

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

May 22, 1984

EVENING SESSION

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

PUBLIC SERVICE COMMISSION

Ordinary Expenditure — Vote 33

Item 1 (continued)

**Hon. Mr. McLeod:** — Mr. Chairman, just prior to breaking at 5 o'clock, I believe the member from Shaunavon was asking some questions regarding the competitions, and the number of competitions that are cancelled in a given year. I'll just go through some numbers here now.

The number of competitions in the '83-84 year were 1,858; the number of applications were 19,056; the number of employment interviews were 3,413; and the number of certifications 1,572. I have them for two years just immediately preceding that as well, but I could give those if you . . . The number of competitions cancelled were 187 in the '83-84 year; in '82-83, there were 216 cancelled; in '81-82 there were 118 cancelled. You know, it's a normal practice that competitions are cancelled for various reasons. So I will leave it at that, if that's what the member was asking for.

**Mr. Lingenfelter:** — Well the question was, Mr. Minister, how many were cancelled, and then an applicant who was interviewed subsequently hired through an order in council? That's what I would like to know.

**Hon. Mr. McLeod:** — You know, whether there were or not, I don't know. My folks tell me that the only way that we would know that is to go through each of those competitions which I have cited here, one thousand eight hundred and — or not, the 187, to go through all of the 187 files. I can provide that to you. I'll undertake to provide it, but I can't provide it to you right now. Okay?

**Mr. Lingenfelter:** — Well, if you would do that for me. I think that either way . . . If there were very many, I would be shocked. If this was the only one, then I think it would set aside the absolute amount of political power that there is in the hiring process in the Conservative government at this time, where an employee who has a record like Julie Campbell will be fired, tossed out; where your own commission hearing will say that, yes, she was fired without cause. You as a minister, and the Minister of Health or the Premier have a responsibility similar to the minister in charge of SGI, to apologize to the woman who was fired without cause, and subsequently the person who you are attempting to hire through the Public Service Commission, that that competition was cancelled and that she would be hired through order in council.

My question when we left off, of course, Mr. Minister, was not the one you answered, but had to do with why — the number of reasons that you can give me — why the Public Service Commission stopped the process of hiring through a competition and took one of the individuals out of that 36 and hired her through order in council.

Now I gave you one reason and I'm suspicious that this is the reason: that it was because she was the business manager for the Minister of Health, that she was a political person and will do a political job for the minister at the nursing home, as well as do the administrative work. But I was asking you: how many other good reasons can you explain for cancelling the competition and then hiring one of the individuals through order in council? And I'd like you to list out a number

of reasons why a person would do that.

**Hon. Mr. McLeod:** — Yes, I'll give some reasons why competitions are cancelled. You know, as I pointed out, there are competitions cancelled. Now, the first reason, there are about five or six employees with bumping rights who are qualified, have rights to placement over the applicants received through the competitive process, number one. Second one, all applicants deemed not qualified, which is the case in some of those cases. Number three, rescinding of resignations. Number four, the department operation changes in circumstances.

**An Hon. Member:** — Say that one again?

**Hon. Mr. McLeod:** — Department operation changes. Number five, budgetary restraint measures. And number six, grievance resolutions.

**Mr. Lingenfelter:** — Well, can you tell me which of those you would apply to this case? Because I listened very closely, and not one of them would apply. Is it because the applicants rescinded, or is it because of bumping rights, or is it because the operation changes, or is it because of lack of funds? Can you tell me which one of those in this case would apply?

Mr. Minister, you're becoming a joke on this issue. You stand up and say that, "We fired her, and I won't accept whether or not the Public Service Commission is right in saying that she was wrongfully dismissed." You say, "I paid the 22,000, but I don't agree with what they're doing. I can't allow myself that much leeway." You say, "We hired this other person who is the business manager for the Minister of Health, but I can't say whether or not that's appropriate."

And I ask you why you would choose to go through the order in council, as opposed to the hiring through public service. You list out five or six reasons, and none of those apply. Now, can you tell me the reason why it was done in this case?

**Hon. Mr. McLeod:** — Well as I indicated before supper, Mr. Chairman, I won't tell you the reason, because the reason that it was done in this way was communicated to the Public Service Commission by the Department of Health. So if you want to know what the reason is, or whatever, you'll have to deal with the Minister of Health on that — and I'm sure that you will.

So deal with the Minister of Health on that. I have no way of knowing what the reason that the Department of Health said, "We want this competition cancelled." And as far as the Public Service Commission is concerned, the competition was cancelled on October the 19th, as per a request from the Department of Health.

**Mr. Lingenfelter:** — Well, you say you won't say which of the . . . You say which one of the five that you listed out here. I would like to know: is it one of the five? If you can't be . . . If you can't identify which one of the five, is it one of the five?

**Hon. Mr. McLeod:** — The reason, from the Public Service Commission's point of view, which is what I'm here to discuss with you tonight . . . The reason that this competition was cancelled is because of this piece of communication, which we received from personnel in the training branch of Saskatchewan Health, to the Public Service Commission. And it's dated October 19, 1983; competition number 116014-3-2861; administrative officer for Lakeside Home, Wolseley.

I am writing in respect to the above-mentioned competition. Please cancel this competition. The department is taking an alternative course of action to have this position covered. Thank you for your assistance in this competition.

Signed, Jerome Volk, personnel administrator, from the Department of Health.

That is the reason that the competition was cancelled — because of this communication from

the Department of Health to the Public Service Commission.

**Mr. Lingenfelter:** — Is that included in one of the five reasons? You listed out five specific reasons why. Can you tell me whether or not one of those reasons is the reason you cancelled this one?

**Hon. Mr. McLeod:** — No. The five reasons that I gave you are reasons that, from our point of view in the Public Service Commission, these are reasons that we see for the cancellation of competitions. And departments may have other reasons for cancelling competitions, but we would see these as reasons which would most often apply when competitions are cancelled, and as I've indicated to you, there have been a good number in any given year that you want to pick out.

And I have numbers for the last three years, in sequence. In 1981-82, there were 118 competitions cancelled; in '82-83, there were 216 cancelled; in '83-84 there were 187 cancelled. The reasons that I gave you were the reasons that . . . The reasons that I've given you here were reasons for the cancellation of competitions, for the most part.

**Mr. Lingenfelter:** — Well, Mr. Minister, I would ask you again: in this competition you were aware of the firing of Mrs. Julie Campbell. When this issue went to the Public Service Commission appeal, you were well aware on September 19th that what had gone on . . . I think that you were probably part of the decision. Naturally, the minister must be somewhere around — if not right on top of it, close by — when that decision was made.

You knew very well that Julie Campbell had been dismissed, and your commission had decided that she had been wrongfully dismissed, and paid the 22,000. You were also at the cabinet meeting, as I understand, where the decision was made to not rehire Julie Campbell but to hire Sandra Hextall.

I wonder if you can explain to us, Mr. Minister, what your position was on this issue of hiring Sandra Hextall, at the cabinet meeting when the decision was made. Can you tell me whether or not you were at the meeting, and whether you were in favour of the hiring of Sandra Hextall, when you knew very well that the competition had been cancelled; that she was one of the applicants?

Where did you stand on this matter? Did you stand up and say, "No, the Public Service Commission's honour has to be protected here; she was one of the applicants and we simply cannot hire her, because she is a political person for the Minister of Health, because that would take away from the Public Service Commission"?

I wonder if you can outline your role in this whole operation, and whether you stood up for the Public Service Commission in cabinet?

**Hon. Mr. McLeod:** — Mr. Chairman, I'm obviously not going to outline my role and what I said in cabinet, what I may or may not have said in cabinet. I'm obviously not going to do that. The hon. member has suggested . . . He says, "What is your role?" and so on. I have gone over this and we will go over this one more time so that you understand clearly, so that you understand very clearly — Mr. Chairman, so the member from Shaunavon has a clear understanding of what happens.

First of all, he would stand in this House in Public Service Commission estimates and suggest that I had something to do with the termination of Mrs. Campbell. I had nothing to do with the termination of Mrs. Campbell. I had nothing to do — I will repeat, Mr. Chairman — with the termination of Mrs. Campbell. Mrs. Campbell was terminated by the Department of Health. The Department of Health is one of the departments of government. The Public Service Commission is a central agency of government that provides services to other departments.

The Public Service Commission ruled, after a grievance procedure was followed, or after Mrs. Campbell exercised her right to appeal — and she did that — and the Public Service Commission ruled that Mrs. Campbell was entitled to a severance payment. That ruling was accepted by the Department of Health. All of this . . . Remember now, the department I represent here, the Public Service Commission's only involvement, was in the commission itself who made the ruling.

The minister has no involvement in the rulings of the Public Service Commission, even though there may be some on that side of the House who would suggest that there should be an involvement by the minister in the rulings of the Public Service Commission. But there will be no involvement of the minister in the rulings of the Public Service Commission — no involvement under this minister or this government. That is not our role, to be involved in those rulings that the Public Service Commission has put in place for that very reason.

The Department of Health requested, as I have indicated in the letter than I read from the personnel administrator of the department, indicated that they wanted that particular competition, the number of which I have quoted to you, cancelled, and we concurred with that and cancelled it. We just cancelled it because the request came to us as a service department. So we cancelled the competition, and subsequent to that, as the member has indicated, there was an order in council brought forward by the Minister of Health to appoint Mrs. Hextall, who, I will add one more time, is a very, very qualified individual, who does an absolutely excellent job in the Lakeside Home in Wolseley.

So there's nothing more I can add to it, Mr. Chairman. The sequence of events have been outlined here in this committee, and not only once but several times, and I don't know what the member can accomplish by raising it more often.

**Mr. Lingenfelter:** — Mr. Chairman, I would like to ask the minister: if Mrs. Hextall was so adequate at her job in her application, why did she not continue on through the normal process and be hired through that legitimate role?

**Hon. Mr. McLeod:** — Mr. Chairman, as I indicate one more time, the cancellation of the competition and the subsequent hiring of Mrs. Hextall by order in council are not roles which the Public Service Commission had anything to do with. Those are Department of Health circumstances, and you must ask the Department of Health and the Minister of health about that. And I would suggest that you do that.

**Mr. Lingenfelter:** — In the issue of your role in hiring people for the Department of Health when you knew very well that Julie Campbell had been fired and your commission had ruled that she had been wrongfully dismissed, Mr. Minister, I would ask you whether at the cabinet meeting — that where you chose Mrs. Hextall to replace her — whether or not you made it known to your cabinet colleagues the process that the Public Service Commission was going through at that time. Did you let them know that so the conflict would be well aware to them?

**Hon. Mr. McLeod:** — This is another area . . . Because of the dates, as we have outlined several times, Mr. Chairman, will indicate that the ruling by the Public Service Commission which was made public on October 11, 1983 . . . So that ruling and subsequent acceptance of that ruling by the Department of Health both happened prior to the order in council coming forward.

As far as me discussing with the member or with you, Mr. Chairman, or with the House, what my role was in cabinet or what my input or lack of input, or whatever it was on this particular issue, it will remain a case of absolute and sheer speculation by the member. And he knows very well, having been a former member of cabinet for a very short time, that he will know that this is not the place, nor is anywhere outside the cabinet room a place, to discuss what I did or did not do in cabinet.

**Mr. Lingenfelter:** — Well, we can all speculate on why the minister will not explain, but I would like to get it clear, Mr. Minister. If the Minister of Agriculture was to carry out a similar action where he would fire someone in Weyburn, let's say in the Department of Agriculture, if he were to fire them and subsequently attempt to get someone hired who was his business manager in the last campaign, and they didn't rate high enough, and then cancelled the competition and then you hired through the cabinet, would you think that was all right? I want to get you very clear on the record, whether you would accept that as legitimate.

**Hon. Mr. McLeod:** — Well, you won't get me clear on the record to answer hypothetical questions from the member from Shaunavon, Mr. Chairman. I will not answer hypothetical questions. The member has clear and distinct questions regarding operations of the Public Service Commission. I would invite him to ask his questions, and he will get clear and distinct and concise answers.

**Mr. Lingenfelter:** — I want to ask you then on a very clear case. When Mrs. Julie Campbell was fired by the Minister of Health so that he could hire his business manager, Mrs. Hextall — couldn't do it through your operation, the commission — do you think it's acceptable that he would then come to cabinet with a proposal that would go by the Public Service Commission, that would go by all the decency that was owed to Mrs. Julie Campbell, and hire her? Do you think that's a legitimate way for a government to operate?

**Hon. Mr. McLeod:** — Mr. Chairman, I have indicated before, the particular case that he talks about is the case where Mrs. Campbell and the Department of Health both accepted, both accepted now . . . Don't just leave it to the suggestion that only the Minister of Health or the Department of Health accepted the recommendation of the Public Service Commission. Mrs. Campbell accepted the recommendation of the Public Service Commission as well and, in fact, accepted the severance payment which was suggested and which, in fact, was paid. So there's no . . . How else can I comment on it except to say that she accepted it, and she has the money as far as I'm aware, and that's the end of the case?

**Mr. Lingenfelter:** — I want to follow that a little more. You will know, and I've told you, that Mrs. Campbell is not satisfied that she had no other choice; that she has applied for a number of other jobs and cannot get a job. She is a woman out there who was an expert in her area, who was not political in any sense of the word, I believe came from Alberta — if anything, was probably voted Conservative in Alberta. Her husband is a minister in Whitewood. She was fired. You paid her 22,000 — and let's get this clear — of taxpayers' money to clear you off; not your own money, but you used taxpayers' money of 22,000.

Mr. Minister, I would ask you whether you think that this case is a legitimate way for a government to be carrying on. And I would like you to know whether you believe that the firing of Julie Campbell and the subsequent hiring of a business manager for the Minister of Health, is an acceptable way for a government to respond to the needs of the people. That's what I would like to know. And your delaying and trying to avoid that question, I think, is not to be believed. I would ask you whether or not you think firing Julie Campbell and hiring Sandra Hextall, who was the business manager, is acceptable?

**Hon. Mr. McLeod:** — All I'm going to say, Mr. Chairman, is that, as I've said before, Mrs. Campbell received the severance payment that was suggested. She exercised her right to appeal the decision that was made by the Department of Health — not by the Public Service Commission, Mr. Chairman, not by this commission, but by the Department of Health. She accepted the severance payment, the Department of Health accepted the recommendation of the Public Service Commission, and Mrs. Campbell was paid \$21,812.10 as a severance payment.

And as far as the member from Shaunavon, and he will continue to do this, and he continues to suggest that Mrs. Hextall, because of her role as . . . What does he say — business manager to Mr. Taylor, the Minister of Health?

But what he doesn't say is how pleased the people of Wolseley are, and the people most directly affected by this particular position, and that is the elderly people in the Lakeside Nursing Home of Wolseley, and the families of the people who are placed in that home — how pleased they are with the administrative job that Mrs. Hextall is carrying on. And she is very well qualified for the job. She is carrying on that function very, very well, and the people most directly affected, as I've indicated, Mr. Chairman — which is something that that member will not admit — are extremely pleased with her performance to this date.

**Mr. Lingenfelter:** — I want to ask you a question, Mr. Minister: whether you would accept, for example, the Senator Hazen Argue firing one of his employees in a federal Crown corporation or in a federal department, and hiring one of his political hacks without any apology or excuse or anything? Like, do you believe that that is an acceptable way for a democratic government in the western world to operate?

I think, Mr. Chairman, and Mr. Minister, that you have acted in an unprofessional manner; that Mrs. Julie Campbell deserves an apology; and I would call on you to do that. What would it cost you? For example, it's cost the taxpayers of this province \$22,000 that you found no problem in signing the cheque for. What is at stake in sending an apology to Mrs. Campbell by you personally? What is at stake here? I would like you to tell me.

You've admitted that you were wrong. The government has admitted they were wrong, or they wouldn't have paid the \$22,000. What I would like to know is what it's going to cost you or the Minister of Health to send an apology to this woman, so that she could get on with earning a living in a meaningful manner, which she was doing when you took office. What is the problem with that? Why do you refuse to do it?

**Hon. Mr. McLeod:** — Mr. Chairman, I won't really get into this. The hon. member for Shaunavon talks about his former colleague, Mr. Argue. I have no . . . You know, he uses that analogy. I remember the former government giving Hazen Argue a sweetheart deal on some land bank land and so on, and I don't have anything to do with that. But I know this: I have not admitted, as you suggest, as the member from Shaunavon will suggest . . . I have not admitted that we were wrong, or anybody was wrong. I have not admitted that anyone was wrong. I have said that the Public Service Commission made a ruling, and it was recommended by the department.

And certainly Mrs. Campbell, as I have said before, was not dismissed by me. I did not dismiss Mrs. Campbell, and I certainly will not apologize for dismissing her when I did not dismiss her. That's a ludicrous suggestion by you: that I should apologize to someone I didn't dismiss in the first place. So it's out of order, as far as I'm concerned, in these estimates.

**Mr. Lingenfelter:** — Mr. Minister, you are the person responsible for the civil service of this province. There are literally thousands of civil servants out there who do a professional job or did a professional job for years and years. They believed that having a career in the civil service was an honourable way to make a living, and you, Mr. Minister, are taking that away from them. I believe that there are still a large number of civil servants in Saskatchewan who do it as a matter of fact and as a profession. And, Mr. Minister, I think you have proven today that what happened in Manitoba with the civil service going into the last election, where a large number of civil servants put up with this kind of mistreatment year after year under Sterling Lyon, that the first opportunity they got . . .

**Mr. Chairman:** — Order! I think the question should relate to the minister's . . . We're talking about the Public Service Commission, and I think that you're not talking about the Manitoba situation, so let's keep it to the . . .

**Mr. Lingenfelter:** — Mr. Chairman, I would like to know whether or not any expression of

Manitoba government will not be allowed in this committee. I know very well it has in the past, and I believe you were in the Chair when it was allowed by the government to talk about Manitoba. I would like to know, on a ruling, whether or not this is a ruling that applies to everyone, whether we can refer to Manitoba or not.

**Hon. Mr. Blakeney:** — Mr. Chairman, I speak on a point of order, and I want to say very clearly that I have heard any number of chairmen of committees suggest that the opposition is confined to asking questions. Nothing could be further from the truth. Nothing could be further from the truth — that on estimates we are entitled to give one-hour speeches, if we want to, and the record will show that it has been done on many previous occasions, and the suggestion by the Chair, the suggestion by the Chair, that we must confine our remarks to questions, is quite out of order, quite out of order, and ought to be rejected by this committee.

**Mr. Chairman:** — I was talking only of matters that relate to Public Service Commission. You can speak as long as you like. I am not controlling any speech here.

**Mr. Lingenfelter:** — I want to very clearly talk about a comparison between the Manitoba public service and in Saskatchewan. I want to talk very clearly about a civil service in Manitoba where they dealt with a right-wing radical government of Sterling Lyon, where the political operation cuts so deep as to fire any number of people and replace them with political hacks.

I'm saying that here in Saskatchewan, Mr. Chairman, is similar to Manitoba's, that what has happened at the nursing home in Wolseley where we have seen the administrator, Mrs. Julie Campbell, fired indiscriminately with no cause — I believe because of political reasons and not because of the politics of the person being fired, but because of the politics of the person the Minister of health wishes to have fill that position. And I say that when you have an individual like Mrs. Campbell, the wife of a minister in the area, fired in order that the business manager of the Minister of Health can be hired, then you, Mr. Minister, as the person responsible for the civil service, do have a duty and a responsibility, not only to see that the woman receives an apology, but I believe that, if you were a man of honour, that you would see that she got a job with the Government of Saskatchewan, because everything would indicate — the ruling of the commission — that she has done a good job and would do a good job.

But I say to you, Mr. Minister, that what happened in Manitoba, I believe, will happen here when the civil service has the first chance of getting rid of this right-wing government, when the farmers of this province deal with what has to be one of the worst recessions and depressions in the province's history. And I say to you that you owe the woman a responsible apology, and I think anything less than that will show you for what you are — a man who will not stand up and defend the civil service in this province.

**Hon. Mr. McLeod:** — Oh no, just a . . . Mr. Chairman, as far as the member's comments, as far as they went dealing with the particular case of Mrs. Campbell, and I've gone through that many times in terms of her right to appeal and all of that, and we'll go into it. But as far as that last comment about, "We don't uphold the rights of civil servants," and so on, it's not accurate. You'll pick one case, you'll pick a case out of here somewhere and you'll try to make great, big, political points, and you'll stand, and you'll grandstand on a particular case. And I would say the mandate of the Public Service Commission and of the commissioners isn't new in the province; it's the same as before. The three members or the four members of the Public Service Commission were appointed by your government, as a matter of fact.

**An Hon. Member:** — Yes, and you give them no power.

**Hon. Mr. McLeod:** — The member suggests from his seat that we give the Public Service Commission no power. I would say, and not an hour ago, or two hours ago, the member was suggesting to us in this House that the minister should in some way interfere with the decision made by the Public Service Commission.

**An Hon. Member:** — You did, you did. That's the point. You did interfere.

**Hon. Mr. McLeod:** — I did not interfere. I did not express . . . I expressed no opinion on either the pro or the con in terms of what the rulings of the Public Service Commission were. So what I had started to say is that the mandate of the Public Service Commission is not new. I respect their comments. I respect those comments, and we've shown that we, as a government, respect what they say. And when they come with a ruling, we respect that ruling and we accept it, as was the case when the Department of Health accepted the ruling in the case of Mrs. Campbell.

I want to emphasize, and I will emphasize to you, Mr. Chairman, and to the hon. member from Shaunavon, that we feel strongly about the contribution of the public service employees in the province, in general terms . . . (inaudible interjections) . . . You pick one particular case, and you'll make a big issue out of one case. And I'll tell you, the 30,000 people that work for the public service have a very high level of morale today, whether you like it or not.

You want to talk about Manitoba and all of those kinds of things. The public service of this province, in general terms, has a very high level of morale right now, and they're excited about the new programs and implementing of the new programs of this new fresh air government that has taken over in this province. And we will be here for a good length of time, as will those public servants who are serving the government and the people of Saskatchewan.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I refer to this Julie Campbell case and the decision of the Public Service Commission, and it says she was not dismissed for cause. I take it you agree with that, since you haven't in any way suggested otherwise.

The decision of the Public Service Commission goes on to say the threat to the merit system of elected officials directing the appointment or dismissal of public servants is a real one — I'm paraphrasing. Do you agree that it is a threat to the merit system of public service to have ministers, elected officials, directing the appointment or dismissal of public officials? That's the question I ask you.

You administer this system, this merit system. Do you agree that it's a threat to the merit system if elected officials direct the appointment or dismissal of public officers?

**Hon. Mr. McLeod:** — Mr. Chairman, I have said before, to the Hon. Leader of the Opposition's colleague, that I will not comment one way or the other on the recommendations on particular cases by the Public Service Commission.

The hon. member suggests in his question . . . And he talks about a threat to the meritorious system of the public service, and I would say to the Leader of the Opposition, I have a little list right here. And if he would suggest that this one case that they have chosen to pull from all of this system, and he would say this one case is some kind of a threat to the merit system of hiring practices within the public service, the wide public service of Saskatchewan, I would ask the Hon. Leader of the Opposition, the member from Quill Lakes, the member from Shaunavon, the member from Assiniboia-Gravelbourg, and the member from Regina Centre, if these appointments were in any way a threat to the merit hiring system: Bill Knight, Myrna Knight, Deanna Koskie, Linda Koskie, Morley Koskie, Ted Koskie.

Were all of these appointments, under your former administration . . . Did they have anything to do with the merit of the system in terms of how the public service employees were appointed? Were any of these things appointed? Did any of these have anything to do with it? Gordon McNeil — I can go through a list and I just leaf it over and I won't get over it, but there are many. And what I will say, Mr. Chairman, is this: I will say that as I said to the hon. member from Shaunavon a few minutes ago, that in the wider range, in the wide public service, over the broad public service in this province, there's no question that the merit system of hiring is very much



alive and well. No question about that.

And I would say to the hon. member, the Hon. Leader of the Opposition, and he full well knows this, and it's one of the greatest causes for concern of the NDP party opposite, is the good morale in the public service today. The good morale in the public service today is what poses a great threat to those folks opposite right now, because they see not only the new policies of this government, of this department and all of these colleagues that we have. The policies that we have and the way in which these policies are implemented and approached and the way that the public service of this province gets down to work, rolls up their sleeves and implements those policies across the wider public service, that's one of the greatest concerns that that NDP party has opposite there, Mr. Chairman, because they can see very well that there'll be a small group in that corner for some good, long period of time.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister. The minister promised clear, direct, clear, distinct, and precise answers and I'm asking you for a clear, distinct and precise answer as to the policies which you are enunciating and which you are employing in the Public Service Commission. And I'm asking you: do you believe it is a threat to the merit system if elected officials direct the dismissal of public officials within the classified service? Now that's a fairly simple question. May I have a clear, distinct, and precise answer?

**Hon. Mr. McLeod:** — The Hon. Leader of the Opposition is quoting from the results of the September . . . (inaudible interjection) . . . But that particular thing, that particular statement was in the hearings and the decision of the Public Service Commission as it relates to Julie Campbell's case. And I would say to the hon. member I will not comment on it one way or the other.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I'm not asking the minister to comment on Julie Campbell at all. I'm asking him whether the system which he administers, the system which he administers, is one wherein he believes that the merit system is under attack if elected officials direct the dismissal of public servants in the classified service. Never mind about who made that statement first or second. Do you believe that that principle is one which you accept or which you reject? You are running the system. We ask you how you interpret it.

**Hon. Mr. McLeod:** — Mr. Chairman, I support the merit system for hiring people for government positions.

**Hon. Mr. Blakeney:** — Mr. Chairman, I thank the minister for that clear, distinct, and precise answer, and I invite him to say: do you equally support the merit system that employees should not be fired without cause, without cause being stated, and without recourse to all their remedies?

**Hon. Mr. McLeod:** — I support the merit system in hiring, and in terminating, and all of the rest of it. I support fair and just treatment. I support the right of employees who feel that they have been unjustly terminated to have their right to appeal to the Public Service Commission — which they have, and which we will uphold in this Public Service Commission — their right to appeal to the Public Service Commission with no interference from the minister responsible.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, does the minister agree that The Public Service Act, which he administers, clearly presupposes that public servants are to be appointed on the basis of their skills, and that they are to be protected from arbitrary dismissal? Does he agree that the act which he administers presupposes that public servants in the classified service are to be protected from arbitrary dismissal? Does he agree with that or not?

**Hon. Mr. McLeod:** — Mr. Chairman, I would agree with that and I agree that it's that same Public Service Act which provides employees who feel that they're wrongfully dismissed, or that they're terminated for wrong reasons, or whatever — that same act provides them with the right

to appeal. And I'll uphold that right to appeal.

And the particular case that we are now discussing, or that has been discussed for some period of time here at least, the Mrs. Campbell case — she clearly had that right to appeal. She clearly did exercise that right and the Public Service Commission clearly made a recommendation. As I said before, it's clear that the Department of Health accepted that recommendation as did Mrs. Campbell, and she accepted the severance payment of 21 thousand and some-odd dollars.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, are you saying that the rights of the employees in the classified public service are confined to accepting monetary damages for wrongful dismissal, and that you have no responsibility to protect them from wrongful dismissal? Is that what you're saying — that you have no obligation to protect employees from wrongful dismissal, but only to see that they will have a monetary claim for monetary dismissal, for wrongful dismissal? And that's an important distinction, and I ask you where you feel the duties of you, as minister in charge of the Public Service Commission, lie.

**Hon. Mr. McLeod:** — Mr. Chairman, I will say to the Hon. Leader of the Opposition that I am committed, as the minister responsible for The Public Service Act, I'm committed to fair and just decisions on the basis of both the hiring practices and the practices for terminating employees. I would say, as well, that the decisions of the Public Service Commission are certainly neutral — not decisions that I can have any influence over, nor should I try. And I believe the Hon. Leader of the Opposition will agree with that: I should at no time try to influence decisions that they make. And let's just suffice it to say that I'm committed to fair and just decisions on both ends of the scale as it relates to the practices of employment in the Government of Saskatchewan. And the record is clear on that, and we'll continue to operate in that way.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, you may be committed to fair and just dismissals — decisions — as you say, with respect to the Public Service Commission. Are you committed to a policy, on the part of your government, of protecting your employees against unjust dismissal — a policy which is something more than giving them a right to monetary consideration, but a right to protection against unjust dismissal, dismissal without cause? Are you committed to that? Is your government committed to that?

**Hon. Mr. McLeod:** — Yes, I am, and also our government is committed to that, Mr. Chairman.

**Hon. Mr. Blakeney:** — Mr. Chairman, are you, Mr. Minister, aware of any cases in which employees have been dismissed? Employees in the public service, in the classified service, have been dismissed without reasons being given, without cause, in fact, arbitrarily and unjustly dismissed — are you aware of any?

**Hon. Mr. McLeod:** — Mr. Chairman, I'm aware of one case, but I don't have the details. It's a case — I believe the Elton Marshall case — but I believe it's before the courts just now.

**Hon. Mr. Blakeney:** — Are you aware of any ministerial involvement whereby the minister directed the dismissal in the Elton Marshall case or any other cases? . . . (inaudible interjection) . . . No, just a moment. We're going to find out whether this . . . (inaudible interjection) . . . Mr. Chairman, Mr. Chairman, when the member for Qu'Appelle-Lumsden settles down, I will resume my questioning.

Mr. Chairman, are you not aware of any other cases in which employees were dismissed without cause?

**Hon. Mr. McLeod:** — Mr. Chairman, I am aware of four cases where the Public Service Commission ruled or in their ruling said that these people were fired or terminated without cause; the four cases being the four that we have discussed at some earlier time today: Mr. Jeerakathil, Mrs. Campbell, Mr. Archer, Mr. Hunt. I'm aware of those cases where the Public

Service Commission said that they were without cause, and our government and the various departments that applied there . . . in the case of that Mrs. Campbell, was Health, as we've said several times here; in the case of Mr. Jeerakathil, was the department of northern Saskatchewan; in the case of Archer and Hunt was the Department of Supply and Services.

In each of those cases, the department of our government that was affected accepted the recommendation of the Public Service Commission to pay severance at whatever rate that they recommended. That's as far as I will go, Mr. Chairman.

**Hon. Mr. Blakeney:** — I'm not reaching the Minister on this, I can see. I am asking you not whether the Public Service Commission granted damages. I am asking you whether it is the policy of your government, when people are dismissed, to give them reasons — people in the classified service — and whether, in this case, reasons were given; and whether, if they were not, the Public Service Commission took action. My question is simple.

Let's take the Campbell case, since we're all familiar with the facts. Were any reasons given? Were any reasons given which could justify dismissal?

**Hon. Mr. McLeod:** — No, Mr. Chairman. I would say that, yes, it's a policy of our government to give people reasons for dismissal, and so on. And I would remind the Leader of the Opposition, and all members of the Assembly, and you Mr. Chairman, that we're talking about 17,000 people within the public service of Saskatchewan. What the Leader of the Opposition and his colleagues are talking about is one case. Where, you know, three or four cases . . .

No, I agree we have several cases here. And it's been ruled by the Public Service Commission and they say that these people were not, in fact . . . The cause that was given, or was not the cause. They've said that. And we have accepted that. And we have paid the severance that they suggested we pay. And I can't . . . I don't know what more I can say about it than that.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, what steps have you taken to see that this sort of thing is not repeated, that a public servant in the classified service is not dismissed by one of your colleagues without any reasons given to make room for somebody else — and we won't deal with the somebody else at this time — to make room for somebody else? What steps have you taken to see that this sort of thing does not happen again?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, the steps that I have taken are the same steps that I will continue to take, and those are that I will uphold the acts of The Public Service Act. The Public Service Act comes under my jurisdiction as minister responsible for the Public Service Commission, and I will continue to uphold the provisions of that act.

I would say once again, Mr. Chairman, the members have raised three or four cases out of 17,000 people who work for the Public Service Commission of Saskatchewan. They've raised these cases. I have acknowledged that the government departments, the various departments, whichever apply in the particular cases, have accepted that the Public Service Commission has ruled that they did not, in fact, have cause; that, in their opinion, that was the case.

And we have accepted that, and we have paid the severance. So we certainly didn't appeal it in any way. We just said, well, that's the way it is. But I would say, Mr. Chairman, that it needs to be clear that of 17,000 people who work for the public service of Saskatchewan, these four cases are isolated cases.

**Hon. Mr. Blakeney:** — I hope you're not firing all 17,000. We're talking about firings here, and I hope that we're not . . . It's not four of 17,000. I hope the public service of Saskatchewan are not going to be subjected to quite such a wholesale dealing, as the minister's suggesting, when juxtaposing four with 17,000.

I ask again: does the minister agree, does the minister agree that The Public Service Act is designed to protect persons in the classified service from arbitrary dismissal? And when he says that he is upholding The Public Service Act, would he tell us what he is doing to protect classified employees against arbitrary dismissal? He has said he's supporting the act; I say the act is designed to protect employees against arbitrary dismissal — classified employees. I ask the minister: what is he doing to uphold the act and to protect classified employees against arbitrary dismissal?

**Hon. Mr. McLeod:** — Mr. Chairman, you know, the member, the Hon. Leader of the Opposition, talks about arbitrary terminations, and so on.

I would say to the hon. member, and I believe to, in fact, to all members of the House, that the terminations that we're referring to here were not arbitrary, like you say arbitrary.

Now, it's a matter of what do you consider cause, and then this is what the whole basis of our discussion will be. The Public Service Commission has ruled that there was no just cause, I believe is what they say, and we've accepted that, according to what the ruling is, because of the position that the public service commissioners hold.

They say this is the case. We respect the position that they hold, we respect the opinions that they express — not only opinions, but their rulings — and we carry on with them.

I would ask the Leader of the Opposition the following. I'll just quote from a letter here, from Hon. A. Blakeney, premier, to Hon. D. McArthur, minister of education and continuing education. This goes back some time now. This is re: Marvin Blauer. Here's the first paragraph:

The planning bureau intends to hire Marvin Blauer as an analyst in the social policy unit. Blauer is a former associate deputy minister of continuing education, Manitoba. He was also the secretary of the social policy committee of cabinet, and earlier a special assistant to premier Schreyer.

I attach for your information a letter of reference for Blauer which Schreyer sent to me last year.

And it goes on and on about this particular person's planning abilities, and so on. The last paragraph:

If this creates any difficulties for your own planning process, please give me a call. (Signed), A. Blakeney, Premier.

So what I'm saying is the hon. member would stand and suggest to everyone here, he would suggest to everyone here that you hired people on the basis of some kind of, I believe he would call, on the basis of some ministerial intervention, and I would just say that it's not something that's new.

So the only point I wish to make with this, Mr. Chairman, is that it's not new — what the member is suggesting. He's suggesting that somebody is hired because they happen to know a minister in the government or whatever. And I say to you that the merit system of hiring is one that we uphold. And the hon. member, I know, when he was in government, stood, and his ministers responsible for the Public Service Commission also stood, and upheld The Public Service Act, that there were cases when that was not the case in terms of their government. I don't say that that is the case in this government. I do not admit that.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, the minister knows that that is purely specious, but I'm interested to hear him say so. That's a member of the planning group. Mr. Minister, are you telling me that, under your government, the people who are in the planning

group are in the classified service? Are you telling me that? Or are they not order in council appointments, as they always have been? Isn't that true? Isn't it true that people in the planning group in your government, and in every other government, have been appointed by order in council? Is that not true, Mr. Minister?

**Hon. Mr. McLeod:** — Yes, I believe that's true, Mr. Chairman.

**Hon. Mr. Blakeney:** — We are saying that people who are appointed by order in council are not covered by The Public Service (Commission) Act in the same way — big news. If these people who you fired without notice had been order in council people, I would not be taking the same point, because clearly The Public Service Act does not protect order in council appointees in the same way that it does members of the classified service. What I am asking you again, Mr. Minister, and I'll ask it . . . Several times I've asked it: what steps are you taking to protect employees who are in the classified service against arbitrary dismissal?

**Hon. Mr. McLeod:** — I will continue, Mr. Chairman, to uphold fair and just treatment for the public employees of Saskatchewan. Mr. Chairman, The Public Service Act, section 35 of The Public Service Act, section 35(1) states as follows:

A permanent head may dismiss or demote any employee in his agency when he considers it to be in the interest of the public service to do so.

That's number (1) subsection. Section 37, under appeals — under part (4), appeals, section 37, subsection (4)(a); subsection (4) first of all:

If the commission determines that the dismissal or demotion of an employee by the permanent head was not for sufficient cause, the commission may make: (several things)

(a) an order directing that the employee be reinstated in his position without loss of pay.

That is clearly an option that this Public Service Commission had. They did not exercise that option. They did not exercise that option. They recommended a severance payment which was accepted by the Department of Health, and the Department of Health paid that severance payment. And Mrs. Campbell received that payment and accepted it. And the case is closed.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, would the minister read the section which says that the deputy is to give reasons?

**Hon. Mr. McLeod:** — And as I have said before that there are reasons given, then it becomes of case of whether or not . . . What's your definition of cause? And that becomes the reason for it.

But the section, section (2) under 35(2):

No dismissal or demotion of a permanent employee shall take effect unless, at least 30 days before the effective date thereof, the permanent head gives to the employee a written notice together with the reasons (thereof) and files a copy of the statement with the commission.

So those are clearly there. The commission clearly reviewed all of that before they made their decision to recommend severance, which they did. But the commission clearly, by this act, had the option of ordering that the employee be reinstated in the position without loss of pay. They clearly had that, and they did not choose to do that now.

**Hon. Mr. Blakeney:** — Well, Mr. Minister, I think the reasons for that are all too obvious and

they are given in the order. I don't think any employee would be very happy to be subject to the harassment which would likely take place under those circumstances.

My question to you is this: in the light of this case and the other cases where frivolous reasons or no reasons had been given, reasons which the Public Service Commission had rejected as being adequate, rejected as being adequate that we no longer have confidence . . . The government wishes to appoint someone else or whatever frivolous reasons have been given . . . Have you taken steps to see, to instruct all permanent heads not to dismiss any employee in the classified service without giving adequate reasons, even when so directed by one of your ministerial colleagues?

Have you given that instruction to the deputies, that they shall not send out those dismissal letters without giving reasons which they believe will be adequate for the Public Service Commission? Not, "We have lost confidence," and those types of reasons which have already been rejected by the commission. Have you given those instructions to the deputies?

**Hon. Mr. McLeod:** — Mr. Chairman, and to the Hon. Leader of the Opposition, the permanent heads in the government have a clear understanding of what The Public Service Act entails. They understand that clearly, and as I said, the act will apply. We adhere to the act. We'll uphold the fair and just treatment of employees, both coming into the service and those that are leaving the service through termination or otherwise, and we'll continue to do that.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I've no doubt that the deputies have a clear understanding. Your ministerial colleagues don't have a clear understanding, as is indicated by dismissals by at least two of your colleagues by direct fiat. The former minister of energy was guilty of that; the Minister of Health has been guilty of it. I am asking you: what steps are you taking to allow deputies to obey the law, allow deputies to obey the law and not be harassed and ordered to disobey the law by your ministerial colleagues?

**Hon. Mr. McLeod:** — Mr. Chairman, the deputies and the permanent heads in this government do obey the law and they are aware of the clauses of The Public Service Act.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, do I have your assurance that you have advised deputies that they are to give adequate reasons, even when directed by their minister to give inadequate reasons? Do I have your assurance that the deputies have been given that direction and that protection?

**Hon. Mr. McLeod:** — You have my assurance that the deputies in this government are very well aware of the rules as it relates to The Public Service Act, and will carry out their duties as it relates to the employment of individuals in their various departments, according to the tenets of that act.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I thank you for that assurance. Do I have your assurance that your cabinet colleagues now understand that they simply cannot dismiss members of the classified service without having their deputy give adequate reasons, which are comprehensible and which are reasonable in all the circumstances, and which do not depend upon the whim or judgement of the minister? Do I have your assurance that you have so advised your cabinet colleagues, and you believe that they understand?

**Hon. Mr. McLeod:** — You have my assurance. Mr. Chairman through you I'll give the assurance that I believe very definitely that all of my cabinet colleagues have a very definite

understanding of all of the rules as laid down in The Public Service Act.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, can you offer any comments as to why your colleague, the Minister of Health, acted in such a clear, arbitrary way? Have you just advised him recently, or did he know it? Did he know what he was to do and did something different?

**Hon. Mr. McLeod:** — At no time did I say that I had advised him at any time, but I would say that I have . . . I believe that the Minister of Health, as well as all of my other colleagues, understand the rules of the Public Service Commission.

**Mr. Sveinson:** — Just a comment to the minister in charge of the public service. I think that this government and this minister have cloaked the public service with a shroud of fear that has, is unequalled, unequalled in the history of this province.

I believe that if there is any doubt, any doubt about that prior to this discussion today, this minister has definitely qualified, through his own lack of direction with respect to an employee who was fired without cause, unjustly fired; an employee that was given very little retribution for an act committed by a government against an individual . . . I think that's the philosophical point of this discussion, and this minister refuses to acknowledge that.

I would like to ask you, Mr. Minister, that if there was any doubt, if there was any doubt of your ability as a minister prior to, that certainly was erased by the discussion we've had this evening. This individual, this individual, I believe, deserves retribution by this government. There was a request for a letter of apology for unfair dismissal, rejected out of hand by this minister — rejected out of hand by this minister. While he seemingly knew, he seemingly knew the background of Mrs. Hextall — and he outlined that to the House very explicitly — he denied knowing any of the background of Mrs. Campbell. Mrs. Campbell was a long-term employee of that particular home.

Mr. Minister, I would ask you once again, once again, to qualify the reasons that your government undertook to dismiss this individual. I would ask you once again to repeat the five points that you made earlier to this opposition, an opposition that I think you've given some credibility to as a government.

They committed the same acts as government, and you have qualified earlier in this dissertation that what they did as government was right. I think you were elected to be an open government in this province. I think you've refused to do that on several occasions in this House in the last month. You did it certainly prior to that, and I think that the people of this province deserve an adequate explanation of what an open government means to the Conservative ministers of this government.

My question is: as an open government, and as an open minister, what, basically, are you going to do to offer this individual who you've unjustly fired, to offer this individual who you have unjustly fired . . . What are you going to do as a minister, what are you going to do as a minister to give her some solace that as an individual — and the rest of the civil service some solace — that as individuals they will not be unjustly fired? The fear out there is pretty broad-faced. There is no doubt that the civil service in this province does no longer trust this government.

You may find that talking to some of your political hacks in your office, Mr. Minister — and they are sitting in the building tonight — you might find that, yes, the civil service out there is all very happy with the activity of this government. Go into the hospitals in Saskatchewan. Go into the nursing homes in Saskatchewan. Go out and talk to some of those 17,000 people in this province who are under your employ, and find out how happy they are. I can assure you, Mr. Minister, that the cloak of fear that I mentioned earlier is there.

The discussion that used to go on in these places of employ about politics . . . Under the former government, that discussion was healthy. These gentlemen on this side, well, they've got their weaknesses, we must admit; there is only eight of them left, so that people didn't want them back. On the other hand, there was still a freedom of discussion within the civil service about politics. With this government, that discussion is not allowed. Anybody that shows their political colours is gone. Anybody that shows their political colours is gone.

And this minister, along with the Minister of Health, is guilty, is guilty of firing unjustly one particular individual, one particular individual. He said earlier in this discussion that what difference does it make? What's one individual? Well, that's what the whole society boils down to. And what I find so surprising about this government is how many Conservatives are at the trough. I realize you've got to make room for them, but you don't have to unjustly fire people who are doing a job. You can certainly expand the trough George; you don't have to fire people who you feel are there and should be unjustly dismissed.

I'm telling you, gentlemen, your tenure as a government will be short-lived, unless you address the problems of the public service in this province in a more responsible manner. And I don't see any direction, any directional change by this government and any one of the front-bench members.

I see the member for Regina South thinks this is hilarious. Well, I can appreciate that. I'm sure that even while he was in the private sector, he was guilty of unjustly firing some employees. And certainly, if we look into his record as a minister, we can find that he's likely made more mistakes than the collective cabinet. So I don't know if he has any right to sit there and laugh about what's being discussed tonight. I just don't think that the public service in this province deserves that kind of treatment from that kind of minister.

I haven't completed my informational, my informational brochure. The question will come out quickly enough. I just want to demonstrate that the people of Saskatchewan support the public service in this province. They are a functional part of this province. They're employed to carry out a job.

You gentlemen on the government side of this House who, in fact, have carried the banner of the Crown corporations that were — the banner that was so effectively raised by this opposition. The banner was effectively raised with respect to the Crown corporations. Have you addressed the problem? No. You've created a problem. You have created a problem that expands beyond the public service by creating a debt that this province can't afford to pay. And you're going to pay that debt, according to this minister and that cabinet . . .

**Mr. Chairman:** — Order, order. Order, order. Order, order, order! The member from Regina North West is straying quite a bit from the subject, and let's get back onto the public service.

**Mr. Sveinson:** — Well I think as a matter of information, this government has many times expressed the reduction in the civil service as an effective manner in approaching the provincial debt. I don't believe, and the Liberal Party doesn't believe, that the provincial debt should be solved on the backs of the civil service in this province. I think that's only one example — a wrongful dismissal of a lady doing her job, a little individual out in society, who their philosophy, until the election, effectively addressed. I think the needs of those individuals out there must be protected.

The minister, today in his dissertation, has not outlined that he is willing to address and protect the civil service in any effective manner. If he has, I've missed it. I would ask him to repeat it if he has anything to add. Mr. Minister, do you have anything to add to the so-called gap between this government and the civil service? I don't think he does.

I think that there's a problem out there that has to be addressed. And unfortunately, the



opposition are left to address the problem. The government is not listening. The government isn't hearing. Not only are they not listening to farmers and businessmen in the province, they are not listening to the public service in this province. They are treating the public service as if they're, in fact, under their thumb. The ministerial guidance of this government dictates that the public service does what they're told, when they're told, and their political masters will decide, in fact, the direction they will take. I don't believe that the individuals that represent the public service in this province are incapable of making some of those decisions themselves . . . (inaudible interjections) . . .

I think that the level of disorder in the House when I'm on my feet is somewhat an admission of guilt. It's an admission that this government is guilty and is unable to address the problems of the public service.

Now I see the minister from Regina South almost rolling on the floor. I mean, it's unbelievable. The trough is full and the trough is full of his appointees. They have to address one poor lady that's doing her job in order to squeeze the Minister of Health's own personal finance minister during the election into a position at that same trough.

I addressed that earlier today. The minister was unwilling to give me answers to questions based on the level of involvement of his own people in his own office who are seeking political office. They're at that trough. They're already there, and now what they're doing is expanding the trough, so that they can run into a federal jurisdiction. He got up with a very cocky presentation and suggested that this member may even be elected, based on the present polls. Well, I think he's that far behind. This minister doesn't realize that the member won't be elected. I think he's here again tonight. Hazen isn't here tonight: he's out working, where he should be. He's out addressing the problems of the Canadian Wheat Board, and trying to get the family farms back on track.

I just want to say to the House this evening that the public service is a very important part of Saskatchewan politics, and I think to address them in any less than that light is to sell them very short as far as their abilities are concerned.

Prior to the election of this government, there wasn't the huge deficit that we presently have. The people that were in place under the old administration seemed to have a handle, seemed to have a handle — I say seemed and I say that very carefully — seemed to have a handle on the administration of this province.

The appointment of your political masters, the appointment of your political tools, if you may, into the public service and into the Crown corporations, hasn't worked in the manner that you would wish. You've got a \$54 million collective debt this, this year, 1983, relative to the Crown investment corporation. I believe, and I say to you, member, that unless this problem is addressed in a more cohesive and more honest fashion, I think that the province is not only approaching a billion dollar debt before the end of this administration, we could be approaching a \$2 billion debt. I mean, I can appreciate a government that'll address a debt with some enthusiasm. Recently, the Minister of Finance stood up and suggested that \$54 million was a great base to start from, after you've lost \$126 million from the Crown investments corporation in 1982.

I'm just saying that, let's address the Public Service Commission with a little more responsibility, Mr. Minister. And I think that responsibility has got to start, has got to start with the minister in charge of the Public Service Commission. I'm sure you communicate with your other ministers, the Minister of Health who fired this lady. You deny that fact, but I'm sure you communicate with her — with him, I'm sorry. I'm sure you communicate with other ministers. I don't think you can totally and out of hand dismiss the fact that there is any communication in your cabinet with respect to such a blatant political move. And I don't think you will.

So I want to just suggest to you, Mr. Minister, and to the people of Saskatchewan, that unless this level of responsibility rises and you address the public service with more responsibility than you have in the past. This dismissal is only one example. There are many others. There are many, many others which, of course, you dismiss out of hand as well. But there are many others, and I suggest you approach them with a little more responsible attitude, and that the people of Saskatchewan will, in fact, find a note of credibility in your action as minister in charge of the Public Service Commission.

**Hon. Mr. McLeod:** — Was there a question to that? I just want to say a couple of things, Mr. Chairman, just to reiterate one more time. The member, somewhere in that last presentation, said something about, “the minister have something to add to it.” I could say: what could I possibly have to add to that statement that was made here? I would only like to tell the member from Regina North West one thing, and that is something that’s a very true fact here, and that is that in debate here, the volume of debate is inversely proportional to the knowledge expressed by the member.

As far as the member has suggested, I’m sure the Leader of the Opposition and his colleagues will be very pleased at the way in which the member for Regina North West has brought into focus the arguments which they were making earlier today.

He was talking about credibility . . . I’m giving credibility to the former government that was led by the Leader of the Opposition now. At no time did I say that I give credibility to them as a government. I do, though. They were given credibility as an opposition group by the people of this province on April 26th of ’82. They were voted here as the official opposition, and I say, “voted here as the official opposition.” And they have credibility as the opposition in this House.

So I will answer their questions as I will answer the hon. member from Regina North West. So, you know, he makes comments about the trough and all of this sort of thing — from a Liberal, one who purports to be a Liberal in this country — and talking about the trough and about the way in which political patronage is practised and all that. It rings awfully, awfully hollow.

Well I don’t know if I should go onto it any further. I just know that the change in the arguments of that member since he won that federal lottery are very, very, very strange.

So I would say that . . . What else can I say about it except to say that we in this government, and we in this Public Service Commission — these employees and myself as minister responsible for the Public Service Commission for this government — believe strongly in the employees and the attitude that they have. They have a very strong attitude toward the policies that are being initiated by this government, many of which are initiated by our people — and good, solid people in the various departments. And we’re proud of the people that work for the Government of Saskatchewan and the service they provide to the people of Saskatchewan, to the Government of Saskatchewan. And I can just leave it at that.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I’ll change the subject for a moment and ask the minister how he’s getting along with the conflict of interest guide-lines which his colleague, the member for Kindersley, promised us not quite two years ago, I think was the first time. And I won’t bore you with a long recital of the number of promises from the previous minister. I think there was a press release about 15 months ago saying that they were going to do something. Can you, perhaps, refresh our memory as to when they were published. I missed them.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, and to the Leader of the Opposition: I know that the Leader of the Opposition is aware of the situation with the case before the Supreme Court, the Ontario case of the conflict of interest guide-lines and so on from the Ontario government. That case, it’s my understanding at least, that case was to have been heard by the Supreme Court this spring. But the short answer is that when the Supreme Court rules on that Ontario

case, there is no question that conflict of interest guide-lines in all jurisdictions, including our own, will be very directly affected by that.

In fact, our decision has been that we will wait for that decision. We believe that that decision would come down this spring. We're not sure if that's the case right now, but it will be very soon. But when it does come down, we will be coming forward with our conflict of interest guide-lines. In the interim period all employees who work for the Government of Saskatchewan, who begin employment with the Government of Saskatchewan, are provided with this public service employees *Conflict of Interest Guidelines* which is a document that's been in place for some time. And I know the hon. member would be familiar with it.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, the legal action to which the minister refers is confined solely to the question of the political activity of public servants, and more particularly whether or not the provincial government, in the course of setting out guide-lines for public servants, can regulate their activity in the federal sphere. That's the particular point. The action may lead to some clarification of the restrictions of that governments may put on public servants generally for political activity, but there are many other kinds of conflict of interest possibilities. And the question I ask is whether or not the minister is satisfied with the conflict of interest guide-lines in all other areas except areas of political activity?

**Hon. Mr. McLeod:** — Mr. Chairman, we will be, and we have been in this interim period. We have been as my colleague who . . . the former minister of Public Service Commission, my seat-mate, suggested. We have been looking at conflict of interest guide-lines across the piece. However, before we come out with the new conflict of interest guide-lines in total, which we will do in total, we will wait until the Supreme Court decision comes down, and that's not to say that in the review of the other aspects of conflict of interest, of which there are several as the hon. member suggests, that the review of those will not take place; and, in fact, it is going on without regard to the court case. But we'll come with the whole package after that court case comes down.

**Hon. Mr. Blakeney:** — What you're tell us then, Mr. Minister, is that you're not going to do anything until after the decision is received with respect to a court case that hasn't even been heard yet, and that therefore we may see another lengthy delay in the preparation and the promulgation of conflict of interest guide-lines.

And if that is so, then that's a very, very far cry from what your predecessor was telling us 18 months ago when he was promising conflict of interest guide-lines, and indeed the Premier was stating very clearly in his first days of office that people were not even to hold the political cards in any political party. And I won't quote to the minister. That statement is well known and can't be denied since everybody's got written copies of it.

Are you now telling us that there won't be any statement of conflict of interest guide-lines for public servants, at least for some considerable number of months, because the case . . . You're going to wait for the judgements on a case which hasn't even been argued yet?

**Hon. Mr. McLeod:** — No, Mr. Chairman, I think it's clear, and as I indicated with this document that I have, there are conflict of interest guide-lines in place now which were, in fact, put in place. But I don't . . . (inaudible interjections) . . . I know you know that, but I don't want the suggestion, because you didn't say that. And the suggestion may well be that there are no guide-lines in place.

There are, in fact, guide-lines in place; the guide-lines are being reviewed; and a new package of guide-lines will come in once the case has been heard. It makes eminent sense, in my mind at least, and I think it makes eminent sense to anybody out there, that it would be unreasonable to come with conflict of interest guide-lines, a whole package here, and have the decision, whatever that decision might be by the Supreme Court in the Ontario case, strike down some of

the guide-lines that come in.

So we'll wait for the case, and we'll bring our guide-lines in following that. I don't suggest to the member . . . This member suggests that there will be . . . there's a possibility of some lengthy delay. I don't suggest to the member that there would be any lengthy delay, but I, at the same time, can't give him a date, and obviously we don't know when the case will be heard.

**Mr. Lingenfelter:** — Mr. Minister, I believe it was last Friday I asked you a question about a management classification plan. I wonder if you have had time to review and to explain to us that little operation: for example, what kind of contracts have been signed and, for example, how much that it will cost the taxpayers of the province for that review.

**Hon. Mr. McLeod:** — Mr. Chairman, I can provide the hon. member with the answer. The out-of-scope classification plan — and I'll just read the answer into the record now:

In accordance with treasury board minute 333, dated July 21, 1983, the Public Service Commission has undertaken the development of a new job evaluation program for approximately 2,500 management and out-of-scope positions.

The primary objective of this review is to establish an effective, well-defined, and easily administered system for job classification and salary administration. The new system will streamline a large number of classes presently in use, will ensure equity across occupational groups, will ensure flexibility in responding to program needs and organizational changes, and will reduce the maintenance requirements.

A review of the out-of-scope positions has not been conducted since the original classification plan was implemented in 1949. The senior management position, i.e. the management series, were last reviewed in 1977. Nine consulting firms were invited to submit their proposals, and interviewed by the Public Service Commission on the basis of their relative experience and expertise in designing and implementing job evaluation and compensation systems, the total projected cost, the experience and abilities of individuals who would be assigned to the project, and their ability to complete the project prior to the calendar year 1984.

The consulting firm of Deloitte Haskins & Sells was selected for the project at a cost of \$186,000. While 186,000 was not the lowest cost submitted, it was certainly not the highest. Deloitte Haskins & Sells most closely met our requirements in terms of their previous related experience, the proposed methodology and evaluation process, and the anticipated final product.

**Mr. Lingenfelter:** — You mentioned, Mr. Minister, that . . . Did you say that nine firms were asked to submit, or that nine did? I didn't get that . . . (inaudible interjection) . . . But how many submitted? How many submitted, as you call it, "proposals," which I would prefer to call tenders? And we'll get into that argument again, I imagine, because you seem not able to understand that the taxpayers of Saskatchewan would like you to accept the low tender, unless you're willing to outline why a different one was acceptable.

But first of all, how many gave proposals to the department?

**Hon. Mr. McLeod:** — Mr. Chairman, there were nine consulting firms who were invited to submit their proposals, and nine of them submitted those proposals.

**Mr. Lingenfelter:** — I wonder, Mr. Minister, if you would name the nine firms or the nine contestants?

**Hon. Mr. McLeod:** — Mr. Chairman, no, we won't name those that were unsuccessful, but we . . . you see Deloitte Haskins & Sells were the successful bid on the basis of their ability to get the job done by the end of calendar '84 and with their experience and abilities of the individuals

who would be assigned to the project within that firm. And we won't be submitting the information as to who else was asked to submit.

**Mr. Lingenfelter:** — Mr. Minister, not two weeks ago in this Assembly, I spent at least an hour, and other members spent longer trying to find out from you on an auction sale of highway equipment how much it was going to cost the taxpayers. At that time you said it was a great secret that you couldn't say why Brown Auctions got, or why in fact, or how much you were paying them for this auction. Now all of a sudden you have changed your mind. A proposal of similar operation is carried out and you say no, we didn't give it to the low tender, and we gave 186,000. Can you tell me, Mr. Minister, when you had this change of heart, that now proposals are made public, and now we can find out? I think many of the public would not be pleased that you chose other than the low tender without any explanation. But why can you give this one out, for example, and not the one we were asking about several weeks ago.

Mr. Minister, it only adds to the cover-up scenario that many people have been talking about. Other auctioneers have made statements that your tendering process was a joke, and I think others have said that it stinks — the tendering process. I would not say that, Mr. Minister, but many auctioneers said that. What I would like you to do for us is to explain why you have two different policies, why, in this case, you can give out to the public the successful amount, and why, in the case of Brown Auctions, you refuse. What is the difference?

**Hon. Mr. McLeod:** — Well, the difference, the very simple answer is that the Deloitte Haskins & Sells is not auctioning any of their services. But the member, you know, I'm very interested in the member even raising the point of an auction sale. You know the members opposite — he'll talk about this auction sale. A while back he told me about the auction sale. He said, "Brown's Auction can't carry on that sale; he couldn't sell any more than a teacup". All of these so-called — all of these other auctioneers are saying . . . You know what the auctioneers are saying out there today? Those auctioneers that you say were upset about the situation — those auctioneers are saying today that the plan that was submitted by Brown's and that was carried out by Brown's was the best auction plan they have ever seen, they have ever seen. They are saying that. They're saying that it's an absolute — you will get them. Those are the things they're saying today.

I'm very surprised, Mr. Chairman, I'm very surprised, Mr. Chairman, that the members of that opposition would bother to mention the auction sale. That they didn't . . . They should be hanging their heads, and, in fact, they have been hanging their heads since the sale was completed.

**Mr. Lingenfelter:** — Well, Mr. Chairman, I see that the minister wants to get into the auction sale, and the public in my constituency . . . And, Mr. Chairman, I'm sure that you'll allow me the same privilege that you allowed the minister.

I'll tell you the 8,000 voters in my constituency will tell you this — and I talked to a good number of them over the weekend — they said they got brochures, glossy brochures, that said \$40 million worth of equipment to be auctioned off — \$40 million was written on the outside of the pamphlet. That's what the taxpayers expected to get for that equipment.

They were disappointed, Mr. Minister. They were disappointed that the auction ever took place. On the outside of the pamphlet, on the outside of the pamphlet — 40 millions of dollars — that's what they told the people of Saskatchewan the auction was worth, the biggest auction in the history of Saskatchewan.

**Mr. Chairman:** — I would like to remind the member from Shaunavon to stay to the Public Service Commission and not wander.

**Mr. Lingenfelter:** — They said \$40 million for that auction, and I'll tell you what they're

saying in my constituency. They're saying 6 million is a very cheap price to be paying for \$40 million worth of equipment. Not only did the Minister of Highways cancel 400 jobs, but he gave away the equipment for \$6 million.

Mr. Chairman, the point that I want to make to the minister is this: when did you suddenly change your mind on when to give proposals out as to how much money different firms will get from this government?

You're saying that Deloitte Haskins & Sells and this group are getting 186,000? When did you decide that you could give this out, but couldn't give out the auctioneer's take on the \$40 million worth of equipment which he got \$6 million for?

**Hon. Mr. McLeod:** — Mr. Chairman, the two types of contracts are so, so unrelated that it doesn't even merit an answer, I would submit to you, Mr. Chairman — doesn't even merit an answer.

I have said to the hon. member that 186,000 — very open about it — and say that's what we're paying to Deloitte Haskins & Sells — a very competent firm, to carry out the management, or the out-of-scope classification plan. It's a response to a question that the member asked in the question period the other day. I've given him a very forthright answer.

The two things are so unrelated that . . . And I would say to you, Mr. Chairman, I know the member wanted to talk about the sale, and I know I'm very, very tempted to get into a long discussion of that auction sale. And I know you wouldn't allow that, so I certainly will not get into the sale to the extent that I would say to him that the people of Saskatchewan, the people of Saskatchewan out there, his 8,000 voters and, indeed, the voters all across this province who vote in all the constituencies in this province, none of them, none are so . . . What word can I use? What's a good word to use instead of "dumb," Mr. Chairman?

No person out there in Saskatchewan doesn't know the difference between replacement value and market value. So I can't talk about the auction sale. So I won't be able to say that to the hon. member many of those things which I would like to say to him about that sale. So let's get back on to Public Service Commission.

**Mr. Lingenfelter:** — The reason that I bring it up is to make a comparison between this contract and the one for the auction which we talked about several weeks ago. And I say that when we made the accusation that there could have been a guarantee of as much as 10 per cent on \$40 million, and that could have been as high as 4 million, where is the money for the people of the province — when you got 6 million, and you maybe paid 4 million to the auctioneer, if you were guaranteeing him 10 per cent on the 40 million? You did not tell me . . .

**Mr. Chairman:** — I would like to remind the member, again, the member from Shaunavon, to stay to the Public Service Commission estimates.

**Mr. Lingenfelter:** — What I'm doing, Mr. Chairman, is relating the disclosure of amounts of money for the people of the province as it would relate to the study that is being done here, as compared to one that was refused to this committee earlier on. And I think you'll agree that there is a definite contrast; there's a question about what this government will release to this committee and what it won't. Very clearly there's a connection between the debate that went on on the highway equipment and what we're discussing now, and I'm asking why the change. At what time did you decide that these kind of tendering processes would be made public when two weeks ago you said that there was no way possible that you could allow them to be made public?

**Hon. Mr. McLeod:** — Mr. Chairman, I would say to the hon. member, once again, that they're two cases. He's drawing a very, very long bow when he tries to draw an analogy between the

awarding of an auction contract on a major equipment sale, which was a very successful sale, all that sort of thing. He's drawing a very long bow when he tries to compare that to the awarding of a contract to the firm of Deloitte Haskins & Sells as it relates to the out-of-scope classification plan. And I would ask you, Mr. Chairman, if we could get on to the discussion of this particular . . . (inaudible interjection) . . . Well, whatever he might want to discuss, or whatever his colleagues might want to discuss about the Public Service Commission.

**Mr. Lingenfelter:** — Mr. Chairman, I would like you to outline for us in a little bit of detail, for the \$186,000 that we will be paying this firm, can you tell me, for example, what the low bid was — not who bid it or how many were lower or anything, but how much was the low bid in this tendering process?

**Hon. Mr. McLeod:** — What I will tell you is what I have told you is that what we will be paying to the firm that was successful. I will not tell you the names of the other eight that submitted bids, and I will not give you their names, and I will not give you the amount that they bid.

**Mr. Lingenfelter:** — Can the minister outline to the committee why he will not give that information out which would seem to me, when you're talking about taxpayers' money if there were a bid in for example of 50,000 or 60,000 that you should be explaining to the public why you would accept one that was two or three times more. And I think that if you explain to us that no, the low tender was 10 per cent less than we thought for this reason, and that the other one was better, we may be able to believe it. But I think it's important that you, Mr. Minister, would outline to us the low tender and why a higher bid was accepted.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, as I indicated in my answer that the reason that Deloitte Haskins & Sells was selected — based on their relative experience and the expertise in designing and implementing the job evaluation and compensation system . . . their expertise and their experience, the total projected cost, the experience and abilities of the individuals who would be assigned to the project from that firm, and their ability to complete the project prior to the end of the calendar year '84. You know, the experience is outstanding in terms of the people that are assigned to this, and they fit the bill extremely well in terms of what they will do for the classification system which we propose to put in.

**Mr. Lingenfelter:** — Mr. Chairman, I would like to ask the minister if he can tell me where this firm is from. Where would their head office be of this firm?

**Hon. Mr. McLeod:** — Well this firm is a national firm, as I believe most people will know that — that Deloitte Haskins & Sells has a very significant national presence. It's a national firm, and they have a presence here in Saskatchewan. Head office, I believe, is in Toronto, but I'm not sure of that.

**Mr. Lingenfelter:** — Were there any Saskatchewan firms that applied for the project? I'd like to know whether or not any Saskatchewan people, who might understand the Saskatchewan scene, applied for the job.

**Hon. Mr. McLeod:** — I believe, Mr. Chairman, that there was one Saskatchewan firm, but it did not have the people it was applying to this particular job. That's not to say that that firm is not a very good firm, and it is for some particular functions. But for this particular function that we put out this proposal call for, they did not have the expertise and, I think, would readily admit that.

So we have chosen this firm, Deloitte Haskins & Sells, a good national firm, Saskatchewan presence. Input will be coming to them from prairie region people. They are working very, very closely with our Public Service Commission staff, and we have every confidence that the people that they've assigned to the job, who are very experienced and talented, will do a good job for us.

**Mr. Lingenfelter:** — I wonder if the minister could tell us whether or not the Saskatchewan firm was lower in their bid than the bid you accepted.

**Hon. Mr. McLeod:** — No, I won't get into the discussion of that. I told you already I won't get into the discussion of where the bids were in the other places. But I have said to you that the Saskatchewan firm that did bid, I think, would readily admit, when they got into the details of this particular thing, would readily admit that they didn't have the expertise that the successful bidder had.

**Mr. Lingenfelter:** — Well, Mr. Chairman, it goes back to something that I believe this government is making a fundamental error in. And that is that they seem to have an idea that anyone from anywhere else, anywhere but Saskatchewan, can do a better job — can do a better job than Saskatchewan people. Mr. Minister, we brought to you Raymond Contractors from B.C. in another sense, where a group came in and backed out of paying the sub-trades, the people of Saskatchewan who really did the work. On that one you got burned. Here again we see the minister who was at the big open for business conference or open for big business conference with the hoop-la and the cheer leading done by the cabinet to try to attract large business to Saskatchewan.

And I say to you, Mr. Minister, that there are plenty of people in Saskatchewan who are quite capable of the doing the kind of work that you would want done. I don't believe we need people from Ontario coming in and studying our civil servants and telling them what they should be doing and telling them how they should be working in Saskatchewan. Because I say to you, Mr. Minister, that your record and your performance in the last two years deserves to be improved. And I want to say that you're not going to do it by bringing in people from Toronto and New York and San Francisco and Vancouver. I would encourage you, Mr. Minister, that at every opportunity you use Saskatchewan people, because I'm sure the firm that applied believed that they could do the job, otherwise when you sent out the specifications and outlined what they needed to do, they never would have put it in if they didn't think they could do it.

And I believe the economic problem that we see in Saskatchewan today, the 64,000 people in welfare, the record amount of unemployment is due in large part, Mr. Minister, because of your very attitude that you have displayed here tonight — that if you're not from Saskatchewan, you can do a better job than Saskatchewan people. And I say it's unfortunate, and the way we will come out of this recession whether you do it, or whether another government does it, is with Saskatchewan people, and that every turn you should be using those people to do the work in this province.

When you talk about the auction sale, we find out that 60 per cent of the equipment went out of the province. Here again we see that your government is falling down in what it should be doing to create employment, and this may be a small example, but \$186,000 of taxpayers' money going to Toronto to pay out dividends to a company that is based in Ontario is not a good idea. And, Mr. Minister, I would have encouraged you . . . (inaudible interjection) . . . and the small minister of business — and the small minister of business says, "No, no. That's not how you do it. You get big business in. You get big business in, and we'll solve our problems." The minister of small business . . .

**Mr. Chairman:** — Order! Order! We are not on the business of Public Service Commission when we talk about the sale. I think we should get back on track.

**Mr. Lingenfelter:** — I was very clearly talking about a contract that was given to a Toronto firm to do a study of the Public Service Commission. That's what I'm referring to, and if Mr. Chairman will listen closely, I know that he just got into the Chair not two seconds ago and maybe wasn't following, and I'll try to go back over where I started off.



What I was talking about is using the small-business people of Saskatchewan. We were at the point where one small-business person had applied for this contract to do a study of the Public Service Commission or the public service of Saskatchewan.

And, Mr. Chairman, this minister has stood in this Assembly and said the Saskatchewan people were not good enough. And the small minister of business yells from his seat: "No. That's not how you do it. You get in the big companies, and then you tax them . . ." and on and on. And that baloney that was peddled by Ross Thatcher, that baloney that was peddled by Ross Thatcher, and peddled by other right wing politicians in Saskatchewan simply does not work.

And I say to this minister: I would encourage you at every turn to use Saskatchewan business and Saskatchewan people, and try to turn away from the trend that has been set by the Minister of Mineral Resources or Energy and Mines to attract Calgary companies in, pay them off handsomely in tax-royalty holidays, and use Saskatchewan people. And I think if you do that, Mr. Minister, you will find that very quickly the 64,000 on welfare would go down, and go down considerably. And rather than Mickey Mouse programs being created by the Minister of Social Services, use some of these projects to get people working in the province, meaningful employment that would ease the unemployment rate and the welfare rate, and I think that we could find that Saskatchewan could be on the road to economic success.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, you know the member has given that speech several times. He keeps on giving it, but I would only suggest to you, Mr. Member from Shaunavon, I would only suggest to you that you begin at some point along the way. And I've been waiting for this point when you'll start to give that speech at some point when it has some relevance. It has no relevance in these estimates. It has no relevance when you deal with Deloitte Haskins and Sells, Mr. Chairman.

**Mr. Lingenfelter:** — You may think that giving \$186,000 to a Toronto firm, has no . . .

**Mr. Chairman:** — Order, order, order. The minister still has the floor.

**Hon. Mr. McLeod:** — Mr. Chairman, the reason that I went into my chair was because I could not hear from the comments of the member from Shaunavon and others, from their seat. I have certain points that I want to make here, and I want to make them very clear to the member. And the member from Shaunavon should very clearly hear this.

It's important as a citizen of Saskatchewan that he realize, Deloitte Haskins & Sells, while yes, they're a national company, they have a presence in every province in this country, I'm sure every province. They certainly have a presence in Saskatchewan. They have at least three offices in Saskatchewan that I know of: Regina, and Saskatoon, and Prince Albert, those three for sure and maybe more, but at least those three. And I would be very interested in the young people and the graduates of this province, who article with Deloitte Haskins & Sells, for you to say that they are not a Saskatchewan-based company, and that they do not provide benefits for Saskatchewan people in their company in their location here in this province.

And I would say to the hon. member from Shaunavon, and I would ask him this question: the firm Chartwood Developments had no presence in Saskatchewan. The former government got into a whole deal, and what we now call the Cornwall Centre, with a Toronto-based firm, had no presence in Saskatchewan, and there was one great deal . . .

**Mr. Chairman:** — Order, order. Order! We have given the questioners the . . . afforded them the quietness to get those answers. Now we should be giving the person giving the answers the same privilege.

**Hon. Mr. McLeod:** — Mr. Chairman, as I was saying prior to sitting down, and the hon.

member from Shaunavon would suggest in a broader way that this government deals with contracts with out-of-province firms . . . I will say to you Mr. Chairman, that when the best work that we can get on a particular project is, happens to be, outside of the province. We will go there because we will get the best work for the people of Saskatchewan. That's a truth, and that's what we will continue to do. However, we will also, as we have done in many, many areas in this province, as many areas in this province — the auction sale being one example of that . . .

When those members opposite suggested that we go to an auctioneer from outside of Saskatchewan rather than to a Saskatchewan auctioneer, who proved, Mr. Chairman, to do the job very, very well — but they don't say anything about that now — but they said go to an outsider with experience. Remember that, Mr. Chairman. And I would say that there are many, many other examples of out-of-province contractors that were, and consulting contracts that were given by the members opposite when they were in government.

And they suggest to us that \$186,000 . . . While yes; yes, to citizens in the province, \$186,000 is a lot of money. It depends on what those are doing, it depends on what those \$186,000 are doing, and what the benefits that will come back to the government are.

This years under the former government, contracts for as much as \$1 million, and as much as \$3 million, contracts to outside of Saskatchewan firms by the former government . . . If you want me to go through this sheet one by one, I will, Mr. Chairman.

So the hon. member is ringing very, very hollow in this House when he's going to suggest to us that \$186,000 spent by the Public Service Commission — this department, \$186,000 — to the Deloitte Haskins & Sells, a national fir, I grant you that, Mr. Chairman, but a national firm with a significant Saskatchewan presence, with at least three offices and maybe more, who take young Saskatchewan graduates into their firm as articling students, and so on, year after year after year, and contribute to the well-being of this province, a good firm with good expertise . . . We make no apologies, Mr. Chairman, for the awarding of a contract to a firm of that stature.

And I would say to hon. members, when you were in government you should have carried on the same practices, and you may well be still in government. But you did not carry on those practices, you got into the Chartwood Developments and all of those kinds of sweetheart deals, and that's why you're where you are today.

**Mr. Engel:** — Thank you, Mr. Chairman. Mr. Minister,, if your brain colleagues will quiet down enough that you can hear me, I'll ask you a question.

I have a statement, Mr. Minister. This firm . . . Can you tell me what the terms of reference were that you laid out when you invited these tenders? What conditions were they asked to submit on that?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, I gave that, but these are the things that were taken into consideration in the awarding of the contract, and the things and the criteria which are very important: on the basis of the firm's relative experience and expertise in designing and implementing the job evaluation and compensation system, the total projected cost, the experience and abilities of the individuals who would be assigned to the project — a very, very important one — and their ability to complete the project prior to the end of the calendar year 1984.

**Mr. Engel:** — That doesn't sound like a study that a Saskatchewan firm couldn't do. There must be some specific terms of reference, or some specific expertise you are looking for that you require there because you kept referring to this hiring Saskatchewan articling students. I'm not sure that a Saskatchewan firm couldn't have used that same type of expertise. If this is what you're saying was Saskatchewan content, there must be some specific area you're looking for that you could outline some terms of reference that you wanted in this study that a

Saskatchewan firm wouldn't have. I think the minister needs to give us an explanation on that.

**Hon. Mr. McLeod:** — Well, first of all, Mr. Chairman, the member from Assiniboia-Gravelbourg, I said that this firm hires articling students as a general statement; that this firm has a presence in Saskatchewan, and they do, in fact, hire articling students within their firm. I didn't say that they're using those articling students to do this project. I did not say that. And if the member would suggest in any way that I said that, he either is misinterpreting, or he just isn't capable of understanding, Mr. Chairman.

**Mr. Engel:** — I know the minister doesn't want to answer the question. I suggested that there must be some specific expertise you were looking for that a Saskatchewan firm doesn't have, and we'd like to know what that was because when I compare . . . We went down East to study first schools and how they were administered, and we saw the duplication of the fire marshal's office on one department and what the Attorney General was doing in another and tremendous overlap. And I'm not sure that an Ontario firm is going to show us how to tighten up the civil service and how to give you some good examples. Can you tell us what specific examples of expertise you were looking for there that . . .

**Hon. Mr. McLeod:** — Well, the main objectives of what we're trying to do, first of all — and I'll lay that out for the member, and this was laid out to the firms. We wanted to establish an effective, well-defined, easily administered and maintained classification system by, first of all, streamlining the classes, by ensuring equity across occupational groups, by ensuring flexibility, and responding to program needs and organizational changes.

What the firm that's doing this work and the people assigned to that — the individuals, the very experienced individuals assigned to the work — must have some experience in terms of looking across the classification system, in terms of having some clear understanding about what particular people and particular jobs do and are required to do, and how does that relate to what someone else does in another department, whatever. And that has to do with their classification system upon which pay schedules are arrived at and so on.

It's a very complex system as I'm sure the hon. member would concede, and that very complex system takes expertise to put it together. We don't want a makeshift system. We want a very good system. As I indicated before, the last time it was carried out was, I believe, in 1949, and then some portions of it in 1977, and now once again it's time to do it.

I believe that this firm — and I think it will hold out to be very true — this firm has all the qualifications necessary. And they have assigned very good, qualified people to the task.

**Mr. Engel:** — Mr. Chairman, we've received this kind of answers before from this very same minister where he details, and in general, very broad terms, saying, "This is what we're looking for; this is what the people are hiring."

I'm not sure yet from listening to your answer if you're bringing in an ex-leader from Ontario of the PC Party, or what political connections are involved here, because you haven't given me anything here that says that a Saskatchewan firm couldn't have done it.

And then the thing is that why I'm asking this, Mr. Minister: why is it so difficult to say what the lowest bidder was for to do this job classification study? Why is it impossible for you, and what are you trying to defend, or what are you covering up? What are you covering up that you are afraid to tell us what the low bid was?

**Hon. Mr. McLeod:** — Mr. Chairman, the member from Assiniboia-Gravelbourg this time, and as well the last time we met here in estimates, he would suggest he will take any — it doesn't matter what you try to do, any department — he would take it down and say, "This must be the political level. What are the political connections?"

Look, I don't know. I told you then and I'll tell you once again: I don't know how you conducted your affairs when you were outside of the government. I don't know how you conducted your affairs in government, if you took everything to its political connection. But I can tell you, member from Assiniboia-Gravelbourg, that is not the criteria that we use. It wasn't the criteria that we used in selecting a very competent auctioneer, and it is not the criteria we use in selecting someone to do an out-of-scope classification plan. Now if that sounds to you like something that's a very political sort of exercise, then I really question what you even know about politics, never mind what you know about this plan.

So I would suggest to you that there is nothing political about this. There's no suggestion that anybody is chosen on the basis of politics. I didn't mention that. You did. I can't understand why you would mention something like that. I fail to understand the reason for that kind of line of questioning from that member from Assiniboia-Gravelbourg who hasn't had a thought since 1971 when he first was elected and was there for one term and he took a leave of absence for another term because he didn't think politically enough. And he hasn't had a political thought since 1978, since I've known him in here. Not one.

**Mr. Engel:** — I appreciate the evaluation from the member, but I want to tell you, Mr. Minister, I happen to have remembered hearing a guy's name, by the name of Bud Sherman, that was hired to do a study . . . (inaudible interjection) . . . I'm not sure. He maybe did a good job. The Minister of Energy and Mines says he did an excellent job. I happen to know that Bud Sherman was hired because he was a Tory, and was a Tory possibly out of a job and wanted an interim job — deputy leader of your party in Manitoba. And you're telling me that I'm not supposed to ask political questions when you don't answer them.

You're paying a firm more money than you could have gotten a Saskatchewan firm to do the same job. And you're telling me you need experts from out of province and that I'm not supposed to raise the question when you don't give us any answers. If the minister wants to come clean and tell us what he needs to do, what the terms of reference are, what kind of expertise he's looking for, then we'll believe you. But you haven't told us what kind of expertise you want, what your terms of reference you want.

I think you used a \$186,000 to put money into some easterner's pocket. I'm not sure what kind of classification you're looking for. I'm not sure if you want somebody to come into the entire Public Service Commission and classify the people according to their political stripe. I'm not sure what you want. You're not telling us what you want. But you said a Saskatchewan firm hasn't got the expertise to hire to do it. You won't tell us what the low bid was. Maybe you could have got the same job for \$50,000. I don't know.

**Hon. Mr. McLeod:** — Mr. Chairman, I really can't believe this. I mean, I'm hearing members of the NDP opposition attacking the national firm, Deloitte Haskins & Sells, one of the most recognized firms in this country, recognize . . . (inaudible interjection) . . . Well of course you're attacking them. And you certainly are attacking them. If you're going to attack Deloitte Haskins & Sells, go out there and say it. But don't say it in here. Attack them. But don't attack them to me. I don't work for Deloitte Haskins & Sells. Don't attack me. Go to their office down town, either in Regina, or go to their office in Saskatoon.

You say they're not a Saskatchewan firm or have no presence here. I don't say that. Go to their office down-town Regina, go to their office in Saskatoon or Prince Albert, and tell them that you don't think they're any bloody good. That's up to you. You can do that if you want to.

What I'm going to say to you is: Deloitte Haskins & Sells is a competent firm. We in the Public Service Commission and in the Government of Saskatchewan have confidence in Deloitte Haskins & Sells as a responsible national company with a good, solid Saskatchewan presence. They have been given this contract on the basis of their very fine proposal to do the work which

we require done in an out-of-scope classification plan.

The two principal people, names of whom I will not give to you — under different circumstances and different people there I might give them — but you'll probably drag their names around in the mud, so I won't give you their names. They don't deserve that. But I will tell you that the two principals of this particular project, assigned to this project by Deloitte Haskins & Sells — one has eight years of industry experience, 17 years of consulting experience; the second man has 15 years of industry experience and 15 years of consulting experience. And you're going to say that they can't do the job.

I'm telling you with that experience — and not only is it just experience, but it's very highly qualified experience — with good reports from everyone whom they've worked for prior to this, and they've done good work . . . We have confidence in them, and they'll do good work for the Government of Saskatchewan. And that firm has the confidence of the Government of Saskatchewan, even if they don't have the confidence of the NDP opposition who will take on dragging people and firms through the mud. And you've started that at the beginning of this session, and you continue it through to this day.

**Mr. Engel:** — Mr. Chairman, members opposite can call me a muck-raker, they can call me what they want.

He told this House he hired a firm and is paying them more money than any other firm. He said the firm is a national firm that's head office in Toronto. I have no question about that firm. I never once questioned their ability. All I'm saying is that a Saskatchewan firm can do a consultation study — somebody that has 15 years experience and some managerial experience, or whatever. You didn't tell me: has he got a Queen's degree, or is he a graduate in commerce, or what? You don't tell us what expertise you're looking for. You don't tell us what expertise you're looking for.

And you don't tell me . . . You mean to say that there's no consultants in Saskatchewan with 15 years experience? Is this what you're trying to shove down our throats when they were prepared to do the job for a third the price? And you're willing to pay three times as much.

We're not hiring a law firm here to defend some criminal. We're doing a study. Maybe a criminal will hire the highest priced lawyer in Canada. I'm not saying that. And I'm not pointing my finger at them not being the highest priced consulting firm. All I'm saying is: you could tell us what the low bid was, and you could tell us what kind of expertise you're looking for. You're dragging this thing out way longer than you need to, Mr. Minister, because you're covering up again.

Here you have \$186,000 paid to two people that anybody in Saskatchewan could have likely done the same kind of thing. It was successfully completed in '77; they did an excellent job; the job classification is no problem. People were pleased with the results back then, and the same thing could have been done, the same people could have been employed today. And you're hiring somebody . . . If you'd tell us what the low bid was and what the differences were, then we'd know you're up and above-board and straightforward.

Maybe \$186,000 is the right amount to pay. If you'd have paid the Saskatchewan firm that much, they could have hired that kind of expertise to do. You can't tell me there's not consultants in Saskatchewan that can study and have a job classification and come up with some answers. I know there are.

**Hon. Mr. McLeod:** — Mr. Chairman, the member says he knows there are people who can do it here. I say yes, they are, and they've been hired to do it — these particular people that I've referred to. You say that we've . . . The 186,000 is for these two people. I said very clearly that the two principals assigned to this projects, the two principal people . . . Obviously there are many others assigned as well that will work with it.

And all I can say to you, Mr. Chairman, and to the hon. member, is that this is a good firm. As I've indicated, we have confidence in them. They will do good work for us; they will have it completed, as part of the guide-lines indicated, by the end of the calendar year 1984. It's very important to us to have it done that soon.

We will run a more efficient public service and carry on in a much more efficient way once this system is in place, and we want it in place as soon as possible. All those criteria came into place — getting it completed; who the people are that will be carrying out the project; all of those things assessed. Deloitte Haskins & Sells was a successful bidder, and they will do a good job because they are a good firm, and we know that on this side of the House.

**Mr. Engel:** — Mr. Minister, only one other comment. You suggest that the best possible price could be obtained for the auction sale is a similar example to this. This is a one-shot deal. They can't . . . You have no way of measuring. You have no way of measuring if this is the best possible firm, because it's only a one-of-a-type contract. So it's your opinion. You're not telling us whether you hired political on.

Now I'd like a point of clarification from you, Mr. Chairman. There was an agreement prior that we could ask some questions related to liquor and liquor advertising, because of the minister's responsibility. Shall we do this now, before vote 1, or should we do it after we're through your estimates and have another occasion when to do it? . . . (inaudible interjection) . . . Okay, just so we understand what the score is.

Item 2 agreed to.

Items 3 to 6 inclusive agreed to.

Vote 33 agreed to.

**Hon. Mr. McLeod:** — Mr. Chairman, I would certainly like to thank my officials who have come in and enduring this along with me. Thank you very much, fellows.

**Mr. Shillington:** — I would also like to thank the minister and his officials. We only wish the minister was forthright in the House as his officials have been in writing judgements on behalf of fired public servants.

**Hon. Mr. McLeod:** — I know the hon. member from Regina Centre was just trying to be nice about the whole thing, but it's very, it's important that we make it clear: these officials are not the people who write those judgements to which we referred so often today in these estimates. It's the public service commissioners who are appointed by order in council, by Lieutenant Governor in Council, and they are very independent from these officials and from this minister.

### LIQUOR BOARD

**Hon. Mr. McLeod:** — Okay. I have David Bock, general manager of the Liquor Board; and Al Dennett, the financial administrative officer at the Liquor Board.

**Mr. Engel:** — I suppose the first question I'd have, Mr. Minister: how successful were you when you sent a letter out to your retail outlets indicating the new shelf display and new grouping of bottles and all? How has that affected the sales?

**Hon. Mr. McLeod:** — The letter to which the hon. member refers — I'm aware of the letter — it was prepared, and I believe it may have got to a couple of the outlets, but it was recalled. And it was recalled for a very good reason. I will readily admit that it was recalled for a very good reason.

We hired an individual from the industry, from outside of the industry — the liquor industry, actually — and he works for the . . . And he was under the misconception that the Liquor Board is there to promote sales, and certainly that is not our case.

It was his case and his experience when he was in working for the industry. So . . . (inaudible interjection) . . . that's right. That letter was written on that basis — of his mistaken belief that the Liquor Board was out to promote sales, as was his former company he worked for before. He has certainly since been set straight on that, and that's not the case. And that letter, in fact, was recalled.

**Mr. Engel:** — Are you telling me that the stores are not laying out their inventory exactly like the inventory lists so that stock-taking will be easier? Is this what you're telling me?

**Hon. Mr. McLeod:** — No. What I'm saying is that there have been some changes in the way things are set up. We've set up, for example, we'll take Five Star rye whiskey. All of the sizes of that, from mickeys to 26's to 40's, and so on, they're all together. Little ones, big ones, and medium-sized ones, as your colleague from Quill Lakes is saying. And I'm sorry, I could speak in those kinds of terms so that he'll catch on, but you and I will have this conversation. But those are all together.

And the rye is at the back of the store, that's true. People walk by in order to get to the rye and the scotch and rum and so on, what we'll call the hard liquor which I think everybody in Saskatchewan understand the meaning of that. They walk by that alcohol, some of the drinks of more moderation, in order to get to those. They must go by those others to get there.

**Mr. Engel:** — I don't know what the minister is really talking about. I think . . . I read in *Leader-Post* in Saturday's or Friday's edition, the week of the 19th. "Booze ads a threat" is the name of this article. And this person, T.W. Rogers, writes a little article under letters and . . . (inaudible interjection) . . .

The member from Moosomin is quite obstinate and concerned that he . . . I'd rather not read this. But I just wanted to comment on . . . It's like talking about a sin, is it a big sin or a little one.

This person says:

I have never met a person who wanted to become a slave to alcohol yet. They all begin with the first drink. Perhaps the ads, instead of influencing someone to support the social aid programs of the Salvation Army, have planted the seed for the downward side of another drink.

For every plug for booze, I would like to see an equal-sized advertisement for abstinence or one that shows the results of alcohol abuse.

Best of all, liquor ads should be banned.

I think the point I'm making — and I didn't read the entire article — the point I'm making is that any alcoholic starts with a first drink, and the minister saying that the shelf layout is such that a lesser drink is easier to take, and one of the wines or something like that might be a more sociable drink than the hard liquor to buy.

I think you're still involved, Mr. Minister. It may be not as blatant as Mr. Wareham, that used to be a director of the retail operations, suggested it. But I think you're still in the business of trying to market a product.

And as far as getting to the advertising end of it, Mr. Minister, are you, with your officials, looking at the ads that are coming across? And is there 15 per cent in there that's getting a negative

response? Are you keeping up that level of it? How is that balance working out?

The minister here from Carnduff suggests that he'd like to see, if you're going to have any advertising at all, have equal-size advertisements showing that abstinence is a good thing and for the abstainers point of view, rather than a glorified one. I was looking at some ads that were made on the behalf of the 15 per cent one. And you look at it and it's pretty hard to tell if that belongs to the 15 per cent or to the 85 per cent camp, because it talks about drinking in moderation and it's got a little smaller ad and a smaller bottle. But the paper-printed ad is still out there. Now I must confess I don't ever remember catching my eye to see some good ads — colourful, sharp, productive ads — that make up the 15 per cent as far as the TV ads, particularly when sporting events are on. Can you assure me that this is happening?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, what I will say to the member is, as the member knows, the guide-lines and the regulations that were put in place provided that 15 per cent of the advertising time, 15 per cent of the time given to liquor advertising, would go to responsible use advertising. And what I will say to the hon. member is that, as of now — and I'll just go down through the months since the advent of advertising: in October of '83, 42 per cent of the time allocated, television and radio and so on, 42 per cent was given to responsible use. In November of '83, in fact, more advertising time in terms of minutes went to responsible use advertising, 113 per cent; in December of '83, 37 per cent; in January of '84, 60 per cent; in February of '84, 78 per cent; in March of '84, 48 per cent; and in April of '84, 70 per cent; for a total of 54 per cent of the time. If you add up the minutes of advertising and the minutes of time for responsible use advertising, 54 per cent of the time is allocated to responsible use advertising.

**Mr. Engel:** — That's exactly the point I was making, I think is what this Mr. Rogers or Reverend Rogers, whatever his name is, from the Carnduff Associated Gospel Church, is making. The responsible use ads are ads that encourage people that maybe don't touch the stuff, maybe like your Minister of Social Services, who doesn't touch it. Maybe your responsible use ads will influence them will influence them with all the welfare problems, that, well, maybe tonight I should have one to go to sleep on. And that's responsible use ads — just have one.

I think they're still encouraging consumption, Mr. Minister. And I'm not sure. I'm not sure that if you're saying those kind of times, then the point I've been trying to make — you've substantiated it for me, and I appreciate it and thank you for it — is that those are ads that are encouraging people that don't touch the stuff, saying, "That's not so bad. Have a glass of wine with your meal," or it's not so bad to take one but just only have one, you know, just responsible use. And that's how every person gets started drinking, is by drinking one.

And I think the responsible use ads are contributing just as much to the increased consumption. Have you some consumption figures, or are your reports accurate, or what's happened to consumption month-by-month this year with last year? Has the recession affected a downturn, like it has in the purchase of anything else? If we take commodities, Welch's grapefruit juice, for example, and if you'd know exactly just how much Welch's grapefruit juice was sold in November of last year and compared to another month this year, you'd know if there's been a change.

And I'm sure that those commodities are down because of the recession and the tightening of the economy and the 64,000 people on welfare. They're not spending as much as they used to. So, what has alcohol done in the last while? What is the general trend from this year to last year?

**Hon. Mr. McLeod:** — I'll undertake to give the hon. member some statistics as to consumption levels and so on. As it relates to the responsible use advertising and the reaction to them, I just want to give a response to that awareness advertising from . . . (inaudible interjection) . . . No. Well, okay. Awareness program, we'll call it, and its responsible use or educational messages or whatever you might want to talk about — the driving while impaired and all of those various things, and the various programs carried on by my colleagues, the



Minister of Highways and Transportation and others, safety programs, and so on.

I have here, Mr. Chairman, a letter addressed to Mr. Bock, who sits beside me as general manager of the Saskatchewan Liquor Board, dated February 15th, 1984. I'll just read the letter to you:

Dear Mr. Bock: Recent discussions with Mr. Doug Lee prompted a review of our statistics as they relate to charged offences of impaired driving and refused breath tests. Of particular interest was the impact, if any, that may be attributed to the Alcohol Awareness Program. I am pleased to forward this data for the months of December 1982 and January 1983, compared with December 1983 and January 1984.

You will note a decrease in both impaired driving and refused breath tests of 25.4 per cent and 34.3 per cent, respectively. Admittedly, this is a minimal sampling, and given a number of variables, is insufficient in terms of any firm conclusions. However, it is none the less encouraging, and I would venture the opinion that this program is, indeed, having a desirable effect. Given a greater time frame, I am confident the results will be much more conclusive.

From a law enforcement perspective, I laud this program as a very positive approach to a serious problem. My personal experience and observations throughout the communities suggest that the message is, indeed, being received and, more importantly, is being taken seriously. I enthusiastically support the program and it's continuation. Should you require any additional information, please do not hesitate to contact my office. (signed) Yours sincerely, V.A. New, Chief of Police, City of Regina.

**Mr. Engel:** — The members think . . . compare that as though it's a laughing matter. I want to suggest to the minister that the original Aware campaign that started definitely had a negative impact on alcohol consumption and the amount it was. And what he is saying, I agree. I agree that advertising will affect how many people do.

And the point I am trying to make is that the liquor board and your regulations to remove the ban on advertising is in direct conflict with what the Minister of Highways is trying to do — directly opposed, diabolically opposed. There's black and white. There's no comparison, because I agree with all the steps that are taken to eliminate alcoholics on the road, and you're not going to do that.

And I think that the most serious age group that you're affecting with your advertising, Mr. Minister, are the young teens. The young teens — 14, 15, 16-year-olds — that are watching and in that gullible age, that see these advertisements in relationship to youth, to enthusiasm, to sporting events. Mr. Minister . . . (inaudible interjection) . . . I'll wait till he's done talking, Mr. Chairman, and a . . . (inaudible interjection) . . .

I'm seriously trying to debate this issue, and I'd appreciate . . . If the minister of Moosomin wants to get even, he can do it from his feet . . . rather the member from Moosomin. You'll never be a minister. I'm sorry. I withdraw that statement. I should say that the little member from Moosomin who should enjoy his stay for two more years because I'm afraid that's all you'll have.

You've set up some pretty decent regulations regarding liquor advertising. I've gone through your regulations and they're quite impressive. They're quite impressive, Mr. Minister. Why wouldn't you at least encourage the Attorney General to implement one of them? At least one. Tell me which one of these regulations from 12.7 on . . . (inaudible) . . . on right down the line. Why wouldn't you insist that at least one of those regulations are kept or scrap them or change them? Why leave regulations in place that you don't honour?

**Hon. Mr. McLeod:** — Mr. Chairman, the member asked a question. He was suggesting I was

talking while you were asking that question. But I want to give you one question in sequence in the way in which you asked them. Okay. But I want to say, and he asked the question in terms of the volume sales and so on, and I would say to the . . . (inaudible interjection) . . . No. No. No, I said I will give you the answer, and that's what I'm about to do now.

The answer is, if you convert — and that's a practice that's been carried on for a long time by the liquor board — you convert the sale of, well, we'll call it pure alcohol, in other words spirits, wine, beer, all those things converted to alcohol by litres, and the amounts that are sold per capita of adults — and adults here in this case certainly defined as people of the legal drinking age, so it's not per capita across the total population of the province — that, in fact is down by 4 per cent, is down by 4 per cent volumes.

I'll just give you some numbers here per capita: 1979-80, 11.10 litres; 1980-81, 11.22 litres; 1981-82, 10.89; '82-83, 10.94; and '83-84, 10.41 litres. So, in other words, that downward trend is certainly very marked and very well defined. And it continues. So I just wanted to point that out to you, so that there's no argument could be made that volumes, in fact, are going up, because they are not going up.

**Mr. Shillington:** — While we're getting the stats, would you give us the volume of beer by litres, the sales of beer by litres, for these same years?

**Hon. Mr. McLeod:** — Mr. Chairman, I will give those volumes across those same years for beer. For 1979-80, these are alcohol interests in . . . This is in thousands of litres, okay?

In beer: 3,399 in '79-80; in '80-81 — 3,581; in '81-82 — 3,255; in '82-83 — 3,260; in 1983-84 — 3,322. Remember that the population of the adult population in this province has gone up 2.4 per cent — 2.4 per cent is the population of Saskatchewan; and the adults defined here as the people — 2.4 per cent increase in the population; 1.9 per cent increase in the sales, which indicates that's less. That's less.

**Mr. Shillington:** — Mr. Minister, your figures . . . Mr. Minister, the figures prove what I thought they would prove, and that is that while . . . Because, while consumption of alcohol in general is going down because of the recession, consumption of beer by volume per capita is going up.

And it's going up because it is beer that is advertised, primarily. There is very little of anything else that's advertised. I say to you, Mr. Minister, that these figures prove what the opposition, and I suspect, virtually every church group, has said to you, and that is that advertising liquor should be brought to an end in this province.

Mr. Minister, the advertising is doing nothing except to increase consumption. And I suggest that is proved by these figures. The consumption of beer has gone up, while the consumption of alcohol, in general, has gone down. It is beer that is advertised. Mr. Minister, that must suggest to even someone as oblivious as you people, that the advertising ought to be brought to an end.

I suggest to you, Mr. Minister . . . Mr. Minister, once again, these figures prove what we've been saying: that advertising is effective; advertising has caused an increase in the consumption of alcohol; advertising is responsible for the increase in the consumption of beer, as distinct from any other spirits.

**Hon. Mr. McLeod:** — Well Mr. Chairman, I can . . . As the hon. member, I believe, knows, the excise tax, the federal excise this is, now, which cuts in every year in September, hits hard liquor — what we know as hard liquor, in our normal jargon, hard liquor being whisky, or spirits — hits that much harder than beer.

So I submit to the hon. member, and I submit to you, Mr. Chairman, that price is the most

significant aspect. Beer — and the companies now have the generic beer with just the label “Beer” on there — I think one company has that. There are some low price beers with the open pricing. There are some, what we’ll call the low ball beers, sort of thing, that are there for cheaper prices. Those things . . . people will buy those beers rather than some of the hard liquor that is hit by the federal excise tax, and will once again be hit by the excise tax coming this September.

**Mr. Shillington:** — Well, Mr. Minister, some of the things you suggest have indeed accelerated the effect of advertising. Perhaps I should have said aggravated the effect of advertising. Now that they are able to advertise beer, they are changing the shape of the bottles, they are dressing up the product in a visual sense, and they are . . . One feeds upon the other, Mr. Minister.

It is true that the no brand beer has been introduced by Labatt’s, and there is no advertising. But that, in itself, would have been without any notice, and would have been without any effect had it not been for the fact that everything else is advertising. The presence of advertising has made possible no brand beer. It would have made no sense until you allowed advertising. So no brand beer, the new Miller’s bottle, the new Labatt’s bottle, the new Canadian bottle, (which I’m told is coming out), the screw caps are all part of the advertising. The visual product has been changed to make it physically more attractive.

Mr. Minister, these figures, which you refuse to address yourself to, I suggest prove, “the proof of the pudding is in the eating.” This, Mr. Minister, proves that advertising is effective, that advertising is increasing consumption, and the minister must know very well that the majority of beer drinkers are young people. It’s a young person’s drink. The vast majority of the beer is sold to, and consumed by people under 35 years of age. The minister knows that full well. And that’s the insidious thing about the advertising we have. By being restricted to beer, it is, in fact, aimed at the youth market. It makes it even more insidious, Mr. Minister.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, there are some things that are just simply not true in what the member said. First of all, he says that the advent of the new bottle is as a result of the advent of advertising which was initiated by . . . (inaudible interjection) . . . Not true. The Miller bottle, the new-shaped bottle for the Miller beer came in last May; advertising didn’t come till October. That bottle is across this country.

The advent of advertising in Saskatchewan, which was one of the only places in all of North America that didn’t have it, and, in fact, all that advertising was coming in from elsewhere anyway — those arguments we’ve been through before — all those things before. So it is a ridiculous thing for you to state that all of the various brands, and all of the marketing things that they’re doing in terms of their new shapes of their bottles and their twist-off caps and all of those things, are as a result of advertising coming in in Saskatchewan. It’s simply not true. They’re taking place in other jurisdictions across this country. Those decisions by those brewing companies are done at the national level, certainly not at the local level here. And I can say to the hon. member that it’s just a misleading thing for you to say, that that’s the case.

I will come back to you once more and say that it is very true, and the figures speak for themselves. While the adult population of this province in a period when that has increased by 2.4 per cent, the volume of beer sales has gone up by 1.9 per cent. Now you can’t tell me, on a per capita basis, you can’t tell me that the volume of beer sales has gone up on a per capita basis because it certainly has not. 2.4 per cent more people, 1.9 per cent more beer means less beer per capita.

**Mr. Engel:** — Mr. Speaker, do you have the copy of the regulations before you? Okay. Are you saying that 12.7(b) is being enforced?

**Hon. Mr. McLeod:** — Mr. Chairman, 12.7(b) says: “The board shall not approve an advertisement wherein, in its opinion, the advertisement contains family scenes.” We certainly

do enforce that, and you have not seen ads that are under the jurisdiction of this Liquor Board that have family scenes . . . (inaudible interjection) . . . That's what I said, 12.7(b) — contains family scenes — drinking scenes? Where have you seen on any of those ads, and if you . . . I would like you to point out to me, where someone is drinking alcohol? Show me one of them, please. I would be pleased to see it, or scenes involving minors. And I would like you to show me one of those as well. And I mean that sincerely. If you know of an example, I want you to bring it to my attention. I am certainly not aware of it, and we will certainly pull it off the air.

**Mr. Engel:** — Is the minister standing up in this House and saying that when these guys that are loading a piano get down and sit around the pub and they bring all those beers around and they're standing and holding them, and do it all, that that's not a drinking scene? Is this how fine you're drawing that line? Are you drawing that line that fine and saying that they call that a non-drinking scene? What are they doing with the stuff in their hands and talking about the wonderful taste. They don't have their bottle right to their mouth, but they're right there talking about it. "This is excellent" . . . (inaudible) . . . What else are they going to do with that stuff? What are they suggesting, and what are they doing with that stuff in their hands — around a table, in a pub, with a bottle in their hands? You tell me if that's not a drinking scene?

**Hon. Mr. McLeod:** — No, as I said the hon. member, though he points out that particular part of the regulations. And I say to you once again, there's no one in those scenes that is drinking beer. Nowhere. And it isn't there.

**An Hon. Member:** — You honestly believe that?

**Hon. Mr. McLeod:** — I know that, I know for a fact that there aren't any. The regulations say it, and they don't have it. As far as advertising is concerned, my colleague, the member from Scotland via Turtleford and Spiritwood, tells me that it's an historical fact and I believe it to be the case. There was more beer consumed in Scotland per capita in the 16th century before advertising it at any other time in history.

**Mr. Engel:** — I'm sure he's an expert on what happened in the 16th century in Scotland. You look old. You've aged since you're minister, Mr. Member from Scotland. And, in fact, when you were standing up in this House I couldn't even understand your language. I was sincere, Mr. Chairman. Mr. Chairman, I listened to him carefully and I told him to slow down, and he's improved greatly because now I can understand every word he said.

And if he tells you, Mr. Minister, if he tells you that those people are gathering in the pub, sitting around a table with those full glasses of bubbly in their hands, and they're not suggesting that they're going to drink it, what . . . Will you stand up in this House and just for point of clarification, will you stand up in this House and tell me what you suppose I'm supposed to deduct that they're going to do with that stuff? Are they going to have a water fight? You know, tell me what they're going to do with the stuff?

**Hon. Mr. McLeod:** — No, Mr. Chairman, what I will say to the hon. member is: there have been several ads, many ads in some cases, and several in cases of other companies that have been rejected under these regulations — that are, in fact, playing in other jurisdictions in the country, but do not get air time in Saskatchewan because we do not approve of it. And we will continue that practice of screening those ads and being careful of which ones get on the air. And I would just say to the hon. member, well, you can draw whatever conclusions you might like to draw from those particular ads. I'm not going to comment on what they are.

**Mr. Engel:** — Can the minister tell me how many staff people he has involved in screening these ads and policing the regulations and what's involved? What's it take to . . . What type of budget have you got to look after that kind of problem?

**Hon. Mr. McLeod:** — There are employees of the Liquor Board, and at various times the

chairman can be involved, and others, but there are four people in the Liquor Board who do have a careful look at them.

I can assure the hon. member of this. I will assure you of this — I have had representation from several of the companies who are very upset with the stringent way in which some of the people reject some ads. And we don't move on that, and we say well, that's fine, you go by these regulations, or the ads don't get on. But there are three or four people.

**Mr. Engel:** — You say there's five staff members that takes their time to police and screen these ads. What . . . (inaudible interjection) . . . It should be. It should, because these ads are on. What about that same section, point (c). Do you feel that your screening committee is looking after point (c)?

**Hon. Mr. McLeod:** — Yes, I would say that it follows. For 12.7(c), it says, “associates the use of liquor with activities prior to, and in conjunction with, the operation of a motor vehicle, aircraft, boat, or snow vehicle,” — those things. Certainly you can't point to one ad that suggests that alcohol is used in direct relation to those activities. Absolutely not. And under no circumstances should there be, as obviously, it's against the law in this province and everywhere else for the operation of those kinds of vehicles, that alcohol and operation of vehicles certainly do not go together. And as I pointed out to you before from the letter from the city police in Regina and the various programs that are conducted by my colleague, the Minister of Highways and Transportation, and others, we're very stringent about that sort of thing.

**Mr. Engel:** — I beg to differ with the minister. I think that Old Vienna ad shows an element of skill, and does not skiing, or canoeing white rapids — I've seen ads where they're involving, and showing canoeing of white rapids — if that doesn't take an element of skill, and I think 12.7(c), the way I read it, associates alcohol with activities involving skill or an element of danger. And a lot of the ads that show sporting events — it's even dangerous to move a piano, maybe — but not quite as dangerous as canoeing a white rapid.

But the minister argues that his committee is fairly stringent on what they allow. But I'm not sure. What's the process? Can you take me through? How do you determine which ad goes on? Does the ad get numbered, and then that one has to be approved by your department? Or do they run them, or what relation are they? I'm particular worried about television ads in prime time.

**Hon. Mr. McLeod:** — Okay, the process, Mr. Chairman, is the following, but first of all, and I want the hon. member to be clear on this: in those areas, you know, where there's an ad where there's — you mentioned canoeing or whatever. In every one of those cases, it's a case — there's no reference to any alcohol till there's a break in the ad, and there's always back at the . . . (inaudible interjection) . . . where have seen anybody with the beer in their canoe or while they're in the act of canoeing and so on? if the day is finished, and the way they go to the lodge or wherever they are, and that's the case — and that's clearly identified in those ads, and you will know that.

But as far as the process that any ad must go through, first of all they have to be approved by the CRTC (Canadian Radio-television and Telecommunications Commission), the federal agency. The CRTC, the federal government agency must approve the ad first of all. Okay, so they are approved by CRTC, that's number one. And then they're submitted by the various companies that would like to have them on here in Saskatchewan. They're submitted to our liquor board people. Copy and the story board or the script or whatever and that goes to the committee that I've talked about; our committee looks at it, and then it's either a “yes” or a “no,” and our committee decides on that, and as I've said before, in a very stringent way. If the ad receives approval, it's given a number. And then that number is communicated to the various media outlets and so on. If it is rejected, is not given a number and can't be played because it does not have a number.

**Mr. Engel:** — Is there a way for the public to find out if a particular ad has a number, or what do I do? What's the process I do if there's an ad I particularly don't approve of and think it's breaking the law? What steps can I take to assure you, or to draw that to your attention? How do I find out what the number is? Do they have to indicate that number in their ad, or is there any way to find out?

**Hon. Mr. McLeod:** — No, I would say that you won't see an ad on television that doesn't have a number. You know the local ads in there . . . I'm not sure of this on the national air.

Okay, yes it's clear. Even those ads that come on, say with "Hockey Night in Canada", which is a national show, and the buy is made nationally and so on. Those ads which show in Saskatchewan must have a number and be approved by this Liquor Board. They must be approved.

So any ad that you will see on the Saskatchewan outlets will have a number, or won't be on there. If you see one that you take particular exception to and I would say to you that certainly you contact me, and tell me which ad it was that you take exception to. And we'll talk to you about the number it's received, and you can raise your exceptions with me any time, certainly.

**Mr. Engel:** — Is it a long drawn out process to prosecute because I believe that one, the regulation, that's the strongest and has violated the most is 12.7(e).

Advertisements that indicate they are helpful in obtaining any social prestige, popularity, or personal success, I think almost all the ads, and you suggested that right here. You said that somebody that's successful that's out there either running a sailboat, or doing a thing that is just really in the in-crowd. The crowd that you're drawing attention to, the young people that are watching, the 15, 16-year-olds.

The people that they're trying to emulate are the successful people in sports. It never shows an ordinary guy like a drunk really is. If you want to really know what somebody is that does excessive alcohol . . . They never show one of those guys stumbling down the street in his tattered clothes and his wrecked car. They never show that, they show him coming out of a slick sports car, or a Rolls-Royce, or whatever — that he's really made it if he has a drink. If he has that social drink, it points to the guy that's really successful. And that's exactly contrary to what this ad says.

And I'd like you, in your way, to explain away this regulation because I think (e) is a good one. And yet all your ads, every one that I see, either show the guys as successful truck driver or successful somebody, terrific athlete, or something that has made it in the business world. One of those three categories always shows up, and those are the areas that you're breaching. (f) also states "in a manner prohibited by law," so what are they doing having a party on a beach? And you've seen those kinds of ads. I think there's several areas that are vital.

What about 12.4(2), "that they shall not be shown during . . ." when there will likely be a lot of people that are minors, when a lot of audiences are minors. Since when don't our minors enjoy sporting events like the World Series or the Stanley Cup play-offs? Since when don't minors watch these kind of events? And why do the majority of the ads of one after the other have to be bombarded that even a lot of young people are getting sick of them?

I think the minister isn't enforcing his regulations, which are fairly tight. If you'd enforce them, they'd be great. But you explain them away. You're trying to explain them away.

**Hon. Mr. McLeod:** — Mr. Chairman, I submit to you that we do enforce these, and I say to you that the member makes references to scenes on the beach and so on. I tell you that you don't see those. There are no beer ads that are approved by this department that have any scenes on the beach and all that kind of stuff. It's against the law to drink on a beach in Saskatchewan. We

know that, and there are no ads on the television that are approved by this board that have those.

If you're watching some on cable television from Minnesota or whatever, or North Dakota, that's up to you. But those are ads which we certainly have no control over, which goes back to the original argument about why they're here. Because they were here anyway, and some much worse ones than ones that . . . (inaudible) . . .

And as far as the 12.4(2), the "advertisements on television shall not be broadcast at a time when the audience is likely to be composed primarily of minors," — and you show me that the audience on Saturday night, when the Edmonton Oilers won the Stanley Cup, that it was primarily minors. Certainly a lot of minors watched that, but a lot of other people watched that show as well.

So I don't have any problem with that, and that's the case in all jurisdictions in this country.

I say to the hon. member: I don't make light of his concerns. I say that . . .

**An Hon. Member:** — Sure you do.

**Hon. Mr. McLeod:** — I certainly don't. I would say to him that look, I recognize that there are people in the province, if we number them — as I've said many times — many people in the province who feel strongly, as the hon. member does, about this.

But I also believe that there are other people in the province that are not as concerned about it. And I just say that, and I just don't make light of the concerns that you express, and you have every right to express them, and I would say to you that we are, in fact, going by the guide-lines which are in place.

**Mr. Shillington:** — Well, I will grant the minister that 100 per cent of the population of Saskatchewan are not concerned about it. But I will say to the minister: if they are concerned about it, they are opposed to what you are doing.

I'd be delighted to know who you think is supporting you, apart from the breweries and distillers and the media, all of whom make money from advertising liquor. I'd be delighted to know who else is supporting you.

Mr. Minister, I remembered something you said last year, only because I happened to see your comments proved inaccurate. I remember last year, Mr. Minister, we were complaining that children would be exposed to beer ads. And I remember, Mr. Minister, I remember, I'm sure it was you, who were the minister, saying, "Well listen, we're not going to be advertising during the Flintstones."

Well, Mr. Minister, I was in church and our board passed a motion condemning what you're doing. But in the course of the argument, one individual . . . One individual said he had seen a beer advertisement Saturday morning during the cartoons. Mr. Minister, I didn't believe it until a week later when I did see a beer advertisement on "The Flintstones."

Mr. Minister, the example you used last year was, "Well we won't be advertising during 'The Flintstones'." Mr. Minister, you are . . . you are not, Mr. Minister, exercising adequate . . . (inaudible interjections) . . . Yes, it is true. I saw it.

Mr. Minister, you are not exercising adequate control. You are not exercising adequate control over the timing of these liquor ads. It would be bad enough, Mr. Minister, if they were only seen after 9 o'clock at night when the children have gone to bed. But, Mr. Minister, they're not. Mr. Minister, they are being . . . They are at all hours.

**An Hon. Member:** — You saw it, Ned; now you tell us the time, and the day, and the station.

**Mr. Shillington:** — I don't recall that. I can tell you what time it is. It's 12:30 at noon hour when the children are at home from school watching "The Flintstones." That's what time it is. Well, it would be one of the Regina stations; it would be one of the Regina stations.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, and to the hon. member, I don't remember saying that about "The Flintstones," but if I didn't, I wish I had because I certainly agree with that — that there should be no beer ads on during the airing of shows like "The Flintstones," those kinds of things.

If the hon. member . . . And a while ago he said that he . . . I believe you said that somebody, in the course of discussion at your church board, or whatever, said that they had seen it during cartoons. And the next breath you said that you had seen it . . . (inaudible interjection) . . . Anyway, that doesn't matter.

If the cartoons thing . . . I don't know what the case is in terms of the cable channels and so on, but if you know of a case and I will certainly check this out. But I don't believe it's the case. I, in fact, I believe that if it was the case, I would have had a good number of phone calls about it, which I haven't had. Because, you know, there are people . . . (inaudible) . . .

And any case, Mr. Chairman, to response to the member for Regina Centre, if he has that case, and in fact, you want to talk to me about the station, even if you're not sure, and you don't want to say it here . . . If you think you know what station it was, and what day approximately, I will certainly undertake to look that up and to make sure that there is not a recurrence of the situation that you refer to.

**Mr. Shillington:** — Mr. Minister, I can't tell you the date when it was seen on "The Flintstones," but that's not hard to check. It's not carried on every channel; it's carried on one channel, one Regina station. But I say to you, Mr. Minister, that's wholly inappropriate to have liquor advertising during "The Flintstones" when the children are at home from school watching it. That's all the darn thing's on at noon for.

**Hon. Mr. McLeod:** — I agree with you. Like I say, I agree with you, and I would say if you're not sure of the exact station, and if you can give us . . . (inaudible interjection) . . . Well, give us one and give us a chance to check it out. And if you'd give me the approximate date and so on, we'll undertake to do it. In fact, I will undertake to check it out from here. But if you have more details give them to me.

**An Hon. Member:** — No you won't.

**Hon. Mr. McLeod:** — Absolutely. We agree with you all the way.

**Mr. Chairman:** — Being near 10 o'clock . . . (inaudible interjection) . . . Does the committee agree . . . What I'm trying to get at here, does the committee agree that this item has completed it's discussion or, . . .

**An Hon. Member:** — Stop the clock.

**Mr. Chairman:** — There are no items — we're not considering any items as such under these estimates. There was an agreeance here to bring this subject up for discussion. Now, if you'd like to carry it on for further discussion and you want to do this tomorrow, then we can continue on tomorrow.

**Mr. Lingenfelter:** — Mr. Chairman, I would suggest that we continue on right now and see



how we make out if the minister is agreeable and his staff can stay for a half hour or an hour and see how we make out.

**Hon. Mr. McLeod:** — Mr. Chairman, we agree to carry on the discussion here for a reasonable length of time, anyway.

**Hon. Mr. Blakeney:** — Mr. Chairman, I'm referring to a newspaper clipping of about a month ago, reporting on the hotels association. And I'll read a portion of the clipping and then ask some questions with respect to it.

A new provincial liquor act is on the way, and government officials learned Monday exactly what changes members of the hotels association expect. Martin Pederson, chairman of the Liquor Licensing Commission, and David Bock, general manager of the Liquor Board, discussed the new act with hotel and motel operators from around the province. Pederson and Bock, however, could not give specifics on many points, because the new act has not been tabled in the legislature. The minister, George McLeod, had wanted it tabled today (that being April 17th) so that he could discuss it here, "But estimates prevented it," Pederson said.

And I'm asking: what estimates prevented you from tabling the act as indicated by Mr. Pederson?

**Hon. Mr. McLeod:** — Well I'm not totally aware of the all the exact things, although I do recall somewhere, in a hazy way, reading that article. But no, certainly it's not accurate that estimates prevented that particular thing . . . (inaudible interjection) . . . Well I didn't say it, as a matter of fact, did I? There's no quotation there for me. There's no question there for me.

So I didn't say that estimates prevented anything. I think it's clear that the members, Mr. Bock, and Mr. Pederson were discussing, with the hotels association, items and things that the hotels association would like to see incorporated into a new liquor act, and that's certainly what was being discussed there.

So whether it's reported in that way or not is beside the fact. I know the Leader of the Opposition will certainly agree with me that everything that's in the newspaper is not altogether and totally accurate, and if they get anywhere close some of the time, we'll both concede that it's pretty good.

**Hon. Mr. Blakeney:** — The clipping goes on to say: "The new act is a bare bones version of the original." And I won't refer any more to the clipping; I simply ask you: do you have an act which is prepared and ready to present to the legislature?

**Hon. Mr. McLeod:** — I don't have an act that's completely prepared, no. And I can't really give a date at which time something like that bare bones act that's referred to there would be presented to the legislature. I know that there is a necessity for a new liquor act to incorporate some of the amalgamations that have taken place — the Liquor Licensing Commission, and the Liquor Board, and some of those things, and probably some modernizing of some of a few of the provisions of the act, but I don't have an act which is completely prepared and ready for presentation, or it would be presented.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, do you anticipate that you will have an act for presentation within the next four weeks?

**Hon. Mr. McLeod:** — I don't know, Mr. Chairman. I don't know if we would be going with it in the next four weeks or not. I really don't.

**Hon. Mr. Blakeney:** — Mr. Chairman, I noted you have promised to modernize things, and we have seen a good deal of your modernization with respect to matters concerning liquor.

Doubtless you would call your advertising policy a modernizing. Do you have any other proposals to modernize that you would like to advise the House about?

**Hon. Mr. McLeod:** — No, I would just say to the hon. member that if and when a new act is presented to the House, you'll have opportunity to read the provisions, and including those which I would suggest are modernizing, and you'll have ample opportunity to look at it. So I don't have any other — anything else to say about an act which may or may not be coming forward.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, would you care to say something about the proposals which were discussed by your staff, Mr. Pederson and Mr. Bock, with the hotels association? Would you be as forthcoming with the legislature as Mr. Pederson and Mr. Bock were with the hotel operators?

**Hon. Mr. McLeod:** — No, Mr. Chairman, the discussion that were — that took place between Mr. Pederson and Mr. Bock and the members of the hotels association were discussions of what the hotels association executive and members at large would like to see in a new liquor act. As the hon. member and Leader of the Opposition will know, the annual hotels convention has been a forum for just that discussion for many years, throughout your administration, I would suggest — I believe that's the case — and of administration prior to yours, and it continues in this one, that the hotels association will put forward their proposals, and what they would like to see in the act which governs their activities on a day to day basis, and that will continue I'm sure, and I'm sure that next year's hotel convention will be no different in the sense that they put forward their own proposals.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, what you say is, of course, true, but I can think of no occasion when the chairman of the Liquor Boards went there and said, "We have an act that's maybe tabled today or tomorrow; let's talk about it," and the minister one month later denies the existence of the act.

And if you're not denying the existence of it, what are you saying about it? Approximately when will it be forthcoming? Is it a matter of days or months?

**Hon. Mr. McLeod:** — We have proposals for changes, certainly. As I've said, we have an act, or the bones of an act, which we've been putting together for some time, and which we will continue to put together. And really, I have nothing more to say than that, except to say that when that act comes forward — if it comes forward — and that's a decision that has to be made not only by myself as minister, as the hon. member will know, but with all my colleagues in our caucus, and we will make that decision — and when the decision comes forward on the basis of all of my caucus colleagues having seen the act, or the proposed act, then and only then could something come forward.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, what proposals were put forward? You say proposals were put forward by the hotels association for changes. Fair enough. I make no comment on those. What proposals were put forward by Messrs. Pederson and Bock to the hotels people as the basis for the government's thinking?

**Hon. Mr. McLeod:** — There were no concrete proposals put forward, for the Leader of the Opposition, Mr. Chairman. There were no concrete proposals put forward.

Certainly the hotels association, as they are often and annually wont to do is to say: this is the provision that we want; and this is the provision; and this is another provision; all of that sort of thing. And you know, as I indicated, that's been an ongoing thing.

So it's consultation back and forth, and certainly the chairman of the Liquor Board didn't put forward particular proposals. He may have reacted to certain of their requests and said, "I don't

think that would be in the works.” (At least in his opinion it wouldn’t have been in the works.) And “I don’t think that’s possible,” or “I do think that may be possible,” — those kinds of reactions, and that sort of dialogue in the consultative process. But that’s really as far as it went, and there is really little else that I can say now until such an act is presented to this legislature.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, do you have any proposals for opening new stores in Regina, or closing existing stores?

**Hon. Mr. McLeod:** — There are no proposals for either of those things at the present time, Mr. Chairman, and the Leader of the Opposition.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, did you buy or sell any real property — real estate in Regina in the last year?

**Hon. Mr. McLeod:** — Yes, Mr. Chairman, we sold what I believe was, and the hon. member is more familiar with Regina than I, but the former St. John Street property. We sold that property, a former liquor store property there in the last year.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, to whom did you sell the property, and by what process did you sell the property?

**Hon. Mr. McLeod:** — Mr. Chairman, the property, the St. John’s property in question was sold to a firm called Harvey’s Collateral. It was advertised several times, and finally, I think after several advertising procedures, we had a bid that was reasonable, and the highest bidder for the property was sold the property.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, are you telling the House that the property was sold to Harvey’s Collateral, and that the price was the highest bid you received.

**Hon. Mr. McLeod:** — The case was that we had, the highest bid we received in this process, and there was several advertisers, was Harvey’s Collateral. Harvey’s Collateral bid, and I don’t mind telling the House the amount was in the order of \$77,000. I don’t have the file right here, but I will certainly undertake to give you more accurate, precise figures if you need them — \$77,000.

We were unsure if that was the total amount we could get, and we asked a real estate firm to try another process and see if you could get more for it and so on. That was I believe it’s Kolar Real Estate, whatever.

Anyway they were unable to get anything more than that, and after that we sold then to Harvey’s Collateral which was the best bid that was received after various processes used.

**Hon. Mr. Blakeney:** — So in short then, it’s fair to say that the highest bid that you got was from Harvey’s Collateral, and you sold it to Harvey’s Collateral, whether or not there was an interval of time between the bid and the sale.

Mr. Chairman, and Mr. Minister, did you sell any property in Saskatoon during — did you sell any other property during, in Regina or Saskatoon, in the year under review?

**Hon. Mr. McLeod:** — Now, was the question Saskatoon? Was the question from the hon. member Saskatoon?

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, the question was really a twofold question: any other property in Regina and any property in Saskatoon — just to speed things up.

**Hon. Mr. McLeod:** — No other property besides that which we earlier referred to in Regina,

and none in Saskatoon.

Mr. Chairman, I move that it's . . . Being near 10 o'clock, I move the committee rise and report progress and ask for leave to sit again . . . (inaudible interjections) . . . No, Mr. Chairman, I moved that under the mistaken . . . I was mistaken in believing that the members were completed with their questioning. I believed that they were finished. I would encourage them to carry on and finish their line of questioning.

**Mr. Shillington:** — Mr. Minister, I wanted to air a complaint about some of the styles of the advertisements which were supposedly the negative advertising. The advertising would suggest that people should not be drinking. This is one in particular, and it's very common, which I clipped out of the newspaper. It says: "FBM Distillers, producers of the new Bacardi Dark Rum," and then in fine print along the bottom, "urge you to enjoy this new product in moderation."

Mr. Minister, that . . . If that has any effect at all, other than to make people fall out of their chairs at home and laugh in the aisle at the ridiculousness of it . . . If it has any effect at all, surely that is to encourage consumption of the new Bacardi Dark Rum, and it . . . Surely it encourages people to enjoy this fine product. And I suspect the last two words, "in moderation," is totally lost, if the ad has any effect at all.

I would suggest to you, Mr. Minister, that there ought to be some minimum standards for these ads. This should not qualify as an advertisement discouraging people from drinking because I think, as I say, if it has any effect at all, other than to discredit the whole world of advertising by its ludicrousness, these things should meet, Mr. Minister, some minimum standards. And this one doesn't. And it's very common; I see them in all the newspapers.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, I can say to the hon. member that the particular ad that he refers to, he's absolutely right in that case. That particular ad was not submitted to our board. That particular company, we have cracked down on them because of it. You will not see that ad, and I would suggest to you that you haven't seen it for at least a little while now. You won't see that ad again.

**Mr. Shillington:** — Mr. Minister, I want to utter a complaint, as well, about the entire thrust of this government in the two years you have been in office. Mr. Minister, you have allowed liquor in Taylor Field. Now that has not occurred yet, not because of your actions, but because the city hasn't taken the necessary step. Mr. Minister, you made it possible. Mr. Minister, you have increased the number of outlets. Mr. Minister, you have allowed liquor advertising. The whole thrust of this government when in office has been to encourage the consumption of alcohol.

Mr. Minister, I want to read you a letter from Wareham, director of retail operations. And I want to read you a couple of choice paragraphs in this letter, Mr. Minister. Paragraph 5 of the letter from Wareham on behalf of the Saskatchewan Liquor Board, to all Liquor Board store managers, the internal memo says:

We have been experimenting in a number of stores around the province with changing the layout of product on the shelves to put more emphasis on merchandising and on consumer convenience, and less emphasis on having the shelves laid out strictly because of inventory thinking. There have been a number of different types of things we've done to improve product display.

And then it goes on:

For example you go into any food store you'll find the milk, cheese, and butter at the back of the store, even though it's the most frequently purchased item. The reason for this as any good retailer knows is to force customers to walk by other products in

the store and have the opportunity of them making spontaneous purchases.

Since rye is by far the most popular selling product in this province, we've moved rye to the back of our stores and put slow-selling items on the side shelving. The other thing we've done, for example, with Five Star whiskey is to place the mickey, the 25-ounce and the 40-ounce together. There are a number of reasons for this. But the most important reason is that it may encourage increased consumption. Where regular customers are picking up a 25-ounce bottle, they've now moved up to a 40-ounce, and where there were customers coming in and buying a 40-ounce, they're now buying a 40-ounce and a mickey. We realize this may take more time and stock-taking as shelf product will not agree with the inventory forms, but that's something we have to sacrifice in order to achieve our merchandising and customer service goals.

Mr. Minister, you disavowed the memo, but in fact, Mr. Minister, it's consistent with everything you've done, and you still have . . . It's consistent with liquor at Taylor Field, increased number of outlets, advertising. I think by far the most insidious thing you've done is the advertising. Now we find the director of retail operations urging that rye be put at the back of the store so they will, so the poor schlooks as they go by will pick up a few of the more expensive items on the way by, some of the expensive, imported scotches and so on. And, Mr. Minister, we now find ourselves putting a 40-ounce, a 25-ounce and a mickey together in the hope that they'll walk out with all three.

Mr. Minister, what is interesting is that while you disavow the memo, you haven't changed the merchandising technique. You admitted the rye is still at the back of the store. You've still got the 40's, the 25 and the mickeys together, so you are doing everything Mr. Wareham urged the store managers to do. It's consistent with your entire history of this government in liquor, which is to push liquor, and I say it, Mr. Minister, that is insidious. The province is going to pay a very considerable cost because of your desire to push liquor. It is going to result in higher costs in a number of fields — in SGI, in health — apart from the human tragedies that alcohol causes.

I suggest to you, Mr. Minister, that this government . . . If you don't have any sense of responsibility to what you're doing to the public — and the last thing this province needs is to encourage harder consumption — if you don't have any sense of responsibility to the public, surely, Mr. Minister, you'll heed public opinion, as I suggest to you that the vast majority of those who care are opposed to what you're doing. You may be right, 100 per cent of the people don't care, but those who do find your activities most unpalatable, Mr. Minister.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, I would just say that it's misleading to say that we allowed beer at Taylor Field. It is not the case. And beer is not being served at Taylor Field as a matter of fact, so it's nothing to do with us.

The number of outlets, the member suggests the number of outlets is going up dramatically and so on. I would just say I want to remind that hon. member that the number of liquor outlets in Saskatchewan at March 31, 1971 when you boys came to power were 823, and when you left were 1,310. So don't tell us about the preponderance of outlets. So don't tell us about that. And so what I'm just saying, Mr. Chairman, and I just, you know, you can't let it go by they will continue to lay out these stories that are absolutely without basis in fact.

There are no stats to support the suggest that he talks about, the fact that by putting the convenience if someone goes in and looking for a bottle of Five Star or whatever that they should — there's a mickey and 26, and 40 — that they shouldn't have it convenience of being able to pick up the one. It certainly is. Once a person makes the decision, and they're of age, and they make the decision to walk into the liquor store, they are then in the liquor store, and then it's the matter of the convenience of the customer, and there are many customers in this province who see the liquor stores as a convenience to them and as a service, so there's no

problem with that. Now if, and in fact, the statistics that the member talks about and he says: all of the cost in terms of insurance, and in terms of health care and all of those things — which are legitimate concerns in terms of the abuse of liquor but not the use of liquor. The abuse of liquor is a very clear and distinct thing, and there is certainly is an abuse of liquor — has a health cost, has an insurance cost, and has all those other things.

But as I pointed out to the hon. member's colleague, consumption is, in fact, going down, regardless of what story you want to say, regardless of what story you want to put out. The facts and the figures point to the fact that consumption is going down, and I rest my case, Mr. Chairman.

**Mr. Shillington:** — Mr. Minister, it is interesting, as we learned tonight, that the volume of consumption of alcohol overall is going down, but beer is going up; and beer is what is advertised on television.

There is a moderate amount of advertising of wine, but it is the breweries who are carrying the ball on television. And it is they who have, as my colleague from Assiniboia-Gravelbourg suggested, it is they who have young sportsmen advertising, suggesting that that's part of a successful life-style.

Mr. Minister, I don't care how many of the media are up there. I tend to think, Mr. Minister, that what you are doing is not only contrary to public opinion, it's irresponsible as well in terms of the long-term health of this province.

Mr. Minister, Mr. Minister, I want to talk to you as well, I want to talk to you as well, Mr. Minister, about the cost of advertising, and the cost of alcohol. Mr. Minister, on CBC's programs, "It's Your Nickel," they cited figures applied by the Government of Saskatchewan on the amount of expenditures in those areas attributed to alcohol. The figures which the CBC program used were \$290 million this government spends to clean up the mess caused by alcohol. You only get \$88 million in revenue.

I ask you, Mr. Minister, whether you think it's in this government's best fiscal interest to be pushing the sales of alcohol in the ways you've done.

**Hon. Mr. McLeod:** — Well I'm not sure of the figures, and I certainly won't comment on those figures, but I will say, and as I've said before, certainly we recognize the abuse of alcohol — abuse; and I make the very clear distinction between the use of alcohol and the abuse — but the abuse of alcohol certainly has a cost. And it has a health cost, and it has all those sorts of things. There's no question about that. We understand that.

And every . . . Any responsible legislator would agree with that, but the figures simply do not point to that. And the hon. member will continue to say that the volumes of sales of alcohol are going up, and they are not. He says the sales of beer are going up, and I say that there is a population increase in Saskatchewan which you can attribute to many things, not the least of which are the policies of my colleagues and in this government.

The adult population in this province is going up 2.4 per cent, the adult population — adult, in this case, meaning those within the legal drinking age — 2.4 per cent increase in adult population; 1.9 per cent increase in beer sales or beer consumption, and you tell me that that's a — that that's an increase. That's a decrease per capita, and I will tell that tonight, and I told that to the hon. member a while ago.

**Mr. Shillington:** — The Minister, I think, is ignoring the obvious, and that is that beer sales have gone up in absolute terms, and the sales for alcohol as a whole have gone down. I know the minister thinks this is a great joke, but it is not.

Mr. Minister, I wonder what you think young people are supposed to think when they see sportsmen, successful sports people, pushing Molson's.

**An Hon. Member:** — Where have you seen that?

**Mr. Shillington:** — I saw it last night. I saw it last night. Somebody who was playing soccer. The people I saw last night were soccer players, who were suggesting . . . The style of the ad suggested that that was part of a successful life-style, is alcohol. I wonder what you think they're supposed to — what you think they're supposed to think, Mr. Minister, when they see that ad, and the next ad they see is someone with a big hole in the chest because of alcohol.

And I wonder, Mr. Minister, if you don't think that you are . . . You're undoing any good you might do with those alcohol ads, I assume much of them at public expense. If you're not undoing much of the good with the ads which follow, which suggest that if you want to live a successful life-style, a healthy life-style, if you want to be successful and important, if you want to succeed at sports — drink. I wonder, Mr. Minister, if you don't think that that's contradictory.

**Hon. Mr. McLeod:** — Well, the hon. member — I went through some of these with your colleague — but the hon. member says about successful sports figures and so on. I can say to you that while you may see those on some of the cable channels originating in United States, you see our 12.7 . . . our article in the regulations 12.7(h), contains: any personal endorsement, this shall not be approved. "Any ad that contains any personal endorsement of liquor by any person who may be generally known or recognized . . ." And you tell me that you know of a sports figure, generally known or recognized sports figure in this country, that which young people would say that that person . . . (inaudible interjection) . . . That doesn't here. It happens in the United States with sports figures, but it doesn't happen here.

**Mr. Shillington:** — I didn't say that some internationally known soccer star, that's a contradiction in terms, to suggest any soccer star would be a household figure in Saskatchewan. Mr. Minister, that wasn't what I was suggesting. What I was suggesting is: that ad had pictures of apparently successful sportsman, unnamed successful sportsman, who promoted alcohol. And the clear implication of that ad is that sports and a healthy and successful life-style go together with alcohol. And the corollary is that alcohol is the necessary part of any successful, health life-style. And that, Mr. Minister, is most insidious.

**Hon. Mr. McLeod:** — Mr. Chairman, I would move that the committee rise, report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 10:33 p.m.