

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 23, 1985

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

Private Members' Bills

DEPUTY CLERK: — Mr. Koskie, vice-chairman of the Standing Committee on Private Members' Bills, presents the tenth report of the said committee which is as follows:

Your committee has considered the following Bill, and agreed to report the same with amendment.

Bill No. 03 — An Act to amend an act to incorporate the House of Jacob (Beth Yakov) of the City of Regina.

The committee recommends under the provisions of rule 58, that fees be remitted less the cost of printing with respect to Bill 03.

MR. KOSKIE: — Thank you, Mr. Speaker. I move, seconded by my colleague, the member from Rosthern:

That the tenth report of the Standing Committee on Private Members' Bills be now concurred in.

Motion agreed to.

INTRODUCTION OF GUESTS

HON. MR. DEVINE: — Mr. Speaker, it's a great pleasure for me to introduce to you, and through you to the members of the legislature, His Excellency, Eliashiv Ben-Horn, Ambassador of Israel, and his wife, Mrs. Ben-Horn, who are in the Speaker's gallery today.

The ambassador is in Saskatchewan for the first time. He became ambassador in 1984, January, and he is making courtesy calls to the Department of Economic Development and Trade and inter-governmental affairs.

The Ambassador has a distinguished career. He was born in Poland in 1921. He immigrated to Palestine in 1935, Hebrew University in Jerusalem in 1940-41. He was involved in the British army, 1942-46. In 1948-50, Israel defence forces with the rank of captain, and he went on with several delegations at home and abroad in Washington and the United Nations and so forth. He's a very distinguished individual, and I'd ask all members of the House to give him a warm welcome to the province of Saskatchewan.

HON. MEMBERS: Hear, hear!

MR. WEIMAN: — Mr. Speaker, there are certain occurrences in the world that, through their repetition, become standards, such as: we know it's springtime when the swallows return to Capistrano.

I would like to introduce to the legislature the witnessing of a new standard being evolved in Saskatchewan and that is: spring coming to the legislature in Regina is standardized by the

students of the school of Fairhaven when they come on their annual pilgrimage down to Regina.

I would like to introduce the students of Fairhaven school, 55 in number. It's their third, repetitive visit. I look forward to meeting with you again as I have in past years, and I would hope that my fellow colleagues and friends would help in joining me in welcoming you to the legislature this afternoon.

HON. MEMBERS: Hear, hear!

MR. GLAUSER: — Thank you, Mr. Speaker. I wish to introduce to you, and through you to this House, a fine group of 68 students. They're from the Silverwood Heights school, and they're accompanied by their teachers, Mike Luciuk, Gord Chouinard, John Hoodekoff, and Cheryl Earlandson.

I would be meeting with them after question period. I hope you have an enjoyable stay, and I hope you will hear the kind of questions during question period that I know you will be capable of asking when I meet you later on.

I'd ask all members to please welcome them.

HON. MEMBERS: Hear, hear!

HON. MR. McLEOD: — Mr. Speaker, it's with pleasure that I introduce to you, and through you to all members of the Houses, a group of 28 grade 11 and 12 students seated in the west gallery from the progressive community of Goodsoil in north-western Saskatchewan. Twenty-eight students, as I've said, with their teachers, Mrs. Sheila Johnsrude and Mr. Murray Rausch, and their bus driver Mr. Dennis Hetlinger.

As I often say when students from my constituency come here, I think it's commendable that the school program of schools such as Goodsoil would include a visit to the capital city and to the legislature when you consider the 400-odd miles that they drive to come here, and I would welcome them very much. I would ask all members to join with me in welcoming them. I'll be meeting them a little later this afternoon for some discussion and some drinks and so on. Thank you very much, Mr. Speaker.

HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

Conflict of Interest — Sedco Official

MR. KOSKIE: — Thank you, Mr. Speaker. I have a question to the minister responsible for Sedco, the small minister of business — I mean, the minister of small business, and it deals with the purchase of the 50 per cent shares of Frances Olson Realty by the president of Sedco, one Doug Price, and his partner.

The Premier indicates or claims that Mr. Price will now be selling off his shares, or at least divesting his interest in the realty company. But I'm interested in how this situation came about, Mr. Minister, because Mr. Price has said that this purchase was done with your prior approval.

So I ask you: is that in fact true, and was Mr. Price given your approval to moonlight as a director and part owner of a real estate company which could be doing business with Sedco or other government departments?

HON. MR. KLEIN: — Mr. Speaker, Mr. Price's request was considered in light of existing policies that have been in effect at Sedco for quite some time. Let it be clearly understood that Mr. Price

was not in any conflict position. Great care was taken to avoid that and also to assure that no conflict would arise in the future.

But having said that, because of suggested conflicts Mr. Price has made arrangements to divest himself of his investment. That process is presently under way. Both decisions were Mr. Price's, and we are pleased with them.

MR. KOSKIE: — As a supplemental, Mr. Minister, Mr. Speaker, I want the minister to tell us whether or not the approval that you gave to Mr. Price to make this purchase was in fact within the written guide-lines as established by Sedco and other Crown corporations. Do you have, in fact, a detailed set of guide-lines in respect to outside purchase relative to executives?

HON. MR. KLEIN: — Mr. Speaker, when our administration assumed the role of administering Sedco, there were internal policies in existence. Those rules were adhered to. Clearly no conflict existed by Mr. Price's request of a passive investment of a business operation in Saskatchewan.

MR. KOSKIE: — If the minister is unable to quote at this time the particular guide-lines, I was wondering whether you, in fact, could provide and file later today the specific guide-lines under which you gave approval to Mr. Price, while being the president of Sedco, to become involved, in fact, in Frances Olson Realty and in another business which, in fact, could be very much in conflict.

Could you, in fact, either indicate the nature of the guide-lines that you followed, or could you, in fact, file those guide-lines later today?

HON. MR. KLEIN: — Mr. Speaker, as I indicated, Mr. Price clearly disclosed his position in accordance with the Sedco guide-lines internal at Sedco. There was no conflict of his position. He had simply decided to participate in a shareholders' way in an active business in Saskatchewan. No conflict existed. Care was taken to avoid, not only a conflict in spectrum of today's standards, but in the future.

And as I had mentioned earlier, Mr. Speaker, because of a suggested conflict he has made arrangements to divest himself of his investment. That process is under way, and we are pleased with his decision.

MR. KOSKIE: — Further supplemental. Last one, Mr. Speaker. I ask the minister: does Sedco in fact have a set of interest guide-lines? And I ask you: can you in fact table those guide-lines under which you said you operated and gave twice the permission to have an outside interest? Can you table that?

HON. MR. KLEIN: — Mr. Speaker, Sedco does have an internal set of guide-lines, and if the member wishes I could table them at some future point. I don't have them with me.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a new question to the Minister of Tourism and Small business, the minister in charge of Sedco. And I ask the minister whether or not he acknowledges that Sedco has over \$50 million in property holdings, a large portion of which it is now attempting to sell, and that Sedco is active in the sale of commercial and industrial property in and about Regina and elsewhere. Do you concede that?

HON. MR. KLEIN: — Mr. Speaker, Sedco has an awful lot of property around this province. Unfortunately, in my mind we have too much property to dispose of. And in answer to the hon. member's question, yes, we are actively pursuing the sale of Sedco properties as they exist, not only in Regina, but throughout the province.

HON. MR. BLAKENEY: — Supplementary, Mr. Minister. Do you not see any conflict of interest when you readily concede that Sedco is in the business of marketing, as you say, too much

property, for the president of Sedco to be also the director and a major shareholder of a private real estate company which is, in some sense, competing with Sedco?

HON. MR. KLEIN: — Mr. Speaker, I think that if the hon. member is trying to tie in some form of conflict . . . The real estate industry, the way I understand it from my experience in it for some dozen or so years, and as a broker and as a president of the real estate board, is clearly the brokers are agents for people that own properties and dispose of them accordingly.

Now having said that, Sedco's policy is to treat all real estate agents with the same accord. And if an offering should happen to come in from a realtor representing a prospective group of purchasers, each and every deal is looked at in its own light. And it's just that pure and simple.

HON. MR. BLAKENEY: — Mr. Speaker, one supplementary. Does the minister suggest that real estate firms do not deal in property on their own account but always act as agents for other owners?

HON. MR. KLEIN: — No, I'm not suggesting that at all because fortunately when I was in the private sector, my experience was such that I dealt with land development. And I believe that land development should still be in the private sector and not in the taxpayers' hands.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — New question, Mr. Speaker. However much we may agree with the minister, or disagree with him that land sales ought to be in the private sector, it is surely a little bit curious to put them in the private sector by having them operated by a company owned in part, in major part, by the president of Sedco. And I ask you, Mr. Minister: when did Mr. Price seek your approval; and when did you give that approval; and was that approval withdrawn?

HON. MR. KLEIN: — Mr. Speaker, as I have indicated earlier, clearly Mr. Price was not in a conflict. He is not, nor did he intend to be, a major shareholder. He simply had a passive investment. He was not going to actively participate in any role actively with that company. He simply made an investment.

Are you suggesting that all of the employees of government are not in a position to make any investment, or if they do, that they can't make that investment within the province? Or if they do make it within the province, that they're limited to buying some broad spectrum of shares that they may not have any interest in, or desire, in using that type of investment?

Clearly, he chose to invest his dollars in a certain way; no conflict existed. And yes, I don't hesitate to say that I gave him that approval because that conflict was not there. He was not going to participate actively in that firm in any way, shape, or form.

So, having said all that, that was good. Now he has decided because of the suggested conflict — because of that suggested conflict — to divest himself of that investment.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. I'll try again. I'll ask exactly the same question as I asked last time. When did Mr. Price seek your approval? When did you give that approval? And did you withdraw that approval?

HON. MR. KLEIN: — Mr. Speaker, he sought the approval some time within the last month or six weeks, and was given the approval shortly thereafter, and has since decided to dispose of his investment.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Did you suggest to Mr. Price that he ought to change his approach? Did you, in fact, withdraw your approval?

HON. MR. KLEIN: — Mr. Speaker, I have said several times, let it be clearly understood, that Mr. Price was not in any conflict position. Great care was taken to avoid that position and to assure that there would be no conflict with that position in the future. But because of the suggested conflict, Mr. Price has made arrangements to divest himself of that investment. Those arrangements are under way, and I am pleased with that decision.

HON. MR. BLAKENEY: — New question, Mr. Speaker. I ask a question to the Minister of Tourism and Small Business, the minister in charge of Sedco. And referring to your earlier answer, Mr. Minister, will you not admit that this is another case of media morality, that you were perfectly happy to have Mr. Price own a 25 per cent share of a real estate company operating in Regina until it became a subject in the media, and then you suggested that he withdraw from that?

HON. MR. KLEIN: — Mr. Speaker, I would suggest, and I don't know how I can say this without perhaps not being actual, in fact, but I do know that in prior years members of the legislature opposite have made investments in either apartment blocks or MURBs, or as the case may be. Now if you're suggesting that that's the positive type of an investment that that person chooses to make at that time, so be it.

But then in other instances where men are talented and have obvious experience and friends that are interested in going into business and require additional financing or shareholders' position, there's absolutely nothing wrong with making a passive investment within an operating business of this province. Saskatchewan is open for business.

And as I said before, there was no conflict, and I have no fear of that.

HON. MR. BLAKENEY: — Mr. Minister, without going into whether or not the person, Mr. Price, involved — the former member of the executive committee of Pioneer Trust, and the former member of the investments committee of Pioneer Trust — is all that talented, could you advise the House whether you have set a deadline on when Mr. Price must divest himself of, first, his shareholdings in Frances Olson Realty, and secondly, his position as a director of that company?

HON. MR. KLEIN: — Mr. Speaker, to my knowledge Mr. Price never was a director of that company, number one. Number two, the arrangements to divest himself are presently under way, may very well be concluded at this moment. Being that he is not under any conflict, if the legalities of the matter should take an extra day or week, then so be it, because Mr. Price has made the decision to divest himself, and the process is under way accordingly.

Counselling and Assistance Program for Farmers

MR. ENGEL: — Thank you, Mr. Speaker. I have a question to the Minister of Agriculture. Last month with great fanfare you announced changes to the counselling and assistance program for farmers. At that time you claimed that you're going to be helping some 1,500 farmers. You're going to be spending \$120 million worth of loans from banks and credit unions in this coming year.

In recent days, Mr. Minister, I've heard from many farmers that this program still isn't working. Farmers are reporting that they are getting much the same reaction as last year. They get approval from the board, they go to the bank or the credit union, and they can't get the money. Are you aware of these problems and, if you are, what do you plan to do about it?

HON. MR. HEPWORTH: — Mr. Speaker, hon. member, my indications to this point in time that for the most part the program is working well. We've had indications from lenders, when they looked at the program, and I think some were in fact said to comment that they plan to jump in with both feet.

I don't suspect that you can design a program that's 100 per cent perfect and that can in fact operate in that manner, but I think the new and expanded program, with the consolidation loan feature and the operating loan feature, goes a long ways to making sure, in fact, that the crops did get in this spring.

MR. ENGEL: — Supplementary, Mr. Speaker. Mr. Minister, if this program is working, there's only one measure: how many farmers have received some money? How many farmers have actually received a loan from a bank or a credit union under this program since this spring? Since you announced the program on April 4th and announced the changes, how many farmers have actually received some money?

HON. MR. HEPWORTH: — Mr. Speaker, hon. member, I don't have those numbers. At last count the program had, in fact, advanced something over \$9 million in guarantees, but, in fact, those numbers aren't current. And with the new program, I don't have an update for you, but I would undertake to get that information for you.

MR. ENGEL: — Mr. Minister, you say the program is a success and it's working, and not even 10 per cent of the ones you've predicted would get money have money, and you call that working. Farmers are getting approval. Last year the Counselling Assistance for Farmers Program cost you \$5,000 a loan — \$5,000 a loan it cost you for counselling and assistance for the amount. What's it costing this year? When you consider a program is working, how many would you consider would be successful out of \$120 million in guarantee to farmers — nine million this spring — have money to put their crops in — not even 10 per cent, Mr. Minister. Do you count that a successful program?

HON. MR. HEPWORTH: — Mr. Speaker, I'll tell the hon. member that if we can invest \$5,000 per farmer out there and, in fact, save them so that they can farm, not only this year, but the next year and into the next century, I consider that a small investment to make. The hon. member continues, continues to try and erode the credibility of those farmers out there that sit on those review panels and provide that counselling advice. He continues to erode away at their credibility when, in fact, they are very credible.

And the other thing that I see out in the farm community, Mr. Speaker, the other thing that I see out in the farm community this spring, unlike my colleague across the way, is I see optimism out there. Moisture conditions are better, interest rates are more stable and lower than they've been in many years. I see optimism out there, not the doom and gloom that the hon. member is pushing, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Mr. Speaker, Mr. Minister, supplementary to the question, the Minister of Agriculture. You say that the program is working and it's successful, Mr. Minister, why am I getting call after call from the northern part of my constituency saying that they have received approval from your committee, but they go to the banks — they've gone to four different towns and asked for money from those banks, holding that approval that your committee has given them, and they have been refused any kind of funds from those banks, Mr. Minister.

What would you do for those farmers?

MR. SPEAKER: — Order, please. All through the time that your fellow member was asking questions, the members around him were hollering. He can hardly be hard, and I will ask for decorum in the Chamber.

HON. MR. HEPWORTH: — Mr. Speaker, if the hon. member would wish to raise with me individual cases, I'd be happy to take a look at them for him. And in so far as what the track record of the new and expanded program is, given its infancy — and it's probably less than a

month since it had Royal Assent in this House — as soon as I've got some numbers generated on that, I would be happy to share them with the House.

MR. LUSNEY: — Mr. Minister, these are not only one or two individual cases. There appears to be a lot of them in that area. Are you going to deal with the problem? Will you contact Mr. Barry Andrews, because he has been phoned by some of these people. Will you talk with him and ask him what could be done now? Will you contact the banks to see if they will allow these people to get their money so they can proceed with their seeding, because at this point they are not able to get their crop in unless they get that money.

HON. MR. HEPWORTH: — I have no difficulty talking to Mr. Andrews. In fact, I will be. But I would like to suggest to the hon. member that some of the reasons why some might not get, in fact, loan guarantees are these: number one, legislation, as you will know because you were here in part of the debate, or, in fact, the lack of debate on that same Bill. One of the criterion in there is that those who have net worths of more than half a million we view as having some other ways to solve their problems so that in fact they are not eligible.

And I don't think the taxpayers of Saskatchewan should be expected to help those farmers — although they may be in trouble and legitimately in trouble — who have net worths of more than half a million. I think they have other ways to solve their problem.

There are others out there, Mr. Speaker, whose debt to equity ratios have not eroded to the point yet where in fact they are considered a serious credit risk. I also don't think we need to go in and bail out the banks and give the banks a guarantee when, in fact, the farmer is in trouble.

So those are some of the kinds of scenarios that in fact may exist out there that the hon. member is referring to.

MR. LUSNEY: — New question to the minister, Mr. Speaker. Mr. Minister . . .

MR. SPEAKER: — Order, please. I gave the member the floor on a supplementary, but I will have to give the Minister of Agriculture the opportunity at this point. The Minister of Agriculture . . . or the Minister of Highways.

Lighting at Patuanak Airstrip

HON. MR. GARNER: — Mr. Speaker, I rise today to respond to a question raised by the hon. member from the Athabasca constituency regarding the installation of runway lighting at the Patuanak airstrip.

The hon. member will recall that I wrote him on February of 1984 indicating that the lighting of this airstrip would be included in our programming for future years. I also advised that construction time would be dependent upon other priorities and budget allocations.

Mr. Speaker, I am very pleased to advise the House, and the member opposite, that I have now reviewed the need for lighting at the northern airstrip in view of its location and community need. And I am pleased to announce that this spring it will be included in the '85-86 construction program.

The total cost is estimated at \$120,000. The timing of construction is dependent upon availability of materials. However, it is estimated that installation will take place for the lighting of the Patuanak airstrip later this summer, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — Thank you very much, Mr. Speaker. I just want to thank the minister for

that announcement today. I know that it will be much appreciated up in Patuanak.

SOME HON. MEMBERS: Hear, hear!

Counselling and Assistance Program for Farmers

MR. ENGEL: — Mr. Speaker, the supplement to the minister was this: the farmers that we're talking about have received approval from your expensive counselling and assistance committee. The committee has approved them. They take the paper where the committee says: you're eligible, you qualify under the terms of your legislation, and here, take this to your bank and your credit union.

And every one of them have been turned down, Mr. Minister. The banks and credit unions refuse to honour the commitment you're making. They will not accept your committee's recommendations.

The supplementary question, Mr. Speaker, is this: what should those farmers do? What should those farmers do? We suggested an alternative when you moved the Bill in the first place and said it's going to work. What are those farmers supposed to do?

HON. MR. HEPWORTH: — Mr. Speaker, hon. member, the suggestion — and I think I can say this without even getting the statistics from my officials — but the suggestion that there are no farmers out there getting operating funds or consolidation loans because of the government guarantee is nothing short of just plain garbage. That is a fact.

There is probably no government in Canada who has done more for our farmers to make sure that they can, first of all, get their crop in, and secondly, to make sure that because of a year or two of adverse conditions that they don't lose their farms.

And the things I'm talking about, Mr. Speaker, are the loan guarantees guaranteed by the government and the economic shock absorber that we provided through the farm land security Bill. There is no other government who has done more in Canada. We are determined to see that our farmers remain on the land. And I think when I bring back the data it will clearly show in favour of the farmer out there.

I would urge the hon. member, as I did his colleague, if he has some individual cases he would like to raise with me, and if he is sincere about wanting to help them, I would urge him to do so.

MR. ENGEL: — Mr. Speaker, a new question. We are trying to help these farmers. They operated under the guide-lines of your program. They made the applications. They met with the committee. They received approval in time. They received approval in time, but they've taken these applications and trotted them to a bank or a credit union and have been refused. Do you call that a guarantee, number one?

The second question is: are you calling the farmers that have contacted our offices, liars? Is that what you're doing, Mr. Minister? Are you calling the applications they made, garbage?

Mr. Minister, we've had farmers come to us and say that they got the approval, they've got a consent form from the committee, and the banks laugh at them. The banks refuse to accept it. What are you going to do to make your legislation work so that the farm counselling assistance program is a guarantee; that when they get their guarantee that they'll have a guarantee?

HON. MR. HEPWORTH: — Mr. Speaker, hon. member, what I said is his claim that no one has received money because of these government guarantees is garbage. What I also said, if he's sincere in helping these people, bring their cases forward to me. That's what I am here for.

And, Mr. Speaker, we have a forum in this House for those in opposition who feel that legislation can be improved, modified — amendment, when the government brings it forward. And given the fact, and I admit that the legislation that we had in place before for the counselling programs was not to my satisfaction, and that's why we amended it and expanded it and broadened it.

And, Mr. Speaker, I ask you, I ask you: the hon. member sits there today; he sits there today, a perfect example of what some would call hypocrisy, criticizing the program. And if you checked the record, did he have anything to say about that legislation when it was debated in this House? Did he have anything to say? That Bill went through in five minutes —five minutes, and he said nothing then. And today he is trying to score cheap political points with names he won't bring forward.

SOME HON. MEMBERS: Hear, hear!

MINISTERIAL STATEMENTS

Alleged Conflict of Interest — Member for Prince Albert

HON. MR. DEVINE: — Mr. Speaker, I want to give a brief statement with respect to the investigation I had regarding the member from Prince Albert. Mr. Speaker, my investigation of allegations of conflict of interest against the member from Prince Albert has led me to the following conclusions.

First, no actual conflict of interest arose in the member's dealing with respect to Redberry Lake and the proposed development. However, the member failed to meet the April 30th filing deadline required by The Conflict of Interests Act and with respect to an option to purchase land. And he was advised by his legal counsel that he didn't have to.

In any event, Mr. Speaker, he is not alone. I'm also advised that the member from Shaunavon is two weeks late. The members of the legislative conflict Act discloses that he was a director and a holder of 1,500 shares of a company 567346 that has entered into a government contract consisting of Crown mineral leases.

Number two, Mr. Speaker, stocking of fish in Redberry Lake was public knowledge long before the options were obtained by the member.

Number three, although I'm satisfied that no conflict of interest existed, I am concerned about the possible perception of conflict of interest, and I have taken the following action:

1. The appointment of the member from Prince Albert as Legislative Secretary was suspended;
2. I asked the minister to review the recent history of events surrounding the development of Redberry Lake.

And I now have the summary, and the last couple of pages — and I'll table the report — says this:

At no time was there a contract entered into between the government and Mr. Meagher.

Number two, Mr. Meagher obtained his option on private land well after it had been public knowledge that we were conducting an experimental fish-stocking program with no guarantee of success.

Number three, I have directed the member to divest himself of any and all interests in Redberry Lake, and he has agreed because of his sincere interest in economic development in northern Saskatchewan. I will encourage him to continue working in

the development of northern Saskatchewan, and I look forward to working with him.

Four, no development at Redberry Lake will take place until each and every project goes through the normal course of events, including such things as a complete environmental review procedure.

Five, because this situation has demonstrated that the present Members of the Legislative Assembly Conflict of Interests Act may not be meeting the expectations of the people of Saskatchewan, and since the Act has not been reviewed since 1980, it is time that the situation be reviewed, not only as to actual conflict of interest of members, but also in relation to actual or perceived conflicts of members, cabinet members, legislative secretaries, civil servants, and employees of Crown corporations.

I have, therefore, instructed my officials to conduct such a review and make their recommendations to me.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, I'll make a brief reply to the Premier's statement which contained precious little. He suggests that his officials are going to once again review material and come forward with some conflict of interest guide-lines. He promised that well over two years ago, and nothing has happened, and I suspect nothing will happen this time.

We had the Minister of Tourism and Small Business sitting in his seat, who told me not once, but several times, that when the Premier reported to this House, he — the Premier — would advise the House as to when the Premier received information from the Minister of Tourism and Small Business about the involvement of the member for Prince Albert. That was conveniently left out of your report. I think we can well see that the Premier has not addressed what ought to have been addressed.

Many people in that area made abundantly clear that they didn't know about the stocking program. They didn't know about it, and there are public news reports to that effect. For the Premier to say that it was public knowledge, and therefore perfectly in order for the member for Prince Albert to take an option and fail to disclose it on the grounds that it's public knowledge, when people active in the area knew nothing about it, as the press reports indicate, I think fails to address the issues.

I invite all hon. members to review the record and see whether or not there are not several indications of people saying that they knew nothing about it until the member for Prince Albert's interest was disclosed.

INTRODUCTION OF BILLS

Bill No. 84 — An Act to amend The Horse Racing Regulation Act

HON. MR. HEPWORTH: — Mr. Speaker, I move first reading of a Bill, An Act to amend The Horse Racing Regulation Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Standing Committee on Non-Controversial Bills.

INTRODUCTION OF GUESTS

HON. MR. BLAKENEY: — Mr. Speaker, before the Orders of the Day, I beg the indulgence of the

House to make a couple of brief introductions.

May I call the attention of the House to the fact that sitting behind the government's side of the House is His Worship, the mayor from Moose Jaw, and in this capacity, the former MP for Moose Jaw. And on the opposition of the House, the former member of this House for a number of years, from the constituency of Turtleford, Mr. Bob Wooff.

HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 27 — An Act to amend the Statute Law to permit Guest Passengers to recover Damages for Injuries from owners and Drivers of Vehicles

Clause 1

MR. SHILLINGTON: — I don't have any objections to this Bill, Mr. Minister. The authorship of this Bill, I may say, is *par excellence*, given the fact that I introduced the Bill a year ago and that the government for once had the good sense to take some advice.

AN HON. MEMBER: — Copied you, eh?

MR. SHILLINGTON: — Yes. They don't very often take advice, but this time they did.

Mr. Minister, I wonder when we are going to proclaim this. I say this because two years ago some member of a treasury bench passed an excellent amendment to the insurance Act — I think it was to the insurance Act — providing that notwithstanding the fact the statute of limitations had gone by, a court had the discretion to waive it and allow a person to proceed. That legislation has still not been proclaimed.

So I wonder, Mr. Minister, how long you're going to let SGI hold this one up, because I suspect SGI are holding the other one up. It was an amendment passed — I know the Minister of Justice knows the one I'm talking about — it was amendment passed in 1983 which permitted actions after the expiration of the statute of limitations on a traffic accident, on a vehicle accident, and it has not been proclaimed yet.

So I ask the minister: when is that one going to be proclaimed? If he cares to answer — I realize he may not — it's not the Act we're dealing with. But I wonder, Mr. Minister, when is this thing going to be proclaimed? Are we going to have to wait several years for this one to be proclaimed?

(1445)

HON. MR. LANE: — Well, you know, this just confirms what many, and I know the press has, suspected that the hon. member doesn't read the material before he gets in here.

First of all, the Bill makes it quite clear that the Act comes into force August 1, 1985. So having said that, that question is answered.

With regard to the other matter, which is not appropriate to the topic, but I am advised that the reason for the delay in the other is the Court of Queen's Bench had been asked, in the appropriate manner, to prepare the rules. As you know, that's under their jurisdiction. They have

not yet prepared the rules, and as soon as the rules are prepared by the court, we will implement the legislation. So the delay is not the fault of the government in any way, shape, or form.

MR. SHILLINGTON: — Well if I may pursue that point, Mr. Minister, the Court of Queen's Bench judges have had two years to prepare the rules. I know that they're not exactly subject to your instructions, but I wonder if the Minister of Justice would undertake to ask the judiciary to deal with the rules so the Act could be proclaimed. It is a good piece of legislation which ought to have been in existence 18 months ago.

HON. MR. LANE: — Well, you know, it's certainly not a question — the argument doesn't apply this year as to the lack of number of judges. I don't think that is a reason. They simply have not prepared the rules. Under the Saskatchewan system, the rules of court are developed by the Court of Queen's Bench and the court of appeal. We have written to them again asking them for the status — it was approximately a month ago — to try and, as I say, determine the status, and we have not yet had a reply. We're simply awaiting the Court of Queen's Bench, and there's nothing we can do about it.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 28 — An Act to provide for Equality of Status of Married Persons and to repeal The Married Person's Property Act.

Clauses 1 to 4 inclusive agreed to.

Clause 5

MR. KOSKIE: — I would just ask, Mr. Minister, in checking this clause 5, whether you perceive of any problems here, like in the instance where a husband deserts a wife and children and, in not being able to pledge credit for necessities, whether this is an imposition which may be detrimental in those circumstances, and whether you have had a chance to look at that?

HON. MR. LANE: — Yes, obviously the question of pledging credit is a rather archaic provision. To continue to allow it would fly in the face of the intent of the legislation which is to give equality of status to husband and wife.

Having said that, we will be proposing legislation to deal with maintenance orders and the better enforcement of maintenance orders and new automated enforcement of maintenance order system which should deal with the situation in a better way.

In the example that you raise of a female spouse who is not able to collect maintenance, it's really a maintenance question, and that's where the issue should be dealt with, not under the question of status of husband and wife.

Clause 5 agreed to.

Clause 6

MR. KOSKIE: — I just want to ask the minister the background for providing for certain actions being prohibited, or what is the specific reason for deleting those particular actions?

HON. MR. LANE: — Those are rather demeaning actions to women — the fact that a husband had an action against someone who entices his wife away, but the wife didn't have a

commensurate action. Criminal conversation; exactly the same. Loss of consortium; the action is a demeaning one. It presupposes, as do all of these former actions presuppose, that a wife was a chattel owned by her husband. That is not only archaic; it is inherently unfair and unjust. And it is this law which will take away these archaic provisions and actions that treated women as chattels, and gives full equality of status to husband and wife.

And that's the reason for the removal of these archaic actions which all went to the benefit to the husband, not the wife.

MR. KOSKIE: — Well you know, doing away with them does away with an action, but you're saying it's making a chattel out of the woman to have these particular actions. Why couldn't we have maintained the actions available to either one?

HON. MR. LANE: — Well, I think the question of loss of consortium and action is one that has been ruled archaic by the courts some considerable time ago. The matter of criminal conversation: I would doubt that there's been an action brought in the province of Saskatchewan over the last 15 or 20 years. I suspect the same thing on the matter of enticement.

Above all, they do tend to start with the assumption that one spouse is a chattel of the other, and that is, as I say, not only archaic, it is unfair and unjust.

And finally, the recommendations of the Law Reform Commission indicate that these archaic causes of action should be repealed.

Clause 6 agreed to.

Clauses 7 to 9 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 29 — An Act respecting the Consequential Amendments resulting from the enactment of The Equality of Status of Married Persons Act

Clauses 1 to 8 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 69 — An Act to amend The Local Government Election Act

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

HON. MR. EMBURY: — Mr. Chairman, on my right is Dave Innes, deputy minister; to his right, Ken Smith, director of advisory services; to his right Ivan MacKay, from the Department of Education.

Clause 1

MR. SHILLINGTON: — I want to start, Mr. Minister, by asking some general questions under section 1, whether or not they specifically apply to section 1.

With respect to the amendments to section 23, which are the amendments to the marital and residency requirements for electors, would you explain for my benefit, what the thinking was with respect to the change to the definition of the circumstance under which a spouse may vote who has no higher status than simply being the spouse of a property owner.

HON. MR. EMBURY: — The problem, Mr. Chairman, was we were looking for section 23, and

it's section 13, I guess, is what the member is talking about.

The explanation is: the amendment to subclause (c)(i) will extend the voter eligibility criteria in this section to municipalities in the northern Saskatchewan administration district.

The amendments to paragraph (c)(i)(B) and (c)(iii)(B) will ensure that property owners who, through no fault of their own, have had their names taken off the assessment roll but will not be disenfranchised.

MR. CHAIRMAN: — Order. I would ask members to ask their questions from their feet so it goes on the record.

MR. SHILLINGTON: — Under what circumstances do you get your name struck from the assessment roll?
(1500)

HON. MR. EMBURY: — Mr. Chairman, I am advised that this would cover a situation where they were taken off the assessment roll but were still resident and, therefore, still eligible to vote.

MR. SHILLINGTON: — Well, you are striking out the requirement that the elector, be it a he or a she, be on the last revised assessment roll. My question to you is simply: why? What purpose is served by this amendment? And please don't read what's in the explanatory notes. I read that for myself. I'm just wondering who we are going to allow to vote who could not have voted previously. Under what circumstances would a name not be on the assessment roll?

HON. MR. EMBURY: — Well, basically there is no change in status, Mr. Chairman, of who can vote, but simply that if a person was taken off the assessment roll — a spouse, for instance, was taken off the title, therefore was taken off the assessment roll but still resides there, can vote.

MR. SHILLINGTON: — Well, it's not an area of human endeavour that I'm intimately familiar with, I'll readily admit it. Is a person's name taken off the assessment roll when they're in arrears of taxes or something, or when does a name come off the assessment roll? So I'm trying to find out what purpose this thing serves. Are you allowing some group of disenfranchised voters to vote who couldn't have voted by reason of some accident, or what purpose does this serve?

HON. MR. EMBURY: — It's to make sure, Mr. Chairman, that those people who, for whatever reason who may have had the husband and wife, for instance, on a title, and therefore showed up on an assessment roll, for some reason one or other, either they were separated or they changed whoever was on the title, doesn't lose, and is not disenfranchised simply because his or her name doesn't show up on the assessment roll, that is on the title, which is on the assessment roll which they would . . . they would show up to vote on the voters' list.

MR. SHILLINGTON: — Okay. Well, okay, I'm satisfied with that. Giving you every benefit of doubt, I believe I know what you're doing.

With respect to the issue of spouses, with respect to the issue of a spouse, I see the change you're making: the spouse no longer has to reside with the owner. What practical problem are you attempting to solve here? I'm just not sure I understand the thinking or the philosophy behind this amendment.

HON. MR. EMBURY: — Well I think, Mr. Chairman, simply because a spouse may not live with the other spouse shouldn't be the reason she's disqualified for voting in a municipal election.

MR. ENGEL: — Mr. Minister, I believe you had some guests this morning that came and visited me as well. Is a problem that is raised by small communities that have people that will . . .

(inaudible interjection) . . . Well they don't even need to buy a lot, I understand it. They take out options to buy a lot, and there'd be 20 names on that option, saying, these 20 people want to buy a lot. Would they have a right to vote in a municipal or a village election — leave it with a village?

HON. MR. EMBURY: — Well I think, Mr. Chairman, yes, I did meet with those people from the village of Ferland this morning. They have an unusual problem down there, but basically the rules are that if you have your name on the title, you are a property owner, and you would be allowed to vote.

Now as I understand the situation in Ferland, there are a group of people from outside of the village who decided to purchase property and put 20 names on it so that they are allowed — or 32 or whatever — so they're allowed to vote in the village election. This has been brought to our light just recently, and we're looking at that.

The problem as I explained to them this morning, was that the basic belief was that property owners should be able to vote in municipal elections, and that includes non-resident property owners, although they cannot run for office unless they're resident.

The problem you've raised, and they are encountering, was never envisaged before this morning . . . (inaudible interjection) . . . I might remind the member from Quill Lakes that the rules that are in place have been rules that have been in place for 50 years in this province, as far as who can vote municipally, in urban municipal elections. I don't know if it's just one particular case, or whether it was going to crop up more in the future, and we have to look at it. But it's a situation that they could have used, I suppose, 12 years ago or 20 years ago. But they certainly seem to be using it now, and we're reviewing that aspect of it at the moment. Amendments don't cover any of that situation.

MR. ENGEL: — Would the minister care to answer the question I asked regarding taking out an option on a lot?

HON. MR. EMBURY: — Well no, it does not apply to an option. You have to be a registered owner.

MR. ENGEL: — Does that proof of ownership have to be in the hands of the person, or would just a bill of sale on a lot be sufficient to be a registered owner?

HON. MR. EMBURY: — You would have to be registered in Land Titles as an owner.

MR. ENGEL: — What you're basically saying, the control is there that if Land Titles takes up to three weeks to do a title transfer, that this desire to unseat a town council by some farmers that maybe are upset with the water rates they have to pay for water, or whatever the problem may be, would be one that would at least have to be schemed or planned three weeks prior to an election so they'd have proof of ownership.

Do you feel that there is an amendment we could be making to The Local Government Election Act that would at least limit the number of people that could own one lot that's only worth a dollar? I mean, would there be some restrictions there?

I can see where a person operating a business in a small town has a major investment in that town, what the normal intention of the Act was, and also consequently was entitled to vote in that town's elections even though he still lived on the farm and drove in to work every day and owned this particular business.

But I think the misuse that was described, where as many as 30 people had their names on a lot, or a block of land that was divided up into lots, I guess, sounds like you can play games with the

Act. I'm wondering if we shouldn't be looking at some amendment that applies, particularly in cases where the property value is negligible — that where the tax change that's affected by the property owned in a particular town would be such that it would be a minimal tax change, even if the taxes were doubled. They then wouldn't get a vote because they're not substantially affected by decisions of the town.

I think we can run into situations where we're trying to broaden it where everybody gets a chance to exercise their franchise. And I agree with that concept that's in place.

I can vote in a municipality that I don't live in. But I own a section of land in that municipality, and it gives me a right to vote for the council I want to represent me, and I can lobby for roads, or an access road to my section, or whatever the case may be.

But when you take it into a little town that has a lot that's only worth a dollar, and it costs \$25 to transfer the title, and you can then for a dollar a person put 25 names on that title, and they get to vote in a town that only has 44 voters, something seems to be the matter with our system.

And I think today we have time here that we could design a little amendment that would take care of this situation that would affect the dollar value of the vote in that the only time a person has a right to exercise a vote would be if his value in that hamlet or town or village or wherever he's going to vote, exceeds \$5,000. And if he hasn't got a \$5,000 asset or \$4,000 or 3,000 even — but he hasn't got an asset worth a certain amount of money, he doesn't have a franchise. And this would take care of people playing political games and using franchise and busing people in.

And I think we should take time today. And I'm trying to find out if you agree with me that the intent wasn't to give somebody a franchise that has a dollar's worth of property in the town.

HON. MR. EMBURY: — Well, Mr. Chairman, I agree with the member opposite. As I previously stated, we're not looking into that type of thing. I wouldn't agree that we are prepared today to make those amendments because you run into all kinds of problems. I mean, if the land is in the name of an estate that has 10 names on it, or . . . And certainly I'd be very leery of trying to attach a dollar value on a property to enfranchise people to vote. I mean, you're going to get on pretty shaky grounds there.

What we had been thinking about is whether you tried to limit the number of people on a property in villages of under 150 in population or something, where it's very easy to do the types of things that's happening in the municipality you speak of. If you can buy a property and 32 votes, obviously makes the difference between one council or another council.

But the same can't be said in the city of Regina. You've got to buy quite a swag of property. I told the council this morning that we would undertake to review the situation and see what we could come up with; discuss this with the urban municipalities association.

As I say, it has never been, to my knowledge, an issue before, but it is now. But we're not right now sure what would be acceptable to urban municipalities generally. I will approach that type of problem, and I'll give you the undertaking that we'll certainly look at it.

MR. ENGEL: — There seems to be some great cheering section you have there for the member from Prince Albert-Duck Lake because I'm not sure why he's so happy that you're just going to look at the situation.

And my basic question is this: why can't you take the assessment into account? All taxes are levied on a basis of assessment, and if a particular lot, a particular lot is sold to a group of people, and it costs more to transfer the title than the lot's worth, surely you would agree that that lot was purchased not for speculative value, because you could buy 100 more lots in the same town for the same price.

So it's not that it's being held either in . . . (inaudible) . . . and we're trying to limit the vote or what . . . and I honestly believe that if you're looking at a town with 150 people in, and you try and restrict, in that case saying that because a farmer owns a business in town that's worth \$100,000, he still is going to be disenfranchised because he doesn't live in that town. You see we're not covering off . . . (inaudible) . . . because he's entitled, he's entitled to a legitimate vote. And all I'm trying to say is let's legitimize, let's legitimize what the Act is really trying to do, and trying to give people a franchise. And I think when it's obvious, when it's obvious that they hold a lot versus property that's assessed, that has an assessed value to it, that's substantial, I'm talking about . . . there's a difference between a small urban, you know, a village or town, than there is between a rural municipality where a fellow has a quarter of land. And I know that in that case you were playing with games when you were talking about the value.

(1515)

But if the lot value is assessed at less than \$100 even, say, I think we're covering off the type of thing that we're trying to avoid here, and that is people being able to buy a vote and to buy an election. This looks to me like a little Tory scheme here where you can set up a little program where you can get your friends elected, where you can get your friends elected, or you can get councils put out of the way that are going to challenge you.

And it would be very simple for your officials to come up with a small amendment that would take care, would take care of a situation. And if you want me to go back to my office and table the information that indicates the number of people that were put on to a small parcel of land, I can bring that. That's in my office. I don't have it here with me today.

But I think we should deal with that situation, and it's not a six-month delay like you try to suggest to the people that you can't cover the situation off today. It's something that you could handle now with a very simple amendment, saying that a non-resident isn't entitled to a vote if his property he holds is worth under a certain assessment.

And I'd even go along with \$100 assessment because that would cover off the situation because I know you can buy those lots for a buck. You come down to Woodrow, you can buy as many lots as you want for \$1 a lot. And there's no restriction as to when you have to develop them. All you have to do is pay your transfer fees and you're still only going to pay a few cents taxes a year because the assessed value is that small.

So I think we could cover that off with a very, very simple amendment, Mr. Minister. And don't try and play games and say that it's going to be a difficult situation here.

HON. MR. EMBURY: — Mr. Chairman, whether or not they sold the lots for a dollar, they're certainly not assessed at a dollar. And therein lies your problem. In your case there's a full subdivision there. There are five or eight lots of varying sizes that have been subdivided now, now titles to all of them, and have various names on the five or seven lots.

And I'll go back to the argument that if you start assigning values of property as to whether you can vote or not, you're going back many centuries in history on who or who cannot vote in elections.

But I do see there is a problem: one of course that was available to people for many, many years; and one that has cropped up.

But I'm not prepared to make an amendment today that I have not consulted with the vast number, or the association that represents the vast number of urban municipalities, and to see what their reaction is and what we can do about it. As I say, it's an unfortunate thing that's happening.

Now I think also as the council told me this morning, of course, what they're going to do is they're adding folks to the titles in their lots. I mean, you may have 5,000 people voting out there. I have no idea.

It's something we're going to look at. I'm not prepared to try and amend it today without the normal consultation process that we use in this government.

MR. KATZMAN: — Mr. Speaker, I would like leave to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

MR. KATZMAN: — Mr. Chairman, members of the Assembly, I'd like to introduce to you 31 students in the west gallery. They're here from South Corman Park Elementary School.

They're here to watch the proceedings and tour the buildings, and I'll be chatting with them later.

HON. MEMBERS: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 69 — An Act to amend The Local Government Election Act

Clause 1 (continued)

MR. ENGEL: — Just one more question to the minister. Would the minister agree to do a poll of either SUMA's officials or some short little thing that . . . and promise to come back and bring this Bill back in for one more slight amendment in the next two weeks? Could you at least make that commitment? Because I think it's a shame, it's a shame, it's a shame to set up a precedent that's going to get some media coverage, and that will blow this thing all out of proportion, and do something that we really don't see as part of a fair election process.

I can concede that I don't want to set up a precedent that just the wealthy get a chance to vote. But I also believe that there should be some autonomy for a local community that has a right to govern and control the affairs of the community without having some outside group come in and outnumber them and outgo them on a trick situation like this and use an excuse of owning property when it is only a dollar lot, to exercise that.

Will you give us a commitment that you'll try and bring back an amendment that could reach some consensus? Because I understand that the president of SUMA is agreeable that he didn't discuss it with his lawyer. And I don't want to put words into Mr. Taylor's mouth, but he was surprised that this kind of an opportunity exists to overthrow a council in a small town or village.

And I think that you'll get our co-operation 100 per cent if you come up with an amendment that would somehow regulate the misuse of a voter's rights, which we don't want to do in this House. We want to leave something in place that is fair to everybody.

HON. MR. EMBURY: — Well, Mr. Chairman, I can always endeavour to try, but I'm not going to assure the member that that will happen. We have a certain . . . As the member knows, amendments to legislation have to go through our caucus, and it depends whether we can come up with something that quickly. I will endeavour to try, but that's about as far as I can go.

Clause 1 agreed to.

Clauses 2 to 26 inclusive agreed to.

Clause 27

MR. SHILLINGTON: — Mr. Chairman, and Mr. Minister, I really wonder about the wisdom of this: allowing municipalities to use a voters' list which was prepared for a previous election. I can tell you, Mr. Minister, that might work in some small communities where the population is relatively stable. It's going to be a disaster in the part of town that I live in. Many parts of my riding — 50, 75 per cent of the population will change in a given year.

What's going to happen, Mr. Minister, if you allow this, is that the municipalities will always do this, I think. They'll always use their last voters' list since it's allowed. I'll tell you that in some parts of a city with a mobile population this is not going to work very well.

And I really wonder, Mr. Minister, about the wisdom of excusing municipalities from always preparing a fresh voters' list. Given the cost of it — a couple of hundred bucks — I wonder why we wouldn't always require a municipality to prepare fresh voters' lists. It will work to the advantage of the more affluent who live in the suburbs where the population is more stable. It will work to the disadvantage of the poor and the indigent who live down town where the population aren't stable.

Mr. Minister, I ask you to reconsider this particular section.

HON. MR. EMBURY: — Well, Mr. Chairman, the way I read it is that you can use a . . . a municipality may use a voters' list as prepared by themselves for the present general election. They can use the same list prepared by the board of education for the same election. Or you can use the list as prepared last time around by either for a by-election, which is held between, but not for another general election. If there is another general election, they have to do another voters' list.

MR. SHILLINGTON: — I want to thank the minister for reading the section out to me. That was very gracious of you, but it was something I accomplished on my own, without the benefit of your assistance.

I was wondering, Mr. Minister, not what the section said, but the wisdom of it. I questioned the wisdom of allowing, specifically with respect to a by-election, allowing a voters' list which was prepared for a previous general election.

I say, again, that will work to the advantage of the more affluent whose population is more stable, to the disadvantage of the indigent who are much more transient, Mr. Minister. And I really want you to discuss the wisdom of it as distinct from what the provision says. I can read the thing for myself.

HON. MR. EMBURY: — Well, first of all, Mr. Chairman, in the larger cities, you register to vote on the day that you vote so that if you had a by-election in the ward that you lived next month they may have his voters' list, but you would go and register to vote on the day of the election. So you are hardly being disenfranchised.

MR. SHILLINGTON: — You're not disenfranchised, but you're much less likely to go out and vote if the name isn't on a voters' list. I am sure that is your experience and mine with respect to elections.

Mr. Minister, I ask you to consider the ward which you once represented in the city of Regina. It included parts of Lakeview where the population is quite stable. It included parts of my riding where there's a 50 to 75 per cent change in the population every year. I ask you, Mr. Minister, do you not think that such a provision is unwise where you have portions of a municipality where

the population change is rapid?

HON. MR. EMBURY: — Mr. Chairman, in a municipal election you're not enumerated. No one is going to send you a voters' list. As you know, they don't send you a voters' list for a provincial election either, but they at least give you a notice that you've been enumerated. But that is not the case in a municipal election. So I don't see why you would be waiting patiently for a voters' list. You go down to the polls as you do and register to vote, and vote.

Clause 17 agreed to.

Clauses 28 to 36 inclusive agreed to.

(1530)

Clause 37

MR. CHAIRMAN: — Order. There's a proposed House amendment to section 37 of the printed Bill.

Strike out section 37 of the printed Bill and substitute the following:

Section 60 is amended: (a) by striking out "before September 1st in any year" in subsection (2) and substituting "at least 55 days prior to day on;" and (b) by striking out "councillors" in subsection (4) and subsection (5) and in each case substituting "alderman."

Is Clause 37 as amended agreed?

MR. SHILLINGTON: — Mr. Minister, I wonder what your thinking is when you are throughout the Act — this appears repeatedly throughout the Act — striking out the word "councillors" and substituting "alderman". I wonder, what is the point behind all this?

HON. MR. EMBURY: — Because it coincides with the urban act where all councillors are now called aldermen.

MR. SHILLINGTON: — This is not something that necessarily deserves a reply. I don't suppose, because it's not an argument I expect to win. The advantage of the word "councillors" is that it has no gender, and of course "alderman" does. Those who feel strongly about such things might object to the use of the word "alderman." I wonder if "councillors" wasn't the wisest word to use. However, as I say, I don't expect to win that argument.

Clause 37 as amended agreed to on division.

Clauses 38 to 45 inclusive agreed to.

Clause 46

MR. SHILLINGTON: — I note your explanatory notes suggest that one of the changes in 46 is that the associate returning officer will be prevented from releasing the results of a summation to anyone other than the returning officer. What is the point in that?

HON. MR. EMBURY: — Well it's simply, Mr. Chairman, that the associate returning officer is there to assist the returning officer. We feel that only the returning officer should have the right to release the results of the election. So the associate returning officer will report to the returning office who will then report to the public.

Clause 46 agreed to.

Clauses 47 to 55 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READING

Bill No. 27 — An Act to amend The Statute Law to permit Guest Passengers to recover Damages for Injuries from Owners and Drivers of Vehicles

HON. MR. LANE: — I'll move that Bill 27, guest passengers, be now read a third time.

Motion agreed to and Bill read a third time.

Bill No. 28 — An Act to provide for Equality of Status of Married Persons and to repeal The Married Person's Property Act

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

Motion agreed to and Bill read a third time.

Bill No. 29 — An Act respecting the Consequential Amendments resulting from the enactment of The Equality of Status of Married Persons Act

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

Motion agreed to and Bill read a third time.

Bill No. 69 — An Act to amend The Local Government Election Act

HON. MR. EMBURY: — Mr. Speaker, with leave, now, I move the first and second reading of the amendments, Mr. Speaker.

Motion agreed to.

HON. MR. EMBURY: — Mr. Speaker, with leave, I move Bill 69 be read a third time and passed under its title.

Motion agreed to and Bill read a third time.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

SCIENCE AND TECHNOLOGY

Ordinary Expenditure – Vote 15

MR. CHAIRMAN: — Does the minister wish to introduce his officials?

HON. MR. CURRIE: — Yes, thank you, Mr. Chairman. I'd like to introduce my officials from the Department of Science and Technology. First of all, to my left is the deputy minister, Dr. Alex Guy. And sitting immediately behind Dr. Guy is Dr. Bruce Cooke, the executive director of

industrial development division. And immediately behind me is Mr. Frank May, who is the executive director of administrative services. And sitting at the rear is Wendy MacDonald, who is a science and technology analyst.

And now, Mr. Chairman, before getting into the discussion of the estimates, I would like to take just a few minutes to update you on the progress that the Department of Science and Technology has made since we last discussed this department in the legislature.

AN HON. MEMBER: — Two minutes.

HON. MR. CURRIE: — Three minutes.

The department was established effective January 1, 1984, so that it is approximately one and one-half years old. With very limited staff this department has accomplished a great deal. This can be attributed, Mr. Chairman, to the top calibre of personnel that we were able to recruit and to the strong leadership of the people that we have here today.

This, I feel, Mr. Chairman, is an appropriate time to express appreciation on behalf of the government for the efforts of these people, for their efforts to increase the efficiencies in government research, and for their efforts to develop programs in support of advanced technology industries.

The department has played a significant role in industrial development during the last year. It provides financial support directly to industry through the research and development fund. This fund provides programs to assist in product development; it provides programs to improve research infrastructure to help industry.

The fund is used to support product development in a wide range of industry. For example, support is provided for a project to produce a special paper products from flax fibre, and markets are as far-flung as Japan; or support for communication products that will be installed at NASA headquarters. The projects which are supported are numerous.

With a commitment of something like \$800,000 from the R & D fund, over \$5 million were levered in 1984-85 from the federal government and the private sector, a ratio of 1:5. Further support to industry will be provided by ERDA (Economic and Regional Development Agreement), an equal sharing agreement with the federal government. This agreement will bring the research community closer to industry, as well as provide the specific programs to accommodate the needs of Saskatchewan industry.

(1545)

The counselling program for assisting inventors and entrepreneurs has paid off. Over 200 inventors have been assisted to a lesser or greater extent. Since 1982, 66 new advanced technology companies have been established, creating over 200 new jobs. Those companies established before 1982 are expanding, providing 200 more jobs. Two out-of-province companies (advanced technology companies, that is) have located in Saskatchewan. Others are inquiring seriously. The package of financial and service incentives are attractive to entrepreneurs and to well-established companies.

According to population and gross domestic product, Saskatchewan has had a shortfall in federal research funding for many years. I note that we are making progress in this area. In the most recent federal statistics there was an increase of 28 per cent in federal expenditure to the province over the previous year. During this fiscal year the province will spend over \$70 million on department research, on basic research in universities and the SRC, and in support to industrial research.

As in 1984-85, the department will continue to compile and analyze government expenditures for research to assess the gaps, the overlaps, and the opportunities for joint or increased activities. The department will continue to co-operate and facilitate the R & D with the suppliers of research, and by the suppliers I refer to the universities, the public laboratories, the Saskatchewan Research Council.

During 1984-85 we signed agreements with both universities to establish at each an office of research. The purposes of these offices are: to facilitate industrial and academic promotion of research and development of products transferable to industry; and to increase the level of the universities' external research contracts.

The department has made substantial progress towards some of our priorities. I believe, Mr. Chairman, that we have made a good start in the first year and a half of operation.

Item 1

MR. KOSKIE: — Thank you, Mr. Chairman. In respect to your portfolio, Science and Technology, Mr. Minister. In view of the report of Lester Thurow, who was invited here by the Minister of Finance, and in his assessment, he says — and I just want your comments on it — “Saskatchewan high tech aspirations show down.”

But in the article, when he was interviewed, he indicated that the province should probably define goals if it wants to play a role in the future in high technology. And he went on to indicate that he advised the department to list about 15 things the province is best at, and 30 that it's worst at; improving on the best and minimizing the worst. But he certainly indicated that we should not lose the reality of the situation, that in his view the province such as Saskatchewan will not become the high tech centre like Silicon Valley in California or in Massachusetts.

I just wonder whether you had the opportunity to hear his comments and whether in fact you, as head of a department of science and technology, which indeed we have a good base here in Saskatchewan — and a lot of the credit goes to the efforts of the previous government, and I don't think you'd deny that — what I'm asking you is . . . (inaudible interjection) . . . I don't care if you're sick of the attitude or not because your constituents, I understand, are sick and tired of you. And I'll go on, and I'll say exactly what I want to say.

And as I said, we have a basic start on high tech, and much of the effort and the bouquets should be, in fact, set out to the previous government who indeed gave high tech a good beginning.

But I ask you, Mr. Minister: did you have the opportunity to sit down with this invited guest who had those comments made in respect to Saskatchewan high tech aspirations, and whether or not you have indeed set out some of the 15 or so points — strong points — in the areas that we should be developing in high tech? So, in a general way, could you comment on that?

HON. MR. CURRIE: — Well, Mr. Chairman, in reply to the hon. member from Quill Lakes, yes, I am familiar with what Professor Thurow said and — or at least was quoted as having said. And from what I understand, he later indicated that he was misinterpreted.

However, I think I would like to point this out, that when the decision was made to establish a Department of Science and Technology in the province of Saskatchewan, one of the things that we did do was to take some time in order to determine where we should be going, and in what kind of a time frame. In other words we tried to establish, before we moved too quickly, we tried to establish what we should do and, perhaps even more so, what we should not try to do.

And in so doing we did take a considerable amount of time to travel throughout Canada and to exchange ideas and gain information from the different provinces in Canada. Having done so, I think that what we did try to do was to set something up that would meet the needs of the

province of Saskatchewan.

And one of the first things that we did do was what was suggested by Professor Thurow, and that was to define the goals, what goals that there should be for the province of Saskatchewan in regard to technological development.

Most important of all, we felt that it was important to build upon the strengths that we do have. And so the strengths that I would point out that we do have in this province are in the area of agriculture, in the area of communications, space technology, micro-electronics, biotechnology, software, and some support services.

I think I can point with some degree of pride, that we all share in in this province, that tremendous advances have been made in the high technology field. Whether we become another Silicon Valley or not, I have no way of knowing. I don't know what . . . in a comparative manner, what we would have to do in the province of Saskatchewan to become the northern Silicon Valley.

I do know this, that in discussing and meeting with people in the high technology fields throughout this country, that there is some degree of envy that is expressed by the people from other provinces about the fact that we have established a focus, such as the new Department of Science and Technology, and some degree of envy about the degree of success that has been experienced in the high technology field, and particularly in the city of Saskatoon, although the activity is not confined to that city.

I would point out that there are, in the province of Saskatchewan, something like 125 high technology companies, and that there are employed in the high technology field somewhere between 3,000 and 3,500 workers.

MR. KOSKIE: — This past winter, in a press conference that you had, Mr. Minister, in Saskatoon, it's entitled, "Sask programs give boost to high tech businesses." And you indicated here:

He said that his department (that's the minister speaking) has received an enormous number of inquiries from people outside this province about locating in Saskatchewan. As a result we have put together a package of incentives that seem to be very attractive to people outside of Saskatchewan.

And I wonder whether you could elaborate on the nature of the incentive packages that you have put together which is enticing the interests of firms from outside of the province. What are the extent and the nature of the incentives that you have put together?

HON. MR. CURRIE: — Well, Mr. Chairman, the incentives, as far as the Department of Science and Technology are concerned, are incentives that we put together in order to fill in the gaps. We consulted with industry, and they advised us that there were certain gaps that existed that would be . . . that if we were to address ourselves to the filling of these gaps, that it would be supportive to industry in locating, or in strengthening our position in Saskatchewan.

And the gaps that I refer to were the seven programs that we announced in Saskatoon at the time of meeting with some 70 to 80 . . . meeting with representatives from some 70 to 80 companies in that city. And the programs that were introduced at that time were the industrial research program; the joint high technology research program; the request for proposal program; feasibility studies; information transfer; research infrastructure; and capital equipment programs.

MR. KOSKIE: — You indicated that at that time that you were unable to put a cost figure on how much the programs, these incentive programs, would cost. And I was wondering whether you have a breakdown of the approximate costs or the detailed costs of implementing the

particular programs, and whether you could provide that information.

You allude to the fact that it would be covered from the department's 5 million research and development fund. I take it, that portion that is provided to your department from the Heritage Fund.

Do you have any breakdown as to the allocation of the funds in respect to the incentive programs that you announced at that time?

HON. MR. CURRIE: — Mr. Chairman, if I could ask the hon. member for a clarification. Is it what we have spent to date, or what we intend to spend in the fiscal year '85-86?

MR. KOSKIE: — It said that you didn't have a figure on how much the programs will cost, only that it'll be covered by the department's 5 million research fund. What I'm asking is: out of the research fund, what amount of the 5 million do you intend to spend this year, or are you budgeting to spend, and how is it apportioned? I guess that's what I was thinking of.

(1600)

HON. MR. CURRIE: — Mr. Speaker, the total amount from the Heritage Fund to be spent, that we've asked for to be spent from the Heritage Fund in the fiscal year '85-86, would be \$4.5 million, of which 1.2 will go towards the ERDA (Economic and Regional Development Agreement) program, and \$3.3 million will go towards all the R&D programs.

MR. KOSKIE: — You alluded to the fact to some of the interest that has been shown in respect to the development of other firms developing high technology. Can you specify sort of in a general way — and I think you mentioned some figures which I didn't pick up at the time — but what success have you had during the past year in attracting some additional firms in respect to high tech. I suppose in Saskatoon is the headquarters for it. And I was wondering if you could give us some details as to the . . . not the specific firms, if you don't want to do that, but the nature, and the number, and the number of people that they employ.

HON. MR. CURRIE: — Mr. Chairman, the total from out of province were five companies: one from Vancouver, B.C.; one from Danvers, Massachusetts; one from Brandon, Manitoba . . . I'm sorry, two from Vancouver; one from Danvers, Massachusetts; one from Brandon; and one from Edmonton.

MR. KOSKIE: — And I take it that these companies are operative at the present time, or are they in the phase of development? And could you indicate the number of additional jobs that they're likely to create, the five companies from outside that you're indicating . . . during the past year indicated they were establishing?

HON. MR. CURRIE: — Mr. Chairman, the five companies are presently operating. The present number of employees involved would be between 18 and 20, and they're all in the process of expansion.

MR. KOSKIE: — Can you indicate, I don't know if you know or not, but could you indicate the sort of the cumulative investment of those five companies which we're talking about: the two from Vancouver, Denver, Massachusetts, and Brandon? What size or investment was made by these companies, and was there any direct assistance from your department in the establishing of any one of those five?

HON. MR. CURRIE: — Mr. Chairman, they are all at the present time in the midst of developing, and they are largely in leased or rented quarters; and there was no direct assistance given from the Department of Science and Technology. They would be eligible, as they qualify, to become eligible for any of the R&D programs that we have set up, as listed.

MR. KOSKIE: — Last year you mentioned you had established a new program in respect to entrepreneurs developing inventions, and so on. And I was wondering, in respect to that particular program, can you indicate how many people, or companies, applied for the assistance under that program? For the development of their invention, I think it was.

HON. MR. CURRIE: — Mr. Chairman, there were over 200 inventors who were assisted under the inventors' assistance program, and there were over 30 who asked for evaluation, and 43 who were assisted in setting up business plans.

MR. KOSKIE: — Now you indicated 200 inventors were assisted. What is the nature of the assistance that's provided by your department under that program of entrepreneurs — assistance to the entrepreneurs or inventors, I guess it is? What is the nature of the assistance that you provide?

HON. MR. CURRIE: — Well, Mr. Chairman, if an inventor asks for assistance, then he is referred to either of two places: to the University of Regina, the School of Engineering, where he can get assistance; or in Saskatoon to the Saskatchewan Research Council, and there he can, if he has an idea and he doesn't know what to do with his idea, he can get some advice concerning how to package that idea in order to pass it on for an evaluation and get some assistance in so far as sending of his idea on for the evaluation, both commercial and technical.

MR. KOSKIE: — You provide no financial assistance — direct assistance — to the inventor in putting together his prototype? Am I correct in that? Because I have been contacted by some, and there's a lot of genius out and around the country, and I'm working whether or not you have provided any assistance in the actual development of the prototype that many of the inventors are working on, or is it limited to getting the technical assistance from the university engineering department; and secondly, as you mentioned, the packaging of the idea that is, I take it, for the assessment of whether it's marketable and whether it's worth developing on a commercial basis.

But is there any actual assistance to the inventors who are, in fact, in the process — and some of them cost a fair little, a lot of money, and they're wondering whether or not there would be any financial assistance in that respect.

HON. MR. CURRIE: — Well, Mr. Chairman, no, not at the present time, there is no direct assistance that's provided by the Department of Science and Technology. Where we enter the picture is that we give assistance to the person who has the idea in getting an evaluation or an assessment on his idea to determine whether it is or it isn't commercially viable. Then it is up to the inventor to determine what he wishes to do with it. If he wishes to develop a prototype and a business plan, then we would give him assistance in so doing, but not financial assistance as such. And we would go so far as to assist him in accessing capital or through venture capital. But that's the role that we play as a department.

MR. KOSKIE: — Well, I just ask you: have you given it any thought or any consideration to actual financial assistance in the development of the prototype? I don't know the nature of the problems there, but certainly I have been in discussion with a couple, and one farmer which I wrote to you about from the Thunder Creek constituency, a farmer who was developing a wind generator, and it looked like a tremendous understanding of what he was doing, and he had made inquiries there. I'm just wondering whether you have taken into any consideration or given any thought to a possible financial assistance or a grant on a proportional amount put in by the inventor himself, to help defer some of the costs in developing the initial prototype?

HON. MR. CURRIE: — Mr. Chairman, no, at the present time we do not assist an inventor to build his prototype, otherwise we would be getting into 200 or more areas where we would be assisting people to build up prototypes. What we do is once the person has determined that he

wants to go into business, that it can be a viable operation, then we assist that person through the development of business plan and through the accessing of the federal and the provincial R&D program moneys. That's where we enter the picture.

MR. KOSKIE: — It has been suggested by the Minister of Tourism and Small Business that the management of Innovation Place should be turned over to the Department of Science and Technology, that is the management of Innovation place in Saskatoon. I was wondering, Mr. Minister, has any decision been made in respect to putting the management of Innovation Place under your department?

HON. MR. CURRIE: — Mr. Chairman, it has been considered but the answer is no, to date.

MR. KOSKIE: — Is there any particular reason for the delay in proceeding with that? It seems to make some eminent sense. Is there any particular reason for not turning it over to your department?

(1615)

HON. MR. CURRIE: — Well the main reasoning so far has been the fact that Innovation Place is a real estate operation, and our function is not to be in the real estate operation or in the area of doing basic research ourselves, but mainly to support the research being done and to act as a facilitator in bringing the right people together.

MR. KOSKIE: — In respect to the first subvote, I note that last year you had 6.3 people and the total expenditure was 272,670. This year you have 6.3 people. The personal services has jumped from 140,000 to 255,000, and other expenses have jumped from 132,000 to 188,000. Is there a basic explanation?

Was the fact that . . . (inaudible interjection) . . . Well you indicated that you had that number of people last year. The difference, is that partly explained by the fact that not all people were in place last year? Or how do you account for the very substantial increase in subvote 1 from 272,000 to 443,000?

HON. MR. CURRIE: — Well, Mr. Chairman, the hon. member did point at the answer to that question, and that is correct, those people were not in place last year. And we estimated that in the fiscal year, 1984-85, that all that we would require would be approximately 70 per cent of the total staffing financial support in all of those subvotes. So that you'll see the same thing apply in the subvote on government research, industrial development, and research co-ordination.

So all that we asked for was 70 per cent of the total staffing for the 1984-85 year. And, in effect, we were not able to put all those people in place on April 1 of 1984, but did so over a period of the next six to eight months. Whereas this year, 1985-86, we have asked for 100 per cent of staffing in those areas.

MR. KOSKIE: — I note that in respect to administration for this full year of operation when you have a full complement of 6.3 people, if you add up the salaries and the other expenses, which comes to 443,000, out of a total budget of 1.5 million, that is runs about 30 per cent — if my calculations are right — of the total expenditures of the department. And it seems that 30 per cent in administration in a total department would seem rather high. So I'm wondering whether you are satisfied that out of a budget of 1.5 million, that 30 per cent of that would be set aside for administration. It seems like a very high ratio.

HON. MR. CURRIE: — Yes. Well, Mr. Chairman, the reason that it seems higher than ordinarily is because we have included all of the typists for all of the other subvote areas in the subvote 1, under administration.

MR. KOSKIE: — You'd have to run that by me again, because if you look at the other subvotes, you have personal services and other expenses for each of the other subvotes. And in item 1 you have administration, and that covers the 6.3 people, their salaries and the expenses associated with. Each other subvote has both personnel and other expenses set aside.

So I'm not quite sure what you're saying, because as I say, each of the other subvotes have their personal services and other expenses, and you can't say they aren't covered in the other subvotes.

HON. MR. CURRIE: — Well, Mr. Chairman, what I'm really saying is that — or what we are doing is supporting all of the typing and of the word processing for all of the divisions by having them paid out of the administration division, in that subvote.

MR. KOSKIE: — Well in respect to the first subvote, do you have any personal staff under your portfolio as Science and Technology, Minister of Science and Technology, and if so, can you provide the names and the salaries associated.

HON. MR. CURRIE: — Mr. Chairman, no, I don't have any under that subvote or in the Department of Science and Technology.

Item 1 agreed to.

Item 2

MR. KOSKIE: — In item 2, Mr. Chairman, in governmental research, can you outline what the role of the department here, under that subvote?

HON. MR. CURRIE: — There are two main roles in this particular area, Mr. Chairman. One is the provincial co-ordination, that is, co-ordinating of all of the research that happens in all of the departments and agencies within government. The other is the intergovernmental co-ordination unit, which co-ordinates the research that happens with the federal government and establishes an interface between the provincial and the federal government.

Item 2 agreed to.

Item 3

MR. KOSKIE: — If the minister, again, would indicate the emphasis that is provided here in item 3, under industrial development.

HON. MR. CURRIE: — Mr. Chairman, the services that are provided under the industrial development division are the Inventor Services Program and the New Venture Entrepreneur Program, and the industrial division administers the research and development fund for the department.

Item 3 agreed to.

Item 4

MR. KOSKIE: — A brief explanation here, also, Mr. Minister, in respect to research co-ordination, because you, under item 2, governmental research, you indicated one of the essential functions there was the co-ordination of government research, and you have a separate subvote here, research co-ordination. I wonder if you could just outline briefly the direction which your department is taking and what are the duties under that subvote?

HON. MR. CURRIE: — Well, Mr. Chairman, is this instance we refer to the co-ordination of

research by all of the main players. And that is by the Saskatchewan Research Council, the universities, and of government and private research. Also, an important part of this particular division of the department is establishing an awareness program in the province.

MR. KOSKIE: — I just want to make another comment to you, and you may have some discussion with the universities for an integral part of the high tech in Saskatchewan. A bit of a concern by some of the scientists at the university of a too great an emphasis — I'm not saying they're saying you said that, you did that, or imposing on them — but some of the scientists, at the university in Saskatoon that I talked to, have one basic fear that too often governments and business want to go for the quick and somewhat sensational type of invention, development, and so on, and sort of at the cost to the longer term, and certainly in the field of Agriculture as you will be aware, much of that takes many, many years.

And what they were concerned with, I guess, is whether the emphasis for long-term research and development will not be sacrificed, you know, for the rather faster and perhaps more immediate sensational type of technical advances. And I pass that on to you. I just urge you to keep a balance between the immediate and the longer-term development that is being carried on at the universities.

HON. MR. CURRIE: — Well, Mr. Chairman, I can assure the hon. member that basic research will not suffer at the expense of more directed or targeted research, because we are getting increased funding from all sources — private, provincial, and federal — and I think his point is well taken.

But there has to be a proper balance established between what we consider to be basic research and that which we call directive research. And really, basic research results in the creation and the introduction of new knowledge and new things, and without basic research, we would be stymied as far as our progress in research is concerned. So that basic research is really the foundation for the development and the growth of technology, and we'd be very remiss if we lessened our emphasis, the emphasis that we place upon basic research.

MR. KOSKIE: — And then I just go one step further in concluding my remarks in this regard. I appreciate that in the development of science and technology in that area that the private sector has to be involved.

I again just urge, because the private sector looks often for pretty immediate and sensational results, and I guess I just conclude in saying that I trust that you will in fact, as you have said, guard the basic research that has been carried on. And I think our province and our scientists at the universities are to be commended, certainly in the field of agriculture. It has certainly proven to be very valuable, although it took many years to develop. And I just ask you then to share with me then the concern that has been expressed and that in developing the high technology that you continue to guard the basic research.

Item 4 agreed to.

Vote 15 agreed to.

(1630)

SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE

RESEARCH AND DEVELOPMENT DIVISION

SCIENCE AND TECHNOLOGY

Ordinary Expenditure – Vote 56

Item 1

MR. KOSKIE: — Mr. Chairman, the payments for research and development, the \$3,310,000, this is, I take it, the money that will be provided by the Government of Saskatchewan for the various programs that you indicated, and carrying out the assistance and the incentives to developing firms. Is that correct?

HON. MR. CURRIE: — Yes, Mr. Chairman, that is correct.

Item 1 agreed to.

Item 2

MR. KOSKIE: — Grants pursuant to the Canada-Saskatchewan agreement on advanced technology — could the minister indicate when the agreement was entered into, the term of that agreement, what is the proportionate share of the federal versus the provincial contribution in that agreement?

HON. MR. CURRIE: — Mr. Chairman, the ERDA agreement, subsidiary agreement in advanced technology, was signed between the federal government and the provincial Government of Saskatchewan, and I might say that it's the first such agreement ever to have been signed between the federal and provincial governments, was signed in August of 1984, as I recall, three or four days prior to the election. And it is to run for a period of five years. The total amount of money involved is \$33.2 million, and the distribution, 50 per cent federal, 50 per cent provincial.

Item 2 agreed to.

Vote 56 agreed to.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TELEPHONES

Ordinary Expenditure – Vote 38

Item 1

MR. LUSNEY: — Mr. Minister, could you give me a list of your personal staff? Could you just name them off, how many you have, and are they all in your office, or where do you have the staff that's in telephones?

HON. MR. CURRIE: — Yes, Mr. Chairman. Does the hon. member want me to send the list over? I did so when asked that question when I did my estimates on Advanced Education and Manpower. And now there's a change. There's a change in secretaries, and I think I pointed out that the change was pending at that time, and that change has been made since I did my estimates on Advanced Education and Manpower. That's the only change as far as the others are concerned. Change from Connie Lambert was the minister's secretary, and Lorraine Moffitt was in my office at that time pending the move, and she is now the minister's secretary.

MR. LUSNEY: — Mr. Minister, how many companies do you have, do you administer, rural companies that you still administer?

HON. MR. CURRIE: — Mr. Chairman, Mr. Member, 45.

MR. LUSNEY: — Have any made application to you at this point to turn over to Sask Tel their

rural company, or not?

HON. MR. CURRIE: — Mr. Chairman, Mr. Member, none of the 45 that I mentioned have applied to be turned over to Sask Tel, but in this past year there were six companies that asked to assimilate with Sask Tel — this past year. So there are now . . . At the present time there are 45, and none of these companies have asked to assimilate with Sask Tel.

MR. LUSNEY: — What kind of funding are you providing for the 45 companies that are still out there?

HON. MR. CURRIE: — Mr. Chairman, the amount of construction that we are providing at the present time is \$2,400, and the amount of maintenance is \$3,800.

MR. LUSNEY: — Are most of those rural companies, do they have buried cable at this point? Or are there still some with overhead lines?

HON. MR. CURRIE: — There are still some with overhead lines.

MR. LUSNEY: — And those, to this point, haven't applied to have buried cable put into their company?

HON. MR. CURRIE: — Some have and some haven't. It's a development process at the present time, so they're negotiating.

Item 1 agreed to.

Vote 38 agreed to.

MR. CHAIRMAN: — I'd like to thank the minister and his officials.

HON. MR. CURRIE: — Mr. Chairman, I'd like to take this opportunity to thank my officials for supporting me in Science and Technology, and also the hon. member from Quill Lakes, my critic, for the pertinent questions.

MR. KOSKIE: — . . . the minister and to thank him for the way in which he addressed the questions that I provided, and I also extend a thanks to his staff.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

SASKATCHEWAN RESEARCH COUNCIL

Ordinary Expenditure – Vote 35

Item 1

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

HON. MR. CURRIE: — Thank you, Mr. Chairman. Mr. Chairman. I'd like to introduce my officials from the Saskatchewan Research Council. Sitting beside me is the president of the research council, Mr. Jim Hutch. And sitting behind me is Mr. Ron McGrath, who is the comptroller. And sitting to the right of me is Mr. John Bergsteinsson, the director of special projects.

AN HON. MEMBER: — Are you going to make a speech?

HON. MR. CURRIE: — Very short — this will be two minutes.

Mr. Chairman, if you were to visit the Saskatchewan Research Council you would notice on the bulletin board its motto. And its motto signifies its mandate: that of applying science and technology for Saskatchewan's development?

The focus of its research and development is on activities related to the needs of provincial economic development. This focus requires a close working relationship with the private sector, universities, technical institutes, and all levels of government.

The SRC has demonstrated that it is an effective resource with expertise and capability to serve as a partner in the R&D community. The SRC research and development activities have led to many direct and indirect benefits to Saskatchewan. To support that statement I will illustrate by mentioning just a few of the activities carried on by the personnel of the SRC.

The SRC delivers the National Research Council's Industrial Research Assistance Program to assist small industry. This is commonly known as IRAP. An agriculture energy conservation program is conducted to minimize the cost-price squeeze on farmers. It administers job creation programs for students and graduates in industry, which has reciprocal benefits for the employer and the student.

The SRC's long interest in remote sensing has resulted in establishing a joint provincial-federal project which is resulting in some very interesting and practical results for several departments.

Computer-aided design ... computer-aided manufacturing program is assisting small business in management and in more efficient productivity.

A product testing laboratory is being established. Experimentation is being undertaken for innovative gold exploration techniques. The SRC is becoming increasingly involved in aquaculture technology.

The Canadian Centre of Advanced Instrumentation has developed marketable products such as air and acid rain samplers. The SRC continues to provide leadership in Canada on residential energy conservation.

The Saskatchewan Research Council, Mr. Chairman, has displayed much flexibility by shifting its commitments to accommodate provincial needs. At present, the SRC is involved with 17 programs dealing with the needs of the province. The SRC has extended itself beyond its facilities to join the working together atmosphere in the R&D community of the province.

To share in the leadership of research and development activities requires talent. The scientists, the engineers, the technologists, and the support staff are critical for carrying out this mandate. It is appropriate, Mr. Chairman, that I pass on a word of commendation on behalf of the government for their output in the past year and for their plans for the future.

I would be remiss if I did not give special mention to the president, Mr. Jim Hutch, who has skilfully directed the activities of the SRC, and in addition, who has modified the organization and the roles of personnel to more effectively and efficiently carry out the mandate of the council. The staff is supported by an active board with representatives from varied agencies, institutions, and businesses throughout the province. Their contribution to the welfare of this province is substantial, is endorsed, and is appreciated.

MR. KOSKIE: — Mr. Minister, if your two minutes always lasts that long, you're going to live a long life.

I want to ask you, Mr. Minister, you mentioned in respect to the mandate of the SRC, and I'll come to some of the changes in direction or emphasis, but in establishing the mandate of the Saskatchewan Research Council, can you indicate to me the way in which the mandate is

developed? Is it by the . . . do you have input in establishing the mandate? You indicated that there was a board that has some input, so perhaps I'll just ask you the general outline as to establishing the mandate and the priorities.

(1645)

HON. MR. CURRIE: — Well, Mr. Chairman, I think we're all aware of the fact that the Saskatchewan Research Council has been in existence for some 25 to 30 years in this province, and that it has, over a period of years, established a mandate and modified that mandate. The way that the mandate occurs at the present time is that its mandate is, in effect, directed by the council itself. And the council consists of 18 members. And as I mentioned, they come from various sectors such as the private sector, the academic sector, the scientific community, and so on. So they're representative of a cross-section of varied interests in society.

These are the people, in effect, who give direction as far as the total mandate is concerned. And the people who administer and carry out that mandate are the president and people like the people whom we have here, together with all the rest of the workers.

As far as the minister's role is concerned, that part has changed in that sometime in 1983 when the change was made and I became minister responsible for the Saskatchewan Research Council we decided that no longer would the minister be the chairman of the research council, but that we would prefer to go to the private sector and select a person from industry. And at the present time we have Gordon Birney who is from industry and who, in effect, chairs the Saskatchewan Research Council itself. I am a member, just one of the 18 members.

MR. KOSKIE: — Would you mind providing us then with a list of the 18 members of the council? If you don't have it right now, if you would undertake to provide it, that's fine. But can you do that?

HON. MR. CURRIE: — Mr. Chairman, we have a membership list, but it isn't the current one, so we would be prepared to provide the hon. member with a list.

MR. KOSKIE: — In respecting the funding of the Saskatchewan Research Council, you know, you have a vote here of \$4 million-plus. Are there any other appreciable funds available to the council from the private sector, and can you indicate whether they in fact made any basic contributions to the research council during the past year, and whether you anticipate future assistance from the private sector, from other organizations?

HON. MR. CURRIE: — Mr. Chairman, Mr. Member, in 1984-85, during that fiscal year, the provincial grant was roughly \$4 million, and then there was \$7.4 million worth of contracts that were undertaken by the Sask Research Council with industry and with other governments. And by other governments, I mean other provincial governments as well as the federal government.

MR. KOSKIE: — There has been some indication, or reports, that the SRC is considering moving to the Sedco centre. And I was wondering whether that has in fact happened, and whether or not it is the intention to locate the SRC. It may have happened, I'm not aware of it. But I know there were indications that possibly it would move to the Sedco centre, and I was wondering whether the minister could update me on that?

HON. MR. CURRIE: — Yes, Mr. Chairman, in reply to that question, the decision has been made to move to Sedco place, and the first phase of the move will start in August of this year. And if there is to be a second phase, then it would have to be forthcoming, but that would be dependent upon a decision to build in that area.

MR. KOSKIE: — Just in respect to the funding, while it's not appreciably down, the amount of funding grants to the SRC has been reduced slightly. And I was wondering, in view of the fact

that what we have the department of high tech and similarly co-ordinating the work of the Saskatchewan Research Council in the whole scheme of things, why would you be reducing the amount of the provincial grant to the SRC?

HON. MR. CURRIE: — Well, Mr. Chairman, what appears in the blue book is actually misleading. It's misleading in this sense that each year the provincial government makes a grant which is the (a) part of the budget, and last year, '84-85, the grant was \$3.9 million, and that was supplemented by a non-recurring budget item.

And each year it has been a practice for the SRC to ask for a special projects kind of a budget, which is a really a non-recurring item, and so in '84-85, the non-recurring item was \$153,000, in '84 . . . (inaudible interjection) . . . Now pay attention please. In '85-86, the grant — the provincial grant, the A-base budget — was \$4.0 million roughly, which represents a 2 per cent increase, and so this is really misleading.

And the (b) part, or the non-recurring item this year, happens to be lower than the non-recurring item was last year to the tune of something like \$48,000. So that's why it appears as though there has been a slight decrease. In effect, as far as the operating grant is concerned, in itself, and in the eyes of the SRC people, they have received a 2 per cent increase this year.

MR. KOSKIE: — You left me slightly confused. You have this non-recurring item that reoccurs every year, and I guess what you're saying is the non-recurring which appears every year is smaller this year than it was last year, and as a consequence, the base grant is as large as it was last year.

I take it that's what you're referring to. Just in respect to a release from the *Leader-Post*, it indicates the SRC is hoping to provide more services to industries, and I'll just read one paragraph:

Jim Hutch, the new president of Saskatchewan Research Council, is hoping to shift the agency into providing more services to the province's industries.

I'm not commenting on whether it's good or not, but could you outline what is proposed in achieving the more services for industries? What has the council in mind when this statement was made?

HON. MR. CURRIE: — Mr. Chairman, yes, there has been a shift in emphasis to tie in, to relate as closely as possible to what the needs of industry are, because the main mandate of the Saskatchewan Research Council, in effect, is to bring about the transfer of technology. And I might give a few examples. We've introduced into accessed computer assisted design and computer assisted manufacturing to the extent of \$2.47 million which we accessed from the federal government. And this is in support of industry and tied in very, very closely with the needs of industry.

There's a remote sensing facility or equipment that we access from the federal government which will be of value not just to industry itself, but to several departments in government. And then there's a greater emphasis upon the accessing of the use of IRAP grants which are, in effect, under the control of the National Research Council, but which we administer.

So those are just some examples of how we've shifted somewhat as far as placing more emphasis upon transfer of technology, making it applied technology as much as possible.

MR. ENGEL: — Mr. Chairman, Mr. Minister, I've been interested in SRC's work and progress, I guess, since the early days when I was first elected and Dr. Pepper was still there and took me on a good tour of it. I appreciated that.

The work that you do for the private sector, for the industries and various companies and all, is that on a fee-for-service base? Are they paying their own way or just where are you at there? Are you making a little money off of some of the wealthier companies, or just how is it going? Can you give us a short little description on what you're doing there?

HON. MR. CURRIE: — Mr. Chairman, Mr. Minister, my officials tell me that it is based upon a fee-for-service basis, and that the basic principle that is used by the SRC in view of the fact that it, in effect, is a non-profit organization is that the principle of breaking even in so far as contracts are concerned.

MR. ENGEL: — A number of years ago, particularly when uranium activity was expanding quite quickly, you had quite a few contracts with people involved in uranium mining and uranium development. Is that still a major part of the about \$6 million worth of contracts you do? Are they a big customer or a small one? What percentage would you be doing for them, say?

HON. MR. CURRIE: — Mr. Chairman, Mr. Member, the approximate amount that will be contracted from uranium companies will be \$800,000 this year which is, I think it's fair to say, a substantial decrease, that it has been a substantial decrease over the past few years from what it was prior to this time.

MR. ENGEL: — Could you update me a little bit? And I'm just going from memory. And somebody told me a long time ago you should only ask a question that you know the answer of. I don't know the answer to this particular question.

I can remember when there was some design stage and some plan for a new building and a new apparatus that you were planning on installing to particularly be of help to the uranium industry, and that's a Slow Poke reactor. Has that thing been built, or is it operating, or are you suing it to do other tests other than the uranium industry?

(1700)

HON. MR. CURRIE: — Yes, Mr. Chairman, the Slow Poke reactor is in use. It has been in use for a few years now, two or three years, and it has been fully paid for through contracts that have been undertaken with industry. And it is being used in addition to the uranium industry, has been used for other kinds of analysis at the present time as well.

MR. ENGEL: — Can you expand a little bit on that "other kinds"?

HON. MR. CURRIE: — Mr. Chairman, a couple examples have been given to me by my officials. One is, it's been used for ore assay purposes and for gold analysis.

MR. ENGEL: — That gold industry, that could possibly go if the price of gold would go back up, the chemical, and also to extract gold. That's being used for that.

The other question I had — I see in your annual report here and it bothers me just a little bit — is some American firms and outside firms. I was just concerned that they're paying their fair share, their way, as far as some of your customers are concerned with Saskatchewan Research Council's clients. And you list a couple there, and if they're coming up from Sacramento, California, they must be paying their own way, are they?

I hope that we're not using part of our \$4 million grant to subsidize firms from outside Saskatchewan when we have a waiting list of people with inventions and ideas that they'd like to get tested there. So just a little explanation, and that's the last question I have, thank you.

HON. MR. CURRIE: — From what I understand, that American company, Mr. Chairman, that the hon. member was referring to, paid for the acid rain sampler and have left us with a sample of

this . . . with the manufacturing rights for our own use. And definitely they're expected to pay their own way at any time.

MR. KOSKIE: — Just a couple of other questions. You indicated in the source of funding for the SRC, there was 4 million approximately, in '84, of grants; 7.4 million in contracts. I was wondering whether there was any portion of that 7.4 contracts, was in fact made up of contracts by any of the Crown corporations — potash, or oil, or whatever.

HON. MR. CURRIE: — Mr. Chairman, our best estimate would be that the portion of contracts that would have been undertaken with the Crown corporations would have been something like three-quarters of a million dollars.

MR. KOSKIE: — Last year the SRC was offering summer work program for university and technical students. I was wondering whether you could indicate how many students were hired in the past year under that program and whether or not it's in place this year.

HON. MR. CURRIE: — The number of students who were hired through that program last year, with an allocation of \$400,000, was approximately 84. The allocation for that program has been expanded to \$1.5 million this year and has been extended to graduate students in addition to undergraduate students, as well. We're hoping that it will accommodate something like 250 students.

Item 1 agreed to.

Vote 35 agreed to.

SUPPLEMENTARY ESTIMATES 1985

CONSOLIDATED FUND BUDGETARY EXPENDITURE

SASKATCHEWAN RESEARCH COUNCIL

Ordinary Expenditure – Vote 35

Item 1 agreed to.

Vote 35 agreed to.

MR. CHAIRMAN: — I would like to thank the minister and his officials.

HON. MR. CURRIE: — Mr. Chairman, I'd like to thank my officials, and to point out that they deserve a little special commendation because of the way of things in the parliamentary process. This is the fourth day that they've been here from Saskatoon to appear in support for the estimates.

And once again to thank my critic, the member from Quill Lakes, as well as the other members who joined in the estimates.

MR. KOSKIE: — I wish to thank your staff and to thank him for the information that he provided.

The committee recessed until 7 p.m.