

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 19, 1983

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PETITIONS

THE CLERK: — Under rule 11(7), I report favourably on the following petition: of certain citizens of the province of Saskatchewan praying that the Legislative Assembly may be pleased to urge to the government to reverse permanently the decision by Saskatchewan Government Insurance to close the motor vehicle division offices in four Saskatchewan cities.

WELCOME TO STUDENTS

MR. BIRKBECK: — Mr. Speaker, I would like to take this opportunity to introduce to you and of course through you to the other members of the Assembly, a group of grade 4 and grade 6 students. They are seated in the west gallery. They are from Langbank; Langbank of course being in my constituency. I certainly want to welcome them here to the legislature today. I would advise the Assembly that there are in fact 22 in number, so a good number of them have come in today to visit our legislature. And I would as well advise the Assembly that they are accompanied by their teachers and/or chaperones, Mr. Gordon West, Margaret Duke and Erin McKee. I will be meeting with the group at about 3 o'clock — between 3 and 3:15 — in the rotunda area for pictures, and later after for drinks and, I hope, some questions from the students as well as to the proceedings of the House today. I would close then by asking all members in the Assembly to join with me in welcoming them here to Regina, wishing them a very good visit and a safe trip home. Thank you, Mr. Speaker.

HON. MEMBERS: — Hear, hear!

MR. SMITH: — Mr. Speaker, I would like to introduce to you and through you, a group of 10 students from the Pense School. Their member is not in the House, so he's asked me to do this for him. Accompanying the students are Debbie Quinlan, Pat Harlton and Bonnie Bell. They are sitting in the Speaker's gallery and I'll be meeting with them at 2:30 for pictures, the second floor, in the rotunda, and drinks at 2:35. I wish all members to give them a hearty welcome here today.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

HON. MR. SANDBERG: — Mr. Speaker, I have the pleasure of introducing to you and through you today to members of this Assembly, a very distinguished guest, His Excellency Vagn Korsbaek, the Danish ambassador to Canada, who is accompanied here today by his good wife. His Excellency and his wife are seated in the Speaker's gallery and the ambassador will observe a portion of the House proceedings before continuing on a busy and informative itinerary today.

This morning His Excellency conferred with His Honour, the Lieutenant-Governor Irwin C. McIntosh, and this afternoon His Excellency will meet with the Hon. George McLeod and later with officials of the Hon. Paul Rousseau's Department of Economic Development and Trade. He will also visit with the honorary consul of Denmark, Mr. Gordon Rasmussen, before enjoying a tour of our Queen City capital, Regina.

So as one good Norseman to another, I would ask the ambassador and his wife to stand and be recognized by members of this Assembly. Welcome.

HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Briefly, Mr. Speaker, I want to second the comments made by the Minister of Co-operatives. We want to welcome a very distinguished visitor to Regina, and we have many ties with Danish people, forged in a very close way during the war and has continued since then. Many people in Saskatchewan have roots in Denmark — my friend, the member from Athabasca, his father was an Icelander so the ties are very close. We welcome you here and we hope you enjoy your stay in Saskatchewan as much as we enjoy having you here.

HON. MEMBERS: — Hear, hear!

WELCOME TO STUDENTS

MS. ZAZELENCHUK: — Thank you, Mr. Speaker. I would like to introduce to you and through you to this Assembly two school groups visiting us from Saskatoon. First, approximately 35 grade 8 students from W.P. Bate School. They are seated in the east gallery and accompanied by their teacher, Mr. Ron Boden. I'll be meeting with them at 3 o'clock for pictures and refreshments. Also, on behalf of my colleague from Saskatoon Mayfair, I would like to welcome to the Assembly approximately 15 grade 8 students from McNab Park in Saskatoon. And they are seated in the west gallery, accompanied by their teacher, Elwood Torgunrud (I'm sorry if I have the pronunciation wrong), and Mr. and Mrs. Suderman. I'll be meeting with them at 2:30 for pictures and refreshments. On behalf of the Assembly, I wish them a very pleasant day in Regina and a safe trip back home. And I would like all members to join with me in welcoming them here this afternoon.

HON. MEMBERS: — Hear, hear!

MR. PETERSEN: — Thank you, Mr. Speaker. I would like to introduce to you and through you a group of grade 4 students from the Wadena Elementary School in Wadena. They number 46. They are accompanied by teachers and/or chaperones, Mr. Reg Glennie, Anne Michaluk, Mair MacDonald, and Shin Jiro Miaji, as well as their bus driver, Jim Haggard. I'll be meeting with them at 2:30 for pictures and at 2:45 for refreshments. Please join with me in giving them a good welcome here today.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

HON. MR. BERNTSON: — Mr. Speaker, I would like to introduce to you and through you to all members of this House a delegation visiting our province from Bulgaria. This is a return visit, Mr. Speaker, from the visit that I had in Bulgaria, the successful visit I had in Bulgaria earlier this year.

I would like to introduce to you, Mr. Speaker, Dr. Hinkovski. Dr. Hinkovski is the president of the Bulgarian Agricultural Academy and, in addition, is the vice-president of the Central Council of the National Agro-industrial Union. That is comparable to our deputy minister of agriculture here in Saskatchewan, Mr. Speaker.

He's responsible for all agricultural research programs in Bulgaria; responsible for the administration of the numerous agro-industrial complexes throughout Bulgaria; responsible for the dairy, goat, sheep, and beef breeding programs for Bulgaria; is the key person responsible for the importation of polled Herefords and Holstein cattle from Saskatchewan to Bulgaria; and is a noted scientist, particularly in animal genetics. And I would also like to point out, Mr. Speaker, that he has something in common with the Premier of this province in that they both went to Ohio State University.

I'm pleased to announce as well that, after some considerable discussions, we will start the selection process later this year for an additional 500 polled Herefords for Bulgaria.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. BERNTSON: — We also have Dr. Dobrev. Dr. Dobrev is a doctor in animal nutrition. He is president of the National Agro-industrial Complex at Tolbukhin, which is located in the largest agricultural area in Bulgaria. And to give you an indication of the size of this farm, the complex has 40,000 dairy cows on it.

Additionally, we have Mr. Vlahov. He is consul and trade commissioner in Toronto, representing Bulgaria. His responsibilities are to promote trade between Bulgaria and Canada. He assisted, as well, with the export of Saskatchewan polled Hereford cattle to Bulgaria, and he's responsible for promoting, of course, trade both ways and has been instrumental in discussions between his government and ours in an effort to get Bulgarian wines listed with our liquor board, which is in the process of happening now. And we're also exploring other areas of trade between our two jurisdictions.

I would ask our three guests to stand up and be recognized, and I would ask all members to join me in welcoming them here today.

HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Thank you, Mr. Speaker. Ever so briefly I want to join our colleagues in government caucus in welcoming our distinguished visitor from Bulgaria to Saskatchewan. We have many ties with Bulgaria. Very many Saskatchewan people came from Bulgaria and settled in this province and helped develop the agriculture industry initially. Those ties continue to this day. There are many items at issue between the government and the opposition and you may hear of some of those later on in the day. One item that is not an issue is our desire to increase our trade links with the people of Bulgaria, and we warmly welcome you here, and warmly support all efforts being made to enhance trade links with Bulgaria.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Cost of Operating Licence Issuing Offices

HON. MR. ROUSSEAU: — Thank you, Mr. Speaker. Yesterday I promised the member from Regina Centre that I would provide certain information that, incidentally, I had provided before to him in answer to a question of his. And before I do, Mr. Speaker, I want to tell the hon. member, as well as the people of Saskatchewan, that when we took over the Government of Saskatchewan we found SGI to be in a terrible mess. And I want to repeat that many times because, as I say, it was in a mess, and the job of our government, and our board, and my job in particular, Mr. Speaker, was to make some very hard decisions for the benefit of efficiency in running SGI.

Now, Mr. Speaker, the question that was asked — I'm going to provide this information if the hon. member from Quill Lakes will be a little patient. Under the present system, the cost, and I will give you the cost of operating the four different issuing offices as it is under the system that we have today. The North Battleford cost total on a yearly basis is \$96,786. I may just correct my original statement, Mr. Speaker. The transaction accounts are based on actual transactions processed from April 1, 1982 to February 28th, 1983, and march 1983 is projected, and that is the time frame.

In Swift Current, the cost at the present time is 105,701; in Estevan \$79,667; and in Weyburn \$88,965. The total cost for issuing licences through agents, Mr. Speaker, would be — on a commission basis that is — would be, in North Battleford, \$64,371, for a net saving of about \$32,000 a year. In Swift Current, the net cost would be \$80,717, for a net saving of \$25,000. In Estevan, the total cost would be \$59,703 for a net saving of approximately \$20,000. And in Weyburn, the net cost would be \$59,232, for a net saving of \$29,000 to \$30,000.

In total, Mr. Speaker, the total saving to SGI, using the method that we wanted to move to, and that is to provide the issuing of licences through SGI agents, would have been, in a one-year period, \$107,096. And not included in that saving, Mr. Speaker, would be rental income that we would receive from the agents for leasing that space, or any space, which is a cost to us today. As well, not included in those costs, are other costs such as office equipment and operating costs for running those offices. So, the idea we had, Mr. Speaker, was to make the Crown corporation of SGI more efficient. It's something that the NDP cannot understand. It's something that for years they have mismanaged and messed up the . . .

MR. SPEAKER: — Order please. I think the member is getting a bit political in his answer.

MR. SHILLINGTON: — Mr. Minister, if you recall, yesterday I asked you to table your cost-benefit analysis. I tell you, Mr. Minister, your track record in providing information is such that I'm from Missouri — when you give me information, if I can't see it, I don't really believe it. Are you prepared to table the cost-benefit analysis? Because unless you are, I'm going to go on to other information, and I want to go on to other questions. The information you provide simply isn't worth responding to unless . . .

HON. MR. ROUSSEAU: — Mr. Speaker, his track record is in fact that I have to provide information to him a half dozen times before he understands what he's getting. And what I have told him is in fact on the record, is in fact tabled. And for the member's further information, I can't table anything during question period.

MR. SHILLINGTON: — I'm going to ignore the response then, I gather the minister is not prepared to table it. You can table it whenever you want and you can certainly give an

undertaking to table it. Will you give me an undertaking to table that material to me?

HON. MR. ROUSSEAU: — Mr. Speaker, I have provided the information. Now if he can't read it from *Hansard*, I'll provide the proper slip — which is this information here. I've written all over this one, so I'll get a fresh one and table it at a later time, which I can't do during question period anyway. However, the information I'll provide. Now if you want it in full detail I am prepared to take all the question period to give you every figure that's on this sheet of paper, on the record, so that not only you will see it, not only the people in this legislature will see, but all of the people of Saskatchewan will better understand. Now I'm prepared to do that because it's really good information so far as we're concerned, and it'll teach you or indicate to you why we are operating in the manner we are. We're looking for cost efficiency in that corporation.

MR. SHILLINGTON: — I will grant you it's good information as far as you're concerned. I'm questioning its accuracy. And I ask you again: are you prepared to table the cost-benefit analysis? I do not want any more information orally. I want you to table your cost-benefit analysis. Are you prepared to do that?

HON. MR. ROUSSEAU: — Well, again, Mr. Speaker, it takes him a half dozen times before he understands. I did say yes, and if he wants me to repeat that again, I'll repeat it again. But I'll table it. I'll get a fresh copy. I'll get a fresh sheet. I'll table it. I'll read it in the legislature if you like. I'll give you everything you need on the information I have. I'd be more than happy to supply all of the information that I have in respect to the analysis, in respect to the cost savings, and indicate to the people of Saskatchewan what kind of a mess that corporation was in when we took over this government.

SOME HON. MEMBERS: — Hear, hear!

Saskatoon NHL Franchise

MR. SHILLINGTON: — I will say, Mr. Minister, I'll wait with very considerable interest all the information that you have.

I have a question to the Acting Premier in the absence of the minister of culture and youth — the minister, I take it, responsible for the government's participation in Saskatoon's bid to gain an NHL franchise. Members of our caucus, like many people of Saskatchewan, were surprised by yesterday's decision in New York to reject Saskatoon's bid for an NHL franchise. We have a number of questions about this announcement, such as whether or not the provincial government plans to pursue this any further, alone, or together with anyone. Are there any contingency plans? And most important of all, what went wrong in New York yesterday?

My question to the Acting Premier is: can the Acting Premier give this Assembly your assurance that you will ask the minister responsible, minister for culture and youth, to provide a ministerial statement to this Assembly as soon as possible upon his return?

HON. MR. BERNTSON: — Well, in answer to the last question, Mr. Speaker, of course I would ask the minister. I'm kind of interested myself. And having said that, just because I ask doesn't mean it's going to happen, because we make kind of collective decisions over here. We don't carry the big stick.

But I'm wondering, Mr. Speaker, if the hon. member is sharing the glee of the major cities in the United States and some city in eastern Canada. Mr. Speaker, or if he's

sharing the disappointment that we in Saskatchewan obviously feel today as a result of the announcement out of New York.

MR. SHILLINGTON: — Well, I want to . . . It's not really a question; it's a comment. I want to thank the Acting Premier for that undertaking. We have some questions as to what went wrong, and we hope, Mr. Minister, that in asking the minister to make the statement, it will be as full and complete as possible.

Saskatchewan Forest Products' Lumber Yards

MR. THOMPSON: — Thank you, Mr. Speaker. I direct my question to the minister in charge of the Saskatchewan Forest Products Corporation. It has to do with the answers you provided in this Assembly on Monday concerning the sale of inventory from the Saskatchewan Forest Products Corporation's retail lumber yard in Prince Albert. I had asked you whether or not inventory had been sold to Econo Lumber in Prince Albert, and why you had not called tenders, because there were other lumber yards in Prince Albert who would have been interested in the material. In your response, you denied that Econo Lumber had purchased the inventory; that instead, it had gone to a company called Visionex Enterprises Ltd. But I've done some checking, and in fact Visionex Enterprises Ltd. is owned by the people who own Econo Lumber. So I suggest that you were being less than fully fair with the House with your information.

Mr. Minister, can you confirm that the lumber was in fact purchased by the principals in Econo Lumber?

HON. MR. HARDY: — Mr. Speaker, I can't confirm that. I just have here an inventory sale that says to Visionex Enterprise Ltd. Of Prince Albert, Saskatchewan. So that's all I can confirm — the bill of sale, who it's made out to. I can't say who is the owner of it. So I couldn't answer that directly.

MR. THOMPSON: — Supplementary, Mr. Speaker. Would the minister not agree that your government lumber yard was selling inventory to only one of a number of yards in that city without calling tenders?

HON. MR. HARDY: — Mr. Speaker, in regards to that question, we'd been selling that lumber out since last fall and I think it was open to the public. Everybody was buying it, as far as I know. The last bit of inventory was sold to one person on an offer, I explained to you earlier this week, in regards to the market value less 15 per cent, which was fair. He took everything — the poor grades and everything. We thought it was a very fair value for the merchandise that was there. As you know, when you get to the bottom of any business, the last bits are never quite as good a value as . . . Especially in lumber. You know, lumber gets deteriorated. Piles are sitting outside as the member well knows. And so when you take everything and you clean it all up, it was a fair value, we felt, for what was left there and that's what we received.

MR. THOMPSON: — Yes, Mr. Speaker, you indicate that Econo Lumber Visionex purchased the remaining amount of lumber and you indicate that some of it was bad, some of it was culls, but not all. Could you indicate to the House, Mr. Minister, how many board feet of lumber that Visionex purchased without tender?

HON. MR. HARDY: — Mr. Speaker, I would have to go to certainly back to Sask Forest Products in P.A. for that type of information. What it was, there was more than lumber. It

was just everything that's left in a lumber yard. There's nails, there's just everything. They took it all in one block at the end, and they just cleaned it up so it would be left in a tidy condition. I couldn't tell you exactly how many board feet of lumber or how many kegs or nails or what there was. I have no idea. I just know there's a fair return for what was left and it was the end of a business that we'd sold right down as much as we could sell to the public. So it was sort of a clean-out at the end and it was, we felt, a fair market value.

MR. THOMPSON: — Final supplementary, Mr. Speaker. You indicate that you sold to Visionex lumber not only lumber but the rest of the materials from your retail outlet. And I would assume that you sold windows and sidings . . . (inaudible interjection) . . . rusty nails, as the Minister of Finance jokingly is commenting about. But I would assume that there are a lot of materials that you have at a retail outlet and I wonder, could you indicate to the House, and you'll probably have to take notice of this question and bring it back, but just what was sold to Visionex lumber yard in Prince Albert without being tendered?

HON. MR. HARDY: — Well, Mr. Speaker, I've said it was the end of a lumber yard. It was a clean-out at the end. I don't know what was there — probably windows and doors and whatever was outside. And some of it was sitting outside. Some would be the materials and things. A lot of it was sitting outside. It was a clean-up at the end of a sale of all we could possibly sell to the public. They cleaned it out in one block, what was left. And it was a fair market value we felt we'd received for it. I think we had received a good return for what was left and that's how we left it.

AN HON. MEMBER: — It's called a clearance sale.

HON. MR. HARDY: — My colleague here calls it a clearance sale. We call it a clearance of what was left, the culls of what was left. So I guess that's how you would say it.

MR. THOMPSON: — New question, Mr. Speaker. The minister has indicated that odds and ends were sold, and he calls it a clearance sale. I just wonder how you could indicate to this House that you are selling the property that's owned by the taxpayers of this province without tendering, and you call that a clearance sale. You sold it to one individual, another lumber yard. My question is: Mr. Minister, will you indicate to the House after you have the information just how much material you did sell to Visionex; what was involved — whether it be windows or insulation or whatever it was that you sold without tender — and bring that information back to the House, because I impress upon you, Mr. Minister, all that material was owned by the taxpayers of this province?

HON. MR. HARDY: — Well, Mr. Speaker, in regards to selling it out, we've been selling it out at discount for a considerable length of time, some of the material. We're still doing it at Sturgis, Saskatchewan. The people around Sturgis and the area around, any place, can go to Sturgis and get it at a discount right now. We're doing the same thing at Sturgis. We're selling it at a discount price, whatever the people will buy locally and whatever they'll purchase. When we get to the point where they're not purchasing anymore we sell it out as a block. We'll probably do the same thing at Sturgis when we get it at that point, if an offer comes in that is a fair market offer. It is for retail sales. We will sell it at any time to anybody. I think it's an open . . . In any business you'll do that, so I just think it's . . . To give you an itemized list of what we sold I think it would take days, and I don't know if there'd be a complete itemized list. I don't know if they'd go to that extent, so I'll look into it, but to report back what there is I'd have to check it out first.

MR. THOMPSON: — Final supplementary, Mr. Speaker. I would ask the minister to bring back an itemized account of all materials that were sold at that lumber yard in Prince Albert to Visionex without tender, because, as you indicated in the House, you sold, you put that up for sale. Most certainly it was not for sale. It was sold to another retail outlet who is going to resell that material, and I say that the citizens and the taxpayers of Saskatchewan have a right to know what they received, what was sold, and the amount of moneys that were received for that material. And also, that all the other lumber yards in Prince Albert also would like to know what was sold there, and would most certainly have appreciated a chance to also bid on that material. And I ask you if you would bring that information back to the House.

HON. MR. HARDY: — First of all, Mr. Speaker, we felt we were very lucky to be able to sell it. It was the end of the piles, as you would call them, and the member well knows when you get to the end of whatever, it's hard to sell. Secondly . . . (inaudible interjection) . . . If the member from Quill Lake will be quiet for a second I'll tell you. Secondly, the total amount of market value of the products that was there was \$140,000. That was done by an appraisal. We sold it for \$110,000, that's cleaning out everything that was there. So that's about all I can give you. I don't know it's an itemized statement on it, but that would give you an idea of what was there.

MR. SHILLINGTON: — A supplementary on this line of inquiry. Will the minister not admit that there is an important qualitative difference between selling pieces to one and all, and a sale in bulk which disposes of the balance of the inventory? Will the minister not admit that there is an important difference, and will the minister not also admit that to dispose in bulk of an inventory in the public sector is in the highest degree imprudent without tendering?

HON. MR. HARDY: — Well, Mr. Speaker, in regards to the amount of lumber that was sold, Sask Forest Products produces and sells many, many times that much each day. So it is sort of, I guess you'd say, a bulk sale through the balance of the retail yard which is certainly a good way to do it. There's nothing wrong with it. We wanted to clean it out — it was . . . (inaudible) . . . products that was left — some was good, some was poor. It was a clean-out sale, a clearance sale. All stores do it. We sold it down until we couldn't sell any more, then we turned and sold the balance out at a block payment. It was good business. We got a good return for our dollar and I can see nothing wrong with it.

SPC Rate Application

MR. KOSKIE: — Thank you, Mr. Chairman. I would like to, in the absence of the minister in charge of the Sask power Corporation, and in absence of the vice-chairman who is not a member of the legislature, I'd like to direct a question to a somewhat forgotten minister — the deficit Bob, the Minister of Finance.

I want to ask the minister . . . As you know, the Saskatchewan Power Corporation has been asking for very high increases, and there have been submissions made to the public utility review board indicating very drastic effects that it will have. The Consumers' Association of Canada indicated that there's likely to be greater unemployment. Early in the week, the Saskatchewan Dehydrators Association, Estevan Brick, Avonlea Minerals, said if the increases are brought about, in fact then they'll have to close shop.

What I'm asking you, in view of the devastating effect — the devastating economic effect on companies already here, and the possible devastating effect on companies

who would like to locate here — I'm asking you: are you still going to proceed, with the risk of these economic consequences?

HON. MR. ANDREW: — A couple of points, Mr. Speaker. The public utilities review commission is an independent judicial body that looks at the rates, and that is a positive step forward that we, as a government, developed.

With regards to the question of Sask Power asking for these particular rates, I want to make it clear to the Assembly and to the people of Saskatchewan, one of the major reasons why Sask Power finds itself in a tough situation. When you were the government, when the NDP government, with their brilliant capacity to negotiate contracts with the federal government — tremendous capacity to negotiate contracts with the federal government, Mr. Speaker — agreed unilaterally, Mr. Speaker, unilaterally to absorb some of the national energy programs' taxes, that were probably unconstitutional for them to impose upon a provincial government. They accepted it holus-bolus as their brilliant strategy of negotiating a contract. The people of Saskatchewan, Mr. Speaker, will pay \$100 million a year for that terrible blunder by the NDP government and I hope the people of Saskatchewan remember that for a long, long, long time when they have to pay their power bills in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Minister, a lot of rhetoric. But you indicated in your economic philosophy, as you espoused, is open for business, and part of that is to improve the economic environment for firms locating here and existing here. I want to ask you: in view of the devastating effects — increased utility rates seen making firms less competitive — how can you say that increasing these rates at the massive is consistent with your economic philosophy?

HON. MR. ANDREW: — Well, I'll try it again, Mr. Speaker, with another approach. The previous government, in their massive wisdom to develop Saskatchewan, believed it was better than developing and producing gas in the province of Saskatchewan, they'd buy it from our neighbours and friends in the province of Alberta. And they poured millions of dollars, not only into the federal coffers with their first debunkle, but they also now poured billions of dollars into the Alberta Heritage Fund. And the people of Saskatchewan, the consumers of Saskatchewan pay for that.

We have to turn that around if we're going to develop natural gas in the province of Saskatchewan; we have to turn that around if we're going to deliver cheaper power to the people of Saskatchewan, so we don't have to pay expensive costs to the people of Alberta. But here's the problem, Mr. Speaker. again in their brilliant wisdom to negotiate contracts, they entered into a contract that runs until 1995 — 1995, Mr. Speaker. It's a little bit difficult, Mr. Speaker, to get a grip on a contract that runs that long. And we will have to pay, and the people of Saskatchewan are going to have to pay, for the second blunder of the previous government.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — I'd like to ask a supplement, Mr. Minister. When you were in opposition, members of your caucus asked and urged the government then to put in a five-year freeze. Sterling Lyon in Manitoba put in a five-year freeze in respect to power rates. You gave a freeze for one year to get electoral support. I ask you: why won't you give a freeze

now for economic growth?

HON. MR. ANDREW: — Well, let's go back to the freeze of Sask Power. Do you recall, and some of the members that were here — not very many, because there's a lot of new members — but you'll recall when their budget came down last March of 1982, and in their wisdom they cheered and clapped as they brought in this new glowing policy of the NDP government, and what was it? To freeze the power rates in the province of Saskatchewan.

The freeze was put in by the members opposite, at our request, Mr. Speaker. We indicated to the people of Saskatchewan that we were going to freeze those rates until we put in a public utilities review commission that could review them, and not being reviewed as it was under the previous administration — behind the closed doors of cabinet — where they would not only raise enough money to cover the costs of Sask Power, but also raise enough money to set up some of these other concocted Crown corporations that they set up as well. They're losing millions and millions of dollars as well. That's the third bungle that we have to put up with the members opposite.

SOME HON. MEMBERS: — Hear, hear!

INTRODUCTION OF BILLS

Bill No. 55 — An Act to amend The Penalties and Forfeitures Act

MR. LANE: — I move first reading of a bill to amend The Penalties and Forfeitures Act.

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

Bill No. 56 — An Act to amend The Police Act

MR. LANE: — I move first reading of a bill to amend The Police Act.

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

Bill No. 57 — An Act to amend The Jury Act, 1981

MR. LANE: — Mr. Speaker, I move first reading of a bill to amend The Jury Act, 1981.

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

Bill No. 58 — An Act respecting Local Government in Northern Saskatchewan

HON. MR. McLEOD: — Mr. Speaker, I move first reading of a bill respecting local government in northern Saskatchewan.

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

Bill No. 59 — An Act to amend The Property Improvement Grant Act

HON. MR. BERNTSON: — Mr. Speaker, I move first reading of a bill to amend The Property Improvement Grant Act.

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

Bill No. 60 — An Act to amend The Senior Citizens School Tax Rebate Act

HON. MR. BERNTSON: — I move first reading of a bill to amend The Senior Citizens School Tax Rebate Act.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 27 — An Act to amend The Wakamow Valley Authority Act

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 28 — An Act to amend The Wascana Centre Act

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 29 — An Act to amend The Meewasin Valley Authority Act

Clause 1 agreed to.

Clause 2 agreed to on division.

Clause 3 agreed to on division.

The committee agreed to report the bill.

Bill No. 22 — An Act to amend The Highways Act

Clause 1

HON. MR. GARNER: — I have Mr. Associate Deputy Minister, Merv Clark; Al Schwartz, director of support services; Don McKillop, our legal adviser.

MR. SHILLINGTON: — I think the only point at issue, Mr. Minister, between us is section 6 — implementing new 64(1). The opposition leader yesterday invited you to respond to his criticism by saying that the breadth of this vision, which is frightening, was in fact unintentional, and that you do not want to interfere with the legitimate right of people to protest on a public highway.

I would point out for the benefit of the member, that includes the street out in front of this Legislative Building, which has been a traditional place for people who . . . Well,

the member might check the definition of a public highway. I'm surprised he doesn't know it, given his background, given his expertise.

Mr. Minister, leaving the member from P.A.-Duck Lake alone, would you in fact assure us that this was an oversight and that you had no intention of restricting the right of people to protest, picket, and make their views known, sometimes in the only way they can, by demonstrating on a public highway?

HON. MR. GARNER: — Mr. Chairman, I guess we should clarify this point for the members opposite. I think this is their main area of concern. Is that correct?

Okay, Mr. Chairman, I'll read to you what was proposed by the previous government and what is proposed by this government, Mr. Chairman. I'll read it — section 64(1) — and I will provide you with some cabinet documents also to back this up: 64(1) — proposed:

A person who obstructs or interferes in any manner with a public highway is guilty of an offence and liable on summary conviction to a fine not exceeding \$200.

Proposed by the previous government. Proposed by this government now . . . Proposed . . . I will share the cabinet documents that the hon. member is all excited about afterwards, where the previous government had called for this, Mr. Chairman. Now the proposed legislation . . . (inaudible interjection) . . . And if the member opposite, Mr. Chairman, says this is dummy, well I guess he's referring to himself, because he was the one that proposed this . . . 64(1):

A person who willfully and without lawful excuse places or leaves an obstruction on a public highway or who prevents, hinders or causes delay to a person desiring to travel on a public highway is guilty of an offence and liable on summary conviction to a fine of not more than \$200.

Now, if the members opposite would like some more information, I'm quite prepared to share that with them.

MR. SHILLINGTON: — Well, that's the lamest excuse for a response I've ever seen coming from anything this side of a deceased snake. That's just absurd, Mr. Minister. You know full well, Mr. Minister, that what comes out of document, what comes out of cabinet, represents the decisions of a government, and not what goes into cabinet, Mr. Minister.

Mr. Minister, I say to you this section is very broad, and coming from a government which strung chains up in the front of the Legislative Building to restrict the access of people who were on a peaceful protest, coming from a government with your track record, we have every right to be concerned about a section of this bill.

I ask you again, Mr. Minister, to amend this section, to narrow it, to deal with the kind of problem to which you referred by way of example. I ask you, Mr. Minister, to amend this section to restrict its breadth.

HON. MR. GARNER: — Well, Mr. Chairman, I believe we have moderated this substantially to the position taken by the previous administration; and I will read it out again for the members opposite where they said, they stated:

A person who obstructs or interferes in any manner with a public highway is guilty of an offence and liable on summary conviction to a fine not exceeding \$200.

Where we have said and stated and are moderating it in our new bill:

A person who wilfully and without lawful excuse places or leaves an obstruction on a public highway or who prevents, hinders or causes delay to a person desiring to travel on a public highway is guilty of an offence and liable on summary conviction to a fine of not more than \$200.

Now, I will share with you, Mr. Chairman, some information and documents from the legislative review committee. It reads as follows:

With respect to the amendments from the previous government, with respect to the amendments to The Highways Act, cabinet approved the legislation with changes in section 64 as follows: 'Leave proposed 64.1 as is, and old 64.2 and .3 with such minor changes as may be required for consistency — example, deleting the reference to imprisonment for default.'

We have also removed that section, Mr. Chairman. Another letter:

This will confirm that LRC, legislative review committee (dated December 7, 1981), at its meeting on December 3, 1981 considered the above referenced legislation and approved it without change.

I mean, I can read you the whole document, Mr. Chairman. I guess what I'm trying to point out to the members opposite, that they had asked, they had approved when they were government this very piece of legislation. Now they've done a 180-degree turn and said, 'It's no good.' Well, you can't have it both ways. You know, when you were government, it was okay. Now you're in opposition, it's tragic, you know. What more do you want?

MR. THOMPSON: — Thank you, Mr. Chairman. I have a few comments, Mr. Minister, and it's regarding section 92 and that's highway littering. I see that you have increased the penalty from \$25 to \$100, and I want to say to the minister that I have been very concerned about highway littering for the last number of years as I have watched ever-increasing amount of littering that we have on our highways, and I have expressed that in writing to the Department of Highways asking for stiffer penalties. I compliment you on increasing the fines. I think maybe we could have went a little bit further.

I believe in British Columbia they have a \$500 fine for littering and you see very little litter on their highways. But in Saskatchewan I've noticed in the last few years an ever-increasing amount of litter — garbage bags, and I've picked them up with my truck as I . . . I've picked up as high as nine bags in one pile where they've just dumped them into the ditch. Another thing that is a major concern of mine and it seems to be increasing ever so much, and that is broken glass. Bottles are just thrown out on the highways and you see smashed glass along our highways, and I agree that we have to step down on these offenders. And I see where you will increase the penalty to \$100, but I think that you have to make sure, Mr. Minister, and I sincerely hope that your department will encourage the enforcement of this law and these penalties because it's a major concern for Saskatchewan, the residents, as our highways are becoming more and

more littered, and more and more broken glass. And I don't know whether the \$100, if it's enforced, is going to solve the problem but I sincerely hope it does and you have made a step in the right direction.

HON. MR. GARNER: — Well, Mr. Chairman, I'd just like to thank the hon. member opposite for his comments on this bill. That's why we're bringing this bill before the Assembly, because this government too, is also very concerned about the littering that does take place on the highways. We have a very lovely province here, and we want to continue that the travelling public, the tourists that come to the province of Saskatchewan, do see a very tidy and neat province to travel in. I commend the member from Athabasca for supporting this government in our stand towards keeping the highways and the roadsides in the province of Saskatchewan in adequate condition.

MR. KOSKIE: — I just want to go back to that section, that we have some concern. I want to point out to the minister that his reason that he has put forward here in the House is not really acceptable, because first of all when a bill is introduced to the House it's the function of the opposition as . . . If we had introduced it, you may very well have taken objections. But the main thing is you can't say we were in agreement with it until we have actually approved it, and have submitted it, and passed it, because it is without the scrutiny of the opposition. And so what we are doing here, Mr. Minister, is drawing to your attention the broadness of it and really just asking you . . . Fair enough, the intent of the section, but you know it is so broad that I think that it goes beyond the real purpose for which you intended. It says:

A person who wilfully and without lawful excuse places or leaves an obstruction on a public highway or who prevents, hinders or causes a delay to a person desiring to travel on a public highway is guilty of an offence liable on summary . . .

And it seems to me that the highway is a public roadway. And it really lends itself probably to an abuse. I don't indicate that in the enforcement, but I think that one of the things that we should do in legislation which can infringe upon rights of individuals, cause them a tremendous amount of inconvenience, even if they're not guilty . . . And what I ask you to do is to take a look at it. And I agree that, you know, interfering in a direct way in respect to the highway, doing damage to the highway, or total obstruction . . . But it seems to me that 'who prevents, hinders or causes delay to a person desiring to travel on a public highway is guilty of an offence and liable on summary conviction,' that part is very broad, and I think that you could limit the impact of it, and that's really all we're saying. I don't think there's any use of getting into the discussion of whether you copied the legislation which wasn't proclaimed, or whether you're . . . The thing is that we have a basic concern and we want it refined, and we ask you to take a look and see whether or not you could refine it in a more particular way, and that's the only position that we're making.

HON. MR. GARNER: — Well then, Mr. Chairman, for the hon. member opposite, I've got three or four points I would like to share with you, and one, I mean a change that is in 64(1) that I did bring in and I will read to you, the proposed-by-the-previous-government section, and it's 6 and (4) where they stated:

The minister, or a person designated by him for the purpose, may remove or cause to be removed any obstruction interfering with traffic on a provincial highway.

I was not quite comfortable with that, Mr. Chairman. I did change it to read:

A police officer or representative of the department may remove or cause to be removed from a provincial highway any obstruction likely to interfere with traffic.

Mr. Chairman, I think what we're pointing out here is that I'm turning it over, not just for ministerial responsibility . . . I think it's very important that we get this point out, that we're turning it over to the very qualified law enforcement officers in the province of Saskatchewan who I have the utmost faith in for doing an excellent job in assisting the people of Saskatchewan.

Second point is that it was approved, and I've read it, and I'll just refresh the member opposite's memory again: 'On December the 7th, 1981, amendments previously considered and approved by cabinet, with change required by cabinet in section 64.'

Third point section 64, subsection (1), (2), (4), (5), and (6) done from the previous government:

The department staff had recognized the deficiency in existing legislation. Under existing legislation, charges may be brought against an individual for obstructing a highway and if convicted, the department can then remove this obstruction.

The proposed legislation would allow the department to remove any obstruction to traffic on a provincial highway immediately. And that's where I changed and brought in the police forces, Mr. Chairman, which I believe are very competent in delivering this.

Further, on the day of the official opening of the bridge on Highway No. 155 at Buffalo Narrows and the opening of the educational facilities at Buffalo Narrows, the highway was obstructed for a period of several hours. The obstruction was removed by the individuals involved peacefully. Upon review of section 64 of The Highways Act, it was deemed efficient in that a lengthy legal process could be required prior to removing an obstruction. A person could be charged under section 64 of The Highways Act, and if found guilty, could be ordered to remove the obstruction, and if the order was not obeyed, then the minister could have the obstruction removed and the expenses charged to the individual. This portion of the legislation was retained. A change has been made in that if a provincial highway is obstructed, the minister may remove the obstruction and then may enter into a civil action to recover costs of this removal.

Well, I won't continue on, Mr. Chairman. The members opposite, I think, understand what I'm trying to say. I'm going to give you one example, Mr. Chairman, hypothetical, but something that does concern me. And we will take, for example, the Borden Bridge. Just say that someone was upset with something that an RM council was doing, or government may be doing — it doesn't matter what — and decided to pull a semi-trailer truck across the Borden Bridge. We had an ambulance case from, say, North Battleford, that an individual, a patient, was being rushed to Saskatoon hospital. This individual could cost us a loss of life because there was not teeth in the legislation to remove, or allow a police to remove this obstruction.

I'm only trying to do this, Mr. Speaker, for the safety of the people of Saskatchewan, not for any harassment tactics.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3 as amended agreed to.

Clauses 4 to 15 inclusive agreed to.

MR. SHILLINGTON: — Mr. Chairman, before we deal with clause 16, we would have preferred to have had, and I don't know what the rules are, but I'm asking Mr. Chairman for some comments. We would have preferred to have our objection to clause 6 recorded on division as it clearly was. Is it possible that the record may be amended to record our dissent on division?

MR. CHAIRMAN: — It wasn't clearly recorded by leave it could be recorded on division. Is leave granted? Carried. Clause 6 is agreed on division.

Clause 16 agreed to.

The committee agreed to report the bill as amended.

THIRD READINGS

Bill No. 27 — an Act to amend The Wakamow Valley Authority Act

HON. MR. ANDREW: — Mr. Speaker, I move the bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 28 — An Act to amend The Wascana Centre Act

HON. MR. ANDREW: — Mr. Speaker, I move the bill be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 29 — An Act to amend The Meewasin Valley Authority Act

HON. MR. ANDREW: — Mr. Speaker, I move the bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 22 — An Act to amend The Highways Act

HON. MR. GARNER: — Mr. Speaker, I move that the amendments be now read a first and second time.

Motion agreed to.

HON. MR. GARNER: — Mr. Speaker, I move that this bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

INTRODUCTION OF GUESTS

HON. MRS. DUNCAN: — Mr. Speaker, I wonder if I might have leave of the House to introduce some guests today in the Speaker's gallery.

Thank you, Mr. Speaker. It is my pleasure to introduce to you and to other members of the Assembly a group of six young people, students from our province, sitting in the Speaker's gallery. They have been hired as guides for the Wascana Centre and will be commencing work on the long week-end which is coming up fairly shortly. Part of their duties will be to take the many visitors that come to the Wascana grounds during the summer months on tours throughout the grounds, on the double-decker buses that we see out by the Wascana Place.

I'm sure, Mr. Speaker, that you will agree with me that this fine young group of students will ably and enjoyably act as ambassadors for our province as they take the many visitors, not only from Saskatchewan but from elsewhere in Canada and probably the continent, around our beautiful grounds. I welcome you here, and have a good summer.

SECOND READINGS

Bill No. 53 — An Act to amend The Non-profit Corporations Act

HON. MR. SANDBERG: — Mr. Speaker, by leave of the Assembly, I move:

That the order for the second reading of Bill No. 53, An Act to amend The Non-profit Corporations Act be discharged and the bill be referred to the standing committee on non-controversial bills.

This is seconded by the member from Bengough-Milestone, Mr. Pickering.

Motion agreed to.

Bill No. 52 — An Act to amend The Religious Societies Land Act

HON. MR. SANDBERG: — Mr. Speaker, by leave of the Assembly, moved by myself and seconded by the member for Bengough-Milestone, Mr. Pickering:

That the order for second reading of Bill No. 52, An Act to amend The Religious Societies Land Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 54 — An Act to amend The Business Corporations Act

HON. MR. SANDBERG: — Mr. Speaker, copies of the proposed amendments to The Business Corporations Act have been provided to all members of this Assembly. The majority of the proposed amendments are needed to allow Saskatchewan businesses to qualify for benefits and opportunities available under the national energy program and that is the key part of the amendment, Mr. Speaker: to qualify for benefits and opportunities available under the national energy program. This is done by expanding the constrained-share corporations provisions presently contained in this act. These provisions are adapted from the Canada Business Corporations Act. These amendments bring Saskatchewan law into line with the federal act. We are the first province, Mr. Speaker, to introduce such provisions.

Mr. Speaker, most oil and gas exploration corporations incorporated in Saskatchewan could become constrained-share corporations. Such corporations can make shareholding adjustments to become eligible for benefits under the national energy program. In order to qualify for the grant available through the petroleum incentive program, sometimes known as P-I-P, or PIP, set up by the national energy program, such a corporation must be 50 per cent Canadian-owned. For example, a corporation with 47 per cent Canadian ownership is not now eligible for the grant.

We are, Mr. Speaker, open for business in this province. We are committed to seeing to it that business people in this province can avail themselves of any assistance that might be available. These amendments provide the legal mechanism for a corporation to, for example, float a public issue of shares which would enable it to elevate the Canadian ownership level to 70 per cent by restricting the ownership of those new shares to Canadian residents.

Without the amendments it would not be permissible to impose such a restriction. However, I wish to emphasize to hon. members that these amendments are important, not only in terms of the national energy program, but for any future grants or incentives for other business corporations which may come with similar ownership conditions or restrictions. We will be ready, Mr. Speaker. Saskatchewan business will not have to scramble or play catch-up. The doors will be open for them to react quickly and take advantage of opportunities as they arise.

The other proposed amendments contained in this bill will essentially affect regulatory reform and deregulation. In particular, Mr. Speaker, I note that the proposed amendments will result in a net reduction in the documentation which is filed with the Saskatchewan Director of Corporations. This reduction is made possible because of our thorough review of the legislation and regulations, part of our ongoing commitment to the people of this province to eliminate unnecessary government regulation. In this specific example, the information is duplicated elsewhere, and therefore it need not be required under this act.

As well, extra-provincial corporations will benefit from the reductions in the documentation they will be required to file. Other proposed amendments significantly reduce registration requirements and streamline procedures for out-of-province corporations. It's less paper, Mr. Speaker, and it's less regulation. This is one more in a long series of improvements which are making Saskatchewan to attractive to outside investors.

Most of the remaining amendments are of a housekeeping nature, such as correcting errors made in drafting the original legislation. I should note, for the information of

hon. members, that all of the proposed amendments have been supported by the corporate law subcommittee of the Saskatchewan bar association. AS well, Mr. Speaker, these new constrained-share corporation provisions have been in place in the federal act for a year now, and they appear to be working well.

I invite members to raise concerns or questions with me in greater detail during committee of the whole, Mr. Speaker, I recommend this bill to the Assembly. I move second reading of a bill to amend The Business Corporations Act.

MR. SHILLINGTON: — Thank you very much, Mr. Minister. I want to say to the minister that I have no serious objection; indeed I think I applaud most of the provisions of this bill. You're probably right, the . . . I'm going to deal in a moment with those sections which are intended to 'facilitate meeting the requirements of the national energy program.' The other sections, however, are I think probably a worthwhile improvement, and I don't think . . . We take no serious objection to them.

I will be frank with the minister and state I have some concern with that portion of the bill which facilitates the — may I use my own phrase? — evasion of the national energy program and the Canadianization requirements therein. I don't know that that is a fair characterization, but if it is, we may be less than supportive of that particular provision. And I went through this legislation and was frankly unable to assure myself that I understood what you were doing. I have a better idea, having heard your comments, but I want time to consider them. Therefore, I beg leave to adjourn debate on this bill.

Debate adjourned.

Bill No. 51 — An Act to amend The Oil and Gas Conservation Act

HON. MR. ANDREW: — Mr. Speaker, I'm pleased to introduce an amendment to The Oil and Gas Conservation Act. This amendment, Mr. Speaker, will clarify the process through which producers' prices are established for the natural gas industry. The amendment will give the Lieutenant-Governor in Council formal authority to set the price or prices paid to producers for natural gas or the fieldgate price in Saskatchewan.

In the past, Mr. Speaker, the prices were established through an informal process, as I'm sure the members opposite know. This relied on the fact that SPC is the sole purchaser of natural gas for the province of Saskatchewan. The Minister of Energy and Mines would, from time to time, recommend to the minister responsible for the Saskatchewan Power Corporation a price schedule relating to the purchase of natural gas from the producers in Saskatchewan. The corporation in turn would purchase the natural gas based on this schedule.

This amendment will clarify the procedure: who does what, and this is important for several reasons. The first reason is that setting the fieldgate price for natural gas is an essential part of the economic development strategy of the province of Saskatchewan. This government is committed to encourage the development of Saskatchewan gas for the benefit of Saskatchewan people. We believe that this can be done at substantially less cost than the alternative of importing 60 per cent of our needed natural gas from the province of Alberta.

As well, I think, the members opposite have made several points throughout the last three or four days with regards to whether or not the government will go through the cabinet process so there's an order in council, therefore, so that they can see what is in

fact happening. This will allow that to in fact take place, and be accountable to the Legislative Assembly. In order to achieve this end, the fieldgate price must be set at levels which compensate for production costs, and provide sufficient incentive to carry out the exploration and development programs, Mr. Speaker.

Second, formalizing the existing formal process will make a clear distinction between the cabinet mandate to determine economic development policy, and the review process now in place to review SPC consumer rates for natural gas. The amendment will make it clear that SPC is essentially a price taker when it comes to paying for natural gas, as it is for labour, other materials, and interest rates. All public utilities review boards and commissions in other jurisdictions accept wholesale and fieldgate prices as a given when reviewing rate changes to the consumers. The practice we are now adopting in Saskatchewan will be no different, Mr. Speaker.

Third, the act gives cabinet power to authorize, to regulate prices in the new market such as export market or for the purpose of establishing price as the basis of royalty and taxes. At present, no gas is being exported from the province of Saskatchewan, and royalties are not related to the price which gas is sold. If and when these conditions change, Mr. Speaker . . . It is only our hope that they can in fact change and we can export some natural gas to the United States, to deal with the taker-pay contracts that we presently have with the TCPL, and therefore are unable to produce our own natural gas. If and when these conditions change, this act will provide the necessary legislative framework in order to regulate the industry as it develops.

As I mentioned earlier, Mr. Speaker, that we believe that in the province of Saskatchewan there is a significant deposit, or we believe, and most geologists and most oil companies believe, that there are significant deposits of natural gas in the province of Saskatchewan. I think that the energy industry has come to the realization that in fact there is significant deposits of natural gas in Canada, particularly in the province of Alberta, and to a lesser degree in British Columbia and Saskatchewan.

We are going to try, Mr. Speaker, through a variety, particularly of negotiations, to try to get the oil or the natural gas that we can produce in the province of Saskatchewan to our consumers in the province of Saskatchewan as opposed to having to purchase that natural gas, which is now almost 60 per cent from the province of Alberta. And when we purchase it from the province of Alberta, of course, we're paying significant royalties to the province of Alberta and to their heritage fund. Our view would be that better we pay a lower royalty to the province of Saskatchewan and to the heritage fund of the province of Saskatchewan. This is the move that we have to do. It's not going to be easy. The negotiations with Alberta are in fact ongoing and sometimes quite difficult, Mr. Speaker, but we intend to persist. This type of legislation will simply allow us to in fact regulate that through cabinet as opposed to the old system of regulating it, Mr. Speaker. And with that, I move second reading of this bill.

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. This is one of those issues which has sharply divided members of the old-line parties over the years and social democrats. The member from Qu'Appelle, formerly the member from Lumsden, will recall this issue surfacing in another movie. The approach taken by the NDP and the CCF before that was that natural gas, Saskatchewan's natural gas, should be conserved for future generations, and that to the extent we can do that, we should be doing so. To the extent that we can burn Alberta's gas and save ours, we should be doing so — at a reasonable price — and we should not be selling it for use elsewhere. That was the approach of the CCF and it was reversed by the Thatcher government — the Thatcher

government which didn't just sell the gas; it sold the gas fields, too — the Many Islands gas fields, etc.

During the days of the former administration, the same policy applied. Natural gas was bought only by SPC only to the extent that Alberta gas wasn't available. Again, that administration's goal was to save as much of our natural gas resources as we could for future generations. This government . . . And it's possible we may have been a tad conservative, if members opposite will excuse the use of that phrase. It's possible we may have been a bit conservative in saving too much of our resources and wealth for future generations. I will admit that that perception may have been about during the election, but if we erred on the side of caution, this government has gone wild in selling whatever — I say to the member for Maple Creek — whatever there's a buyer for. They're selling everything that there's a buyer for.

The Crown lands — I use this as an example of this government's approach to our natural resources — which governments of various hues — some progressive, such as the first government, the Liberal government of Walter Scott; some very conservative, such as the Liberal government of Ross Thatcher; and some in between — retained Crown lands that were not cultivated acreage — retained Crown lands in the Crown. For a variety of reasons I won't get into now — I doubt that it would be in order to do so — this government is selling it. They're selling whatever there's a buyer for in their desperate attempt to carry on the government, and their desperate attempt to do something with the finances which you rifled with a totally irresponsible election campaign.

So I say that this is part of this government's approach. This is part of this government's approach to sell whatever is available for sale, whatever there's a buyer for . . . (inaudible interjection) . . . No, I'm calling the electorate of the . . . I say to the member from Kelvington, I'm calling the electorate disappointed — disappointed and they feel cheated. When they voted for this administration, they did not vote for a deficit of \$300 million . . .

MR. SPEAKER: — Order, please. I'd just ask the member to stay on the subject that we have before us.

MR. SHILLINGTON: — I did well to do that because I . . . (inaudible) . . . all along. I had intended all along to adjourn debate, for a variety of reasons, one of which was I was hoping the explanation just provided by the Minister of Finance wouldn't be the explanation. I was hoping there'd be some other. There wasn't.

In addition, the critic for this legislation in our caucus is in fact the member from Elphinstone, and I want to give him an opportunity to make his own response. He was a part of all of those administrations. He was a part of the CCF administration in opposition during the Liberal administration, and obviously a part of the NDP administration. I know he will want to comment on it. I therefore beg leave to adjourn debate.

Debate adjourned.

Bill No. 50 — An Act to amend The Public Utilities Companies Act

HON. MR. ANDREW: — Mr. Speaker, as a consequence of adopting the bill, Bill 51, I

wish now to introduce Bill No. 50, the public utilities companies act.

This act will remove the present authority of the local government board to determine the wellhead price for natural gas in its natural state. The power would clash with the new power to set field-gate prices under The Oil and Gas Conservation Act and so must be repealed.

The local government board's power to set produced prices for natural gas has long been dormant and are recognized as such by the local government board. The board's authority in this area dates from the day of the municipal utilities and has not been acted upon for many years. This is what would normally be referred to, Mr. Speaker, as a consequential amendment leading to or leading from The Oil and Gas Conservation Act. And with that, Mr. Speaker, I would move second reading of that bill.

MR. SHILLINGTON: — As impressed, Mr. Speaker, as I am with the minister's brevity, I'm going to take a leaf out of his notebook and also be very brief. For all of the reasons that I mentioned in The Oil and Gas Conservation Act and because the minister is basically correct — this is consequential — I want to beg leave to adjourn debate on this bill as well.

Debate adjourned.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

SUPPLY AND SERVICES

Ordinary Expenditure — Vote 13

MR. CHAIRMAN: — Would the minister introduce the officials?

HON. MRS. DUNCAN: — Thank you, Mr. Chairman. On my right is my deputy minister, Mr. Otto Cutts, Mr. John Law, Mr. Ian Laidlaw, Mr. Ken Brehm and Mr. Don Nevill, and various officials seated at the back also.

Item 1

MR. SHILLINGTON: — Madam Minister, this takes us back to your last year's estimates. I asked for certain information to be provided to me in writing. I did not receive it. I contacted a member of your staff, Elizabeth Cosswaite or Braithwaite or . . . I know I'm butchering that name, but Elizabeth somebody. She indicated she provided it to me. I took her word that she did, but I was never able to find it. I wonder if you can supply me with copies of the information which your staff say that you gave to me, consequenced upon your undertakings in your last estimates.

HON. MRS. DUNCAN: — I find that surprising because the letter came directly from myself under my signature. We will send you copies, but it was all provided to the member.

MR. SHILLINGTON: — No. I was not putting that in doubt. I was just saying that I was unable to find it at any one of the three offices which I get mail, as a member, at.

Madam Minister, I want to take you back to an issue which you resolutely refused to discuss when you were dealing with your supplementary estimates in the dying hours of the last session. And that was the former deputy minister.

Did the former deputy minister, Mr. Cousineau . . . Was his services . . . Was he fired? Did he resign? And if he resigned was it voluntary?

HON. MRS. DUNCAN: — I can assure the hon. member that it was a voluntary resignation received by myself with somewhat of a regret, and yes, it was voluntary.

MR. SHILLINGTON: — You indicated in the House, in response to a question put to you by the member from Shaunavon, that you first learned of it shortly before it became effective, in fact. So I take the minister's word for it that it was voluntary and it was not something you had requested or sought or connived at. And perhaps the minister will just confirm again that that is the case — it's not something you sought, connived at, or particularly tried to induce.

HON. MRS. DUNCAN: — All I can say to the hon. member is that it was a mutually agreed to acceptance of his resignation. I would say that he wasn't connived into resigning. The letter arrived on my desk — I believe it was a Friday afternoon, if I recall — from Mr. Cousineau.

MR. SHILLINGTON: — Given the size of the severance allowance, the difference is important. If it is something truly . . . You said in the House that he wanted to explore other opportunities available to him. If that was the sole reason for his leaving, I find the size of the severance package surprising, to put it mildly, Madam Minister when you say it was mutually agreed upon, that, in this House and elsewhere, has come to mean something different than a voluntary resignation. That has come to mean a resignation which was requested and which, after due consideration, the resignor agreement would be best to give in the circumstances. I ask you, Madam Minister, did you at any time before you got the resignation, ask for or suggest to him that it would be in his, your, or the public's best interest for that resignation to arrive?

HON. MRS. DUNCAN: — No, I didn't ask for it or suggest or intimate or connive or whatever.

MR. SHILLINGTON: — Okay. Then how do you justify the severance package? I repeat to the minister — and I repeat my comments which we were unable to deal with in your other estimates because of your refusal to answer the questions — I repeat, Madam Minister, that severance package was extremely generous.

Madam Minister, I would regard that severance package as generous if you had canned them; if you had called them into your office and said, 'Good morning, Mr. Cousineau, you're done. I want your key and I want your car and I want you out of my office in five minutes.' If that had been your approach, I'd regard that severance package as a little generous, but I find it numbing if as you say — and I take your word as a parliamentarian — that it was completely voluntary. I find that severance package generous in the extreme, and I'd ask the minister to tell this House what induced her to react with such exceptional generosity to someone who felt he had more attractive alternatives elsewhere.

HON. MRS. DUNCAN: — Well, I can say to the hon. member that it was on my recommendation that Mr. Cousineau uprooted his life in Ontario and came to

Saskatchewan . . . (inaudible interjection) . . . Well, for all intents and purposes to the seat-mate of the hon. member asking the question, Mr. Cousineau had been in Saskatchewan for some time and had moved back to Ontario. Given that, I felt that we were under some obligation to make a severance settlement with Mr. Cousineau if for no other better reason except morally.

And when we looked through the precedents prior, we came across one instituted by the former administration in the handling of the resignation of a Mr. R.H. Dowdell who was chairman of the Public Service Commission, who . . . And for the record I could say he resigned in 1976 after having been a provincial government employee for eight months; and he was, on the authority of order in council no. 72976, awarded a severance settlement of \$10,000.

Now I understand at that time it was a resignation and not a termination. I would also say that when you compare a \$10,000 in '76, compared to \$17,000 in '82, it's probably very equal to what was given by your administration.

MR. SHILLINGTON: — Madam Minister, that's why I explored with such detailed thoroughness the issue of how he left. I'm not going to be drawn into discussing Mr. Dowdell's departure. He has gone elsewhere, probably a distinguished career elsewhere. Suffice it to say for these purposes that the situations are not comparable. I was in Executive Council at the time. I am intimately familiar with the circumstances surrounding his departure, and what you describe is something very different than what occurred when Mr. Dowdell left. I'm not going to discuss the subject any further out of fairness to Mr. Dowdell, but I tell you, the circumstances are not in any sense similar.

I ask you, Madam Minister, how you justify paying that kind of money to someone who is leaving. I guess when you told us that you regretted his departure — and I take your word again as a parliamentarian for that. How do you justify paying someone \$17,000 who got an opportunity to better himself elsewhere? How do you justify that expenditure of money?

I'm not going to run past you — although I will if it's information you don't have — I'm not going to run past you the groups who have been cut, who's had their funding cut. I'm not going to tell you about the deaf who lost their . . . and the council, the co-ordinating council, and etc., and etc., and etc. — all the people who have been cut by this budget. But I'll tell you, Madam Minister that that money could have been used elsewhere. It isn't as if money is burning a hole in your pockets and you can't spend it. You have cut some groups and it has hurt those groups a lot, and your ministers have candidly admitted that, but claimed no alternatives.

Well, here at least was an alternative. You didn't have to make a gift of \$17,000 to someone who went elsewhere on the theory that he could do better elsewhere. I ask you, Madam Minister, what kind of a formula did you use? How on earth did you justify such a figure?

HON. MRS. DUNCAN: — The hon. member asks how we arrived at the 17.5. That is based on approximately three months salary, and I can only indicate to the member that it was a ministerial decision. I thought it was fair considering the uprooting of Mr. Cousineau and his family, and it was in line what was given Mr. Dowdell in 1976.

MR. SHILLINGTON: — But it wasn't the same situation. And as I say, I'm not going to be

drawn into discussing Mr. Dowdell's case. That would be most unfair. But it is not the same situation. That's why I asked you, that's why I reviewed with such thoroughness the details of his leaving. Because had it been a resignation you requested, I might have wondered at your choosing him, but I might have been less critical of the severance pay. But, Madam Minister, that severance pay is extremely generous for someone who left voluntarily to better himself elsewhere. I take your word that that was the case. I ask you how on earth you arrived at three months salary for someone who is going off to better himself elsewhere.

Compare it, Madam Minister to the way you treated the former incumbent, Dennis Foley, who had some 10 years service in one capacity or another with the government, who — and I will not extol the man's virtues — but who saved this government his salary 100 times over in one or two construction projects which he brought in and saved. If I recall correctly, it was about 25,000 or something like that that Mr. Foley got, after 11 years. How do you justify giving Mr. Cousineau 17 after nine brief months, and when he left to better himself elsewhere?

HON. MRS. DUNCAN: — Well, I don't know how many times we have to go around this then until the member, who supposedly is a lawyer, will get to understand it. I felt we were under some moral obligation because of the uprooting, and given the precedent set when you were in power, I think we did it quite fairly and justly. It's a three months settlement, and what you are saying is that no one should get a settlement, a severance settlement, if they go on to another job. And I give you the example of a great number of people who had left government with severance pay and going on to other better jobs, perhaps, in their own mind.

MR. SHILLINGTON: — Madam Minister, no one — and I'll say this — no one who goes on to another job to better himself should get a severance package that generous, except in the most exceptional circumstances which justify some explanation from the minister in the House. The only explanation you've offered is some case 10 years ago — not that long ago, seven years ago — which, as I say, I'm intimately familiar with, which bears no relation to the situation you describe. Why give the man \$17,000 so he can go better himself? I really think, Madam Minister you owe us an explanation, you really owe us an explanation as to how you arrived at that figure, and why you would give it to them, why you would give someone whose resignation was not requested apparently, why you would give them \$17,000.

Is everybody, Madam Minister, who leaves and who decides that they're going to pick up a new job in another province entitled to a generous severance allowance? Is that available to everybody who leaves? And if it isn't — and it obviously isn't because you haven't given it to everybody who left — if it's not available to everybody else, how did you single out Mr. Cousineau for such exceptionally generous treatment?

HON. MRS. DUNCAN: — Well, let's try it one more time. Mr. Cousineau came to Saskatchewan to work for the Government of Saskatchewan at my request, Mr. Cousineau found that he didn't quite fit into the bureaucratic scheme of things, and I felt somewhat morally obligated to accept his resignation and give him a pay package which amounted to approximately three months which is comparable to the one granted in 1976 to another civil servant which information says was not terminated, but resigned.

MR. KOSKIE: — Just to follow this up, you said you had a moral obligation. I think you

had more than a moral obligation when you hired Mr. Cousineau, that you understood and knew what you were getting and his commitment to the job, because obviously you brought him in from Ontario. Now you say in rather than having a moral obligation for responsible action on your behalf in looking into what you are hiring, what you say is you have now a moral obligation to use taxpayers' money to send him off to improve himself. How can you defend such a defenceless position?

HON. MRS. DUNCAN: — Quite frankly, it's a matter of opinion as to what is moral and what isn't moral.

MR. KOSKIE: — Well, I'm going to ask you. You give me the specific facts why it makes it moral the taxpayers should in fact pay a severance of \$17,000 to a person who you hired after firing the former deputy on a woman's intuition. Now if you can be wrong so often . . . You know I think it's time to start looking at your own intuitions. But I want to know, we have . . . I'll give you another example: a Mr. Bill Tait that was with the department of consumer and commercial affairs a number of years, this government terminated him, and I can give you other examples, and after many years, \$14,000. There was a formula established for all of those who were dismissed through the transition team. Here you have a politically chosen individual to come and satisfy the requirements as a deputy minister for yourself, and what I'm asking you is: is this rich payment to this man who had no commitment to this province, is it in terms of those that were put together by the transition team? Is exactly the same formula being used? Because I looked at the severance of some people who've been there for 20 or 25 years and they were getting \$20,000 or \$22,000. And my colleague has gone out to get the list of the severance for long-term employees. So I want to ask you: in view of the fact — and you have to be aware, because Mr. Foley was in fact dealt with by the transition team in respect to his severance — did you have the same moral obligation to Mr. Foley who had spent 11 years, and do you think that the relationship of the severance for Mr. Foley is reasonable in comparison to the amount that is paid to this here Tory from Ontario?

HON. MRS. DUNCAN: — I can just reiterate what I said previously. You may consider Mr. Cousineau uncommitted to the province, but I'm pleased to say that Mr. Cousineau is finding a niche in the private sector in the province, and has set up a business that I'm sure not only the province, but people that he will be hiring will benefit from. I can only reiterate that he got a basic three-month severance, which was very comparable to what was given in 1976 when you people were in power.

MR. KOSKIE: — I want to ask you whether or not in respect to the hiring procedure — came at your request — whether or not you personally interviewed Mr. Cousineau for the job.

HON. MRS. DUNCAN: — No, I didn't.

MR. KOSKIE: — What contact or what decision-making process did you have in appointing him as your deputy? Were you involved in the decision?

HON. MRS. DUNCAN: — I could say that the transition team at the time was interviewing various people, and Mr. Cousineau was the one that was put into government services at the time.

MR. KOSKIE: — I take it then, by your answer, that you did not personally interview him. You did not personally make the decision in appointing him as the deputy. You did not

have final say.

HON. MRS. DUNCAN: — I could have said yes or no, but based on the recommendations given, I took Mr. Cousineau.

MR. KOSKIE: — I want to ask you whether or not it was . . . In checking out, did Mr. Cousineau have any previous experience working in government?

HON. MRS. DUNCAN: — Yes, he did. He had worked for quite a number of years, if I can recall, with the Government of Ontario. After he graduated from school in Ontario, he worked for quite a number of years with the Government of Ontario, before going into the private sector.

MR. KOSKIE: — Could you indicate to me the length of time that he had worked with the government in Ontario, and also indicate the positions that he held?

HON. MRS. DUNCAN: — No, I can't give you that information. I don't have it here, and I do not think it's relevant.

MR. KOSKIE: — Well, I'm going to indicate to you, Madam Minister, that it seems to me that you have an obligation as a minister, not just to pay out a very rich severance to a Tory brought in from Ontario who decides to leave, but certainly . . . Don't you believe, Madam Minister, that you have an obligation to determine, in hiring a person, whether or not he has indeed a commitment to the job that you are offering?

I want to ask you: what commitment did you have, since you didn't even interview him? Do you know whether or not he gave any commitment when he moved here that he would in fact work for the government for an extended period of time? You give as reason for leaving that he couldn't stand the bureaucracy. I'm interested to know that he had previously worked with a bureaucracy, so bureaucracy wasn't new to him. So I find your whole story a little strange. But certainly it seems to me that there is a responsibility by the government that if they're going to indeed hire someone . . . I know that you don't necessarily enter into contracts, but you certainly should indeed get a commitment from the individual whether or not he has worked with the bureaucracy and whether or not he will give a commitment to the province. And it seems to me that you basically had nothing to do . . . And I guess what you're saying is that you ended up with a dud as a deputy minister that got you into a lot of problems. You might as well come clean. I mean, why should you take all the blame? It's not fair that you take the blame, because this here great transition team did all the interviewing and placed him at your disposal — and the guy turned out to be a dud, and you needed to get rid of him. And that's the truth of the matter.

I would like to know in respect to the severance pay: was that a determination made by you, after having worked with this Tory hack from Ontario as your deputy minister?

HON. MRS. DUNCAN: — Well, I think your comments cannot go unchallenged. I might say that I find you a little strange too. As far as Mr. Cousineau's commitment to the province, I think it's obvious. He's in the process of opening up a new business in the high-tech field. I think it's an area that we wish to pursue. As far as his severance pay, all I can reiterate is that it was a moral obligation — approximately three months settlement. I would challenge you to call Mr. Cousineau a dud outside of the House and see how you make out.

MR. KOSKIE: — He didn't work out very well for you, Madam Minister because he got you into a lot of trouble, or else you're uncontrollable from getting into trouble.

What I want to ask you: since you pulled this so-called competent Tory from Ontario, would you indicate . . .

AN HON. MEMBER: — That's a non sequitur; competent Tory is a non sequitur.

MR. KOSKIE: — Right. The so-called competent Tory, the one that your intuition said was the right man for the right job, because Mr. Foley, on your intuition, wasn't the right man for the right job . . . Let's get back to the initial part of it.

I want to ask you whether . . . Did you have to pay any travelling expenses in order to locate Mr. Cousineau here as your deputy? Did you bring him in from another province or was he located in the province during the . . . and participating in the general election?

HON. MRS. DUNCAN: — I can assure you that Mr. Cousineau is not a Tory hack from Ontario. He was not here participating in the election as I know a lot of your colleagues from B.C. and Manitoba were in the province at that time. I understand even your leader was out in B.C., but little good did it do.

I might also say that I think the only thing uncontrollable in this House is perhaps the lower part of your face. I don't think Mr. Cousineau was a dud. Mr. Cousineau has a lot of good qualities. He got along very well with the people in the department, and I think he added a new bit of spark to the department, and for that I appreciated. He kept me well informed. You say he got me into a lot of trouble. I think that's also a matter of a difference of opinion because I really don't think he did.

MR. KOSKIE: — Well, I wanted to give you the benefit of the doubt because I was going to transfer it onto this deputy who didn't perform and then let you out of a . . . But I ask you the specific question and it will be without any editorializing . . . (inaudible interjection) . . . No, no, because obviously you missed my last question. And what I want to ask, Madam Minister if I could have your attention, eh? All right, I have your attention, and what I asked you specifically: did you bring Mr. Cousineau in from Ontario, and in fact did you pay any travel expenses in locating him here in Saskatchewan?

HON. MRS. DUNCAN: — I believe it did, as I indicated . . . The contract terms or the pay terms were made with the transition team, but I think they followed the normal accepted practice when it comes to senior civil servants, and I would say, yes, he probably did get moving expenses.

MR. KOSKIE: — You see, that's the very point that I'm indicating to you. You, or the government, with your transition team, went searching for the right man, eh? And they paid to bring him into this province. All right. You paid him well, and he decided he wanted to better himself and leave. So not only did you pay to bring him into this province with taxpayers' money, but you paid, I guess, to help him go and improve himself. And so I guess what I'm asking you: is this a consistent policy that will be followed in the future, that anyone who leaves this government on his own volition, and that's what you said, to better himself, and stayed for a very short period, that you are going to provide that individual a severance, unrealistic, at the expense of the taxpayer?

Is that your policy?

HON. MRS. DUNCAN: — I think the hon. member being a former member of executive Council knows that each case is probably handled differently, and of course I can't give that assurance that that is going to be the policy from now on and ever, ever, ever, and ever amen. I mean, that's just rather not possible.

MR. KOSKIE: — I just want to show how wonderfully moral you were on this issue, in dealing with your specific individual, with Mr. Cousineau who left to better himself.

You know, when we take a look in through here, there's a Marjorie Lynn Benson who was a deputy minister — worked with the government for a number of years — the amount of severance was \$26,000; a Howard Alfred Leeson, \$19,000; and they were with the government for years, not nine months. But you know, if you're a Tory, nine months really conceives a big package under a Tory administration if you're dealing with another Tory. There's John Earl Sinclair — seven years, seven years with this administration; John Sinclair got 23,763. David Walter Goldsmith — 12 years with this government — and that transition team, or whoever, gave 13,500 as a severance. Here's a Wayne G. Walters — four or five years — 12,979; a Dr. Gerald John Gartner — eight to 10- years with this government, \$28,000: compare that eight to 10 years, and outstanding civil servant, Dr. Gerald John Gartner — \$28,000.

But a Tory that you plucked out of Ontario, who you paid to bring in here on taxpayers' money, and who only lasted nine months, probably because of incompetence — couldn't handle it — you give him a package of \$17,000. And I just want the people of Saskatchewan to know what's going on. This is a rip-off of filling the pockets of Tory supporters at the taxpayers' expense, and you can't deny it with the record that you have.

HON. MRS. DUNCAN: — I think all the people that you listed off, their settlement was negotiated. Obviously they were pleased with it. They signed off the release, and they were quite satisfied with what they got. I can't add anything more.

MR. SHILLINGTON: — It was, Madam Minister we were told by the government House Leader, according to a formula. I ask you, Madam Minister: was your exceptional display of generosity to Mr. Cousineau according to a formula, or was this yet another illustration of the operation of your feminine intuition?

HON. MRS. DUNCAN: — The member asked what formula. It was approximately three months pay — three months of his pay.

MR. SHILLINGTON: — Yeah, how did you arrive at three months pay? That's what I was asking.

HON. MRS. DUNCAN: — I think the formula used with others was two and one-half months salary plus one week for every year served, and we felt it was consistent with that.

MR. SHILLINGTON: — No, I don't think you did, Madam Minister; no, I don't think you did at all. I look at this list and I thin very few of these follow such a formula. No, I don't think that was the formula, Madam Minister. The settlement given to Mr. Cousineau was considerably more generous than the settlement given to these individuals. If that was the formula which you used for Mr. Cousineau, then by golly, you owe some people

some more money. Because they sure didn't get that.

I'm doing a quick calculation and I can't do it with great precision, but I know that that wasn't the formula used in at least some of these cases. So I ask you, Madam Minister where's the formula that you purportedly used with Mr. Cousineau? Where did you get it from?

HON. MRS. DUNCAN: — I think the normal formula under Public Service Commission is two and one-half months plus one weeks salary for every year served. I think it's very interesting that you should say that is so generous, because I can recall one Mr. Pascal who worked for, I think, approximately a little under two years for the previous administration; and on his supposedly . . . (inaudible interjection) . . . No, it wasn't a termination . . . resignation, received one year's salary in the neighbourhood of \$34,000.

MR. SHILLINGTON: — Madam Minister, that simply is not the formula that you used or that the former administration used. Madam Minister, I want you though to deal with the issue of why you pay severance to someone who resigned voluntarily. Please do not dredge out of the bottom of the channel every conceivable resignation under the former administration. I don't claim to be intimately familiar with them all. I am familiar with the first one you raised and I can tell you that it is not in any way comparable.

I want you, Mr. Minister, to tell us or refuse to tell us — if that's what you're going to do. It's an option open to you. But tell us, or refuse to tell us, why you pay severance to someone who leaves, Madam Minister, let me rephrase the question. Is it available to anyone who leaves to better himself? Is that the new rule? Someone who leaves to better himself, he's entitled to the same severance as someone who's rudely booted out the door?

HON. MRS. DUNCAN: — I think I can only reiterate it was a ministerial decision. He was given approximately three months pay and that's all there is to it. Now you may not care for us, on this side of the House, to bring up these nice little juicy examples of things that went on when you were . . . You know, I'm waiting for you to get into some other areas about tendering, so I can give you some examples of what happened when you were a minister.

But you know, you take this attitude that, 'Oh, I'm so lily-white.' Well, let me tell you — you're not.

I can only reiterate, it was a ministerial decision. I felt there was some moral obligation on the part of us, and whether it followed a transition formula or a formula that you people had before where you pick and chose and whatever, I really don't know. I can't answer for the names that you gave me; I wasn't in on those negotiations. You may thin that the circumstances with Mr. Cousineau were completely different than those with Mr. Dowdell. I don't know what happened at that time. I understand that he voluntarily resigned and was given a 10,000 settlement. Mr. Cousineau resigned; I felt morally responsible for getting him here, therefore I felt it was within reason to give him a three-month settlement, and that's all there was to it.

Now whether you choose . . . Whether you choose as an individual in this House to believe me or not, really. I have no control over that. And you can ask this question till the cows come in and I can't add any more to it.

MR. SHILLINGTON: — I don't know, Madam Minister, at what hour the cows come into the Legislative Assembly, so I don't know how long it is going to be before you tell us, Madam Minister, is it available to anyone who resigns who has come here from a foreign province and who is leaving to return to a foreign province? Is that available to anyone else? Is anyone else going to be treated with such magnanimity?

HON. MRS. DUNCAN: — That's a hypothetical question. It's a hypothetical situation which may or may not come up, and therefore I really can't say. I can't answer your question. We deal with facts.

MR. KOSKIE: — What do you mean was your moral obligation? What was your moral obligation to this man? You brought him in; you paid to get him here; you paid him well when he was here and was leaving to upgrade himself — a better position. That's what you said was the reason he left. Taxpayers' money. And you say you have a moral obligation.

Explain to me what you mean by all of those circumstances being as I say, and you're still saying you have a moral obligation to resign for misuse of taxpayers' money. Here is a man you brought in, gave a commitment, paid him well, paid his way in, and then you give him a \$17,000 severance. And when you compare with people that have been here for eight to twelve, ten years, and you pay them 29,000. You got a one-sided morality to those who you dismissed — very low severance — and you say they all signed off. Well, I want to tell you, they didn't have any choice. Choice is to sue a government, and you people don't care about how much taxpayers' money you use to defend your twisted priorities.

So I want to know: what is your morality here, that you are basing your support on?

HON. MRS. DUNCAN: — Well, I mean, it's obvious that the member from Quill Lakes does not understand what morals are or what morals might mean to other people, because I'm sure it's a word that's foreign in his vocabulary.

Never once did I say Mr. Cousineau was going on to better himself. Mr. Cousineau felt that he was not quite suited for public sector rigors and would probably do better in the private sector. Now to say that a man is going on to better himself, I mean, that's where you socialists and us differ. You never know . . . If you go to try and start a new business, you never know whether it's going to be profitable or not, but they are willing to take that stake, and I say, 'Good luck to Mr. Cousineau.'

MR. SHILLINGTON: — Thank you, Madam Minister, let me recount for you the sequence of events, because they don't flatter you, Mr. Cousineau, or the administration of which you are a part . . . (inaudible interjection) . . . Is that a fact? Well, I'm sorry to hear you don't approve of it. I'm sorry to hear the member from Regina North doesn't approve of it.

Madam Minister, you had got yourself . . . Madam Minister, the then member from P.A.-Duck Lake lost a contravert. A by-election was called. His sister-in-law was working for the department of government services. Nobody ever denied that Sharon Young was a sister-in-law of an elected member at one point in time. As the story goes, she was called in to speak to the deputy minister, who told her she was being transferred from Regina to Moose Jaw — P.A. to Regina. She objected. She was told that her politics weren't particularly welcome, and I referred those comments to you in the House, and you did not deny them. I'm going to get on to the Sharon Young thing in

a minute; that's a movie who's yet to come.

But Madam Minister, that preceded, by a matter of a few days, Mr. Cousineau's resignation, and it gave . . . The circumstances under which he resigned, and its proximity to the Sharon Young affair, suggested to one and all that Mr. Cousineau had embarrassed you and had embarrassed the administration of which you are a member. He then resigned.

The circumstances suggested his resignation was called for by you because of his handling of the Sharon Young affair. You told us that isn't the case — nothing to do with it. He left to better himself elsewhere. But Madam Minister, the circumstances under which he resigned call for an explanation for such a generous severance package to someone who went to better himself elsewhere, and Madam Minister, to say it was a ministerial decision, and we can like it or not, doesn't really provide the kind of explanation which you, as a member of Executive Council, are called upon to give.

I ask you, Madam Minister, to tell us why you give a severance package to someone who leaves to better himself elsewhere if it had nothing to do with the Sharon Young affair — and I take your word it did not. I have not ever placed your integrity in issue in this discussion . . . (inaudible interjection) . . . Now, don't get difficult. I have gone out of my way not to allow this to degenerate into a discussion which would be unworthy of both of us.

Madam Minister, you do owe this Assembly an explanation, an explanation which goes beyond saying it was a ministerial decision. I never doubted that. I never doubted. I never suggested it was a decision by the janitor or by the Clerk or by the Chairman. I thought it was a ministerial decision. I was questioning the wisdom of that decision, and I'm asking you to give us some insight into your wisdom in playing a severance package to a deputy who leaves under those circumstances. To put it mildly, Madam Minister, those circumstances call for an explanation.

HON. MRS. DUNCAN: — Well, here we go again. It was a ministerial decision. I felt that it was fairly in line with what has been given to other people under a severance package, and I still say to you that we are under some moral obligation, having uprooted Mr. Cousineau and his family and bringing him to Saskatchewan. You may not think so, but perhaps I do. Perhaps I do. And the case you bring forward . . . I can assure the hon. member that the transfer of the person that you were talking about is not even relevant to the case of Mr. Cousineau. It had no bearing. It might have had bearing on his own decision to resign but it sure never had any bearing on me, and I did not ask him to resign.

MR. SHILLINGTON: — Well, I never placed that in issue. I've never placed that in issue, Madam Minister. I know the minister is not enjoying this line of inquiry, but I tell you that it is a perfectly responsible line of inquiry to ask how you could pay that kind of severance pay to someone who voluntarily resigns. Apart from dredging up every resignation in the former administration, with which you must admit you are not familiar other than the bare details of what existed on paper when you took office, can you think of any other example where anybody who voluntarily left to better himself elsewhere who was given a severance package at all, never mind that generous?

HON. MRS. DUNCAN: — Well, it's not even relevant. But the two examples I gave you run around the neighbourhood of \$45,000 for two employees that supposedly you

claim were under different circumstances, and I can't add any more to it. Really I can't.

MR. SHILLINGTON: — Well, are you saying that you don't have a decent explanation for having paid this severance pay to Mr. Cousineau? Is that what you're admitting at this point in time?

HON. MRS. DUNCAN: — I am not admitting that. I have given you, at your request, my reasons for certain actions. Now whether you wish to accept them or not . . . It is not my problem; it is your problem.

MR. KOSKIE: — . . . (inaudible) . . . problem. Your actions are in fact . . . need to be surfaced so that the people of Saskatchewan can see what you're doing. Here is Mr. Foley who was the deputy. I think that within one or two days . . .

You indicated previously that you threw him out of the office on a woman's intuition. I want to ask you: did you not have any moral obligation when you cast Mr. Foley aside? Was not your moral obligation more to him who had served this province — be it all for another government, but who had served the province — who on your own admission the only reason he went was on your woman's intuition? How can you say that in one case you have a moral obligation to a person who has only contributed nine months of service, left to better himself, and at the same time so callously deal with Mr. Foley? How do you justify one decision on morality and the other decision which is so harsh and lacks any compassion? There is an inconsistency in respect to your approach, and so I ask you: can you justify your treatment of Mr. Foley vis-à-vis your moral obligation to a person who came from another province?

HON. MRS. DUNCAN: — I think you're talking about two different issue, and you know full well that a change in senior advisers during a change in government is not the same. You know very well it isn't, as the case you're trying to relate it to. And I think Mr. Foley got approximately \$26,800, which is in line with what was paid Mr. Cousineau. I think the formula used was two and one-half months, and one weeks pay for every year served, which is what it worked out to.

MR. SHILLINGTON: — Well, Madam Minister the unfortunate position — and maybe it's not unfortunate — but the position of someone who is a deputy minister is that they are an order in council appointment, and by that appointment they lack the ordinary protection which is given to employees which is enforced in courts of law.

Madam Minister, the man who sits on your right I assume is an order in council appointment. His right to severance is very, very different than the two who sit behind you, who I assume are not order in council appointments. I can tell you, Madam Minister, that had they not been order in council appointments — and therefore with no legal right to severance, and that unfortunately is the position of someone who takes an order in council appointment — I can tell you that had they been determined in a court of law Mr. Foley would have got a whole lot more. And I would just be amazed if you can find a reputable lawyer who can give you a legal opinion saying that Mr. Cousineau would have got 10 cents if he left to better himself elsewhere.

Madam Minister, I ask you again. Can you think of any other case under your administration — with which you should be familiar? I forgive you for misunderstanding the circumstances of resignations under the former administration, but can you think of any under your administration in which a person who voluntarily left to better himself elsewhere was given a severance pay at all, much less this generous? Can you

think of any other example . . .

HON. MRS. DUNCAN: — Not in our department I can't.

MR. SHILLINGTON: — Well, you're a member of Executive Council. Presumably these matters would have to go to Executive Council. Are you aware of any case coming before Executive Council, of which you are a member, in which anyone who voluntarily resigned was given a severance settlement, never mind this generous?

HON. MRS. DUNCAN: — I think the member knows full well that I do not speak for Executive Council. That is the Premier's job. I speak for the Department of Supply and Services, and the question you asked: no, none in this particular department before the House today.

MR. SHILLINGTON: — So, you know of no precedent for it. That's not surprising in your own department. I would be surprised to hear that you have more than one order in council appointment in your department. It may not be true. You may have more than one, but I would have thought only the deputy would have been an order in council appointment. But I may be wrong about that, I'm not sure. The only other one I can think of is Mr. Foley.

AN HON. MEMBER: — Ned, check with your officials.

MR. SHILLINGTON: — I'd check with my officials. Yeah. Thanks.

Madam Minister, the . . . and I'm trying to phrase it in a fashion which isn't too abrasive because I don't want to draw anyone's personal integrity into issue. But I do want some assurance, and perhaps this is what I'm asking, I do want some assurance that there will be no repeat of this incident, whereby someone who leaves voluntarily is given a severance package. That is a recipe for financial disaster, even of a government where one treats the pockets of the treasurer as being bottomless.

What I guess I want, Madam Minister, is an undertaking from yourself that this will not be a precedent for anything and that we will not again, so far as you have any control over it, give a severance package to anyone who resigns under these circumstances.

HON. MRS. DUNCAN: — I can give the hon. member the assurance that I will act in a responsible manner in my capacity as a minister.

MR. SHILLINGTON: — I want to then go on, Madam Minister, to the issue of Sharon Young's appointment. We discussed the matter in some detail in the dying days of the last session and your stock comment then and the stock comment of the Minister of Finance speaking on behalf of the Public Service Commission was that no grievance had been filed. Now, of course, a grievance has been filed so we may take it that Sharon Young was not in full approval of her transfer, since she's filed a grievance.

Madam Minister, I ask you now if you would comment on the circumstances of her departure. I related to you my understanding of the circumstances under which she left, under which she was transferred from P.A. You didn't deny those in the last session but you may wish to do so now. But I'd ask you to comment on my version of why, of the circumstances under which she left and whether or not you would now be willing to transfer her back to P.A.

I said to you before, Madam Minister, that for Harry Van Mulligen, P.A. was the equivalent to him of Siberia . . . (inaudible interjection) . . . I did not say . . . I'm pleased that the goon squad is back here trying to disrupt estimates. That's all the member from P.A. is doing. And I want to say that I think . . . I wished he had some contribution to make. I wish the member had some contribution to make rather than to move over on this side and disrupt the estimates. But I know that's the only contribution he's going to make so we will ignore his contribution.

Madam Minister, I want to be careful you do not misunderstand me. I did not say that I regarded P.A. as equivalent to Siberia. I suggested that that is what, that that was Mr. Van Mulligen's view. And in view of the fact that he was an alderman here and the minister in charge had the grace and the good sense, and if I may say, the measure of character to admit he made a mistake, and he transferred him back. Madam Minister, we can dispose of this issue in the same fashion, if you will undertake to transfer Sharon Young back to Prince Albert, and to deal with the grievance in that fashion, I think we could put an end to this issue as well.

HON. MRS. DUNCAN: — I can indicate to the hon. member that myself and my colleague, the Minister of Advanced Education and Manpower, were in Prince Albert Tuesday afternoon to unveil the architect's model of the technical institute, which, I might say, has doubled in capacity and size and student places. We had a very, very warm, warm reception from the people of Prince Albert. That's just a little plug for my colleague, the Minister of Advanced Education and Manpower . . . (inaudible interjection) . . . Oh, I doubt it, I doubt it.

With regard to Miss Young, I think you know full well that it is before the normal grievance procedure, and either you or myself discussing it at this time would be totally irresponsible on both sides. I can indicate that Miss Young has requested a transfer, not specifically to Prince Albert, but a transfer somewhere within government, either within the same department, I believe, or another department. But to discuss these specific issues surrounding the transfer, I think at this time would be irresponsible by both of us.

MR. SHILLINGTON: — Madam Minister, do you dispute the circumstances I outlined with respect to the nature of her transfer here? Do you dispute that your deputy minister told her politics weren't welcome, first of all, assuming what her politics were, because I don't think she was asked her politics? But do you dispute that version of the facts relating to her transfer?

HON. MRS. DUNCAN: — I will not comment on the facts as you allege, because it is before the grievance procedure, and it's irresponsible on both our parts. I think you, as a former member of the Executive Council, should know that.

MR. SHILLINGTON: — Madam Minister, the problem with the procedure is it has just broken down. There's a number of grievances which are backed up, and caused by this government's endless taste for retribution against anyone they think is an enemy of the party. It's nothing to do with being an enemy of the state, it's an enemy of the party with you people. Your endless taste for revenge has meant that the grievances are backed up to the point where, when we take office in three years, or four years, or whenever this administration has the courage to call an election, we're going to be left with most of the grievances, because they are backed up so far that they are not going to be dealt with in anything like a timely fashion.

I ask you, Madam Minister, why you won't show the same measure of character as was shown by the minister in charge of the housing corporation, and simply transfer her back and respect the girl's wishes.

HON. MRS. DUNCAN: — I think, you know, that's a typical type of an approach for a socialist to take, these veiled allegations and veiled innuendoes. We have no more grievances against our department now than we did in the past. So to stand there and exaggerate like that is total nonsense, and it's totally typical of the type of questions that we get from that side of the House. I can only reiterate that Miss Young has taken it to grievance and for me to comment on the so-called facts or circumstances as you interpreted them — I won't do that at this time.

MR. SHILLINGTON: — Madam Minister, you are stonewalling on the issue. You won't comment on it at all. You are stonewalling on this issue, and it is a basic issue of democratic rights — goes to the very basis of a person's democratic rights. It is one thing, Madam Minister, for you to suggest as you apparently did that you didn't like the politics of Dennis Foley. I don't think you knew what his politics were, quite frankly. He worked as my deputy for several years and I didn't know what they were. And I was quite close to him because I respected him as a competent professional. And I think when you let him go because of his politics, I don't think you understood what they were.

As I was saying, that's one thing — he works directly as your deputy. but to quarrel with the politics of a person who is in the department and who works far removed from you, I suggest is a new, is raising the vendetta of this administration against its enemies to a brand-new level. At least the minister in charge of the housing corporation offered us — the lamest thing I've seen since a one-legged dog, but at least he offered the excuse that Mr. Van Mulligen was writing speeches for him.

What conceivable excuse can there be for Mr. Cousineau's comments to that girl that her politics weren't welcome? What conceivable excuse can there be for that comment?

HON. MRS. DUNCAN: — Quite frankly, I think that you are depending a lot on hearsay which may or may not be true. I wasn't in attendance at that time so I can't say whether what you are saying is true or whether it isn't. I happen to have heard a different version at the time, so again for me to comment on it at this time would be rather irresponsible. And I think you know full well how The Trade Union Act works, supposedly democratic, it's in the grievance procedure right now, and I'm sure through the collective bargaining provisions of grievance, it will be settled either way.

MR. SHILLINGTON: — Well, Madam Minister, I invite you to dispute my version. As I told you at the time, as I repeat, my version was gained directly from Ms. Young. And we said that at the time, if you want to check the *Hansard*. It wasn't something I picked up in the bar in P.A., I . . . (inaudible) . . . said that at the time.

Now, if your version, I assume you and Mr. Cousineau discussed this; I assume the lines of communication were at least that open — that you discussed this sort of a thing. If my version isn't your version, I would like to hear your version of it.

HON. MRS. DUNCAN: — I will tell you one more time. You know full well that the transfer is at the grievance table and any discussion as to the alleged circumstances surrounding the before or after the fact, are not to be discussed by either yourself or

myself. And I think you know that, not only as a former member of Executive Council, but as a lawyer.

MR. SHILLINGTON: — Well, I say, Madam Minister, that if you wanted to redeem yourself on this issue, as, I think, the minister in charge of the housing corporation did, when he made a mistake, and as the Premier might have, when he made a mistake in his estimates, you might simply transfer Sharon Young back to P.A. or where it is you claim now she wants to go. Admit that an error was made. In a government of the size of the Saskatchewan government, I can tell you there's going to be some mistakes made.

Because you are a minister of the Crown, and because you speak for that department in this Assembly, you have to take responsibility for those mistakes, and they may not have been your mistakes personally. But to the extent, Madam Minister, that you're prepared to admit your mistakes and correct them, your stature may increase. I ask you, Madam Minister, whether you have given any consideration to honouring Ms. Young's request for a transfer.

HON. MRS. DUNCAN: — I think I am doing the honourable and responsible thing by not discussing an incident which is at the grievance table right now, and I think, perhaps, a little bit of honour and responsibility on the other side of the House might serve this whole exercise well. But, given that, I can only say again, I will not discuss the circumstances leading to the transfer. I happen not to think that the hear say that you hear . . . Whether you hear it straight from, or straight from someone else, I have to take your word for it. Right? So, please take my word for it. I am not at liberty to discuss it and you know full well. Now, you can stand up there in your nice lawyer manner and try to badger me into saying something I'm not supposed to, but listen, one of your constituents told me that if brains were water, your head would be a desert, and I'm not going to fall for your trap.

MR. SHILLINGTON: — Madam Minister, I was trying to be so nice. I thought we were going to conduct these discussions on a civilized level. I can tell you, Madam Minister, that I'm not going to respond to that last comment.

I want to get on to a matter which is before the courts, that which I will be interested to hear your disclaimer of any intention to discuss, and that is the issue of the court-houses themselves. It is an issue which is of concern to the courts, although not before them in the sense that Ms. Young's is before, is being grieved. The court-houses — we are not apparently proceeding with the construction of the court-houses, that at least is . . . (inaudible interjection) . . . Well, that's true, but one J.G. Lane, now Attorney-General — the Minister of Justice, I'm sorry — said that Regina and Saskatoon will have to wait at least one more year to get their new renovated court-houses. Madam Minister, was this decision based on perceived need, and if so, on what was this decision based to postpone the construction to the additions to the court-house in Saskatoon and the construction of the . . . I gather it was an annex in Regina?

HON. MRS. DUNCAN: — Pure and simply in one word, it was a decision based on economics.

MR. SHILLINGTON: — What would you have had expended in the current year, had you given the go-ahead to the project?

HON. MRS. DUNCAN: — It would have been in the early design stage this year, and we could have expended upwards to a million dollars on the court-house design. But you

must realize that it's an ongoing thing and we are monitoring it. We might go into the design phase yet, but I mean it came down as a member of treasury board, as a member of cabinet.

If cuts have to be made, I would rather postpone some capital projects rather than have to cut back in education, or cut back in health, or cut back in the direct services that the people actually require. And you know full well that the areas of direct services were not cut back in other areas.

MR. SHILLINGTON: — You're fortunate that the deaf can't hear that, because they thought their grant was cut back. So it's fortunate that they're not able to hear your statement directly. I think they're lucky in that regard.

Madam Minister, though, let me leave that peripheral comment and get back to the court-houses themselves. Have you completed the design work on the court-houses? Well, I'll leave that question at that.

HON. MRS. DUNCAN: — You wanted to know if we have completed the design stage. No, we haven't.

MR. SHILLINGTON: — Is that work ongoing this year? Are you completing the design work of the court-houses?

HON. MRS. DUNCAN: — It's on hold at the present time.

MR. SHILLINGTON: — Well, that's a curious decision. I took it from your earlier comment that you don't quarrel with the need for these court-houses. This department is bursting at the seams in an area with a very high profile. A large number of people see some of those court rooms — indeed, an extremely large number of people have seen that court room in the last couple of weeks. I drove by it today and I saw that it had a fair audience. There must have been a hundred people out in front of it. They seemed to have some comments to make about something that was going on inside, and I wasn't sure which side of the issue they were on, to be quite frank.

Madam Minister, I assume we're not quarrelling with the need for those court-houses. I assume you're saying it's economics. But shouldn't we at least be completing the design work so that when the Minister of Finance gets some wind back in his sails, and you've got some money, you can start immediately with the construction of it and you won't be a further delay while you do the design work. It doesn't make sense, Madam Minister, to finish the design work, which is not expensive, then put the plans on the shelf to await a brighter day perhaps after the next election when a new administration is in office.

HON. MRS. DUNCAN: — Yes, I can say that of concern to us, but perhaps we on this side of the house aren't so gung-ho to get sod-turning ceremonies and whatever in the few months prior to election. I think that next election we go into, the credibility of this government will stand on its own and we'll probably come back with more members than we do have now.

With regard to the court-houses, I do agree that there is an absolute need for the court-houses. But let me tell you, the deterioration of the court-houses now — today — did not happen overnight. You know, it was neglect on the part of your administration, with a lot of words and fancy casings and no actual work being done. You announced the

court-houses in March 5 of 1981. Good God, you've hardly spent a cent on them. And then you glom all your capital projects together in the March '82 budget when you overestimate expenditures by about \$200 million, and underestimate revenues by almost an equal amount, if not more. And yet you were going to do all those great things in one year, and you know darn right that's just baloney and it's not true.

MR. SHILLINGTON: — I didn't mean to get the minister exercised in that fashion. Madam Minister, I wonder if we could get back to the question. Why don't you complete the design work, so that the need — and you admit the need — can go forward, if and when the Minister of Finance is ever able to put the finances of this province in order? Why don't you do the design work, which is not expensive, so that it can go forward at the earliest possible opportunity?

HON. MRS. DUNCAN: — Well, I said to you . . . I thought I answered your question, but obviously you either missed it or it went over your head. I told you it was a consideration and hopefully we can proceed with the design. But we also think a priority is to get extra space in Saskatoon. You talk about deplorable court conditions there in Saskatoon, and I'll tell you they've been around for the last ten years, if not more, under your administration and you did nothing.

MR. SHILLINGTON: — I don't know whether, Mr. Chairman, I'm going to have any success in getting the attention of the minister. She's busily engaged in a debate, but not unfortunately with myself. Madam Minister, I don't know whether or not your comments with respect to Saskatoon are accurate; I don't think they're relevant however. There was an election. There was a new administration took office. They were going to rectify some of what they perceived to be the errors of the former administration, but if that never happens the whole election seems to me to have been a waste of time. Madam Minister, if you perceive there's a need — and I gather you do — and if it's not going forward because of the funds, why don't you at least do the design works so that when the money becomes available, there will be the least possible delay in completing the project which we all agree is badly needed?

HON. MRS. DUNCAN: — I said to you the last two times I answered that same question: that is still under consideration and I hope we can proceed with the design work. But a more immediate problem is the situation in Saskatoon that we right now are trying to address: to get adequate space to expand the very overcrowded situation that we find in Saskatoon.

MR. SHILLINGTON: — In what manner are you trying to address the situation in Saskatoon, then? Perhaps you could expand on that.

HON. MRS. DUNCAN: — In February '83, we . . . (inaudible) . . . were let to at least approximately 1,400 square metres for the provincial court. And right now, I believe the department is reviewing them, and . . . That's a critical area. Even if we were to . . . (inaudible) . . . start building in the Saskatoon court-house today, that doesn't relieve the very immediate problem and very dire problem, I might add, that is there. We would still have to go to a lease proposal for rental space to take care of the interim, because the situation is that critical up there.

The Assembly recessed until 7 p.m.