

The Assembly met at 2 p.m.

Prayers

## ORAL QUESTIONS

### Advertising by Department of Energy and Mines

**Hon. Mr. Blakeney:** — Mr. Speaker, in the absence of the Minister of Energy and Mines, I direct a question to the Premier, and it deals with what I consider a waste of taxpayers' dollars.

In the light, Mr. Premier, of the fact that you're already running a \$2 billion deficit and have imposed record tax increases on ordinary people, can you explain why your Department of Energy and Mines is spending thousands of dollars of taxpayers' money to run full-page colour ads in the May issue of the *Saskatchewan Business* magazine?

I don't have it reproduced in colour, but you will note, Mr. Premier, that it consists almost entirely pictures and virtually no copy.

**Hon. Mr. Devine:** — Well, Mr. Speaker, as I've said in the legislature several times, when we initiate programs for individuals in Saskatchewan or we initiate invitations for others to come in to this province and invest, it has been working.

And the fact that we have many new projects, that we have upgraders, that we have drilling records, we have many projects that are brand-new, Mr. Speaker, we have asked that the people across the country do come into Saskatchewan because we do invite them here to invest and to build. And the hon. member knows that when you provide that kind of information, that they will.

And we obviously, Mr. Speaker, have done that in the energy business as well as in agriculture, processing, manufacturing, and mining.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. Mr. Premier, the ad does not inform Saskatchewan taxpayers about any specific benefit, does not invite anyone to come to our province, simply trumpets the PC line and trumpets that line at taxpayers' expense.

My short question to you is: if you are going to trumpet the PC line, which is perfectly appropriate for you, do you not think that it should be paid for by the PC party and not the voters of Saskatchewan?

**Hon. Mr. Devine:** — Mr. Speaker, the members of the opposition asked the same question with respect to the program we had for agriculture in a small book. And it went all across the province of Saskatchewan so that we, in fact, have informed farmers of the kinds of things that were available. Now this publication, Mr. Speaker, goes outside the province of Saskatchewan. It encourages other Canadians to look at our province and say, invest in Saskatchewan, whether it's in tourism or energy or anything else. We do that in the kinds of magazines that get distribution among people who are investors.

Well, Mr. Speaker, we've seen a large increase in investment in Saskatchewan. We have billions of dollars of projects on the books. We have the lowest rate of unemployment in western Canada. Mr. Speaker, we have the lowest rate of unemployment among women any place in the nation. We have created more jobs than any western province as a result of the investment attitude and the strategy. Mr. Speaker, it's been working. Despite drought, recession, grasshoppers, and so forth, we see that kind of investment, those kinds of new projects in our province, Mr. Speaker. So it seems to make sense to me.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Premier. Four years ago, sir, you promised that your party would cut government advertising, except government advertising which was designed to inform citizens of specific government programs. This advertisement very clearly does not do that. This advertisement very clearly does not advise anyone outside the province of specific invitations to invest. Why are you spending money which is clearly advertising by way of puffing the PC line? Why are you spending taxpayers' money to continue that type of advertising, specifically which you said you would not continue four years ago?

**Hon. Mr. Devine:** — Mr. Speaker, what we said four years ago is that we were not going to advertise Crown corporations that were monopolies and people didn't have a choice. Other people across the country don't use the monopolies, Mr. Speaker. People in Saskatchewan know SGI's a monopoly; they know Sask Power's a monopoly; they know that Sask Tel is an monopoly. What we said we would do is put Saskatchewan open for business, invite people in, increase advertising on tourism, increase advertising on investment, show people across the country, as we have in Expo, Mr. Speaker. Expo is a typical example.

The NDP in British Columbia, the NDP in Manitoba, and the NDP here would not get involved in Expo. They wanted it to fail. Well, Mr. Speaker, our pavilion is a typical example, a beautiful example, of the attitude of our administration towards Saskatchewan and towards Canada. We are proud of that pavilion, proud of the home-coming, proud of the information the whole world was going to find out about Saskatchewan, and proud, Mr. Speaker, that we put millions of dollars into that to talk about Saskatchewan people being number one in the world, all across the world.

Well, Mr. Speaker, the province of Manitoba under the NDP didn't even have a pavilion. The NDP in British . . .

**Mr. Speaker:** — Order, please. Order, please.

**Hon. Mr. Blakeney:** — Mr. Speaker, new question to the Premier. In view of the fact that, in your judgement, the Saskatchewan pavilion at Vancouver somehow justifies the ad which was being run in *Saskatchewan Business* — I take it that was the thrust of your answer — and in view of the fact that it's difficult for most people to understand how the Saskatchewan pavilion at Vancouver justifies this particular advertising, would you explain how your government justifies something that, I'm informed this morning, one of my fellow citizens of Regina heard nine

different government ads on one Regina radio station in the course of one hour.

Are you running a campaign of ads now, which consists of saturation advertising of that kind, and if so, why?

**Hon. Mr. Devine:** — Well, Mr. Speaker, I wouldn't take the hon. member's word for it that he had one individual say there's going to be so many ads per hour. I would like to have the documentation.

But I point out, Mr. Speaker, I believe the hon. member said it was a business magazine where we were advertising to encourage business to come into the province of Saskatchewan. Well I know that he would rather, and he did rather, promote Crown corporations and monopolies through the Saskatchewan family of Crown corporations and did not invite business.

Well, Mr. Speaker, it's the same thing as the post cards you see being produced at Expo by Expo itself — not us, Mr. Speaker — and they have the number one pavilion at Expo is the Saskatchewan pavilion, talking about promoting and marketing the province of Saskatchewan.

Well, Mr. Speaker, that will help business and investment all across this province from one end to the other, because we've decided to invest in that. Mr. Speaker, I think it says the same thing with respect to *Saskatchewan Business* magazines. We promote Saskatchewan because it's important.

**Mr. Koskie:** — Thank you, Mr. Speaker. My question is to the minister, in the absence of the minister responsible for Sedco — to the Premier — and again it deals with what we consider a waste of taxpayers' dollars, Mr. Premier. The president, the chief executive officer of the Sedco, who was also the former general manager of pioneer Trust, if you recall, one Douglas S. Price.

Well, under Mr. Price Sedco has lost, as you are aware, about \$9 million over the last two years. And we're wondering, in the light of this record, can the Premier explain why Mr. Price spent all of last week, at taxpayers' expense, in San Francisco. I know San Francisco is a nice city, but could you explain why he was there in San Francisco at taxpayers' expense? And can he inform, then, the Saskatchewan taxpayers how much this little trip to the city of the bay was, on taxpayers' expense?

**Hon. Mr. Devine:** — Well, Mr. Speaker, I want to say at the outset that I don't take the hon. member at his word. He has been standing in this legislature, and the opposition has, for the last week, Mr. Speaker, picking on individual names — innuendo, has been untrue.

The member from Shaunavon raised the issue: well, the PC Party of Saskatchewan must have received information and money from Pioneer. I don't accept the allegation, Mr. Speaker, and I'm sure the public of Saskatchewan is getting a little bit fed up with the fact that all they can do is stand in the legislature and ask about an individual — he can't defend himself in here — pick on a civil servant, pick on somebody else, pick on individuals that work in the private sector that can't defend themselves.

Now they get upset when I challenge them on it. Well the public of Saskatchewan is getting upset with you guys. That's all you can do. You can't talk about jobs. You can't talk . . .

**Mr. Speaker:** — Order, order. It's impossible to hear if members are going to holler and yell. If you have questions and answers, I'd like to have them, but we can't operate under those terms.

**Mr. Koskie:** — All I want is the answer. And I want to ask the Premier, can he explain why Mr. Price — the head of a Crown corporation which you and your government are responsible for and the activities which you are responsible for — can you indicate why he was, in fact, in San Francisco at taxpayers' expense for a week's holiday?

**Hon. Mr. Devine:** — Well, Mr. Speaker, I raise the point. I raise the point, I mean, what is the attitude and the value of the opposition asking about individual employees time and time again? They know, Mr. Speaker. Why would the Leader of the Opposition go to China? Why would the Leader of the Opposition go to the Soviet Union? Why would the member who just asked the question end up in France? Well, Mr. Speaker, when they were in government, maybe they had good reason to go here or go there.

All I'm pointing out, Mr. Speaker, I don't know why an employee might have been in Chicago or might have been in London or might have been some place else. But I just draw to the attention of this Assembly that the public across the province have a pretty good idea what's on the agenda of the members opposite, because I heard it in Saskatoon, I heard it in Assiniboia, I heard it in Moose Jaw, that all these people can talk about are defenceless civil servants, employees or private individuals, who can't defend themselves in here. That's all they can talk about — not about agriculture, not about jobs, not about the real things — but what about this poor individual.

Well, Mr. Speaker, I'll take notice with respect to another government employee. But the government employees are getting pretty sick and tired of the opposition just picking on individuals that can't defend themselves in the legislature.

**Some Hon. Members:** — Hear, hear!

**Mr. Koskie:** — I'd like to ask a new question to the little cheer-leader and the Premier. And I ask you, Mr. Premier, an economy air fare from Regina to San Francisco, return, is \$786. In addition, Mr. Price stayed all last week at the Hyatt Regency Square where the cheapest single room was \$152 American, per night, and the smallest executive suite runs at \$350 American, plus his other expenses.

I want to ask the Premier: can the Premier tell the taxpayers how much Mr. Price's trip to San Francisco, his holiday last week, cost the taxpayer? Can he provide a full written justification for his attendance at this particular convention, when there were already five other executive officers attending in respect to this same convention?

**Hon. Mr. Devine:** — Well, Mr. Speaker, as the public

knows and the member of the opposition knows, they have had delegations go to China to sell potash; they've had delegations go around the world and do this and do that and whatever. So he's standing in the legislature as a former cabinet minister asking, why would an individual go to a city in the United States? Well, Mr. Speaker, I said I would take notice and find out.

I just remind the public that day after day after day in this legislature the opposition picks on individuals, picks on poor individuals that don't have a chance to defend themselves. And when I challenge him right here in the legislature, all he can do is holler over there. Everybody in the gallery knows that all he can do is holler because he's raised the issue. I'm calling his bluff and say, Mr. Speaker, I don't believe the people of this province recognize, really understand what the NDP are really after, but I believe that they will.

### **Cancellation of Contract with Sask Forest Products Corporation**

**Mr. Yew:** — Thank you, Mr. Speaker. I want to direct my question to the minister responsible for Sask Forest Products Corporation, SFPC. Mr. Minister, a public company . . . Pardon me.

My question to you, Mr. Minister, relates to the Saskatchewan Forest Products Corporation, a public company, which lost more than 4 million of taxpayers' money last year. In light of that loss, one would assume that SFPC would be anxious to gather new business. However, is the minister aware of a recent letter from a Manitoba company which cancelled a contract with SFPC for the purchase of 1 million board feet of pressure-treated wood, and can he confirm that the reason this contract was cancelled was SFPC's poor marketing effort?

**Hon. Mr. McLeod:** — Mr. Speaker, I would say that I will take notice as it relates to the particular issue — the contract that the member raises. I would ask the member, if he has more particulars than just the innuendo which he raises, that he would send that to me or give it to me, and I'm sure that he's got his supplementary which he'll give me.

As it relates to the losses that the member talks about, he will know that Sask Forest Products Corporation, or at least I would hope that he would know, that they have lost money for a good long period of time. We have taken some good steps in Sask Forest Products: one, of the installations of Sask Forest Products, the Big River sawmill, for example, Mr. Speaker, is now moving over to the private sector, to Weyerhaeuser. And I would say to the hon. member, give me more details and I will take notice and give him a reply another day.

**Mr. Yew:** — Thank you, Mr. Speaker. Supplementary to the question. Mr. Minister, I have here a copy of a letter directed to an executive of Saskatchewan Forest Products Corporation from a Manitoba company called Shan-Wood Lumber Ltd. The letter says in part for your information, Mr. Minister:

. . . phone calls to you have not been returned.

Information which we required to sell your products, brochures, pamphlets, etc., have not been received. We are dismayed by the lack of interest shown by the Sask Forest Products in the treated wood area.

Can the minister explain why you people are not following up every possible sales angle at a time when you are losing money for Saskatchewan taxpayers? Mr. Minister, is the problem the state of the market or is it your government's poor marketing efforts?

**Hon. Mr. McLeod:** — Well, Mr. Speaker, as I have said, I'll take notice, and now that the member has given some detail I'll take notice and check on it. I would say though, however, Mr. Speaker, that the information given by the member I do not take at face value because I've learned that, as my colleagues have learned that in the last several months, and the Premier referred to it just a few moments ago, that what they say in the legislature and what turns out to be the facts are very, very often, very different propositions altogether.

**Mr. Yew:** — Final supplementary, Mr. Speaker. In light of the fact that this government has no policy to really put Saskatchewan first in terms of marketing efforts pertaining to this company — pertaining to our issue at hand — I'll willingly, in terms of providing assistance to the minister so that they can follow up appropriately, I will table this letter in this legislature and have the minister respond to it accordingly.

**Hon. Mr. McLeod:** — Well, Mr. Speaker, as I said, I would take notice. The member refers to a "Saskatchewan first" policy. I'm not sure . . . but I would suggest that if there is a policy in marketing of "Saskatchewan first," it relates to being sure that we can fulfil the responsibilities we have in the market here in the province first. And that makes eminent good sense for a Crown corporation in the province. But certainly if there's a market out there that we can . . . that can come to Sask Forest Products — we're interested in — and I'm sure the management are as well.

### **Brochure Contract to Associated Business Consultants**

**Mr. Shillington:** — Thank you very much. My question is to the Minister of Supply and Services. It deals with the awarding of government contracts to Associated Business Consultants which is owned by one Ron Ryan, a former employee of Dick Collver and the PC party.

Can you confirm, in recent months, that Ron Ryan had been awarded an \$85,000 a year contract, without tender, by the Department of Supply and Services to distribute government brochures and other PC propaganda in Saskatchewan grocery stores and shopping malls?

Also it awarded an \$11,000 contract without tender by the Premier's office to compile a report on the NDP convention resolutions at taxpayers' expense; awarded a \$10,000 contract without tender by the Department of Tourism and Small Business to develop something called "summer monitor"; awarded a \$20,000 contract without tender by the Department of Tourism and Small Business

to provide management advice to businesses in Kipling.

It's been a long introductory comment, Mr. Speaker, but it's a long list of tenders. Can the minister confirm the list, and can you give us details of all other contracts which Mr. Ron Ryan has qualified for?

**Hon. Mr. Schoenhals:** — Mr. Speaker, again this is a repeat of questions that I took notice to earlier last week, and I tried to bring the information back last week but was not recognized.

First of all, in response to the member from Regina North East's question which I took notice which is related to this one: he asked, I believe, who the second proposal was from regarding the information program. The second proposal was from Coopers & Lybrand. Their proposal involved manning the stations. Obviously that would be more expensive, and, as I indicated, we had chosen the less expensive of the two proposals that were put forward.

And again the attempt is made to suggest that somehow the \$85,000 that is the cost of the program all filtered into the pocket of this particular company. That of course is not true. The \$85,000 covers the entire program — the space allocation, the equipment that's required, the pamphlets, and so forth.

Anyway, to then go on to the activities of Associated Business Consultants with the Department of Tourism and Small Business, which I believe was your question, and you asked if I could provide details. Obviously it will take a minute or two.

The list that I provided in the first day of estimates, which was quite some time ago, indicated that there were 61 contracts undertaken by the Department of Tourism and Small Business in '85-86 and that that represented an expenditure of \$1,022,090. Of these, two were given to Associated Business Consultants. The total dollar value was \$29,800. I should repeat that possibly so you can note that — two of 61; \$29,000 out of an excess of a million dollars. One was by tender and one, which is a very much smaller one, was not tendered. In percentage terms, Associated Business Consultants received about 3 per cent of both the money and the number of consulting awards that Tourism and Small Business awarded in that year.

I think it's also important to remember that one of the objectives that we have as a department is to strengthen the private consulting industry that is available to small business in Saskatchewan. Towards that end we have used a large number of private consultants so that they can gain more experience in this very important and previously neglected area of private sector employment and development.

Associated Business Consultants . . . and this is also equally important and certainly relevant to the question, Associated Business Consultants is not the only firm to receive more than one job from us. Others include Derek Murray; Peat, Marwick and Mitchell; Waybar Management; Langan Woods; Saskatoon Data Management; Canwest Opinion . . .

**Mr. Speaker:** — Order, please.

**Mr. Shillington:** — Mr. Minister, yesterday . . . I wonder if you can give us this and perhaps try to finish your remarks by 5 o'clock so the House will adjourn on time. Mr. Minister, you took notice of a question as to whether or not Associated Business Consultants had been awarded any contracts by the Department of health, or the Department of Supply and Services on behalf of the Department of Health. You undertook to check into this and report back. Can you report your findings in this regard? Has Associated Business Consultants ever been awarded work for either of these departments?

**Hon. Mr. Schoenhals:** — Mr. Speaker, let me just, in terms of the department I am responsible for, which it would be logical that I know about, it's important to note that Associated Business Consultants tendered for three jobs and received one. In the period that we're talking about, I think it's safe to say, Mr. Speaker, that there has to be some question of the motives of the question. Sixty-one different contracts; they've chosen one. I don't believe this is the vigilant watch-dog, the opposition keeping track of the public purse. I think this is political grandstanding of the worst kind. I don't think that they're interested in these facts at all.

Mr. Speaker, I have clearly indicated this company received 3 per cent of the consulting business; 3 per cent of the money that was awarded. I think that it's highly improper to suggest that somehow this company has received some special treatment from this department. And when we get to estimates a little later today, I will be pointing out again some of the feelings about the department as far as this is concerned. But this is clearly not a misuse of funds. This corporation, this company, has been treated the same as every other.

**Mr. Speaker:** — Order, order. I'm going to caution the member for Quill Lakes that when I'm on my feet, he's to be quiet.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

#### SECOND READINGS

#### **Bill No. 38 — An Act to amend The Municipal Revenue Sharing Act**

**Hon. Mr. Dirks:** — Mr. Speaker, at the conclusion of my short remarks, I shall be moving second reading of a Bill, **An Act to amend The Municipal Revenue Sharing Act**.

Our government is committed, Mr. Speaker, to retaining the concept of sharing revenue with the province's municipalities. We have over the past several years undertaken extensive discussions with the Saskatchewan Urban Municipalities Association and the Saskatchewan Association of Rural Municipalities to review all facets of the revenue-sharing program, including possible revision to the distribution formula and alternative approaches to indexing the funding to the economic growth of the province. Mr. Speaker, as an interim measure, this Bill provides that the total available for

revenue sharing in the '86-87 fiscal year will increase by 3 per cent compared to the total amount available for the payment of grants at the beginning of the '85-86 fiscal year. The urban and rural revenue-sharing pools taken together will amount to 115.7 million of operating assistance to the province's municipalities.

Also, Mr. Speaker, our government is assuring that all urban municipalities will receive a 3 per cent increase in revenue sharing's basic, per capita, and foundation grants in 1986 compared to 1985.

This Bill, Mr. Speaker, also revises the definition of an urban municipality as a consequential amendment related to The Urban Municipality Act passed in 1974.

I am pleased, Mr. Speaker, that we are able to provide municipalities with a 3 per cent increase in grants over last year's level and consequently I move, Mr. Speaker, second reading of the Bill, An Act to amend The Municipal Revenue Sharing Act.

**Mr. Tchorzewski:** — Mr. Speaker, thank you. I would like to make a few comments on this Bill before I adjourn debate in order that municipalities and others can have an opportunity to have a look at the Bill. I am sure, knowing the record of the government and the record of the minister opposite, having discussed this at some length during estimates of the Department of Urban Affairs, that there was very little of any consultation with the Saskatchewan Urban Municipalities Association or with municipalities with regard to what we see here today.

In fact I would submit, Mr. Speaker, that there was not any consultation at all. From the indications that I have, that is what the situation has been. I find that very regrettable, Mr. Speaker, because one of the cherished traditions of this province has been that the provincial government, in developing legislation that was going to affect either hospital boards or municipalities or school boards, has always in the past, over the years, under our government before 1982 and under the previous Liberal government prior to 1971, went out of its way to provide municipalities and boards with proposed drafts of legislation, proposed programs, to work out with them the best possible solutions which we jointly face, Mr. Speaker.

What we have here before us is the result of four years of this government's refusal to listen to local government. This government, meeting with local government, pretending to consult and then acting in whatever way it chooses to act, completely ignoring the consultative process and the recommendations that local government bodies have provided.

In 1985-86, Mr. Speaker, in that budget which the famous former minister of Finance of the most intelligent budget provided, the revenue sharing was frozen for a year. Municipalities in this province received no increase at all. They were faced with the same kind of cost increases as any other local government body, or any other organization, or, in fact, as was the provincial government. But this government chose to say to them — although it boasted about its four pillars on which it was

going to build — chose to say that our municipalities, they don't count to be amount those four pillars. They were not either one of the fourth; in fact, they weren't the fifth.

Here we have a Bill which now talks about the revenue sharing for 1986-1987. The minister stands up and he boasts about the terrific and tremendous 3 per cent increase. Well, Mr. Speaker, if it wasn't such a serious matter it would be somewhat laughable. But it is a serious matter because in 1985-1986 the grant was frozen; in 1986-1987, it's 3 per cent. So over a period of two years this government is providing to our municipalities an increase in each of those years of 1.5 per cent.

Now do you know, Mr. Speaker, what this Bill will provide for some municipalities? Increases in the range of \$50 if you average it out over two years — \$50 a year. I will bring in my remarks later, after I take up the debate, when it's called up before the House again, examples of where municipalities over the period of those two years — in each of those years — are getting an increase of \$52 a year; \$63 a year. Even the Minister of Urban Affairs, in his usual way, cannot stand up in this House and defend the fact that municipalities have not had an increase of greater amounts than that. It is not laughable because it is so serious.

The question one has to ask when you consider this Bill: why have we totally now seen in Saskatchewan, under this government, an absolute destruction of the revenue-sharing idea? The principle of revenue sharing does not exist any more. The government did away with the escalator when it first was elected, so now there is no escalator formula. And I notice, with some concern, Mr. Speaker, the misleading comments in what is provided in the explanatory notes to Bill 38. In these explanatory notes, and I just quote, Mr. Speaker:

... that the reason there is no formula for the escalation of the revenue sharing is because there's been the elimination of the provincial gas tax.

Well I want to say, Mr. Speaker, that's blatantly untrue. The revenue-sharing escalator formula was never based on a particular tax. The revenue-sharing formula was based on the tax base. You don't have to have a tax in place in order to determine the tax base, Mr. Speaker. So for the explanatory notes, which the minister tabled in this House, to say what they say, is really — if it wasn't close to being unparliamentary, I would say "misleading the House," because it is blatantly dishonest. And I submit, Mr. Speaker, that that has just got to be the weakest excuse to defend a bad Bill and a bad program that I have ever seen.

This government has done away with the escalator formula so that municipalities, instead of knowing what they can expect from one year to the next, now have been forced to the situation where every year, before the budget, they more or less have to come to the government, tin cup in hand, and say, please, will you provide us some assistance? And the government, depending on whether it's an election year or whether it's an off-year, will then decide how much it's going to give.

The purpose of the revenue-sharing program, Mr. Speaker, was to provide some certainty and to eliminate some of the blatant politicking that governments have been known to do, particularly governments of this stripe, in the history of funding municipalities. And that's what we see here today. Not only do we have the escalator formula destroyed, Mr. Speaker, we now see a Bill which shows that we no longer have a distribution formula.

Instead of allowing for the distribution of revenue sharing in such a way that municipalities — because of increases in population, and as a result of having greater pressures because they've got to build up municipal infrastructures and sewage systems and water systems — instead of allowing for that, the government says, we're going to punish you now because you showed some growth. We're not going to have a revenue-sharing formula that recognizes problems that exist in municipalities depending on each individual case; we're going to give you each 3 per cent.

And as a result, Mr. Speaker, there are municipalities who are getting increases this year of 50 bucks — \$50 — and some less, and indeed some more. No recognition given to the problems that are there.

Now I know, Mr. Speaker, that there are many municipalities who are concerned, and will continue to be concerned, about what this government has done to revenue sharing. I wish to discuss with some of them what some of their concerns are. I know they will be interested in seeing what this legislation says and does. And therefore, until they are given an opportunity to do that, I beg leave to adjourn debate.

Debate adjourned.

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Schoenhals that Bill No. 16 — **An Act to amend The Venture Capital Tax Credit Act** be now read a second time.

**Mr. Shillington:** — Thank you. I want to make a few brief remarks with respect to the venture capital corporation Bill.

The program expands . . . The Bill expands the program, I gather, to include investments in agriculture and livestock operations. While that in itself is not a bad thing, it hasn't always produced happy results on some past programs. In some past programs, this government has introduced programs supposedly to help farmers but which in fact has done more to get professional people with too much money into farming operations, particularly feed lots, and seems to get the farmers out of it.

I note, Mr. Minister, that this is a continuation of the same effort. The opposition will want to know what the program will cost and how much additional tax . . . what would be the additional expenditure and how much

additional taxes will be foregone by this amendment? I note that the estimates provide for an expenditure of 17 million on the venture capital corporation. I would assume that does not include taxes foregone as a result of this being introduced.

The Bill also expands the program to permit registration of venture capital corporations in communities up to 20,000 as compared to a limit of 5,000. That's again not bad in itself.

It is apparent that, whether because the idea was flawed or whether it has been unable to function in a recession which has been aggravated by the Conservative mismanagement, the venture capital corporations have not had a major impact on Saskatchewan. Well the members opposite are making noises which suggest they disbelieve that. I point out to members opposite that, while the level of political promises and the level of announcements is at an all-time high — I cannot think of a six-month period in which there's been as many announcements as there have in Saskatchewan — in fact, capital investment is almost at an all-time low. In absolute terms, capital investment in this province is lower now than it was in 1981. Well the member for Regina North, who has left that riding — the member for Regina South, who never will be — shakes his head in disbelief. I suggest that the member from Regina North-South check StatsCanada's figures. The capital investment in this province is lower now than it was in 1981. And that suggests that your efforts have not been remarkably successful, and that people can't spend announcements on ammonia plants, on upgraders, a wide variety of other things, which have gone nowhere.

The real tragedy of the venture capital corporation is not that it was introduced. Again, by itself it's perhaps not a bad idea. It, however, has not been able to function in such a harsh environment, aggravated by your mismanagement. It's a great shame that you have ignored the economic crisis in Saskatchewan and that this represents your only effort, virtually your only effort, to deal with it.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Dutchak that Bill No. 35 — **An Act to amend The Reciprocal Enforcement of Maintenance orders Act, 1983** be now read a second time.

**Mr. Koskie:** — Thank you, Mr. Speaker. In respect to Bill 35, we've had an opportunity to review that and note that it essentially makes some modification into the procedure for processing reciprocal maintenance orders. We may have a few questions specifically when we get into committee of the whole, but in principle we are in agreement with the amendments as presented by the minister.

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

The Assembly resumed the adjourned debate on the

proposed motion by the Hon. Mr. Dutchak that Bill No. 36 — **An Act respecting Consequential Amendments to Certain Acts resulting from the enactment of The Enforcement of Maintenance Orders Act** be now read a second time.

**Mr. Koskie:** — Thank you, Mr. Speaker. In respect to Bill 36, again we've had an opportunity to take a look at it. We note that there is a clarification in there in respect to garnishment of pension benefits which we are in agreement with, and also in respect to protection under The Labour Standards Act of not losing one's job because of a garnishment under the Act. These basic principles I think we are in agreement with. We may have some questions in committee of the whole.

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

(1445)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hodgins that Bill No. 34 — **An Act to amend The Highways and Transportation Act** be now read a second time.

**Mr. Lusney:** — Thank you, Mr. Speaker. I had the opportunity to review some of the comments made by the minister. There are a few questions that we're going to certainly have regarding the changes to this legislation, but I think we can agree to some extent that there is some signing required. Some small-business people may require some signing to state the kind of business that they have and services that they can provide, and we don't necessarily disagree with that. There will be, however, some questions that we'll have when we get into the different clauses, and we'll deal with those in committee.

**Hon. Mr. Hodgins:** — Thank you very much, Mr. Speaker. I only have a few brief comments regarding this Bill to amend The Highways and Transportation Act. In my comments to the hon. member from Pelly, I would like to state to the Assembly and to the people of Saskatchewan how very, very pleased I am that the hon. member of the opposition has said that in principle they are agreeing with this Bill. I can tell you, Mr. Speaker, that it is a refreshing day that the opposition has finally consented and said yes, indeed one of your programs, one of your policies, does have merit.

And I do know that the small-business community around the province of Saskatchewan will be very, very pleased to see this legislation go through in the forthcoming regulations. So once again, I would like to sincerely commend the opposition on agreeing with us, on being fair and objective about a relaxation, if you like, of restrictions that is long overdue, and I want to commend the member on his attitude. It is for this side of the House very, very refreshing to see at last some small bit of token co-operation, if you like. Thank you.

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

#### COMMITTEE OF FINANCE

#### Consolidated Fund Budgetary Expenditure Tourism and Small Business Ordinary Expenditure — Vote 45

##### Item 1 (continued)

**Hon. Mr. Schoenhals:** — Mr. Chairman, as you'll remember, in the consideration of these estimates of the last two or three sessions we have listened in each case to a speech ranging in length from 20 to 30 minutes by various members of the opposition at the end of the day. In the other two instances I didn't bother responding to these rather lengthy statements at the start of the next session.

But I think it's important in this case that I refer you back to Friday and some of the comments made at that time and to make a few comments. And I only do that, Mr. Chairman, because of what I will only call the amazing reaction that I have received over the past weekend from two specific groups who have been in almost . . . well, in regular contact both with myself and with members of our department.

Mr. Chairman, statements that were made by the members of the opposition during consideration of the Department of Tourism's estimates last week in the committee of finance have caused a great deal of concern in the tourism industry of this province. And also statements that were made last week and most particularly on Friday by the members opposite have also caused a great deal of concern among senior officials and staff of my department.

And my staff — and I think this is important considering the tone and tenor of question period today, and some of the rather astute comments made by the Premier on responding to the member from Quill Lakes.

My staff is extremely upset over what they consider were attacks on their integrity as public servants, and they have brought their concerns to me over the weekend. And I only think it's right that I should . . . and, Mr. Chairman, as minister of this department I believe it is my responsibility to bring the concerns of these two groups — the tourism industry and the members of my department — to the attention of the committee, and I'm sure the committee will be interested.

When members of the provincial tourism industry — which we are working so hard to serve — and senior officials and staff who are providing that service are upset by what is being said in the deliberations of this committee, which of course are public, I think it's incumbent that the committee pause for a moment and take stock of what is going on.

A steady stream of telephone calls have been coming in to my office since last Wednesday as a result of statements made by the opposition with respect to the tourism advertising program of my department. Reference has been made, not only to what's been happening in estimates, but to a couple of things that were mentioned in question period as well.

You can appreciate these concerns, the concerns of the

tourism industry. This industry is finally getting some support to develop more business opportunities and jobs for citizens after decades of neglect from the previous administration, the administration of the NDP.

The tourism industry are pinning their hopes for a revitalized industry on this increased support from the provincial government. You can appreciate their concerns when they read headlines that the deliberations of this committee suggest that that support should, in fact, be cut or eliminated or certainly drastically reduced.

The members of the tourism industry simply cannot understand statements made by the opposition that these ads being placed in Ontario and in Alberta, and in states such as Minnesota, North Dakota, Montana, are supposed to be promoting this department or even promoting this government. Those statements are very, very difficult for tourism people to understand because they know full well that these ads that appear on TV, radio, and in the print media, and which were made public to the media folks in Saskatchewan and to the members of the public last week, are really promoting the tourism attractions that exist in our province, and are designed solely to help attract visitors to the province of Saskatchewan. And to suggest that they're anything else is really difficult to understand.

These ads promote the tremendous sport — fishing that exists in our northern lakes, the camping, canoe trips, provincial parks, historic sites. They don't promote our department, nor do they promote the government. The tourism industry simply cannot believe that members of the opposition seem to have such great trouble understanding this. And in our discussions over the weekend with myself and with members of the department, they indicated they couldn't understand how the opposition could lead with that type of questioning. They suggest that when they were in government they didn't understand tourism; they didn't understand it when we came to office, and they refuse to understand it now. And once again I think it's important that I explain where tourism fits in the provincial economy.

Tourism is a job creator in Saskatchewan. It provides over 30,000 direct and indirect jobs today, and it's got tremendous potential, probably as great a potential as any element of our economy. Our job is to promote and to develop this industry in co-operation with the private sector. That's why we advertise, so these tourism businesses, over 2,000 of them, will continue to grow, continue to employ, continue to be successful.

And as I laid out last day, I indicated the dollar return in general touring area which is roughly: the average dollar spent bring back \$12.40. In the sport fishing sector, it's much higher — something in excess of \$21.50 for every dollar spent. But the 12.40 number is certainly average on our expenditures.

We turn then to the attacks being made on my staff. Several members of the department came to me after Friday's session and advised me that they felt that their integrity was being attacked by statements that were made in this committee. And once again, Mr. Chairman,

we clearly saw the same tactic today in question period. In fact, I had numerous people on the weekend in Saskatoon tell me that they had some problems understanding exactly what the opposition was involved in.

Early in the session we had the woollen socks and the clucking and the jelly beans, and now we have turned to a personal attack on civil servants who can't defend themselves in this forum, on business people, members of the public, who simply have no recourse.

And people asked me several times, do these people not understand the real problems that exist today, things in agriculture and employment and so forth? And I simply had to indicate that I had as much trouble as they did understanding the rationale for what we were hearing.

Statements that were made inferring that officials were living high off the public trough and references to contracts being improperly handed out, those types of things, were things that members of my department clearly indicated they felt were aspersions on their integrity. And members opposite may think that deliberations in this committee are really quite frivolous and don't have a great deal of meaning, and you may even think that that's good politics, but I would somehow question that.

But I want to assure opposition members . . . Now the member from Pelly doesn't want to hear this, but I can assure opposition members, including the member from Pelly, that the staff in my department are professionals and that they're very dedicated and very serious about their programs, and that they have advised me that they resent these allegations that are really slurs on their integrity.

I have to say that I fully agree with them, and I would suggest specifically that the member from Shaunavon might think about apologizing publicly to the members of the staff and the senior officials of Tourism and Small Business because of some of the comments that were made.

It has taken us and the provincial government a couple of years to build up the outstanding staff that we now have in place in Tourism, and I don't want to lose any of them. And I'm sure that the members opposite, in all honesty, feel the way I do. But you can't make inaccurate statements that cast aspersions on the integrity of officials, officials who are proud of the work they're doing and who are carrying out their role in attempts — very successful attempts, too, I might add — to increase tourism for this province.

Some of them are called upon to travel to the United States. That's going to be a target market. I think it's safe to say that it's reasonable to expect that on occasion members of the department will travel to the United States. We have had people go to places like California, and Dallas, Minneapolis — areas where we feel are tremendous potential, and in fact studies would indicate that is true.

While they're there they put in 12-hour days which are



usually Saturdays and Sundays. Since most of the shows that we go to take place on those days, they're there promoting the tourism activities of our province at many exhibits and displays. And I would suggest that it's their job to sell Saskatchewan's tourism attractions and that they have done it better than it has ever been done in the past in this province.

And when they're on these trips, in the few hours that they do have free, they spend a great deal of that time meeting with clubs and groups and showing films. I could talk about *Sun Spirit Saskatchewan* and the many awards it's won, and that type of thing, and as well as meeting with media groups.

And, Mr. Chairman, as I indicated the other day, on a recent Expo promotion trip to Ontario one of the results was a full, half-page article on Saskatoon and the places to eat in Saskatoon.

(1500)

And I indicated the tremendous coverage that the *Toronto Star* has where the article appeared, and I think that's a direct result of the professional people in the Department of Tourism taking the time to meet with the *Toronto Star* when it was there, talking with their reporter when he was in Saskatchewan. And that type of advertising is free and is something that you simply can't measure in terms of its impact.

These public servants, however, who don't have the opportunity to defend themselves in this committee except through the words that I might say, which they may find inadequate at times, don't deserve the attacks that have been made on them, and I think that when they carry out a professional job the way they have, I think there's an element of ashamedness that should be in place on the opposition benches.

With respect to contracts, and this has been discussed and in fact was discussed in question period today — questions of contracts that have been awarded by this department — I would indicate that they are the responsibility of the deputy minister; that in the brief history of this department the minister, whether it was myself or the member from Regina North, has never been involved in determining where contracts will be awarded.

And so when you make statements about contracts being improperly set out, you are attacking the integrity again of one of the senior officials of my department, and we take some exception to that. You have advised us that . . . My officials have said they're certainly upset, and I, for my part, believe they probably have a very good right to be.

My officials have requested that I ask on their behalf for an apology from some of the members who have certainly slurred their integrity . . . (inaudible interjection) . . . I'll tell the member from Quill Lakes that I gave this a great deal of thought this weekend because I think that this is something that should be answered. And probably the member from Quill Lakes in his booming, bull-moose voice, is one of the most guilty of the members opposite, in terms of throwing slander and aspersion at people who

do not have the right to defend themselves. And I would challenge that member to step outside and make the comments that he has made, because you will find that, Mr. Chairman, he does not have the integrity to do that. He won't step outside and repeat those. It's far beyond him. Mr. Chairman, if they don't wish to apologize in the committee, possibly they would like to apologize outside in a private statement, because my officials do take this very seriously.

Mr. Chairman, I must confess that I am terribly disappointed in the responses that we're getting from the members of the opposition to the tourism estimates that have been brought forward, although I am not surprised. This has happened many times in the past.

After several decades — and I repeat that; several decades — of neglect from the NDP administration, tourism has now literally entered a new era of development in this province. This is happening because of our increased support for the industry and increased support that is obvious to all who have been in any way involved in this industry. This increased support from the provincial government means that the industry is developing a new pride and a new confidence in itself — confident that it can hold its own with the tourism attractions of other Canadian destinations.

I don't think it's unfair, Mr. Chairman, to suggest that the NDP had almost convinced the tourism industry that they were, in fact, losers — that Saskatchewan could not compete for tourism dollars. Because of their neglect, Saskatchewan's tourism industry is 10 years behind the rest of the country. And I make that statement without any fear of contradiction — at least 10 years behind. However, we're catching up, and I believe that upsets the opposition to no end. To be proved wrong time after time, I agree, must be rather upsetting for them.

But I can tell you, Mr. Chairman, that there is anew pride in Saskatchewan tourism today, and it will position Saskatchewan to realize the benefits that tourism has to offer. And I'd like to just spend a moment and re-emphasize some of the things that have already been said in this debate about what tourism really means to this province. Tourism means today close to \$1 billion annually in expenditures in the province of Saskatchewan. It's responsible for providing 22,000 direct and indirect jobs. And these totals will be growing rapidly for our province, because predictions are that tourism, by the year 2000, will be the number one industry world-wide and the number one employer in North America — which I've said several times, but seems to have been lost to the members opposite.

Despite these optimistic developments for tourism in Saskatchewan, the opposition doesn't appear to want to talk about tourism, about tourism marketing, development, tourism publicity — programs that are contained in these estimates — in any type of serious way. Either they don't understand what tourism is all about, which is what I suspect, because they did practically nothing to support tourism during their time in office, or they know that we are now doing such a good job of promoting and developing tourism in Saskatchewan that they would like to divert the public's

attention away from the accomplishments and try to discuss some other aspects of tourism, which are the type of thing we have been experiencing in recent question periods. What else could be the reasons for stooping to the level of attacking the integrity of members of the department staff? Whatever statements they do make, or questions they do ask, all tend to be negative, dealing totally on the negative, and it's the doom and gloom mentality that the member from Quill Lakes has demonstrated so often.

They are giving the impression that they are anti-Saskatchewan; that they really don't want to see our province publicized as well as other parts of Canada and the United States; that they really don't want to see Saskatchewan attract visitors to our province. And of course visitors to the province will mean more jobs for our citizens, particularly for young people, for many young people are employed in the tourism business, and obviously it's another diversification element of our economy, and of course no one argues that question. And I wonder if they really are anti-tourism, because that's the way they've been coming across to Saskatchewan's growing tourism industry, and that is what they have told me time and time again, over the weekend, as the phone continues to ring.

Or maybe, as I indicated, they feel it's good politics to be frivolous about the tourism estimates that are before them. I'm sure that the profile of Saskatchewan, or that the people of Saskatchewan, will have something to say about their behaviour one of these days.

I do not want to get involved in the same attitude or the same types of discussions that they have been involved in, but I will raise a couple of points because I do it only to demonstrate the type of arguments that have been presented here and to indicate the hypocrisy of the party opposite when they raise the types of things that have, and question the integrity and the motives of the departmental staff.

After the statements that we heard on Friday about officials of the department living rather high off the public hog, these officials volunteered to me some information about a former minister of their administration, a former NDP minister, who was really living high off the public purse. I didn't know anything about this until they brought it to my attention, and really when I heard it, I must say that I was rather shocked, as we see them try to project themselves as the vigilant watch-dogs of the public purse, while we look at their performance in office, we find a particularly different picture.

The last minister of tourism and renewable resources, in the NDP administration, made a trip to Whistler, British Columbia, for a half hour meeting on ski resort business — a half hour meeting in Whistler, British Columbia — and then spent three full days skiing, accompanied — and I think we should listen to this carefully — accompanied by one official of the department and by his brother, and all that at taxpayers' expense. Again, the hypocrisy of the arguments that we're hearing.

That same minister in 1981 . . . And, Mr. Chairman, I'd like to point out that in 1981, in estimates, tourism

advertising by the province of Saskatchewan, by the department, in those days tourism and renewable resources, the budget for advertising was \$149,000. That's how much that government, that administration, was prepared to spend to promote this province to the rest of the world. That's how much they cared about bringing people to Saskatchewan — \$149,000.

Mr. Chairman, in that same year, that same minister, I believe Mr. Gross, travelled to Baden-Baden, West Germany, to visit the famous spas. It was a feasibility research trip on mineral spas. The excursion was on the pretext of learning enough to develop a spa at Manitou Beach. Taxpayer-paid trip to Baden-Baden, West Germany, to check out the feasibility of a mineral spa which they were thinking about, apparently at Manitou Beach.

What did he do for Manitou Beach then, Mr. Chairman? Possibly this trip would have been worthwhile if anything had come out of it. The fact of the matter is, of course, that he did nothing in Manitou Beach. Nothing was done until our government in the last year provided encouragement and an incentive grant that this year has led the business men of the area to proceed with plans to rebuild that mineral pool at Manitou.

So, Mr. Chairman, clearly we see here two different sides of the opposition. One, it was standing in estimates attacking the attempts, and successful attempts by this department, to promote tourism, to attract people to Saskatchewan. And secondly, casting aspersions on the integrity of the outstanding staff that we have assembled in that department.

And then we look back on their recent history, we find them prepared to spend the princely sum of \$149,000 promoting the province. But they have no compunction about sending the minister and a couple of officials off to Baden-Baden, Germany, to pursue the feasibility.

I would suggest that that money would have been better spent, if there had to be a trip to West Germany, to send one of those consultants that they're always complaining about. And I wouldn't even have minded as much if they'd picked a consultant who was supportive of their particular political leanings.

However, Mr. Speaker, I think it is incumbent that the reaction of those two groups, the tourism industry and some of the senior people in my staff, be made known to this committee. Because I think it's important that we get on with the business of the committee and that we try to maintain that focus on what is really important, and that is the activities of the Department of Tourism in terms of promoting tourism, and the activities the Department of Small Business in promoting small business within the province of Saskatchewan.

**Mr. Tchorzewski:** — Thank you, Mr. Chairman. I listened with some care and some interest to what the minister had to say in the last 15 minutes or more. I guess it was longer than that. I might add, Mr. Chairman, that the minister did not enlighten the committee one little bit about the issues which were discussed on Friday.

If that's the best performance that this minister can do, by dragging his officials in to try to defend his own political ineptitude and his government's political bad judgement and his social bad judgement, then I suggest, Mr. chairman, the best the minister could do — a favour for the people of Saskatchewan — is convince his Premier so he could call that election so that the people of this province can actually pass judgement on whether a government which advertises in excess of \$20 million a year — in excess of \$20 million a year — is exercising good judgement in the expenditure of the public money.

And there is no doubt about it, Mr. Chairman, that most of that advertising is political advertising.

The minister referred to question period today. Well I want to refer to question period today; since you allowed him to do that I will be in order doing that. In question period today, Mr. Chairman, there was some discussion about advertising and about contracts, and I want to get into that, and I'm going to ask the minister some specific questions if he suggests that the policies of his government are the adequate policies and are judiciously spending the public's money.

Mr. Minister, the greatest problem that your officials have is administering a policy which is established at your cabinet table, which is a bad policy. Your officials don't have any choice in that, so don't try to defend yourself by bringing them into your defence the way you have today. I think you have done them a great disservice, as you have done to officials in any department of government by the kind of arguments which you have provided. It's not them who are at stake and their integrity, Mr. Minister, it is the integrity of you, as a member of this Devine government and its integrity that's at question here today, and has been at question for weeks and months into the future until you finally decide to call that election.

(1515)

We're dealing in these estimates — Mr. Minister, I wish you would soon realize — with taxpayers' money. People pay taxes, and since your government had been elected, I might say very, very high taxes, and the range of them has increased. They pay those taxes and they expect value for the dollar that they pay in taxes. Your government has not given them value for the dollar.

I say, Mr. Chairman, the integrity of the government is what's at stake here because when the public of Saskatchewan sees the patronage of this government that's being handed out in such a way that is unrivalled and unequalled anywhere else in this country, the public ought to be concerned. Every time you walk into this legislature, into our offices, there is a new example of some blatant political patronage that is being handed out and dillied out by this government.

Now the minister stands up and he's surprised. He's surprised that the public should be concerned about that. Well I'm not surprised. I mean we have just had a recent incident in Ottawa with a member of the Mulroney cabinet. I'm sure he was surprised, but he's not surprised today. That's the kind of thing, Mr. Chairman, that in the

parliamentary democracy which we think is so important there is no room for. There is no room for that. And the other reason, Mr. Chairman, as I have already said, and I will repeat once more, why the integrity of this government is at stake is because of that in excess of \$20 million advertising that's been going on in the 1985-86 fiscal year.

Mr. Chairman, the member referred to the questioning of the opposition last week about the government's advertising for tourism. But he never once addressed the issue that we concluded with on Friday and that is the issue of the contradiction of the policies of this government. On the one hand, Mr. Chairman, the minister says this government is going to spend some \$3 million on advertising, to promote tourism, and then on the other hand, Mr. Chairman, his colleague, the Minister of Parks and Renewable Resources, goes and closes 75 parks and related facilities around the province. And that's the conflict. And related facilities. You pick up the letter you sent not so long ago, Mr. Minister, and I think you will find that what you wrote is exactly what is said. Now I ask, Mr. Chairman: does it make sense that a government which promotes tourism on one hand and closes facilities which tourists will use on the other hand — does it seem to you, Mr. Chairman, that that's a government that has a control of what it's doing?

And that was the issue that was being pursued last week, Mr. Chairman. The minister did not want to touch that one today because he knows it shows a complete and utter lack of co-ordinated government programming. Now the minister will stand up and he will say, oh, but it's a new kind of tourist that's coming in. Well, if there's some new tourists coming in, Mr. Chairman, I would welcome that. I would be the first one to welcome that. And maybe there is. Maybe as they drive through Saskatchewan to go to Expo, which these fellows over there are promoting, they will stop and stay for a while, and I hope they do. But if they're going to stop and stay for a while, those who come with their family, with their children, driving maybe with a camper . . . Why does this government close some of those small parks that they used to be able to stop in, have their lunch and go for a walk along the river or along the stream, maybe take out their fishing pole and cast it in the water and catch a fish? Why do they do that, Mr. Chairman? I don't know that. And I'm sure that the minister doesn't either.

Now there is another component to tourism that this government has totally and utterly ignored, and that is the component of the Saskatchewan resident. Now I know countless families in my constituency, and I know countless families around the province, who like to take their vacation in Saskatchewan. They have done it; they continue to do it; they like the Saskatchewan outdoors.

Now what this government has done with its policy, which the minister boasts about, is say, we don't care about them. We're not going to go out of our way to provide them with the kinds of services and accommodations that they are interested in. They may not be interested in the motel room. I hope we provide good motel accommodations because that's good for the tourists who want to use them. But in doing that, Mr. Minister, in your efforts to do that, do not ignore the needs

of the local family that goes for a camping trip, that goes for a weekend drive around a certain part of the province and likes to stop here and there . . . (inaudible interjection) . . .

Well, the member from Regina North who is trying desperately to get re-elected in Regina South — he speaks from his seat. I submit if he had been sitting there, he'd have answered the questions more directly than what we're getting answered here in the last few days. I have every confidence in that. It's too bad that when the next election comes, and even in Regina South he's not going to get re-elected, and he will never get the opportunity to do what he once did.

Mr. Chairman, the minister made some reference to contracts. Well, I want to ask the minister about a contract because I think it highlights why we have been concerned and why we ask the questions. And we have an obligation to ask these questions. Mr. Minister, you made reference to question period. And you made reference to InfoCentre, and you said there were two proposals that were made. Well I ask you, Mr. Minister — and I know that that was under your other department, but I'm sure you have similar situations in your present department — why would you not, in such cases as InfoCentre, offer the work that's done in advertising or the distribution or the printing of pamphlets and literature, put it out for tender rather than simply ask for proposal calls as you have done?

**Hon. Mr. Schoenhals:** — Mr. Chairman, I think the fact of the question probably speaks volumes for the understanding of the member opposite about tourism. The comment that he made that the question of tourism and parks, which was the location of tourism under their administration, they have to be given some credit; they built enough unmanned, unserviced parking spots that they have in Saskatchewan, per capita, the highest level of any province in Canada in terms of those things. The member continues to mislead the House, of course, suggesting that 75 parks have been closed. Seventy-five parking spaces have been closed, which is a considerably different comment than the one that the member erroneously indicated, and I believe he knew the difference.

Mr. Chairman, to talk about some of the things that were mentioned. He discussed the question that it was my integrity that is in question. I don't for a minute doubt that he probably does have a question about my integrity. The point that I was making in my initial comment was that members of the department are questioning why the members opposite would cast aspersions and direct questions about their integrity because they, in fact, know where the policies come from, know what they're doing, what they're attempting to accomplish, and they made it very clear what they thought.

I'm not sure what I can say about the member opposite, the misleading information he presented in terms of parking spaces and parks. He talks about the promotion of the province and then, probably a close personal friend of the previous minister who took the trip to Baden-Baden, I think it demonstrates the hypocrisy and the arrogance that the people in the province are telling

me is so evident every time that member gets to his feet.

However, Mr. Chairman, I think that it's obvious from the comments made that the commercial value of tourism is still not understood, at least by that member; possibly some of his caucus are beginning to understand, but he relates it particularly to small, unmanned camping sites, of which we have many, and I would suggest in the judgement of the Minister of Parks and Renewable Resources we have more than enough of those to service the needs of our people.

We are talking about tourism, its commercial implications and its tremendous impact on small business in the province of Saskatchewan. And I went through the numbers. I'll repeat them again. A billion dollar industry today, growing to \$3 billion by the end of the decade; 32,000 people today employed directly or indirectly in the industry — and that number is growing every year by 2,000 to 3,000 people. And I think it's that growth in difficult agricultural times, difficult economic times, that is so important. And I think those are the things that seem to be missed by the member opposite. And the only thing I could add, I suppose, about his comments, was that he conveniently forgot to apologize in any way to the staff members. So I have to assume that that will not be part of it. So maybe now we could get on with the particular estimates of this department and some of the programs that those moneys will be spent on.

**Mr. Tchorzewski:** — Well, Mr. Chairman, we'd love to be able to get on with the estimates, except once again, as is the case, the minister didn't answer the question. He chose to make a speech. I asked him a specific question, and he stood there for the moments that he stood there and then tried to once again cover up the government's misguided policies by avoiding to answer the question.

Mr. Minister, I will grant you I maybe should not have used the words "parks." the words: campgrounds and related services — that's what the issue here is. And the Minister of Parks and Renewable Resources has indicated in his own handwriting, signed in his own letter, that there were 75 campgrounds or related services that had been closed. Now, Mr. Minister, I submit to you that the list of those facilities that have been closed includes campgrounds. They include, as you have indicated, parking places. Does that mean that you don't think that they're important? Surely the public wants to be able to stop somewhere along the way when there is a site of some interest and therefore needs parking places. They include a whole linkage of historic sites and heritage sites and so on. Now it seems to me that one of the things that the average tourist, many tourists, is interested in is sort of the heritage of any province. And yet what your colleague has done, or your government has done — all he does is act on behalf of your government, as you do — what he's done is he's closed many of those. And there is a lot of concern about that, and I'm bringing that to your attention.

Now one of the things that you mentioned in your debate on Friday was that Saskatchewan had an excess of these facilities. In fact, you said they had more per capita than anywhere else in Canada. I agree, because over the years governments have made them a priority. I say to you that

you should be proud of that, as should anybody else, and you should continue to keep that kind of a high ratio rather than adopting a policy of mediocrity, which is what, with your proposal to close many of these facilities, you're doing. Instead of saying, yes, it's good that we have this high per capita ratio because we want to serve the public; we have important places the public ought to see if they want to see; you're saying, no, we're going to close some of them because we've really got to catch up to the rest of Canada — going in reverse all the time.

Mr. Minister, you didn't answer this question. I asked you the question, that in the work that your department does and the contracts it gives out for advertising and printing and so on, why would you not, Mr. Minister, provide an equal opportunity to all the companies that provide that kind of work and offer the work from your department by tender rather than the proposal call system or whatever other system you do. That was my question; you didn't answer it. Maybe you forgot after you finished making your comments. I ask it again.

**Hon. Mr. Schoenhals:** — Mr. Chairman, a couple of comments very briefly. Once again the member would suggest that parking stalls and campgrounds are the same thing. I think he rally understands the difference in his own mind. If he's going to talk about campsites, then the number 75 does not apply. And that is where the misleading of this House, of this committee, comes into play. And I think he should stand himself and make it very clear that he understands the difference between a campsite and a parking place. Maybe he doesn't.

(1530)

I would indicate, very simply, that there were no historic campsites closed. This is completely misleading; that is not true. I would suggest as well that there was an increase, Mr. Chairman, that we announced the formation of new provincial parks in the recent budget. And to suggest that somehow there has been a lesser emphasis is simply incorrect.

I believe the last part of the question, which was the same one that he offered before, is clearly a Supply and Services question. The information centres that he referred to clearly come under Supply and Services. I realize that it's very, very difficult for the member to get Tourism, and Parks, and Supply and Services separated. But I would indicate once again that we have tourism in the Department of Small Business because tourism has a tremendous economic impact on small business, and our direction is to provide the services that government should be providing to promote this province for the benefit of small business. And I think that that is clearly the thrust.

And once again I would be very willing to discuss information centres and the awarding of those types of things, as I have in question period, when we come to Supply and Services estimates.

**Mr. Tchorzewski:** — Well obviously, Mr. Minister, you are saying . . . because on Friday last there was a letter read by my colleague from Athabasca from the of Doré Lake, who asked the government not to close one of

those campsites which indeed was a historic site, a heritage site.

**An Hon. Member:** — It's not an historic site.

**Mr. Tchorzewski:** — Well maybe in your mind it's not, Mr. Minister, but in the minds of the local people who live up there and who know that there are people who travel, actually stop and look at the historic significance of it, it is a pretty important historic site. Now the members opposite may laugh . . .

**An Hon. Member:** — Have you ever been there?

**Mr. Tchorzewski:** — Yes, indeed, I have, I want the member from Meadow Lake to know. I happen to have spent quite a bit of time in the North, and I have been there probably as much as you have, sir.

Mr. Minister, I know that you may say, ask the question under Supply and Services. And let me assure you that I will indeed ask questions under Supply and Services, as will other colleagues of mine, about your contracting procedures, and about the lack of tendering, and about the contracting to individuals only on the basis of whether they are strong contributors to the Conservative Party or not, and you can be assured of that.

But let me tell you why I asked the question. And I ask it because I know, even in your department that we are now considering here today, there is work that's let out. And I'm telling you, Mr. Minister, that I'm not saying it because only I am concerned. I have here a publication by the Canadian Federation of Independent Business. Now the Canadian Federation of Independent Business does regular surveys of the attitudes and the feelings of the people in the business community. And one of the things that I noted about your government's policy which the business community, particularly small business, is concerned about, is fair access to government contracts, tenders, etc.

And I'm reading out of the publication here. And the thing that I find particularly interesting is that in the footnote, Mr. Minister, it says, indicates, that the highest proportional concern west of the Atlantic provinces was expressed in Saskatchewan about fair access to government contracts and tenders.

And what has been said? Here is what has been said. And I will even refer you to the page. It's on page 23 of this report that we get regularly. This was the most recent survey taken in May of 1985, and it showed an increase in the number of businesses that are concerned about this issue. Let me quote to you:

Concern over fair access to government contracts was identified as a serious provincial problem by those who responded to this. Most importantly, fair access to government purchasing appears to be a somewhat unique concern to Saskatchewan with a much higher percentage of our total membership identifying this as a problem in this province compared to any other province in Canada west of the Maritimes.

The problems appear to exist with all aspects of government purchasing, not just confined to one department, and includes the purchasing policies of Crown corporations.

Now, Mr. Minister, surely in your initial remarks when you so lightly glanced over this whole issue of contracting, there needs to be no stronger evidence than that that is provided by the business community who have said in no uncertain terms to your government that they are concerned about fair access to government contracts. That's why we raise these questions in the House day after day, whether it's in question period or in estimates, because it's a legitimate concern, and it's time that something was done to change it around.

And so I ask you, Mr. Minister, in light of this evidence: why would you not provide tenders for the work that your department contracts instead of picking and choosing by a proposal system or whatever other system you may be using?

**Hon. Mr. Schoenhals:** — Mr. Chairman, a couple of comments. At least in that lengthy discourse the member has obviously ended his efforts to try to convince people that 75 parking stalls are 75 parks. And I think that's certainly a step in the right direction.

The member has quoted from a Federation of Independent Business survey. He has, I believe, for the most part, quoted accurately. The comments are not inconsistent with comments we have been getting from small-business men around this province since we came to government in 1982. I would suggest to him that while those studies did not take place prior to 1982, had they, he would have found that particular concern a great deal higher than it is today.

That concern has led to several things. Possibly I could just expand on the concern a little bit.

What business men would like, I think, is some type of preferential treatment in terms of tendering to government. We, as a government, have not been prepared to get into that element. We have, however, done a great deal to encourage the use of Saskatchewan-made products by government, Crowns, agencies, boards, and departments.

I would think very quickly of the Sask Power "buy Saskatchewan" program, which has been extremely well received and I think has Sask Power's amount of materials purchased in Saskatchewan raised by something in the area of 40 to 50 per cent. and I think that program is being followed by other departments and by other Crowns as well.

In our department we have instituted another service — a branch that was unknown previously — the marketing benefits branch. It runs the Saskatchewan Made program which, as most people are aware, works very closely with Saskatchewan businesses who are pursuing new market opportunities within the province. It conveys the government's import replacement policy to the business community and to the public. And I think that is extremely important. It assembles information on

Saskatchewan suppliers and upcoming market opportunities and works with the farmers' market program and, of course, the Saskatchewan Made program which I referred to earlier.

During 1985-86 the branch was instrumental in arranging contracts worth \$42,850,000 and has assisted clients to bid on contracts worth many times that amount.

So I think that the concern that the member has identified is one we're aware of; it's one that has been in place for a long time; it's one that the Crown corporations are working hard on; it's one that this department has made some significant strides in through the Saskatchewan marketing benefits branch.

Of course my colleague, the Minister of Economic Development's department, has the major projects branch within his portfolio which is doing the same thing on the many larger projects, and of course those larger projects have been discussed at some length in these estimates. And we have had that rather strange situation of the member from Quill Lakes, in the House, suggesting that many of these projects should not be continued with. I think particularly of the paper plant, while his leader was in Prince Albert last Monday, suggesting that it's a great project and we would certainly carry on with it. And it's that confusion of policy, I think, that is causing many people in the province to wonder just exactly where the party opposite is coming from.

Burt I suppose the bottom line is we recognize the concern; we are working hard to try to correct it. Obviously there's a lot more work to do, and we will continue through this year and through the next four, eight years to continue to try to improve Saskatchewan content wherever possible, whether it be a government department, a Crown corporation, or some other element of government.

**Hon. Mr. Blakeney:** — Mr. Chairman, I'd like to direct a question or two to the minister. I heard him this morning indicate that on Friday last members of our caucus were casting aspersions, I think was his phrase, on the senior officers of the department. I took the opportunity during one of the more lengthy interventions by the minister to review the *Hansard* for last Friday, and I could find no words which would bear that interpretation — none whatever. And I would like the minister to point out to me what was said last Friday, as recorded in the *Hansard*, which would possibly bear the interpretation that he has given as an aspersion on senior staff.

**Hon. Mr. Schoenhals:** — I will direct you to page 1210. One that bothered some staff members particularly was a comment by the member from Shaunavon, your desk-mate, half-way down the page, and I'll indicate that he said:

... that the public cannot believe, when they look in the *Public Accounts* and see the spending that was done in this department and others on travelling around the world, on hotels, on expenses, on liquor — yes, believe it or not, on liquor (all at taxpayers' expense).

That, for example, that's just one that I grabbed very quickly. It was something that people indicated to me cast some aspersions on their credibility as professional civil servants.

And yes, we do send people to the United States. I indicated that in my remarks. Members of this department attend travel shows in the U.S. They take private-sector people with them. As I indicated, they spend 12 hours a day on the floor of those shows promoting this province in a way that this province has never been promoted in the past.

They spend a lot of time with media, and I used a specific example of the direct results of that in the half-page article in *The Toronto Star* that came directly from our efforts. They spend a lot of time with community groups, students sometimes, showing films on Saskatchewan, answering questions about Saskatchewan.

And to have the member stand in his place, as it says here, and I think I'm quoting accurately: "travelling around the world," money spent on hotels — I haven't quoted accurately there obviously — but "on hotels, on expenses, on liquor." Those types of things would indicate that members of our department are travelling to San Francisco or Houston or wherever to attend a party, and I think that is clearly something that is . . . it bothers me.

I find that despicable, that reference, because these are professional, hard-working people, accompanied at all times by members of the private sector — and that is another new thrust, something that had never been done in the past — and I simply take some exception. And I don't know; if I had time I could try and find more. But I think that one clearly indicates what was bothering some of the professional members of my staff.

**Hon. Mr. Blakeney:** — Mr. Chairman, that is exactly the sort of thing to which I take exception. The member was very, very clearly referring to the style of the government, on this department and others. It wasn't directed solely to that department, but that department and others — and others — so it was a . . .

Mr. Chairman, do I have the floor, or does the minister wish to speak? I will sit down if he wishes to speak. If I have the floor, I will speak. Would you kindly indicate who has the floor? Thank you, Mr. Chairman.

Very, very clearly, the reference is to a style of government. There isn't a suggestion that the person who is spending the money is necessarily a public servant. It could be a minister; it could be some of those members of the private sector that we've heard about; it could be any one of the junkets which your government has sponsored and on which the entertainment, as I think you would agree, has been relatively lavish.

I propose to go on to some other points, but I'll let you make a reply to this point, if you wish to do so, before I go on to the others, so we can keep the discussion in focus.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I think I'm reading this accurately. I refer to the third paragraph, first

column, on that page, and I read:

. . . that the public cannot believe, when they look in the *Public Accounts* and see the spending that was (and the next four words are) done in this department . . .

That says nothing — done in this department. I submitted the notes on my travelling. I've been to one conference in Banff. This is clearly — clearly — an aspersion on the purposes of our advertising campaigns, of our trips into the United States to key markets, and I think that I take exception to it, and I know the members of my staff do. They are hard-working, professional people who spend a great deal of time, done in this department.

(1545)

I don't know how you, sir — and I know I'm not allowed to say this but I'm going to say it anyway — who was absent, can sit there and tell me what the member meant when I sat here and listened to him. There was no doubt who he was talking about. And they sat is those galleries and behind me and came and said they took exception to it. In fact, they would like an apology from the member for Shaunavon. I don't want to get carried away with it, but I think it's a legitimate concern on their part, and it's certain legitimate on mine.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I think the minister has made his case. He has to stop in the middle of the sentence; he didn't dare go on, because if he had he would have very, very clearly given a different meaning to the sentence. And others, other departments. It was obviously a comment about the whole style of this government, and quite rightly so — and quite rightly so.

And furthermore, Mr. Chairman, I take the view that I can understand the English language in print as well as verbally . . .

**An Hon. Member:** — Make your point.

**Hon. Mr. Blakeney:** — I have made my point. I read the stuff in print. I know what it means, whether I'd heard it or not. The language is clear, and it makes itself very, very clear.

Mr. Chairman, I will shake my book at the member for Moosomin, just so that he will have a reason for speaking in this House; he so rarely finds any other occasion.

Mr. Chairman, I will ask a question of you, and I want to ask some questions about destination resorts. I have some questions on destination resorts, and I ask you, sir, whether there is any proposal of the department for a destination resort at Candle Lake?

**Hon. Mr. Schoenhals:** — Mr. Chairman, one brief comment before I leave the little debate we had on, you know, those keywords.

If the member is suggesting that the member from Shaunavon made this a very reasonable accusation by including all other departments of government, I take considerable exception to that, too. And I can tell

him from experience, that the members of the Department of Energy and Mines do not travel around . . . and that type of thing. And I would imagine all my colleagues would like to stand up . . . And because the member from Shaunavon has slandered, not only my department but many others, I find that a very weak defence.

In terms of destination resorts at Candle Lake. We have had a number of proposals before us at various times. My information is that we have nothing current in terms of a proposal for a four-season destination or any other type at Candle Lake at this time.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, can you tell me what is the status of the proposal which was around at La Ronge for a major resort proposal involving cabins, hotel and the like?

**Hon. Mr. Schoenhals:** — Very briefly . . . well, maybe not so briefly; in detail I suppose would be a better term. The government has given approval in principle for the development of the \$7.1 million wilderness destination resort at McGibbon bay on Lac La Ronge.

Secondly, the concern raised at a series of public meetings held on the development . . . or held regarding the development are reflected in this conditional approval. The destination resort will create a projected 167 person-years of employment, and it will feature 58 hotel rooms and 42 condominium style units, with a range, full outdoor and indoor recreational facilities, and meeting spaces.

The other note that I would include, the developer will be seeking some financial assistance under the tourism sub-agreement. Such assistance would be provided by the federal government. That proposal is currently being evaluated by the federal government. We anticipate a decision on the funding element of it very shortly.

**Hon. Mr. Blakeney:** — Mr. Chairman, can you tell me what the position is at McPhee Lake? Can you tell me whether that project is going forward?

**Hon. Mr. Schoenhals:** — Well I should correct the last comment on my previous one on the destination resort site at Lac La Ronge. The federal government have, in fact, approved the funding under the sub-agreement, so that is certainly one large step closer.

As far as McPhee Lake is concerned, and I believe . . . I assume the member is probably aware the matter is under litigation at this time. I don't think there are any proposals to carry on, so in the resort development side of it I don't think there's anything in the works at this time. And since it's under litigation, it would be improper to comment on that proposal.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, is it true that you are still being sued for in excess of \$9 million for the activities of the department at McPhee Lake?

**Hon. Mr. Schoenhals:** — Well I think it's safe to say that the matter is under litigation. We did not initiate it, so I

think that's all I'd like to say at this time.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, do you deny that the Government of Saskatchewan has been sued for in excess of \$9 million for the activities of your department at McPhee Lake and that this lawsuit is still pending?

**Hon. Mr. Schoenhals:** — Well I don't deny that at all. I think that's public. I would correct, however, that it is not against the activities of our department specifically; it's a broader question than that. But I think to comment further . . . And I don't have the legal background of the member opposite, but I don't believe it would be proper to go into details on the anticipated outcome or the activities to date as far as that litigation is concerned.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I'm not asking you to speculate on the outcome or . . . I'm asking you to state the fact: is there an outstanding claim launched by Northern Pines Enterprises Ltd. against the Government of Saskatchewan? And does it rest upon dealings between the plaintiff and the Department of Tourism and Small Business?

**Hon. Mr. Schoenhals:** — The answer to the first question would be yes, and the answer to the second question, no.

**Hon. Mr. Blakeney:** — Mr. Chairman, we then have it clear that the government is being sued for the \$9 million.

I turn now, Mr. Chairman, to the Christopher and Emma lakes. Is there any proposal outstanding with respect to Christopher and Emma lakes?

**Hon. Mr. Schoenhals:** — The answer, Mr. Chairman, is yes, there is a proposal before us on that. Several of the regulatory steps have been gone through, and that project is going through the normal processes that development proposals go through.

**Hon. Mr. Blakeney:** — Mr. Chairman, Mr. Minister, who is the applicant in this case?

**Hon. Mr. Schoenhals:** — Mr. Chairman, the proponents are Christopher Land Company.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, what is the present state of that proposal as far as the department is concerned?

**Hon. Mr. Schoenhals:** — I suppose the things that have happened to that, Mr. Speaker, an engineering study for sewer and water systems has been completed. Support for the project and the sewer and water system continues to come from the village. The rural municipality has approved an amended development plan which will permit the appropriate zoning when a firm proposal comes forward. So I think that on the municipal level they have approval. On the engineering side they are well along.

I believe the question was the position of this proposal. As far as our department is concerned, I think it's safe to say that our department is in support of this proposal at Christopher Lake.



**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, is the minister aware of the position of the R.M. of Lakeland with respect to this resort; are they opposing it, supporting it, or neutral with respect to it?

**Hon. Mr. Schoenhals:** — Mr. Chairman, my indications are that the rural municipality has approved an amended development plan and are, in fact, supporting this project.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, returning to La Ronge, would you give us a status report on La Ronge, indicating what additional approvals are necessary governmental approvals are necessary, if any, and what you see as the next hurdle to be overcome if that project is to proceed?

(1600)

**Hon. Mr. Schoenhals:** — Mr. Chairman, the proposals, I suppose, the developmental hoops, for the most part, have been gone through. I think that the only remaining job to do is to finalize the financing for the project. I indicated in an earlier answer that the federal government has approved the funding under the tourism sub-agreement. So that clearly is a start. The rest of it, of course, remains with the developer. And once that is in place I would assume the project would go ahead. But the regulatory aspect of the proposal, for the most part, has been gone through, and the proposal has cleared those regulations.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, to the knowledge of the department, and with respect to . . . I'll ask first about La Ronge: is it proposed that the Government of Saskatchewan or any agency of the Government of Saskatchewan provide financing for the project?

**Hon. Mr. Schoenhals:** — Mr. Chairman, under the tourism subagreement the federal government, as I indicated, has, with some conditions based on other financing coming into position, have approved financing. There's no . . . it's not provincial money, but we are involved in those discussions and approval processes. I suppose the only other possibility of provincial funding, and it's a bit of an, I suppose, indirect — I'll use that word — would be if venture capital moneys were invested in it. Obviously the tax benefit that the investors in the corporation receive could be construed to be provincial money, but that would be the extent of provincial involvement in that project.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Minister, I ask the same question with respect to the proposed Christopher Lake project. To the knowledge of the department, is it proposed that any provincial government money, from the province or any of its agencies, be used in the construction of that project?

**Hon. Mr. Schoenhals:** — At this time, Mr. Chairman, we're not aware . . . or there is no request in front of the department for funding for that project. Again, however, venture capital could be a funding mechanism that he might choose to use, and that indirect benefit could

apply.

**Mr. Yew:** — Yes, thank you, Mr. Chairman. I have a few concerns I'd like to express, as well as a few questions I'd like to ask of the Minister of Tourism and Small Business, Mr. Speaker.

To start off with, I want to dispute the open for big business philosophy of this government. They have a policy, Mr. Speaker, that does not jibe with the people of northern Saskatchewan. There is high unemployment in northern Saskatchewan, and many of our communities in the North have become very isolated with this government.

I look in front of me at a northern paper that says in huge form, "Uranium City's survivors." There's only one person in this picture, Mr. Minister. And then another paper states that, "In Uranium City, if you listen very carefully, all you can hear is the silence." A third page over here says, "Lonely priest devotes life to a tiny flock." And the again another headline, Mr. Minister: "Town promoter convinced that the only way is up. They have hit rock-bottom. So says Paul Bogie."

And he's a very influential, very respected man in northern Saskatchewan who has had a tremendous amount of dreams to try to bring some social and economic prosperity up North.

With these type of headlines, Mr. Minister, and the fact that the unemployment rate in northern Saskatchewan is as high and going extremely into dangerous proportions . . . We heard just a few days ago mention of a 99 per cent unemployment rate in northern Saskatchewan. And I concur with that figure, Mr. Minister. You boast about our economic development program, and I look at the documentation of your estimates, Mr. Minister, I will give you comparative figures, Mr. Minister.

How can we believe you, Mr. Minister? When I look at the *Public Accounts* for 1984-85 and I see before me what you have earmarked for your department in terms of expenditures for that particular year, you have cut back on spending for employment and development, cut back on the northern economic development fund, and you have also cut back on the grants for northern economic development — three areas, Mr. Minister. These are statistics that come from your departments. These are estimates that we're reviewing today and in the course of the past few days.

The figures here state that . . . And I look at the actual expenditures for 1984-85, and I find, Mr. Minister, that your government had earmarked \$3.1 million for the northern economic development program. But in actuality, Mr. Minister, all you spent was 1.4. That's less than 50 per cent. You have only actually spent \$1.4 million in that department to help alleviate the high unemployment and the high welfare dependency rates in northern Saskatchewan. What happened to the other \$1.6 million? What actually happened to that money?

And then I go further on and I see grants for northern economic development. And that figure, you earmarked

\$1 million fund, but you actually spent only \$5,357 . . . (inaudible interjection) . . . If the member for Moosomin wants to enter the debate, you can get off your seat and enter the debate now. I'll give you that opportunity.

**An Hon. Member:** — Mr. Chairman . . .

**Mr. Yew:** — I didn't ask for a response from the minister yet, Mr. Speaker. I asked the member . . .

**Mr. Chairman:** — The member for Cumberland has the floor. Would you proceed.

**Mr. Yew:** — Thank you very much, Mr. Speaker. When I look at these stats, Mr. Minister, I look at the actual expenditures. When you earmarked \$1 million and you actually spent only \$5,357.66, that tells me that you have neglected and abandoned and ignored the social and economic needs of people living north of Prince Albert, north of Meadow Lake, and north of Nipawin and Carrot River — your government . . . These messages and these statistics and the papers that I refer to tell me today that you have deliberately neglected the needs of the people in northern Saskatchewan.

You cannot dispute the figures, Mr. Minister. I have them in front of me. The three items that I referred to are the Employment Development Agency . . . That's another item that I referred to but didn't give you the stats. You earmarked \$1.4 million for that department, but you only actually spent \$56,296.26. Now does that make sense, Mr. Minister, with all the rhetoric that we've been hearing here in this House about open for big business?

I ask the minister: does he actually believe that the capitalist system works for the people in northern Saskatchewan? Does it work? Has it helped alleviate the high unemployment, the high welfare dependency rates, and the high incarceration of our native people in provincial jails and correctional centres in this province? I want you to answer that question, Mr. Minister.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I find it somewhat unfortunate. It's probably unavoidable, but last week I responded to all those questions to his colleague, the member from Athabasca, who asked them in a slightly less confrontational term, if I could use that. The simple answer is that the *Public Accounts* that you're using are two years old, which gives me a little concern since we are doing this year's estimates. The fact of the matter is, of course, that those reductions are a result of the realignment of the services offered to northern Saskatchewan, the fact that those moneys went into other departments, and that northern Saskatchewan was brought into Saskatchewan. And there is an important point, a very important point on the economic side, and I'll just make it very quickly.

Since the realignment of northern Saskatchewan, all of the business programs in southern Saskatchewan are now available for the North. In other words, things, like venture capital, interest rate protection, all those programs . . . in fact our consulting services, our business resource centres, all those things are . . . Northern Saskatchewan has become part of Saskatchewan, and I think in this particular area that has been extremely important.

And I will, Mr. Chairman, take the time to do a very brief comparison on the northern revolving fund which is, I'm sure the member is very aware of, on its performance under this administration and under the previous one. I think it's useful, Mr. Chairman, to compare the performance of the northern revolving loan fund under the NDP administration with that that has taken place since the change of government in 1982.

When you make that comparison, you can readily see how dramatic the turnaround has really been. Under the old system — this is important, and I know the member from Quill Lakes wants to hear this — under the old system, loan approvals were subject to all sorts of political and special interest group pressures. And several times I know that the member who asked this question has questioned my colleagues in their responsibility for northern Saskatchewan about the various interest groups in Saskatchewan.

I think it's clear that political pressure was used. People had little business experience, and I know that there has been many times in this House — I won't go into them — of various pool rooms and other things that were begun in northern Saskatchewan. People with little business experience were getting involved in the loan approval process. And the minister — this is important — the minister was approving all loans over \$25,000. As a consequence, loans were made which never should have been granted. The losers, in strict financial terms, were the taxpayers of the province. Losers, in financial and emotional and human terms, were the business men and business women who received the loans who obviously were not in a position to benefit from them in a positive way.

(1615)

In 1982, the last year of the NDP administration, the total loan portfolio consisted of 1,755 loans worth nearly \$8.3 million. I think the member would want to take that number down — 8.3 million. Mr. Chairman, 36 per cent of those loans with a dollar value of \$2.9 million were in arrears in 1982. By contrast, our total portfolio — and this is important, Mr. Chairman — our total portfolio in 1986 consists of 2,010 loans as compared to their 1,755. Those loans are worth over \$12 million as compared to their 8.3 million. Three per cent of those loans — 3 per cent — amounting to slightly over \$121,000 are in arrears today. That 3 per cent is, I must note, a better figure than those generally reported by banks and credit unions.

So I think that when you look at some other figures, our allowance for doubtful accounts was \$183,567 in '84-85 and \$34,000 for '85-86; obviously that's still a projected number. The allowance for doubtful accounts in 1981-82 — the allowance for doubtful accounts, the last year of the NDP administration — was \$1,710,000.44. Our allowance is, well, obviously less than 6 per cent of that, I would say. We continue to pay for those loans that were made under the NDP, and we estimate that by the end of the next fiscal year we will have had to write off over 660 loans for over \$5 million.

Mr. Chairman, we won't see such write-offs on the loans

approved since we took office. For one thing, we've taken the loan approval process out of the political arena. The approval process is no longer in the political arena. Our district loans committee has proportional public and private sector representation, and people on it have mandatory business experience. Senior civil servants, not the minister — and that is a very significant difference — senior civil servants, not the minister, make the final decisions on loans. All lending decisions are based on solid business plans.

As I previously indicated, we had record loan approvals under this better-manned fund. The loan program as of March had reported \$163,000 profit, and we're projecting a profit of \$60,000 at the end of last fiscal year. In his reports to the legislature in '84 and '85, the Provincial Auditor gave the department full marks for the management of the fund, and he certainly didn't do that for the years that preceded.

The bottom line of all this is a point that I made earlier. We now have an effective instrument for northern development in the fund. The business-like approach taken with respect to lending has made, and will continue to make, significant contribution to a stable and diversified northern business community and economy.

And, Mr. Chairman, that's not to indicate for one minute that this administration is in any way satisfied with the levels of unemployment that exist in northern Saskatchewan. That's simply not the truth.

I think of several things: the Weyerhaeuser project in Prince Albert is in a position to have an impact on northern employment. The paper plant will employ many people both in the bush and at the plant. When you see the activities that have taken place that could never have taken place under the previous administration because of the back-in provisions that SMDC had, for instance . . . The gold activity in northern Saskatchewan is already — and I believe that's primarily in the member's seat — beginning to have some significant impact and will have growing impact over the years.

Now that is but two examples, and when you compare that to the policies of the NDP which would lead to the closure of the uranium mines, for instance, the largest employer in northern Saskatchewan, I have some trouble accepting the sincerity of the member opposite when he stands in his place and questions.

But I want to emphasize very clearly that unemployment in northern Saskatchewan is a major concern; it is one that we will continue to try to address in a reasonable, rational manner. I think what has happened with the northern revolving fund indicates some strides in that area. I think the development of the Weyerhaeuser paper project, the gold activity, a number of other things that are happening in northern Saskatchewan . . . Wild rice. The wide rice processing plant, Mr. Chairman, comes to mind; has had significant impact and put many people to work.

And I will only mention one more, but we've had a lot of discussion in this estimates about the expenditures of this particular department on tourism advertising in the United States, and the effects that that advertising has had

on the outfitters' business, which I'm sure the member opposite is as well aware as I am, would indicate that we are in fact working hard to make things happen. And I think all I can do is commit to the member opposite that we will continue to work very hard to see northern Saskatchewan grow in concert with the rest of the province.

**Mr. Yew:** — Thank you, Mr. Chairman. I'm glad that the minister concurred with me and with members on this side of the House with regards to the high unemployment rates that are prevalent in northern Saskatchewan. He concurred with me and the members on this side of the House that those figures are extremely high, and that they certainly coincide with some of the arguments that I have made in this House, and the fact that your government is not dealing with the issues that confront people in northern Saskatchewan.

You have also concurred that you have underspent moneys allotted for the northern area. The Employment Development Agency has been underspent; I gave you the figures. The northern economic development fund has been underspent, and grants for northern economic development have not been spent appropriately, as was called for by this legislature. Those are the very things that you concurred with, Mr. Minister, in the presentation or the response that I got from you.

You keep referring to the northern revolving fund. Fine. I'll get into details later. But I want to ask at this point in time, Mr. Minister: what major developments are you referring to? Let's get an outline, a detailed outline of what major developments you're referring to. Give me the specifics, give me what kind of public involvement, participation, and jobs have been provided for the people in northern Saskatchewan. I want to know how your government has committed itself to tackling some of the very dire social and economic problems confronting the 44 northern communities.

**Hon. Mr. Schoenhals:** — Mr. Chairman, very quickly, the member is definitely misleading the House when he talks that I did not explain the underexpenditures in those columns in the two-year-old *Public Accounts*. I explained those very clearly, that they have to do with the realignment. And I would suggest that if he's not listening the first time, I will say it again. If he didn't get either of those, he could check *Hansard* when I explained that in some detail to his colleague.

He talks about the initiatives of the department in northern Saskatchewan. Mr. Chairman, I'll have to apologize because this will take some time. But he wants details; I will go through them. I'll send him one that he can be looking at.

Recently department officials returned from Rendezvous Canada, which is the most prestigious tourist conference held in Canada. We at that prepared a special catalogue for use at the convention. People at that travel show, that tourism centre, were indicating that this publication is as good an example of private and public sector co-operation and working together as it's possible to find in the tourism industry. And the majority — the majority — of this information applies directly to northern

Saskatchewan.

I'll just send that over. I might . . . You can keep it, if you'd like, send it back. But you can review that, because it does indicate one of the major elements we've gotten into.

Department program involvements in northern Saskatchewan Community economic development program. Community economic development program. All right. Together with the community economic development branch, we have jointly initiated this program with La Ronge, Air Ronge, and the La Ronge Indian band in November of 1984.

A local economic development committee has been formed and participated in January 1985 in the Saskatoon workshop on community economic development. Committee has now completed an inventory of the committee's resource and development ideas. A sustained attempt to initiate development councils on the west and the east side of northern Saskatchewan are under way. And initial development is under way also in Creighton and Buffalo Narrows. So that's in the community economic development program. A specific thrust that has — a number, in fact — that have been taken in northern Saskatchewan.

The management assistance program. Again I emphasize that these are programs that were previously, for the most part, available to southern Saskatchewan. Interest in and commitment to the program by La Ronge and area businesses has been high with all 20 available slots filled by the October 1984 kick-off date.

The program was successfully completed January 11th, '85, with businesses reporting high satisfaction levels regarding outputs and costs; continued interest in the program with potential interest for east side management assistance program this fall.

I might indicate the management assistance program has been discussed in this House. That's the program where we bring private sector consultants, and they go to the community; the chambers of commerce in that area or the local business groups sign up the participants, and we are experiencing considerable increases in management skills in small business as well as developing a group of private sector consultants who can deal with small business. And that is something that was never in place in this province before, and in fact again we have had some discussions about Associated Business Consultants. They have been one of several groups who have undertaken one of these programs.

In the venture capital program we have field offices continuing to promote an awareness of the program amongst clients considering northern economic development ventures. and we talks about a couple with the member from Regina Elphinstone just a few minutes ago, where some destination resorts in northern Saskatchewan were in fact considering using venture capital. We have had only one inquiry for further details received to date, and generally a lack of investment capital exists in northern Saskatchewan, so this could be one area where we could help.

The revolving fund I've gone through. I don't know if you

want me to go through in detail the numbers of loans and the millions of dollars and the strong position that that fund is in. I indicated a few moments ago the difference between the northern revolving fund under the NDP administration and this administration where we have taken the political involvement out. The minister no longer gets involved in the decision making, but an independent group make the decisions and the senior staff have the final approval.

In the Special ARDA, we have a steady increase in numbers of proposals developed that are completed, and projects implemented since October '84, due in large part to advisory and assistance efforts of our field staff who do a great deal of outstanding work.

The northern economic development subagreement, both DRIE (Department of Regional Industrial Expansion) and other provincial officials have reacted positively to the range and scale of the department's suggestions as to funding initiatives.

Northern development projects, and I'll be a little briefer here — the wild rice industry, tremendous increases in the economic activity involved in the wild rice industry. University SRC — the University of Saskatchewan have been involved — we're seeing considerable increases there.

Agricultural industry: five contracts totalling approximately \$40,000 have been let in support of production of northern agricultural industry proposals. A fish hatchery development at La Ronge; assessing northern Saskatchewan crayfish harvest potential for export, something that has been looked at. And we're actively supporting the formation of the Saskatchewan agriculture association with other members of the research community — the preparation of a Saskatchewan agriculture association industry sectorial study. So things going on there.

New resource-based business development opportunities. Things happening with mushrooms. Gold exploration. I talked about tourism development. And we can go through the list. But I won't read the entire thing into the record.

I think, safe to say, that the amount of time that I've been on my feet and the amount of information I've provided with suggest that the department and the government are, in fact, spending a considerable amount of time and effort in northern Saskatchewan.

I will very quickly indicate some numbers which the member may find interesting: new business starts, expansions or modernizations in the fiscal year '85-86. I'll give you the numbers overall; I can give you specific details if you want. But in the central region there have been 34 projects with a dollar value of \$5.602 million, which have created 132 jobs. In the west side region there have been 31 projects with a total of \$3.391 million, nearly 100 jobs there. On the east side region, 18 projects — I'm not sure why the east side seems to be lagging a little bit — 18 projects, \$1.147 million and about 50 jobs. The totals then — 83 projects, \$10.14 million invested, and somewhere in around 280 jobs have been created in

those projects.

I won't go into detail but I hope that assures the member that this department, as with many others in government, are spending a considerable amount of time in northern Saskatchewan.

Mr. Chairman, I apologize for the length of the answer, but it was a rather general question and there was certainly a lot of material to cover. I hope it answers the question that the member put forward.

(1630)

**Mr. Yew:** — Thank you, Mr. Speaker. I want to ask the minister, in more detail, to provide me with the information that he has outlined in general form. I caught some of the information but not in detailed writing and I'd like to have the opportunity to look at those figures and check those projects out. He's mentioned a number of new business starts have been initiated in the North. And I certainly would like to find out for myself where those specific projects are that he's referring to, as I see very little evidence and substance in northern Saskatchewan when I'm travelling in my constituency, that's for sure, Mr. Minister, and I want to get more detailed information on those projects.

Prior to that I was asking you, Mr. Minister, what major developments has your government undertaken in the past year in northern Saskatchewan. And I wanted to know, as well, aside from those major developments — not the new business starts that you're referring to here — but major developments, I want to know, along with the question, the number of Northerners employed in those major projects and a breakdown of how many native Northerners are there in those projects.

Finally, Mr. Minister, my fourth question to you — and I want you to answer this one as well. The estimates before us pertain to your department, Tourism and Small Business. I want to know specifically, Mr. Minister, how many people work under your department. And I would like to find out in proportion how many native Northerners you have employed under your department.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I'll start with what I've already answered. I think I've been over in detail some of the major projects. I read many into the record that are under way in northern Saskatchewan. I won't repeat that.

I could repeat the number of business starts, expansions, or modernizations that I indicated; however, I think I'll leave it for the member to get that out of *Hansard* when it comes out tomorrow. It clearly indicates the number of projects, the number of dollars, and the numbers of jobs.

For his information, I then have in this informational sheet the names of all those projects. I'm not prepared to share them with him in this forum. However if he would like to come to the department, sit down and visit, we will show him. Obviously these are commercial ventures. People may not be particularly pleased with having them put forward in this forum. I think the behaviour of the members opposite in question period today and any

number of other incidents, you can understand that. But I'm prepared to share them with you. If you would like to come and discuss them, we will certainly indicate to them. But I don't think I want to make all the number of commercial projects public.

In terms of the staff in our department, the blue book clearly indicates, I think as you can tell, that we have 146 people in the department for this year, plus 16 people who operate the revolving fund. So I guess that's 162 with my rather quick math, but I think that's correct.

In terms of the people in northern Saskatchewan, I'll give you these numbers. You'll have to keep track of them. In La Ronge we have eight consultants and one secretary; Buffalo Narrows, four consultants, one secretary; Creighton, two consultants and a secretary. The member asked, I believe . . . plus the 16 in the revolving fund to work in northern Saskatchewan. So we have a significant representation of our personnel in northern Saskatchewan.

If I understood the member's question, difficult as it was to hear, I think it was the proportion of native Northerners in those jobs. I obviously don't have that type of information. I will indicate that those consultants' positions in northern Saskatchewan, we looked for northern people to fill them. We want that northern experience. That's obviously a benefit to the department, a benefit to the people who they deal with. In terms of how many are native Northerner though, I don't have that. We tend to treat all our people on an equal basis. And again, if you'd like to come and visit with myself or the deputy, we can take the time to go through that and look that up. But I don't have that information with us.

**Mr. Yew:** — Thank you, Mr. Speaker. I conclude, Mr. Minister, seeing as how you will not disclose the information in this House, I can only concur that you don't want the public out there, the people of this province and the people of northern Saskatchewan, to know what figures you have, Mr. Minister. This forum, the Assembly here is the only instrument that people, the general public of Saskatchewan can learn and know the policies of the government on that side of the House, the policies of the government of the day. The progress and the performance of this government, as I far as I can conclude, Mr. Minister, it's been a disaster. It's been a disaster after disaster after arrogance. It's been a complete . . . Your philosophy of being open for big business has been a complete disaster for the people of this province.

I want to know those figures, Mr. Minister. I want them disclosed in this Assembly. I don't want to go meeting with you behind closed doors. That is not my policy. That is the policy of the government on that side of the House. I want to know those figures, and I want those figures here tonight, today if possible.

We're not out to witch-hunt. We're out to try and get the information from the government of the day so that the people of this province can judge for themselves.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I assume that the member opposite is discussing the detailed list of projects that make up those numbers that I gave him earlier. If that

is the case, then I accuse the member of a little political grandstanding again.

People who come to government to do business, who get involved in something like the northern revolving fund, do not get involved on the assumption that that is going to be totally public knowledge. All right? We respond and I have given you exact numbers in terms of job creation, in terms of dollars invested, and in terms of projects. And I'm fully prepared at any time to do that. I will even, if you are sincere, sir, and I have already, give you an offer to come and sit down, and I will let you have a look at this. My deputy or our officials are prepared to invite you to the department to look at it, but we're not prepared to make it totally public, and I don't think that's unreasonable.

I know people who come to the government for help don't expect their case to be bandied about, and that's one of the concerns that has been expressed to me over the weekend by people in the tourism industry. The complete lack of understanding, and I realize that you were not involved in it, and possibly being from northern Saskatchewan you have a greater understanding of what those tourism ads are doing in Saskatchewan than your colleagues. But the fact is that people indicated some concern that they wanted to work with government to see progress, to see tourism develop to the type of industry that it had the potential to become. And the type of questions and the slanderous comments made by the opposition bothered them a great deal.

And I certainly am not going to provide all the names and all the projects. I've given you the numbers. I stand by those numbers, and I invite you to come and sit down and discuss them in some detail, but I'm not prepared to release them here. If there's something the member from Quill Lakes wishes to get into, we can discuss that as well.

**Mr. Yew:** — Mr. Minister, I again want to reiterate what I said earlier. The Legislative Chambers, Mr. Minister, and the session, the legislative session of this province are such that this is the only forum that the people of this province can know what the performance of your government . . . know the performance of your government and the policies of your government. That is the reason why, Mr. Speaker, that we have an opposition over here raising the kinds of questions that we are raising.

We are raising questions that are vitally important to the people of this province, to the people of northern Saskatchewan. We are raising social and economic issues. We are raising issues that are important to the public. And as I understand the system, Mr. Minister, as I understand the system of government, it is our job to ask questions and to get answers so that the people of this province will know — will know what in effect you have done to try to help alleviate the high social and economic problems of the constituents that we represent in this House.

You invite me to go to your office and look at this information in confidence, but that does not guarantee that the answers that I find will be made public. We can make them public. The member for Moosomin asks me why can't we make them public; when I come behind

closed doors to your office, why can't we make them public then? Well I ask the member for Moosomin, why can't we make them public now right in this House?

The problem is, Mr. Speaker, those people on that side of the House, the PC government of this day, have got no answers to our questions. They're floundering around in desperation. They don't have a clear-cut policy for helping to alleviate the high social and economic problems that we have.

Otherwise, if they had, if they had appropriate and adequate policy to help alleviate those problems, they would willingly provide that information, wouldn't they now, Mr. Speaker? They would provide that information in writing. In fact, they would publicize it, like they publicized that they spent \$2.2 million on tourist advertising in this province. They would willingly and very gladly publicize information pertaining to the . . . you know, if they did have a policy that helps alleviate the social and economic hardship of people that are faced in northern Saskatchewan.

I asked the minister a while ago: in debate over your estimates there is mention that \$2.2 million was spent in tourist ads. Tourism is fine, Mr. Minister; tourism is fine. We get new money generated and brought into our province. But the big question, Mr. Minister, is how much is your government spending in terms of keeping that renewable resource alive, that environment? How much money has your government earmarked, you know, to help replenish, to help enhance that natural environment that people come up here to spend their . . . bring their families into the North, spend some personal time away from their homes; people come from out of the province to look into our wilderness. But just how much money, Mr. Minister, is your government spending to help keep that wilderness, that natural environment, as it is?

That is a good question, Mr. Minister. You spent \$2.2 million on tourist advertising, and a lot of money on the side for PC propaganda. But I want to ask you, Mr. Minister: just how much have you actually spent; how much commitments do you have to retain what we have today?

(1645)

**Hon. Mr. Schoenhals:** — Mr. Chairman, the member did in fact for a while have a good question, but then he went and ruined it by adding that ridiculous comment at the end. And I would challenge him . . . (inaudible interjection) . . . I'll challenge you too, sir, to go out and find one piece — the same as I challenged the member from North East on the InfoCentres — find one piece of political propaganda in those tourism ads.

The member indicated that he wanted to know how much money was spent preserving northern Saskatchewan. I think that was the question. I think that's an excellent question, but I think it belongs when the estimates of Environment, and Parks and Renewable Resources come forward. It's not very reasonable to expect me to have the answer to that. And I would suggest that he write that question down and keep it for my colleagues when they in fact come forward.

To get back to the first part of the question on the information, I want to make it very clear, the northern revolving fund in northern Saskatchewan is there because there's no banking services. And I think the member knows that it's very difficult to get banking services in northern Saskatchewan. So we fill that void. Now I don't think any other bank takes their loan information and makes it public, and we don't propose to make our loan information public. And the people who came and applied for and received those loans, and those who applied for and were rejected, do not expect to have that information made public.

I indicated the general numbers on new businesses; I indicated the numbers in terms of the money that is being made, how much is in arrears, the amount that is out under loan in the northern revolving fund, and that information, I think, legitimately and realistically should and is public. However, details on individual loans is not. We have worked very hard to remove the excessive amount of political involvement that was there when your NDP administration was in place. Ministerial approval has been completely removed. We take that out. And we're not prepared to provide that type of information.

I think the member fully realizes that he made a mistake when he asked for that information. And I'm not suggesting when you come to visit — if you are sincere, and you ever do — that we will provide detailed information on people's loans. But we will provide some detailed information on business openings, business expansions, and those types of things, but not detailed information on the loans.

But as far as preserving the North, once again I think that those questions should be asked. And as soon as Tourism and Small Business is done we'll get on to one of those departments and you can ask that question.

**Mr. Yew:** — Thank you, Mr. Speaker, and thank you, Mr. Minister. I just want to correct a statement or a portion of your response that was misunderstood. I wasn't asking for personal information pertaining to the loans or whatever grants that you may have disbursed out of our provincial treasury. I was referring to the projects that you were referring to — the 83 or so new business starts.

In general I wanted to know what kind of projects they are; how many people are employed; what kind of training components you have in those programs or projects; and how many Northerners are involved; and what kind of participation there is; what kind of consultation. Certainly that is a must, Mr. Minister. And I really can't see why you'd dispute public involvement, public consultation.

We had public consultation in the earlier days, with the former administration. I'll bet the minister of the day cannot say that he has local loans committees. We need local loans committees. We had local loans committees, Mr. Minister, in the old days and then on up from the local loans committees, which represented the communities themselves, people right from the communities, we had district loans committees which represented large regions

in the North. And those people were locally elected officials. They had the opportunity for public participation. They were able to decide policy and the terms of reference for the northern economic development program of the former administration. People at the grass roots level were involved, Mr. Minister.

But I doubt very much if you have any public, local grass roots involvement because you just said a while ago, Mr. Minister, that you don't. You, yourself, don't get personally involved in terms of authorization, or in terms of deciding the recommendations of the loan applications, but that senior civil servants make the decision. Yes, that was your very words, Mr. Minister. I jotted and took a mental note of that: senior civil servants now make the decisions.

I want to ask the minister: where is that public involvement? Where is the public consultation process that we had with the former administration?

**Hon. Mr. Schoenhals:** — Mr. Chairman, in reference to the final comments of that session I will simply, once again, go over the comments that I made previously.

Our district loan committee has proportional public and private sector representation, and the people on it have mandatory business experience. Period. Senior civil servants, not the minister, make the final decisions on loans, and they are all based on solid business plans.

The difference in what you are relating to was that in the previous system — and people in northern Saskatchewan, I think, understand it very clearly — was rampant with political involvement. The minister was constantly involved and in fact made all decisions on everything over \$25,000. We make no apology for removing that political component from the approval process of the northern revolving loan fund. And I think that the results, as I indicated, where we've had record loan approvals, where we're less than 3 per cent in arrears compared to the numbers under your administration . . . I won't read them again; they're already in *Hansard*. But I think they make interesting reading.

You asked for the types of projects that make up that 83 new businesses, expansions, or modernizations. I'll just run down the types. I won't get into any more detail than to indicate the types of businesses that we are talking about in that 83 sector. And I'll go one page, I think there are one . . . There are four, five pages. I'll give you one because I think it's representative.

There's a fish hatchery, a logging expansion, gymnasium rental, houseboats, logging, florist gift shop, ambulance service, raw fur buyer, post cutting, bakery, convention centre, road construction, restaurant, cement contractor, garbage disposal, modernization, RV centre, mushroom exporting, photo finishing, helicopter charter service, meat processing expansion, woodworker, housing contractor, charter bus service. And I can go through the other four or five pages if you think that would serve some benefit.

The point is: in northern Saskatchewan in '85-86 we had

83 businesses that were either starts, expansions, or modernizations. We had an investment of \$10.14 million, and somewhere around 280 jobs created by that. So, I mean, I can't get into the names of the people. You indicated you understood that. But that's some types, and if it's of value I'll give you the other types as well.

**Mr. Yew:** — Thank you, Mr. Speaker. I just take . . . noted with interest that there's been 280 jobs created under this new business starts program. And I concur with the minister: I don't want the specifics pertaining to the individuals that did receive the loans or grants or whatever. But with regards to any major or any substantial progress of helping to alleviate the high unemployment conditions in the North, the high welfare dependency rates in the North, I must say that your government certainly has not, you know, made an effort, a really sound commitment to meet the needs of the people living in those isolated areas.

I remember distinctly when you dismantled the department of northern Saskatchewan. You did it so hastily, Mr. Minister, that your ministers of the day were making empty hollow promises for the people of the North. I remember distinctly one letter dated July 16th by the minister of the day, the member for Meadow Lake, indicating that there would be a self-sufficient economic strategy in northern Saskatchewan. But to this point in time we have not seen that program, that self-sufficient economic strategy. The unemployment rates tells us that there is no program in northern Saskatchewan.

Just recently there was a series of articles done of northern communities by the *Star-Phoenix* dealing with issues such as welfare in the North. And it says in the heading of each report that the welfare is claimed to be killing native people, and that there is nothing by way of concrete economic development opportunities available to people in northern Saskatchewan. There are social disparities, and you can see for yourself the charts — social assistance rates — and the charts have been going up and up and up. Welfare dependency is going up, for ever increasing, Mr. Minister. And while this is happening, you have underspent in the three areas that I questioned, employment and development, northern economic development, and grants for northern economic development. A total of \$7.7 million was underspent.

Now you're not dealing with those three specific questions that I had referred to earlier. Your response has been with the northern revolving fund. That's fine, Mr. Minister.

Another question I put to you earlier was: how many people of native ancestry are employed under Tourism and Small Business? Because tourism plays a major part in the lives of Northerners. That is the reason why I asked that question, Mr. Minister. Because the only remaining natural environment that we have, I mean a majority of it, is in the northern constituencies.

I also ask you, Mr. Minister, can you name me in detail — when you referred to major developments in northern Saskatchewan — name in detail what major developments you're referring to. You, in general terms,

talked about gold, uranium, and the Weyerhaeuser deal in P.A. — recently announced but of which information was not disclosed.

A while ago we debated with the Minister of Urban Affairs, and he also patted himself on the back for some of the initiatives that he had taken, or his department had taken, and he talked about gold, uranium, forestry.

And when I asked him just how much revenue is going back to the people in the North, and how many jobs his department had created, when I asked him just how much gold is in the pockets of the people living in the northern administration district, when I asked him for specifics about the rate of unemployment in the North, when I asked him about the rates of the welfare dependency problems related to the people living in the northern administration district, he simply didn't have any answers. He reiterated and reiterated . . .

**Mr. Chairman:** — Order. Being near 5 o'clock, this House now stands recessed until 7 p.m. tonight.

The Assembly recessed until 7 p.m.