon. Mr. Devine:** — There are two employees employed by the Energy and Mines — one is secretary to the minister, and another is a — Miss Croissant and Miss Payant. And that is the extent of the special assistants employed by Energy and Mines.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, is Mr. Doug Emsley employed by the department?

**Hon. Mr. Devine:** — No, he isn't. He's employed by Saskoil. There's two others that you may be interested in. Mr. Chuck Guillaume is employed by SMDC, and Miss Elizabeth McDonald is employed by Sask Minerals.

**Hon. Mr. Blakeney:** — Mr. Chairman, Mr. Minister, do you have the salaries of each of those people here or will I ask in another quarter?

**Hon. Mr. Devine:** — I'll send them over.

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

### **Item 5**

**Hon. Mr. Blakeney:** — Mr. Chairman, Mr. Minister, there has been a substantial drop in the vote for this agency, and a substantial drop in the number of staff. I assume that this means that some of the duties have been transferred to some other agency of government, and I would ask the Premier to confirm that.

**Hon. Mr. Devine:** — Well, if we start and we look at the '82-83, we have 29.7 people. The major reduction was the office of energy conservation. It has here 13.7 people, or about 14. We did add 2 individuals for energy policy, and we kept two from energy conservation. So when it nets out we are looking at 20 positions as opposed to the 29.7.

**Hon. Mr. Blakeney:** — Mr. Chairman, Mr. Minister, where are the duties now being performed that were previously performed by the office of energy conservation?

**Hon. Mr. Devine:** — Mr. Chairman, Sask Power Corporation is now responsible for energy conservation programs and direct services to the public. All the major programs formerly operated by the energy conservation branch have been transferred to or consolidated within SPC. And they include: (1) Warm Up Saskatchewan, (2) home energy loan programs, (3) industrial/commercial energy audit programs, and (4) information services.

All nine permanent staff and eight out of the 10 temporary staff have been placed elsewhere within the government, or within government departments or SPC.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, is any money provided in the vote of the Department of Energy and Mines to be transferred to Sask Power to finance those activities?

**Hon. Mr. Devine:** — No, not for this year.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, does the Premier think it's appropriate for the power users to pay the costs of energy conservation programs, or the natural gas users? Is this not a function of government rather than a function of a public utility whose job is not primarily to encourage conservation, but to deal with bottom-line considerations, if I am to accept the logic of your advisers in royal commissions?

**Hon. Mr. Devine:** — Well, Mr. Chairman, perhaps the best way to put this is that we started with what the previous administration had and we just expanded it. SPC was responsible for Warm Up Saskatchewan and the HELP (Home Energy Loan Program) and that was initiated by the previous administration.

Many utilities across North America are involved in conservation programs. I think it would be fair to say, I suppose from a theoretical basis, such a high cost associated with incremental generation of electricity, that it's something that all utilities are interested in and are closely associated with.

Similarly, SPC has information offices all across Saskatchewan, and if they can unite this information service on conservation with effective use and efficient use of electricity and home-building and so forth in one office, it provides a rather comprehensive package of information from a utility point of view. So it may have and impact on their long-run operations and the long-run cost. We, frankly, just saw fit to extend the operation beyond what was initiated under the previous administration.

**Hon. Mr. Blakeney:** — Mr. Chairman and Mr. Minister, I don't want to prolong this debate, if indeed debate it is. I just express some concern about leaving the conservation aspects of energy with an agency who is measured by the amount of natural gas and the amount of electricity they sell and not the amount they conserve. I freely admit that at some stage of their generation cycle it will pay them to press conservation so they don't have to add an extra segment of generating capacity, but once SPC is committed to Nipawin and some other major generation projects I suspect that they will want to sell power, not conserve it. And there is, in that regard, some potential conflict of interest, and I am apprehensive. But the government has made its decision. I understand why; I don't agree with it.

Item 5 agreed to.

Vote 23 agreed to.

## **SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE**

### **RESOURCES DIVISION**

#### **ENERGY AND MINES**

#### **Ordinary Expenditure – Vote 1**

Items 1 to 3 inclusive agreed to.

Vote 1 agreed to.

## **SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE**

### **ENERGY SECURITY DIVISION**

#### **ENERGY AND MINES**

#### **Ordinary Expenditure – Vote 47**

Items 1 to 6 inclusive agreed to.

Vote 47 agreed to.

**Mr. Chairman:** — I would like to thank the minister and his officials.

## **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

### **SOCIAL SERVICES**

#### **Ordinary Expenditure – Vote 36**

**Item 1 (continued)**

**Mr. Shillington:** — Thank you, Mr. Chairman. I have a question for the Minister of Social Services. I wonder if you could tell me how much money was given by way of grants or otherwise to the Fair Deal Tax Service.

**Hon. Mrs. Smith:** — Mr. Chairman, in answer to the member from Regina Centre's question, they are not receiving any funding for the fiscal year of '83-84. And they received approximately \$9,000 in the previous year.

**Mr. Shillington:** — Madam Minister, what was your reason for having cut out this grant in the 1983-84 fiscal year?

**Hon. Mrs. Smith:** — At the time the initial decision was made on it, in looking at the various social programs it was felt at that time that this probably did not fall into the category of social programs, as we know social programs, and that if there is to be a service that it be best handled through the Department of Consumer Affairs. I guess some of the other factors that come into it is that the Canada revenue does have an information service, free of charge, for those types of things. Also, if I take a look around, particularly at the major centres in this province — mostly Saskatoon and Regina — I see several organizations, including the association for the chartered accountants, that do that type of thing yearly, whether it be for low-income, senior citizens, or those that just require some help.

**Mr. Shillington:** — I suggest to you, Madam Minister, that neither the Department of Consumer and Corporate Affairs, nor the Department of National Revenue, nor the institute of chartered accountants will provide this service for disadvantaged people. I suggest to you Madam Minister, that Morris Eagles is right when he stated that these disadvantaged people now have nowhere to turn except to the tax discounters who will gouge them. Is the minister seriously suggesting that you want these people . . . you are going to mail out the phone number of the minister of consumer and corporate affairs and suggest they all flock into his department and have his officials complete their forms? Was that suggestion supposed to be taken seriously? And was your suggestion that they all be sent to the Department of National Revenue to be taken seriously? I suggest to you, Madam Minister, that Morris Eagles is patently right. There is no place for these people to go now but to the tax discounters. \$9,000 is an almost immeasurably small amount of money in your department. I doubt that you can estimate your annual expenditure within a figure of 10 times that amount; \$9,000 was an insignificantly small amount of money. It was responsible for salvaging for these people sums that were important to them, and, Madam Minister, probably salvaging something for the department, since the money that they got from the income tax department might in some way reduce their dependence on the Department of Social Services. I don't know that that's the case, but I would imagine if they got money back from the Department of National Revenue, they might expect to have to report that. But I suggest to you, Madam Minister, that the sum of money you have cut out is immeasurably small; the hardship you have created among disadvantaged people is very considerable. They will be forced into the arms of the tax discounters who will gouge them. And I ask you, Madam Minister, if you wouldn't reconsider this decision.

**Hon. Mrs. Smith:** — I find some confusion in your statement. And I believe it was more of a statement than a question. If you're talking about low interest-free loans, that type

of thing, you're in the wrong department. What this department had was a counselling service, and I suppose, to you, perhaps \$9,000 is a very small amount. And when people start setting priorities, you begin looking at criteria.

For instance, if I go back a year ago, or perhaps even a year and a half ago, I would have thought from where I set my priorities that perhaps \$40,000, \$60,000 for services to the deaf was a very small amount in comparison to the 6 million that had been spent on crown corporation advertising the year before. But then again, I guess it comes to where one wants to put their priorities. And as I had suggested, we looked at the area and we felt that there were many things out there that could pick up the area of counselling and information in this particular area. And if you think that I'm wrong in terms of a service being there, I suggest you go the *Leader-Post* a couple of months back and there was a paid ad there. It was for senior citizens, low income, and the counselling was there.

**Mr. Shillington:** — I distinctly referred to the Fair Deal Tax Service which has nothing to do with low-interest loans, nothing to do with counselling. Let me quote to you a reasonably accurate description from the *Leader-Post* of the service this group provides:

Fair Deal was incorporated in 1978 (*Leader-Post*, April 18, 1983) and received money to operate and pay for staff from the provincial Social Services department. It helped people fill out tax forms and allowed clients to borrow money against the expected return.

This was not the loan program that welfare rights were at. They were not providing counselling services particularly; they were assisting people to fill out returns.

I suggest to you, Madam Minister, that these people can't go to the Department of Consumer and Commercial Affairs to get their forms filled out, nor is the Department of National Revenue in the business of filling out forms, nor is the institute of chartered accountants in the business of filling out forms for nothing. These people have nowhere to go but the tax gougers. I'd ask you again, Madam Minister, if you wouldn't reconsider such an inexpensive service which provides relief for a goodly number of the poorest in society.

**Hon. Mrs. Smith:** — Well, I think like any other program . . . And I guess I take some objection to you talking about, particularly in very broad general terms, about tax gougers out there. You know, I think the impression that that puts upon the public is that anybody that has a tax service or in any way is working with the accounting field is one of being gouging, and I think that's very incorrect. I think if you would take a look at the laws for the protection of consumers, there are many that are in place. As I had indicated earlier, this was a counselling service in the area of an area we felt more appropriately belonged somewhere else, and that in fact there were some duplications, particularly when it came to the area of counselling and information on it.

**Mr. Shillington:** — Madam Minister, I am not particularly protective of this particular industry, and I no way mentioned those people who lend assistance to the public in completing tax forms; that's a different business. The H&R Block, and so on, are in a different business. Madam Minister, I am referring to those people who lend money on the strength of a tax return and get an assignment of the money back from the income tax department. The amount that they charge is often 15 per cent. On a per annum basis, that's in excess of 100 per cent, and I'm not particularly protective of

someone who charges that sort of a usurious rate.

**An Hon. Member:** — From welfare recipients.

**Mr. Shillington:** — My colleague from Shaunavon says correctly, from welfare recipients, from those who have been temporarily employed, the poorest in society.

Madam Minister, I want to ask you, as well, about the day care. I note in your estimate child care institution have been reduced by a total of some eight staff persons. I wonder, Madam Minister, if you'd give us a description of what staff persons were . . . a list of the positions which were deleted.

**Hon. Mrs. Smith:** — The figures show approximately 8.2 person-years; 5.2 of those were the Roy Wilson Centre, which has already been discussed to some detail. Another position was the director of Roy Wilson Centre and was moved to central operations. We had another position that was in the wrong subvote last year, and we had another position in the Saskatchewan Boys' Centre. It was an accounting clerk position, and that was moved into central administration.

**Mr. Shillington:** — Thank you, Madam Minister. I want to deal with grants to day care, item 11, in Grants to Local Authorities and Other Parties. I gather that a sum of money has been transferred from DNS and that makes up for part of this, and I'm not sure whether that has distorted the figures and perhaps you'd enlighten me on that.

I'd also like you to comment on the criticisms that your department has been subject to, and I could have pulled any one of a number out of a file but I happen to have before me an article from the *Star-Phoenix* dated April 18th, 1983, and this is a direct quotation:

A resolution passed Sunday at the general meeting of the Saskatchewan Action Committee, Status of Women, urged the province to set aside enough money to raise its subsidy for each day care space to \$300 per month and create 400 new spaces.

That, it is stated, would cost each taxpayer 20 cents per day. I'm wondering, Madam Minister, if that might not be viewed as a good investment, apart from any question of a more humanitarian approach to day care. I wonder Madam Minister, if we might not view that as simply being a good investment in the future of our children.

**Hon. Mrs. Smith:** — Perhaps if I could deal firstly with your comment on day care through DNS. It is all in there but it's in two subvotes, as it always has been: one in the allowances and the other in the grants.

As to your comment on the good investment for the future for our children, I guess I can only say that I think given any time that you can have an investment in your future, and that's indeed what children are, it's money well spent. But I would also suggest to you, as a woman to a man, that there are some other things that we have to begin to look at, and they are probably the most difficult things as a female that I am ever going to have to get through to my members opposite, particularly if they're males, and that's the whole question of alternatives besides day care centres. Let's talk about flex hours in the work force. Let's talk about part-time work, where the male is indeed willing to work part-time and share the child-rearing in the house. Let's look at on-job-site day care. I have not seen any initiatives in this province to do with that and yet I think talking to some of my female friends that is indeed an alternative that they would welcome.



After looking at those areas, I would also suggest to you that there is another area to be looked at, and that has to do with the child tax credits. Right now there is absolutely no recognition and no incentive for any woman or man that decides to stay at home to raise that family. You do not get the recognition that I would if I go to work and I have some expenses. And I think that's an area that we, as a government, would like to sit down and talk to our federal counterparts on.

So indeed, while I agree that the investment is one of being worth while, I would also suggest that it has a lot more to do than 20-whatever-it-was cents per person. I think that you have to take a look at the number of spaces that are there, the demand and the vacancy rate, before you come to any great conclusion.

The Assembly recessed until 7:00 p.m.