

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Hon. Mr. Klein:** — Thank you, Mr. Speaker. I would like to introduce to you, and through you to all the members of this Assembly, a young lady from Sydney, Australia. She arrived in Canada on January 17 and will return next January 9. She is 18 years of age, and she graduated from grade 12 in 1986 in the top 10 per cent of her home state of New South Wales. Next year she'll be attending Sydney University.

But in the meantime Nikki is spending a year in Canada on a Rotary youth exchange, and is learning and experiencing the Canadian way of life. She's an all-around athlete as well, and while in Canada she has learned how to snow ski. And although she is spending this year in Dryden, Ontario, she is in Regina for a couple of weeks, visiting the Carlson family, and Mr. Carlson is a member of the Eastview Rotary Club of Regina.

She is situated in the Speaker's gallery, and I would ask her to rise, and would all members please help me welcome Nikki to our legislature. Nikki Anderson.

**Hon. Members:** — Hear, hear!

### ORAL QUESTIONS

#### Call for Investigation into Collapse of Investment Companies

**Ms. Smart:** — Mr. Speaker, my question is to the Minister of Consumer and Commercial Affairs, and it has to do with her incompetent and downright negligent performance regarding the collapse of First Investors and Associated Investors of Canada.

**Some Hon. Members:** — Hear, hear!

**Ms. Smart:** — Yesterday you told this House that you could not take any action on behalf of Saskatchewan investors until after the court-appointed manager filed a report in August, but yesterday the Government of British Columbia named a special investigator to look into the business practices of these two companies.

In announcing the appointment of a special investigator, B.C.'s Minister of Finance said, and I quote:

The government felt compelled to move quickly on this. Just a few minutes ago we received a telex from the Government of Alberta. The Alberta treasurer, Dick Johnston, says a full investigation will be held into the collapse of the two Principal Group investment subsidiaries. And he told a news conference he now believes there is substantial evidence of misrepresentation in the activities of the two companies.

I'm asking the Minister; will you finally feel compelled to

move quickly on this and recommend either a full public inquiry or a special investigator to look into the business practices of the Principal Group here in Saskatchewan?

**Some Hon. Members:** — Hear, hear!

**Hon. Mrs. Duncan:** — Mr. Speaker, yes, I'm aware of all the things mentioned by the member opposite. The matter of an investigation has been raised. And yesterday in Queen's Bench Court in Alberta the parameters of the investigation has been expanded to include looking into or delving into the workings of the Principal Group Ltd., which is the umbrella for a number of other subsidiaries.

We will be relying, Mr. Speaker, on the findings of that Court. Mr. Speaker, the Principal . . .

**Mr. Speaker:** — Order, please. Order. Please allow the Minister to finish her answer.

**Hon. Mrs. Duncan:** — The Principal Group Ltd. are not licensed to do business in the province of Saskatchewan — the Principal Group Ltd. Two of their subsidiaries, and I believe their trust company, are licensed to do business in the province of Saskatchewan. I believe that if improprieties have taken place and are demonstrated to the court, then the door definitely is open for either civil or criminal action. I also note, Mr. Speaker, that a group of some 30 investors here in the province have got together and have indicated that they also will be pursuing class action suits in the hopes of regaining their money.

As far as the investigation is concerned into criminal activity, that would be handled by my colleague, the Minister of Justice.

**Ms. Smart:** — Supplementary, Mr. Speaker. The minister knows that her department is responsible for these companies that were licensed under the Investment Contracts Act, and my question to you is: why are you so reluctant to show some initiative on the part of the thousands of Saskatchewan consumers who have been hurt by this collapse, who say they were misled by the Principal group of companies?

It's your job to protect the consumers. Why won't you do your job? Alberta feels an inquiry if warranted; an action is warranted. British Columbia says action is warranted. Saskatchewan must say action is warranted. Why do you inaction is warranted?

**Hon. Mrs. Duncan:** — Mr. Speaker, I do believe action is warranted, and action is being taken on behalf of the investors in the Principal Group Ltd.

We have taken action under The Investment Contracts Act. Firstly, as soon as notification was received from Alberta, we cancelled the license of some 70-odd sales people throughout the province, plus the licence of the two firms in question.

Unfortunately, the Act also provides for . . . The department could lay charges against the group, or the two companies in question. They could be fined up to \$5,000. However, Mr. Speaker, that does not provide

monetary redress to the investors.

I believe that once the investigation has taken place into the alleged improprieties . . . And we will have access to that information once we see what the group of investors who are meeting with their lawyer. I believe, on Monday, decide to do. Action is being taken, and I'm sure redress will be available.

**Mr. Romanow:** — Thank you, Mr. Speaker. A new question. A new question to the Minister of Consumer Affairs. I have in front of me a copy of a Canadian press report of just a few minutes ago, or perhaps a half an hour ago or so, from Edmonton, referred to by my colleague from Saskatoon. In that story, the Alberta treasurer, the Hon. Dick Johnston, says, in calling the inquiry, the following. The story says:

The government originally resisted calls for an inquiry, but finally caved in to demands from investors and opposition politicians.

I might say that they caved in only after a few days of questioning by the opposition and by the concerned investors.

Now Alberta has adopted this approach. Notwithstanding, they have the same recourse, the same legislation, and the same approach that you've just articulated to this House. If they've done that, what could be the possible reason for you not following the same approach in Saskatchewan, or are we to assume that this is a really part of a large scale cover-up as far as you and your government is concerned.

**Some Hon. Members:** — Hear, hear!

**Hon. Mrs. Duncan:** — Mr. Speaker, I indicated to the member that an investigation into alleged criminal activity, as alluded to by the member from Saskatoon Fairview, would be handled by my colleague, the Minister of Justice.

**Mr. Romanow:** — Mr. Speaker, supplementary, I'm not asking at this stage in the game nor am I making allegations of criminal impropriety. That's not the issue. What is at issue is this, Madam Minister, a determination of what went wrong, and who's responsible for what went wrong, and where does the liability attach — either civilly or criminally. Let's leave that aside for the moment.

That's what a public inquiry's about. Now Alberta is doing it. British Columbia is doing it. We have a bunch of salesmen and other officials and officers in Saskatchewan, under these companies, have been doing similar things, it has been reported. My question is: why do you not call a similar inquiry in the province of Saskatchewan to determine who is at fault?

**Some Hon. Members:** — Hear, hear!

**Hon. Mrs. Duncan:** — Mr. Speaker, I understand that in Alberta and in British Columbia an investigation is going on. I have no knowledge of public inquiries at this point in time. B.C. has appointed an investigator under its business practices legislation. Any investigation that

would be going on in this province would be handled by my colleague, the Minister of Justice.

**Mr. Romanow:** — Mr. Speaker, a new question to the Minister of Consumer Affairs. The minister has just informed the House — and I think its been bad advice. I don't attach any particular motive for it — that she does not know of the activities in Alberta with respect to an inquiry.

My new question is this, which has to be prefaced by a brief report of yet another Canadian press story of just a few moments ago from Edmonton, which says, in part as follows:

Justice J.V.H. Milvain has been made chairman of the management advisory committee set up to provide instructions to the court appointed manager of the two firms:

Johnston has also promised the government will apply to the courts to allow the manager to examine witnesses under oath and call public hearings into the affairs of all of the associated companies.

That is clearly the establishment of a public inquiry approach. And I am saying: why is it that your government simply won't follow the lead of the other two provinces in having a public hearing as to who's at fault? Can we assume, Madam Minister, that you're not doing this because you and your department officials are at fault and you want to protect them, and that's the reason why you're not calling an inquiry?

**Some Hon. Members:** — Hear, hear!

**Hon. Mrs. Duncan:** — Mr. Speaker, my department is not at fault. My department has been doing what they have to do in all cases of this type. We rely, as I have said many times in this House, and the members opposite, particularly the lawyers on that side of the House, know the procedures that are followed with extra-provincial licensed institutions, Mr. Speaker.

**An Hon. Member:** — Maybe they don't.

**Hon. Mrs. Duncan:** — Well, maybe they don't.

**Mr. Speaker:** — Order. Order, please. Order, please. Please allow the minister to answer the question.

**Hon. Mrs. Duncan:** — Mr. Speaker, there . . .

**Mr. Speaker:** — Order. Order, please. I have just asked for some order and already the member from Regina Centre is trying to get around that request, so I ask him again to please allow the minister to finish her answer.

**Hon. Mrs. Duncan:** — I also would say, Mr. Speaker, that what Mr. Johnston said in Alberta, the investigator will have to apply to the court for permission to call witnesses or have public hearings. I would turn the matter of investigation over to the Minister of Justice at this time.

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

please. I'm afraid I must rule the minister out of order. We previously had a rule in the House where we would not pass a question from the minister that was being asked to another minister, so I am afraid that on that basis I must rule you out of order.

**Mr. Romanow:** — Thank you, Mr. Speaker. I direct a question to the Minister of Consumer Affairs. I ask the Minister of Consumer Affairs, with respect, to pay attention to the question. Leave aside for the moment whether it's a full public inquiry ordered by a court in Alberta. Leave aside for the moment whether it's an investigator, as British Columbia has set up. Frankly we don't quite care, although I'll make a comment about that some other time, about the forum of the investigation.

What we as the opposition are urging you to do, your government to do, is to launch an investigation, whether it's by application to court, whether it's by a special investigator, or whether it's by your own mandate and by your own powers, and you won't do it. And my question is — I repeat again because you haven't answered it — why is it that you and the government is so stubbornly digging in, refusing to find out and telling the people of Saskatchewan what went wrong and what can be done to solve the problem?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Andrew:** — Mr. Speaker . . .

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

**Hon. Mr. Andrew:** — Mr. Speaker, the hon. member's question with regards to my investigation.

Yesterday in question period, the hon. member from Saskatoon . . .

**Mr. Speaker:** — Order, please. Now this is about the fifth or sixth time that I've already had to stand up in this question period and, quite frankly, I think we're just wasting the time of question period with me constantly interrupting, which should not be the role of the Speaker. But I think hon. members should co-operate to help make certain that it's a good question period. It's your question period.

**Hon. Mr. Andrew:** — Mr. Speaker . . .

**Mr. Speaker:** — Order, please. Order, please. Now, this is the last time I'll caution. I think members should have some respect, and that's very elementary respect, just to try to be quiet after several, several requests.

**Hon. Mr. Andrew:** — Mr. Speaker, in response to the member from Riversdale's question. Yesterday in this Assembly, the hon. member from Saskatoon Fairview — Fairhaven, something like that — posed a question as to whether or not the Department of Justice would conduct some investigations.

I call Assembly that members of the . . . or people from the Department of Justice attended the meeting of the various group of investors in Regina on Tuesday

evening. They, I'm advised, took very copious notes of the various concerns raised by the many people that were there. Following question period yesterday, I directed the Department of Justice to make full investigation into any allegations of impropriety in this particular undertaking.

I think the Minister of Consumer and Corporate Affairs indicated to this Assembly today that the Queen's Bench court in Alberta has substantially and significantly expanded the realm of investigation in this particular area. My view is that the Department of Justice will have been instructed by me to make a full investigation across the province of any impropriety alleged in this particular activity.

**Mr. Romanow:** — A question to either the Minister of Consumer Affairs, or the Minister of Justice — a new question. May I preface it by saying that this is very disturbingly reminiscent of the strategy adopted by the administration at the time of the collapse of Pioneer Trust.

But I will say to the minister that that we can debate at a future date. My question to the Minister of Consumer Affairs, and to the Minister of Justice — I don't care who answers it. I wish the Premier was here to answer it, because obviously we have two contradictory positions.

There is public confidence at stake here. People have invested their life savings with these two companies. They are not going to be satisfied with some sort of secret investigation, Mr. Speaker, by the Department of Justice officials. That's why, according to this report, Alberta is seeking to have public hearings, under oath, and full examination with public witnesses.

That is my position. I'm not asking for criminal or civil: I'm asking for a full public hearing. Will the Minister of Justice or the Consumer Affairs minister tell us why in earth is there no one good reason for a full public hearing so that investor confidence can be restored in your administration and the investment . . . (inaudible) . . . of this province?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Andrew:** — Mr. Speaker, the hon. member knows full well that the member, the hon. member from Saskatoon Fairview yesterday in this Assembly raised allegations of criminal activity in this particular case. Now that allegation by an hon. member, I think, warrants an investigation of criminal activity. Now the hon. member, as a lawyer, should know that if you are alleging criminal activity, then surely the proper course for Justice to pursue would be for the police forces and the prosecutors to look into that information.

You are the ones that are asking for that. Surely you, as a lawyer, would want the pursuit of criminal justice, or other wrongdoings, to be done in the proper and long tradition way of the judicial system. And that is to do it the way it is always done, and not be done on public in front of the television cameras for you to parade your political activity as opposed to pursue justice, which we all should be looking for.

**Some Hon. Members:** — Hear, hear!

**Mr. Romanow:** — Mr. Speaker. Mr. Speaker, I have confidence in the Department of Justice officials to examine the question of criminal impropriety, if there be such. And may I say, parenthetically, that what the member from Fairview was doing was communicating the allegations of those contained at the meeting of the other night.

That's not my question or the position of the opposition. Criminal investigation's one thing. Will the hon. minister tell us who is going to examine whether or not the Minister of Consumer Affairs and her officials were negligent in their duties, which may not be criminal? Who's going to investigate that?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Andrew:** — I wonder, when the hon. member speaks like that, whether he is interested genuinely in politics or whether . . .

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

**Hon. Mr. Andrew:** — . . . or whether he is genuinely interested in the court system pursuing the proper justice and the proper remedy in this particular case. Is it your interest only to look out for the 3,000-odd people that have made investments in this particular company? Is that your concern?

If it is your concern, surely we should be doing: one, investigating the criminality as alleged by the member from Saskatoon Fairview — number one. That is most important, and that's the one thing that should be done. There is a court process in place. The various people had a meeting. As I understand, from reading it, what they wish to do is pursue the matter in court.

We are investigating, in the Department of Justice, all wrongdoing that might be associated with this particular case. It should not be restricted to the criminal law; it should be restricted to all areas of wrongdoing. And that's what the Department of Justice is for, and that's what they are in fact pursuing.

You should be more concerned, I would suggest . . .

**Mr. Speaker:** — Order. Order! Order, please. Order. Now the member's answer became a little lengthy and I would just like to draw to his attention that I was on my feet for about — I don't know exactly how many seconds — but a relatively long period of time, and he did not stop speaking. So I'd like to draw that to your attention.

**Mr. Romanow:** — A new question to the Minister of Consumer Affairs or to the Minister of Justice. I want to make this absolutely clear as to the position of the official opposition. We want to protect, yes we want to protect, in many cases, the life savings of 3,000 or more Saskatchewan people. We want to know how that can be done. And moreover, Mr. Speaker, I ask this question of the minister. We want to know how it is that this mess took place in Saskatchewan.

I say, and I ask the Minister of Consumer Affairs, therefore; will you not do what Alberta and what British Columbia have decided to do on behalf of their citizens, and that is to have a full, complete, public, and open investigation to determine whether or not there's liability in your department, liability from a criminal point of view, or liability which may warrant a change in legislation. Why is it . . . I repeat again that you're reluctant to do that. Why is it that of all the three western provinces, when the other two are having investigation, only Saskatchewan has buried its head in the sand and says that it's not going to help our Saskatchewan people? Why is that the case?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Andrew:** — I don't think it's fair for the hon. member to indicate that we are doing nothing. The Department of Justice, on my instructions, are launching an investigation into this particular case. They are doing an investigation, and I think it would be unfair for the member from Saskatoon Riversdale to somehow suggest that we are doing nothing.

We have a concern for the 3,000 people. I'm not sure . . . anybody in this House should make allegations that there's criminal activity. We are certainly going to investigate whether there is criminal activity. We are going to investigate if there was, in fact, wrongdoing. That is being done by the Department of Justice. Why are you against that type of activity in the interests of the 3,000 people?

**Hon. Mr. Blakeney:** — Mr. Speaker, I direct a question to the Minister of Consumer Affairs, and it deals with the issue of First Investors and Associated Investors.

Madam Minister, your counterpart in Alberta observed that there was now evidence, substantial evidence, of misrepresentation. On the basis of that, he is asking the court to have public hearings.

My question to you is this, Madam Minister: do you believe that that substantial evidence of misrepresentation stopped at the Saskatchewan border; or do you believe that there is likely similar evidence in Saskatchewan; and if so, why are you not moving to have public hearings as your counterpart is doing in Alberta?

**Some Hon. Members:** — Hear, hear!

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

**Hon. Mr. Andrew:** — Mr. Speaker, the Hon. Leader of the Opposition, I think your statement, far different from your seat-mate, was to the effect that the people of Alberta are applying into the court. The court is going to make the determination as to the parameters of that particular investigation, okay? And that's properly how it should be; they're applying into the court.

The Minister of Consumer Affairs has said that you would not . . . you rejected out of hand yesterday and the day before that somehow we shouldn't go to the court because the court will somehow just put it off for days and days, and months, and years.

The hon. member from Riversdale, as he shouted from his seat from my last question, indicated this was in fact a cover-up, alleging that the Department of Justice, alleging in this province that the Department of Justice, alleging in this province that the Department of Justice is part of a cover-up. As a former attorney general, I think that is a disgusting way to talk about a department when I believe it's a very good department, has served this province very well, and is a very professional operation. And he should stand up, he should stand up, Mr. Speaker, and apologize to the Department of Justice and apologize to people of the province.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. I wonder if the Minister of Justice, would he advise: (a) is he aware of any other trust company failures in this province? (b) was the Department of Justice advised? and (c) was a single charge laid?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Andrew:** — Mr. Speaker. Mr. Speaker . . .

**Mr. Speaker:** — Order. Order, please. Order, please. I think the minister was asked an important question, and we should give him the opportunity to answer that question.

**Hon. Mr. Andrew:** — Mr. Speaker. Mr. Speaker, I . . .

**Mr. Speaker:** — Order. Order. Obviously the members don't want to give the minister an opportunity to answer the question. I ask you once more to co-operate.

**Hon. Mr. Andrew:** — Mr. Speaker, I anticipated a question like that from the member from Riversdale. I did not anticipate a question like that from the Leader of the Opposition.

The Leader of the Opposition knows full well — knows full well — that the Department of Justice in this province has a long and credible tradition — a tradition, I think, we should all be proud of. Served various governments — served various governments . . .

**Mr. Speaker:** — Order, please. Order, please. I am afraid I'm just going to, unfortunately, have to keep interrupting until you allow the minister to answer the question.

**Hon. Mr. Andrew:** — Mr. Speaker, the members opposite, yesterday in question period, made allegations of criminal activity. Now that criminal activity, I take . . . and that allegation, I take very seriously. And it's something that we intend to pursue.

For the Leader of the Opposition, a very honourable, honourable person, to suggest somehow in his question that we would, in fact, cover this up, or the Department of Justice would attempt to cover this up, would not lay charges at any cost, I think is an inappropriate and unfortunate statement for the Leader of the Opposition to make — something that I would not have expected from a man of his dignity and his quality and his stature.

**Mr. Speaker:** — Order, please. Order. Order. Order, please. Question period is over. Could I ask the hon. members to please be quiet.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

#### COMMITTEE OF FINANCE

#### Consolidated Fund Budgetary Expenditure Environment and Public Safety Ordinary Expenditure — Vote 9

#### Item 1 (continued)

**Mr. Kowalsky:** — Mr. Minister, I want to ask a few questions relating to the mandate under your department of the fire commissioner's and some of the work related to the fire commissioner's office. And I will start with . . . as you are quite aware, Mr. Minister, the entire insurance premium scheme has gone up considerably, particularly as it applies to home insurance over the last few years. And one of the ways or things that the government can do to help bring this back into perspective where their insurance rates are once again quite in line with what people's expectations would be that they are, they should be. One of the things we can do is considerable work in the fire prevention aspect. And my questions will be asking about your department's work in relation to the commission's office.

The first question I want to ask, Mr. Minister, is: in the *Estimates*, whereabouts in the *Estimates*, in which subvote in this booklet is the money allotted to the fire commission's office come into?

**Hon. Mr. Swan:** — To answer the member's question, it will be part of subvote 5.

**Mr. Kowalsky:** — Thank you, Mr. Minister. And the . . . What is the amount that is allotted to the fire commission's office?

**Hon. Mr. Swan:** — I'm advised by my staff that it's 1.024 million.

**Mr. Kowalsky:** — Mr. Minister, you have stated that the amount of money allotted to the fire commission's office is 1.024 million. I will come back to that again later.

At this time, I would like to refer to section 22, I believe it is, of The Fire Prevention Act of 1980. My understanding is that under section 22 that a sum equivalent to 1 per cent of the premiums collected under The Saskatchewan Insurance Act is to be paid to the government for use of the fire commission's office. Could you confirm that?

**Hon. Mr. Swan:** — Yes, that's right. And the amount that's raised is very similar to what I indicated as the supplement.

**Mr. Kowalsky:** — Mr. Minister, my information here is according to the blue book published. The *Public Accounts*, in 1985-'86, show that the taxes collected under fire prevention is 1.7 million, and this was for

'85-'86. Do you project that there's going to be that great a decrease in the funding for this year?

**Hon. Mr. Swan:** — I'd advise the member that that tax that's collected does not come directly to our department but, rather, goes to general revenue. The amount that I listed to you is the amount of money that's allocated to this subvote.

**Mr. Kowalsky:** — I take you back, Mr. Minister, to the Act, The Fire Prevention act, section 22(2). It says in here, and I quote:

Any moneys paid pursuant to subsection (1) are to be deposited in the consolidated fund and dedicated to paying the expenses incidental to the administration of this Act and the regulations.

And does that not indicate, Mr. Minister, that the money collected on fire insurance premiums, a 1 per cent, should all have been given to you, to your department for work with the fire commission office?

**Hon. Mr. Swan:** — The money does go to Consolidated Fund and they appropriate as much money as we need to operate the fire commissioner's office and the people that work out of it.

**Mr. Kowalsky:** — Mr. Minister, if they've only appropriated that much to you, did you make some type of substantial representation to the department that allots the money, and indicate and bring to their attention exactly what it says in this Act, and that they should be paying you 1.7 million?

**Hon. Mr. Swan:** — I don't think there's anything in this Act . . . if you read it carefully, there's nothing in the Act that says that every cent collected comes. What it says is that the money that is collected is assigned to meet the expenses. And it does meet the expenses. But for us to have an extra half-million dollars in that division, when it wasn't needed last year, would not be reasonable.

The amount of money that our department requisitioned is what we received. It was enough money to pay the costs of that department. We don't need to have excess there.

**Mr. Kowalsky:** — We'll get to talk about the need for the money in a short while, Mr. Minister. But I think you either better get this Act changed, or you should adhere to it. And I repeat it again, Mr. Minister. It's quite clear to me. It says:

Any moneys paid pursuant to subsection (1) are to be deposited in the consolidated fund and dedicated to paying the expenses incidental to the administration . . .

It doesn't say part of the money collected should be dedicated. It says "and dedicated."

**Hon. Mr. Swan:** — But the Consolidated Fund has no need of transferring more money to my department than we need to operate. What they do with the money in the Consolidated Fund, that's done within Finance. And they

can dedicate it. But the amount of money that my department indicates that it needs to operate the fire commissioner's office is the amount of money I gave you. And it carried the cost of the department last season, and it likely will again.

If there were need for more moneys within that fire commissioner's office, then we would ask for more.

**Mr. Kowalsky:** — Mr. Minister, you have stated that you are getting as much money as you need. That certainly isn't the position of the provincial fire chiefs. I've had occasion to discuss this matter with several of their representatives, and I've been advised, for example, Mr. Minister, that in Saskatchewan you've only got four people that are allotted for training of volunteer fire chiefs. Would you confirm that number, please?

**Hon. Mr. Swan:** — I am advised that we have four instructors, the principal, and one clerk, so six people in all.

**Mr. Kowalsky:** — We have four instructors, Mr. Minister, for approximately 510 fire departments in the province. Manitoba has 16, for approximately 230 fire departments in the province.

**Hon. Mr. Swan:** — I am advised that in Manitoba they operate a fire college. We don't have a fire college. It's been talked about considerable, but hasn't gone forward at this time. What we do is to offer instructions to people who are involved in the fire-fighting business. The larger cities operate their own fire instruction to their firemen. So basically when we have a school for fire-fighters, it deals with more the smaller centres. the smaller towns, villages, and small cities. The large cities look after their own.

**Mr. Kowalsky:** — It would seem to me, Mr. Minister, that in view of us not having a fire college, it would just make that much more sense to have more field training staff to help out with our volunteer fire departments which are putting in a lot of work, gratis, on behalf of the people of Saskatchewan.

I want to turn briefly to some of the recommendations, Mr. Minister, that have been published, and I'm sure that you're aware of, published in March 23, 1984 by the Select Committee on Fire Prevention Protection. These are concerns that have been brought to your department. It was a committee formed by members on both sides of the House, and they had access to technical advisers. And in this report there are several recommendations. One of the recommendations from page 11 is:

That training for firefighters in Saskatchewan be accelerated.

I am advised that as a result of this booklet being published, there has not been any increase in training for fire-fighters in Saskatchewan; has not been any increase in the number of instructors since 1984; that the number was four at that time; it remains as four.

**Hon. Mr. Swan:** — Prior to 1984, we had two people involved in the instruction. We now have six people

involved together — four instructors, one principal, and one clerk. I don't know whether the hon. member has had the opportunity to go to one of the instructions that we offer for training of firemen. I've been at two this year. I would say that the work that's being done by the instructors is excellent. And the comments that I receive, both verbal and by letter from the fire chiefs around rural Saskatchewan, indicate to me that they're very satisfied with the course offerings that are in place at this time.

(1445)

That's not saying that you can't do better. But when money is tight in any province, you don't expand things beyond the normal area that you can afford to carry. I think that we're doing a commendable job at this time, and I appreciate the work that those instructors are doing. Until I start to hear that they're not meeting the needs, I don't see a great lot of need of increasing the service. If there is a need, and that starts to come through letters, through conversations with people in the fire-fighting business, then we'll certainly take a look at it. But at this point, that need is not being expressed to me.

**Mr. Kowalsky:** — Well, Mr. Minister, I think that nobody will argue that the four people who are currently involved, and their support staff, are not doing a good job. I think that any communications that I've had with fire-fighters and the municipalities have all expressed the same view that you just have done, that they are doing a tremendous job with the resources available.

The contention that you have, though, that there may not be any additional need is the one, however, that I'm trying to address here. I don't believe that this committee of this Assembly would have come forth with these recommendations if they hadn't have felt that there wasn't this need. I also would like to mention that quite often, in a situation like this, a couple of dollars spent in preventative programs saves a lot of money down the line. That's why I would like to pursue this line of questioning.

On page 12 of this report it mentions that training modules be developed. The recommendation is recommendation number two:

That training modules be developed that will deal with emergency planning and firefighting in shopping malls, hotels, high-rise buildings, factories, industrial complexes, refineries, etc.

I'm advised that . . . etc., is a quotation from here. I add to the hon. member.

Now the . . . I'm advised that one program has been developed — that there's been a hospital program developed. I'm also advised that they're working towards getting a program in place in 1989, that that is target. I'd like you to confirm that. However, I'm also advised that, even though you've targeted for 1989, you have no personnel in place to do this. So I want to know: how are you going to get it done by 1989 if there is no personnel in place to do it?

**Hon. Mr. Swan:** — I'd like to ask the member where he

gets the 1989 objective? Could you elaborate a little on where you get that objective?

**Mr. Kowalsky:** — I've been advised about the objective, Mr. Minister. I'm not in the practice . . . I haven't developed the practice of answering the questions, but I would state that I've been advised that that objective has been indicated to me by a volunteer fire-fighter. That's why I'm asking for confirmation on it, Mr. Minister, rather than stating it as something I've gotten from a piece of paper.

**Hon. Mr. Swan:** — Well that's the reason I asked you for clarification because there's no knowledge of that 1989 deadline date for anything through this department. I can't speak to it further than that. We have no knowledge of it, and that's why I asked you where you received that; I though maybe we were missing something.

**Mr. Kowalsky:** — I would ask the question . . . I'd rephrase the question then. Have you set that up as an objective, to put these training modules into place?

**Hon. Mr. Swan:** — I would reply, no, we have not.

**Mr. Kowalsky:** — Is it something, Mr. Minister, that you would feel that your staff should be looking at fairly soon, or have you . . . are you taking this document and filing it at this stage?

**Hon. Mr. Swan:** — I'm advised that the staff of the fire college are working, or the instructors are working, on a daily basis upgrading the modules of — the modules one, two, and three. But they're doing it on an ongoing basis. There's no indication of any specific date that the final level will be achieved. I think, as things change in fire fighting, there need for us to be prepared for change as well.

And as you know, fire-fighting equipment has changed very rapidly in the last few years. We need to be able as a department to respond to the newest technology and be able to train people to use that technology. So we will be looking at it on an ongoing basis, and I'm advised that the staff are working steadily, improving each of those modules.

**Mr. Kowalsky:** — Good. Now, Mr. Minister, as I mentioned at the beginning of my questioning, and we established that there's \$0.7 million slipping through the fingers here that your department is not receiving for the fire commission's office that it possibly could be. And here we've come across an example where money could be funnelled in with a few more personnel so that we could get these emergency training modules developed. Because under the present circumstances it could take 20 or 30 years until all of this is done, in view of you not being able to set up a target date.

If we proceed further to page 13, there are several recommendations there dealing with certification programs for fire-fighters — establishing certification programs. Now once again I'll ask you: are there any staff that have been assigned directly to this, to work on and establish certification programs?

**Hon. Mr. Swan:** — I'm advised that that is the goal in the training process, that they will gradually certify people at the different levels of training that they have achieved. And there is no date set to accomplish that, but they are working towards it, and as soon as people receive the proper amount of training they will be given that certification.

**Mr. Kowalsky:** — Recommendation 2 on that same page indicates:

That certification programs for fire-fighters should include both written, oral and practical testing.

What is the stand of your department with respect that recommendation?

**Hon. Mr. Swan:** — I'm advised that at this time we use the oral examination and the field examination. We don't have the written examination at this time. Whether they'll have it soon or not, I couldn't give you a definite answer at this time.

**Mr. Kowalsky:** — You don't have a written examination. Is it an objective of the department to work towards a written examination?

**Hon. Mr. Swan:** — I'm advised that they are working towards that, but I can't give you a date when they will achieve it.

**Mr. Kowalsky:** — Thank you, Mr. Minister. Once again, an extra — I would mention that that extra 0.7 million would go a long way to speed those things up. I would like to turn to page 15 of that same report. Item 3 talks about a principal for a fire training college. I would ask whether or not you have named a principal.

**Hon. Mr. Swan:** — I think we'd be getting out in front of the college if we were to name a principal. We don't have a college as yet. We have looked at it. The cost is considerable, as you can appreciate, and at a time when finance is tight we didn't see it the route to go, to move out and establish a full-fledged fire college and hire a principal and so on.

So no, we haven't selected a principal, and likely will not select a principal until we have something definite that indicates we're going ahead with the college. If we decided to build a fire college, then would be the time to put a principal in place to see that what was built as a college would meet the needs for the type of training they want to give.

**Mr. Kowalsky:** — Could you give me an indication of some of the preliminary work that you may have done towards establishment of a fire college?

**Hon. Mr. Swan:** — There's only been some internal discussion within the department, some discussion with the Department of Supply and Services, but no decisions have been arrived at this time.

**Mr. Kowalsky:** — Have you had any negotiations with the federal government regarding federal funding for EMO (Emergency Measures Organization), or EMO funding,

emergency measures funding?

**Hon. Mr. Swan:** — Through our EMO branch, they have done some preliminary discussion with the federal government. But they're not conclusive.

**Mr. Kowalsky:** — Would that be with respect to a fire college, or would it be with respect to something that was more multi-purpose?

**Hon. Mr. Swan:** — If the federal government were to get involved through the EMO, it would have to be a multi-purpose college, but we're not at that point by any means.

**Mr. Kowalsky:** — On page 16 of that report the recommendation states that the use of secondment be considered as a means of providing supplementary staff at the fire training college, and for Outreach programs. Now particularly with respect to Outreach programs, I would ask the question that, in view of the amount of work that you have stated that you would like to accomplish in the department, have you done anything or put any funding into place to be able to use secondment to do so?

**Hon. Mr. Swan:** — No, we have not at this time.

(1500)

**Mr. Kowalsky:** — Mr. Minister, that brings to an end the questions that I wanted to ask with respect to this.

The comment that I would like to make is to summarize the essence of the questions that I've brought to your attention, the first premise being that there is money now being paid by all of the citizens of Saskatchewan, a 1 per cent levy on their fire insurance premiums, and this money is to be directed by law to the funding of the fire commission's office.

The Government of Saskatchewan has in 1984 set up a committee, a select committee, made up of members of both sides of the House. The committee has come forward with a series of, I believe, well-founded recommendations. These recommendations largely are endorsed by the fire-fighters of Saskatchewan, certainly by the fire chiefs, by the provincial fire chiefs.

One point seven million comes into the government — 1 million is used by the fire commission. And I would urge that you would work within your department to get a little more of that money into the hands of the fire commission's office so that they could do the jobs that need to be done in Saskatchewan, and they could do the jobs that the people who pay the premiums, the 1 per cent premium, feel that should be done.

I would now like to turn to another item that I would like to spend a few minutes on, Mr. Minister. This item has to deal with what is known as 20th century disease; or other names for it are: environmental hypersensitive disorder, or allergy disease, or environmental disease.

Mr. Minister, I want to know whether you've ever been advised by the Department of Health about the possibility . . . or about this particular disease, the extent of it. Have



you been advised?

**Hon. Mr. Swan:** — No, I have not been advised. That's a new disease to me. It probably would be better to ask that question of the Department of Health.

**Mr. Kowalsky:** — Thank you, Mr. Minister. A lot of the material related to the environmental disease certainly does pertain to the Department of Health. I bring it up here because there are some materials, or some aspects of this disease, the preventative aspects of this disease, which I believe would fall under the purview of the Department of Environment.

And there are a few things that I would like to mention to you in the form of questions, and ask that you be advised on this and perhaps, in the future, may be able to consult with the Department of Health on it.

I think it's important, first of all, to establish just exactly what this disease is. And I would ask the minister, first of all, if he is aware of this report which I have in my hand of *The Ad Hoc committee on Environmental Hypersensitivity Disorders*, published in August '85. It's known as the Thomson report, and it was issued by the Government of Ontario.

**Hon. Mr. Swan:** — I would have to simply reply to the member that I'm not aware of that report, so I couldn't offer you any information on it.

**Mr. Kowalsky:** — This report was compiled by a committee, one of the members of whom is . . . whose name is Dr. John Gerrard . . . pardon me, John Gerrard, professor, department of paediatrics, University Hospital, Saskatoon, Saskatchewan.

It's a major document that the . . . It was published by the Ontario government, partly because of the extensive lobby group and partly because of the number of people that they have now identified that suffer from environmental . . . what is known as environmental disease.

They estimate that there is between 20,000 and 50,000 people now being treated by the medical profession, or other people in the health field, that are suffering from what is known as environmental hypersensitivity.

For the record, I'd like to read the definition of environmental hypersensitivity into the record from . . . the definition from the Ontario study. It says here on page 17 of this Thomson study:

Environmental hypersensitivity is a chronic multisystem disorder, usually involving symptoms of the central nervous system and at least one other system. Affected persons are frequently intolerant to some foods, and they react adversely to some chemicals and to environmental agents, singly or in combination, at levels generally tolerated by the majority. Affected persons have varying degrees of morbidity, from mild discomfort to total disability. Upon physical examination, the patient is normally free from any abnormal findings. Although

abnormalities of complement and lymphocytes have been recorded, no single laboratory test, including (some technical names here) serum IgE, is consistently altered. Improvement is associated with avoidance of suspected agents and symptoms recur with re-exposure.

Well, Mr. Minister, that's a fairly technical definition, but in my own layman's terms, and having a relative who's suffering from that, I've been able to establish that this is a disease which is not really . . . has not been catalogued and does not have a long history — a long history in Canada, but it's sometimes related to allergies. It's very similar to allergy diseases — allergy-related diseases.

But a person who has this disease may react in ways that is rather befuddling to the medical profession. And so the people who have this disease have been categorized under these names. And there have been several publications of them. Now how it would apply to the Department of Environment is because not only are some of the causes of the disease now alleged to be food and the natural surroundings in a home, but also the chemical pollutants in the air, particularly gas fumes, tobacco smoke, food additives, door from plastic, formaldehyde, and anything else that might be around.

Now it may seem esoteric, Mr. Minister, but the problem is, when I saw the figures, there are some 20,000 to 50,000 people that were being treated this way in Ontario, I thought it really ought to be something that the Government of Saskatchewan, particularly the Department of Health and, to some extent, the Department of Environment should be aware of.

So I would . . . and there is some intelligence about this matter here in Saskatchewan — as I mentioned, Dr. Gerrard's name. I would ask, Mr. Minister, whether you're aware of an environmental illness steering committee centred here in Regina under Catholic Family Services.

**Hon. Mr. Swan:** — No, I'm not aware of it. I believe that the issue that the member raises is a serious issue, but I think it would be better dealt with under the Health estimates when people with a medical background are here that would have far more information on this subject.

**Mr. Kowalsky:** — I will be doing that, Mr. Minister. There's a couple of items related to this that I would like to ask you about. One of the concerns of this group in Regina is monitoring the external air, particularly in the farming communities, because they have found that in early seeding . . . in early spring, during seeding and during . . . when there's use of spraying and fertilising, that this disease seems to become much more prevalent. It seems to be associated with snow mould. It seems to be associated in areas around oil fields and gas wells. And again, symptoms seem to show up around harvest time.

They're doing some monitoring, Mr. Minister, and they have hired some students. I was wondering whether . . . And they have gotten some provincial funding for it. I was wondering whether the funding came from your department.

**Hon. Mr. Swan:** — I'm advised that we're not funding any study of that type.

**Mr. Kowalsky:** — Mr. Minister, I would advise that this is something that your department should be looking at in the near future. I think there are some good advice to be received by people like Herb Vanhorne, who was very active on this particular illness steering committee.

They tell us that they have found that, as a result, that they have found that there are so many people that are falling between the cracks of treatment in the health field, and that they have had some success in treating this — this what they call environmental illness — using some very specialized . . . people with specialized knowledge.

I would ask, Mr. Minister, would you be prepared to advise that you would have your people in your department consult with the people in Department of Health, to see if there is any . . . or to see what action the Department of Environment should be taking with respect to the monitoring for the possible causes of environmental disease?

**Hon. Mr. Swan:** — My department will speak to the Department of Health. I'm not sure to what extent we'll be involved, but we will make an initial contact and get more information.

**Mr. Kowalsky:** — Mr. Minister, that brings to a conclusion my questions. I thank you very much for your last response, particularly, because I feel that this is something that we should be addressing. It is being addressed in some of the other provinces. And we will be able to keep in touch with you and follow up in the future.

**Mr. Brockelbank:** — Mr. Chairman, Mr. Minister, I have two questions for you, very briefly. You sent over the list of the consultants for '86-87. With regard to that list, am I to understand that is a complete list — there are no consultants . . . consultations or consultants retained other than those on that list for the year?

And the second part of the question has to do with item 3 and item 7, which are co-operative projects. Am I to assume that the \$9,000 in the case of the item 3 — \$9,025 — is half the cost, or is that the total cost? And similarly with item 7.

**Hon. Mr. Swan:** — On the Prairie Agri-Photo done from Carman, Manitoba. That figure was the total cost of the project, and we were reimbursed approximately half by Sask Water.

On item 7, which is Environmental Managers Ltd., from Saskatoon dealing with the greenstone belt co-operative project, our department paid 9,995, the federal government paid 20 million, and Northern Affairs paid 10 million. So it's a \$40 million project and there were 40 . . . I'm getting it to be a fairly large project. I'm sorry, it's thousands. It's a \$40,000 project of which we paid approximately one-quarter.

(1515)

**Mr. Brockelbank:** — Thank you, Mr. Minister. One further question with regard to payments to the property management corporation. I believe when we were investigating that figure prior to this time, there may or may not have been some question asked about whether there were any other payments other than that under subvote 6 to the property management corporation, or is that in its entirety? All the money was paid to the property management corporation in subvote 6?

**Hon. Mr. Swan:** — There are other things that are paid to the property management corporation. They're listed under other services and CVA (central vehicle agency) vehicles and executive aircraft rental of \$260,280; computer equipment rentals, a \$23,600; stationery and office supplies, \$31,140; duplicating and photocopying, \$17,590.

Those would be the other items that would be covered that go to the property management corporation. They used to go to Supply and Service but will now go to property management.

**Mr. Brockelbank:** — You, Mr. Minister, said other services. I see only the heading, "other expenses." Am I to assume that those other expenses came under administration and communications, subvote 1?

**Hon. Mr. Swan:** — I'm advised that they are spread throughout the subvotes, like each branch that uses the service would pay for it out of their subvote, so it would be part of the total list of the other subvotes.

**Mr. Brockelbank:** — For further clarification then, Mr. Minister. In every one of these subvotes there is likely something that is paid to the property management corporation, and if so, could you identify, by sending across the list and indicating what subvote they came under? Just so I have a grip on the entire picture.

If you agree to do that, Mr. Minister, I won't ask you any more questions.

**Hon. Mr. Swan:** — I gave you the totals, but I couldn't today give you the break-out of how that falls under each division of the department. If that's a real important figure to you, it'll take a couple of days probably to break it out, but we could do that.

**Mr. Brockelbank:** — Yes, Mr. Minister, I'd like you to do that because this is the first vote that the first department is dealing with, the new property management corporation. I just want to survey the land a bit here, and I want to see the entire picture for the Department of the Environment.

**Hon. Mr. Swan:** — Yes, we'll do that. But as I told you, it would take a couple of days probably before we can get back to you.

**Mr. Lyons:** — Thank you, Mr. Chairman. Mr. Minister, I want to just return to a topic that's been occurring on and off again during this estimates, and that's the environmental impact statements for the Shand and for the Rafferty projects.

I wonder, can you give me the exact date on which your

department received the environmental impact study for Shand, and also for Rafferty — the exact date?

**Hon. Mr. Swan:** — I don't have the exact date for the Shand one here; we could get it for you. It was in December, and it was prior to Christmas. But we don't have the exact date with us today. The Rafferty came in on June 1.

**Mr. Lyons:** — That's June 1, 1987? Good, I just want to make sure, just for the record, that your answer for that is yes. Because I have here, Mr. Minister, a letter from Mr. Wheatley, who is the general legal counsel for the Saskatchewan Water Corporation, to the Hon. Thomas McMillan, the Minister of the Environment in Canada. And it says . . . the date of the letter is April 28, 1986. And it deals with an application before the . . . for licence under the International River Improvements Act, of which I'm sure that you, as minister responsible for the water corporation, are familiar.

And in this letter from Mr. Wheatley to Mr. McMillan, we see on page 4 of this letter, under section (f), details of the adverse effect of the improvement on flood control and other uses of water together with information as to plans to minimize such effect. It says:

The improvement will not produce any adverse effect on flood control or existing consumptive use. All other types of effects have been addressed in an environmental impact study which is supported with proposed plans for mitigation. The environmental impact study is available upon request.

Now this, Mr. Minister, is in a letter dated April 28, 1986. You've just told the House that in fact the environmental impact study was only submitted to your department on June 1, 1987. That is 14 months — 14 months — after the environmental impact study was available to the federal Department of the Environment.

Why is it, Mr. Minister, that the federal Department of the Environment can receive a copy of the environmental impact study for Rafferty when the provincial Department of the Environment is only able to receive that environmental impact study on June 1, 1987? Why does the federal government get preferred treatment for an Environmental impact study when the people of Saskatchewan don't?

**Hon. Mr. Swan:** — I could advise the hon. member that there was an initial environmental impact study done and brought to the department, and then it was withdrawn. So the . . . You're talking about two different environmental impact studies. There was one done, and Sask Power — not Sask Power, the Souris Basin Development Authority, I'm sorry — withdrew that statement and then proceeded to do a much more detailed environmental impact study. And that's the statement that was filed on June 1, and the statement that will be dealt with by my department. But the other one was withdrawn.

**Mr. Lyons:** — Mr. Minister, was the original environmental impact statement — which according to this letter from Mr. Wheatley was available upon request to the federal Department of the Environment — was it in

fact sent to the federal Department of Environment?

**Hon. Mr. Swan:** — I really have no idea whether it was or was not sent. You're reading from something from Sask Water. I don't know whether they had it at that time; I wasn't there at that time. But I really couldn't answer you.

**Mr. Lyons:** — . . . (inaudible) . . . you're minister in charge of both, and that in fact it's the relationship between the provincial Department of the Environment and the Saskatchewan Water Corporation in that you're wearing both hats. It seems to me that, in terms of some of the background to this project, that you would have knowledge of it.

Could you tell us, Mr. Minister, that . . . You say that the original environmental impact study was withdrawn. Why was it withdrawn? What were the reasons for its withdrawal by the proponents?

**Hon. Mr. Swan:** — Basically, I think that question should be asked of the minister responsible for the Saskatchewan Power Corporation. But I will advise the hon. member that at the time that the first statement was prepared, they were not final on the location of the Rafferty dam. And when you change location, that changes the whole impact study.

There were a number of other changes as well, but that was one of the very major changes that required another study to be done, was that they moved the original location that was proposed a number of miles so the whole flood area would be different, and that was the basic idea.

**Mr. Lyons:** — Mr. Minister, you're saying that the whole flood area would be different, and other parameters, I assume, would be different. Now, I'll get back to those other parameters in a minute.

Was there any input from your department when it first received the environmental impact study? Did your department have any comments as to the reasonableness or the effectiveness of the original environmental impact study? And did your department make any comments as to the contents of the original environmental impact study?

**Hon. Mr. Swan:** — There were some discussions between our department and the Souris Basin Development Authority. I think that's normal that there should be some discussion. And they went back then and did the detailed study that's now in place. I think quite often when an environmental impact study is being done, they ask the department for guide-lines on the areas that they must cover, and those are often provided, and then the study is completed.

**Mr. Lyons:** — Mr. Minister, one of the guide-lines — and I understand from reading the original project's specific guide-lines when the two projects, when Shand and Rafferty-Alameda were combined — one of those guide-lines was the social and economic impact that the projects would have on the province. I'm wondering, in terms of dealing first of all now with the original EIS submission from Souris Basin, were there social and

economic guide-lines, or were there, in fact, comments on the social and economic impact of the project?

**Hon. Mr. Swan:** — Those were internal discussions within the department. They were not written discussions, and I don't believe that it's proper that we even reveal what those discussions entailed. The requests of the department as they deal with the environmental impact study that is now before the department is much more significant, and at the time of the public review the department's comments will be made available on that study. But the first one was withdrawn, and I don't believe that the comments that were made should be revealed on that.

(1530)

**Mr. Lyons:** — I disagree with that, but I won't pursue it any further because obviously, I think it's obvious that in fact there were comments, as you admitted, that came from the department. The environmental impact study was withdrawn, and the proponents of Rafferty were required to submit a new impact statement.

Dealing with the second impact statement, dealing with the second impact statement, were there social and economic impacts, and the social and economic impact of Rafferty and Alameda — were they included in the environmental impact study that you have now before you?

**Hon. Mr. Swan:** — The guide-lines require that they be addressed, and they have been addressed, but it's still under technical review, so we can't deal with it any further than that.

**Mr. Lyons:** — I assume since they were applied to the Rafferty-Alameda project they were also applied to Shand. Is that correct? The same type of social and economic impact requirements that were in the original submission and the original requirements for the project's specific guide-lines, they were also applicable to the Shand project?

**Hon. Mr. Swan:** — I'm advised that they would be.

**Mr. Lyons:** — Given that you've received the Shand either last December or November, and I believe, in fact, in checking my records, it was probably November when you received it, and given that in fact there are those impact statements, one of which is a social and economic impact of Shand, I wonder if you'd perhaps like to tell us now how much the increase in power rates will be for the province of Saskatchewan if, in fact, the Shand power plant is built.

**Hon. Mr. Swan:** — I'm afraid that's not a question that would come under this department. If there is a question like that directed to the minister responsible for SPC, he may have an answer, but I certainly don't.

**Mr. Lyons:** — Well, Mr. Minister, the project's specific guide-lines, that you yourself admitted, has said that the economic impact of that project on the province would be required. Surely, in terms of those project's specific guide-lines, you have taken the overall economic impact

on the province, of Shand, outside the direct cost, and that your department has dealt with it. Are you saying that, in fact, Sask Power has not dealt with that economic impact on the province?

**Hon. Mr. Swan:** — I don't know whether Sask Power has dealt with it or not, but the impacts that we will look at is the socio-economic impacts as they relate to environmental issues. And we're looking at those. We will not have answers on the cost of power. I think that's more properly asked of the power corporation.

**Mr. Lyons:** — But surely, Mr. Minister, you will agree that a project, when it is built, has a socio-economic impact on the community, whether it's a large community like the province, or a particular small community like the Estevan constituency, where the power project is going to be built, and surely that when you ask for socio-economic impacts, that the power corporation should be able to provide you with that kind of information.

I'm asking you the question: is it true that Sask Power did not supply you, in dealing with the socio-economic impacts of Shand, that they didn't, in fact, deal with the whole question of the increase in power rates for the people of this province?

**Hon. Mr. Swan:** — At the time that the public review period is opened, the hon. member will have the opportunity to look at the complete environmental impact assessment and also the comments that our department has on that assessment. But I'm not going to get into the assessment itself at this stage.

**Mr. Lyons:** — Mr. Minister, in light of the type of questions, and in light of the kind of revealing statements made, particularly by the Deputy Premier insofar as his attitude towards the project — that it's either go ahead or you get fired — I wonder, sir, in following along the line of questioning taken yesterday by the member from Riversdale, whether or not you, sir, will in fact deal with the question of the department and your own credibility by agreeing here and now to hold public hearings so that the people of this province can, in fact, question Sask Power officials on the socio-economic impact on whether it's the small community of Estevan or the large community of Saskatchewan. Will you agree to hold public hearings so that the people of the province can find out what the real cost of Shand is going to be?

**Hon. Mr. Swan:** — Well, Mr. Chairman, I think if I've answered any question in this Assembly on any subject, it's that question. I believe, if the member would like to go back and read *Hansard*, I've probably answered to the same member about 25 times on that question. And I see really no purpose in answering it again.

**Mr. Lyons:** — Well, I guess the only question that we'll have left on that, Mr. Minister, is to ask you what have you got to be afraid of? What are you guys trying to hide when it comes to Shand? And you know, because we're not going to get a straight answer coming from the minister responsible for the Sask Power Corporation when we go through that estimates, because he's going to try to shuffle it off to somewhere else down the line . . .

**Mr. Chairman:** — I'd like to interrupt the member. Would you please keep the questions on Environment rather than the Sask Water Corporation please.

**Mr. Lyons:** — I'm referring not to Sask Water Corporation, Mr. Chairman. I was referring to the Sask Power Corporation and it's relationship to the Shand power plant and whether or not in fact we'll be able to elicit the same kind of answers from the Deputy Premier who is responsible for the power corporation, or will we get the same kind of run-around we're getting from him?

**Mr. Chairman:** — I would caution the member, would you please stick with the environmental issues, not Saskatchewan Water Corporation. We'll deal with that in due course.

**Mr. Lyons:** — Well, I'm sorry you've got hearing problems. I said Sask Power Corporation three times. And p-o-w-e-r does not spell "water" in any person's vocabulary, Mr. Minister, can you ...

**Mr. Chairman:** — Order. I'm sorry to interrupt the member again. I apologize for my saying "Sask Water". I do mean Sask Power. So would you please avoid that topic at this time.

**Mr. Lyons:** — Mr. Chairperson, you cannot avoid talking about Sask Power when they are, in fact, the proponents for a development of \$720 million. The Shand, Rafferty-Alameda project that impacts directly on the Environment department, they are the proponents of the development, and I cannot ... I'm sorry, I cannot — and I think it's totally unreasonable for you to ask that I keep away from Sask Power, given the fact that they're the proponents of a project which comes under his purview.

**Mr. Chairman:** — Are you challenging the Chair? I have made the ruling that we are now dealing with the Department of Environment. You may ask the minister pertinent questions dealing with Environment. And when we talk about the Saskatchewan Power Corporation you may ask that appropriate minister questions dealing directly with Saskatchewan Power Corporation.

So would you please ask the questions appropriate.

**Mr. Lyons:** — Well, Mr. Chairman, I will direct, or if you're asking me to rephrase certain questions if that suits you, that's fine. But in order to deal with the question of the Shand power plant and its environmental impact requires, unfortunately, the fact that we deal with the Sask Power Corporation.

And, Mr. Minister, we have gotten absolutely zilch — absolutely zilch from you in questioning about Shand, Rafferty and Alameda. And the reason we have is not because we haven't asked questions. The reason in fact is that you've ducked those questions by saying that the environmental impact studies haven't had their technical review — which I don't believe. I think they have had their technical review and, I think, in fact that the kind of comments made by the Deputy Premier proves in fact that they've had gone through that technical review.

And I think that statements by yourself in regards to the discussions between the first and second environmental impact statements in regards to Rafferty certainly leaves the impression, if not the reality, but certainly leaves the impression that the first statement was cooked and it wasn't acceptable, and it had to come back to meet the requirements, the political requirements of the department on that. However, I won't pursue this.

We will attempt to elicit answers when the Sask Power Corporation estimates come up.

I want to ask you about another issue though, Mr. Minister, and that's the whole question of the sale of Saskatchewan water and water from the prairie basin to the United States.

It's my information, and I have it on, I would say, somewhat good authority, that a proposal has come before the council of ministers of the Environment and Natural Resources ... proposal came before that council of ministers, advocating the disposal and the sale of water and diversion of water from Canada to the United States within the context of the free trade agreement which is presently being negotiated by Ottawa. I'm wondering, sir, what was the position of Saskatchewan at the council of ministers of the Environment, in regard to the water diversion?

**Hon. Mr. Swan:** — I have not attended a meeting of that group. The last meeting they had was in September, and I was somewhat busy in an election, so I didn't go. I can advise the member that the issue of water apportionment would be under the Saskatchewan Water Corporation, not the Department of Environment, so would be more properly dealt with there.

Before you asked that question, you made some statements about not receiving any answers as it had to do with Shand and Rafferty. And I answered as many questions as was possible to answer, but there are certain areas that you can't deal with until the environmental impact studies are complete. the member on to say that he didn't believe me that those studies were still in the technical review process.

The information I've provided you is information that was made available to me by the staff of the Department of Environment who actually do those assessments. So if you're saying you don't believe it, you're saying that you doubt the word of the staff of the Department of Environment, and I take that very negatively. I believe that this department is doing a good job. The staff don't have to come in here and tell you untruths. They're giving you the facts. Whether or not you believe it, I guess that's your privilege. But don't be doubting the credibility of the staff of this department.

**Mr. Lyons:** — Mr. Minister, it's not the staff that's answering questions, it's you that's answering the questions, so to attempt to involve the staff in that political game is patently not correct. It's not correct. I never made one implication that the staff members were not telling the truth. I didn't say, not once, and I don't think — you could check the record of *Hansard* — you will find any implications to that matter. In fact, I think you will find the

statements to the contrary, that in fact I have said time and time again, because of the priority of your government is not to staff the Department of the Environment, in fact to understaff it, and not to properly fund the Department of the Environment, but in fact to underfund it. And the facts and figures and the history since 1982 speak rather well to that fact, as we have shown, that in fact it's ludicrous for you to say I'm trying to cast aspersions. I've said time and time again that the staff members of your department are doing a great job under the onerous conditions that you and your government have laid on them, that you and your government have laid on them.

However, Mr. Minister, the question that I asked you originally regarding water, and the sale of water, comes under your department. It's called the council of ministers of the environment and natural resources. Right? You have a representative, as you've already said . . . You already said, earlier on in these estimates, a representative of your department sits on that council. Is that not true?

**Hon. Mr. Swan:** — My deputy minister has attended meetings of the council. Also, the Minister of Parks and renewable resources has attended meetings of that group. But the apportionment of water from Saskatchewan will fall under the Saskatchewan Water Corporation; that's within their jurisdiction.

**Mr. Lyons:** — I'm not asking you, Mr. Minister, I'm not asking you who sits or who doesn't sit. I'm asking you . . . and you have in fact affirmed that a representative of the Department of the Environment, i.e. the deputy minister sitting beside you there, sits on the council of ministers.

Let's go back, then, to first cases: was the deputy minister of the Environment present at any meetings of the council of the ministers of the environment and natural resources at which time the co-question of water diversion and sale of water to the United States was raised?

(1545)

**Hon. Mr. Swan:** — My deputy minister has attended the last three meetings of that group, and advises me that that subject did not come up at any of the last three meetings. There was a subject that dealt with the pricing of water, but not the apportionment.

**Mr. Lyons:** — So your deputy minister was at a meeting of the council of the ministers of the environment at which the subject of the price of Canadian water for sale to the United States was discussed. Is that what you.

**Hon. Mr. Swan:** — No, that was not the issue. The pricing of water as it related for municipalities to consumers, but not the pricing of water between Saskatchewan and the United States, or other provinces and the United States.

**Mr. Lyons:** — Are you saying, Mr. Minister, that to your knowledge, or to the knowledge of your deputy minister, or to the knowledge of anybody in your department, that the question of the diversion and sale of fresh water from Canada to the United States was not discussed? Are you saying that, in fact, you or anybody in your department has no knowledge of this subject becoming before the

ministers of the council of environment and natural resources?

**Hon. Mr. Swan:** — I am advised that the federal government has done what they call the Pearse Study, but that study has not appeared on the agenda of CCREM (Canadian Council of Resource and Environment Ministers) for discussion at any time.

**Mr. Lyons:** — Well, is the minister aware of a proposal and a project put forward by none other than the son of Simon Reisman, the free trade negotiator, a proposal put forward to the council of ministers by the so-called Grand Canal Company, which in fact is a proposal for the diversion of water and sale of water to the United States; and is the minister not also aware that that very subject was discussed by the councils of ministers of the environment and natural resources. Are you saying, sir, that that did not take place?

**Hon. Mr. Swan:** — I'm advised that there has not been an agenda item that dealt with the Grand Canal project.

**Mr. Lyons:** — Well, Mr. Minister, just to make this perfectly clear, because I don't know whether you're weaseling out of the question or not, when you say that there wasn't an agenda item, was a proposal by the Grand Canal Company — listen carefully — was a proposal by the Grand Canal Company to divert and sell water to the United States ever come before any meeting or any committee of the councils of the ministers of the environment and natural resources? Have you or any . . . That's the first part of that question. The second part of that question is: have you, or any officials in your department, ever received or seen or know of copies of this proposal?

**Hon. Mr. Swan:** — I'm advised that there has never been an item dealing with that project at the Canadian Council of Resource and Environment Ministers. Now if there is some subcommittee somewhere, I'm not going to say that there wasn't, because they hold meetings all over the country, and we may or may not have people at those meetings. So I wouldn't have knowledge of whether or not that has occurred.

On the second part of your question, the deputy minister knows of the issue, has a copy of the report, but that has never been brought forward to the Canadian Council of Resource and Environment Ministers.

**Mr. Lyons:** — Good. Mr. Minister, has the deputy minister briefed you on this report, and has he put forward a recommendation as to the proposal contained therein?

**Hon. Mr. Swan:** — No, he has not. This is the first time that I have even heard of that report.

**Mr. Lyons:** — Well, Mr. . . . this report has been floating around for a little while. Perhaps you want to ask your deputy minister here now why is it that this is the first time you hear about it when there's a proposal been put forward and circulated among environment ministers, environment ministries, and natural resources ministries throughout the country, and that you're unaware of a

major — of a major; let me talk about major — scheme to divert water from Canada to United States and sell it. Why aren't you aware of it?

**Hon. Mr. Swan:** — I'm advised that the project has been floating around for about 25 years. I'm sorry I wasn't aware of it, but it has never come forward for any major discussion or any decision to the Canadian Council for Resource and Environment Ministers.

**Mr. Lyons:** — I just want to make absolutely clear that it's your position and it's your understanding and that you can say unequivocally that it has never, ever, ever appeared before the council. Is that your position?

**Hon. Mr. Swan:** — I haven't been around that long. No, I won't make that statement. My deputy has been three years, and I've been about seven or eight months. So no, I won't make the statement that it goes back for ever. I don't even know which year that group first met as a group under that name. That's a very unreasonable question that you ask.

**Mr. Lyons:** — Perhaps it's not so unreasonable when after, when I supply you with the information and fact that I don't think that it's quite correct — the information you're receiving. But I'm going to leave that aside. One more question on this topic; do you support the sale of water and the diversion of water to the United States?

**Hon. Mr. Swan:** — That's not a question for the Department of the Environment to answer. We won't be, as a department, selling water, so it's not a question that I should be asked to answer.

**Mr. Lyons:** — Mr. Minister, any . . . you have before you, you have before you schemes and developments, one of which is the Rafferty dam, part of which in the application before the international rivers improvement licensing process, that talks about the efficient management of water resources and its impact internationally. One of the proposals, and one of the proponents, and one of the great backers of this project from south of the border, Senator Quentin Burdick, talks about this project in terms of a method of rational and efficient use of water resources, given what's going on with Garrison.

It's obvious that the intent, at least in Senator Burdick's eyes, when he's willing to try to put up \$41.4 million in this project, which you have to give ministerial approval to, involves the sale of water, at least the apportionment of water, and the potential sale of water to the United States.

And we've got schemes before us put forward by the . . . and supported by, I might say, by Simon Reisman, the great free trader himself who, in 1986, said before the Ontario Economics Opportunity Conference:

Our last trump card, when it comes to free trade and getting a good free trade deal, will be to sell water to the United States.

And those are Mr. Reisman's own words.

And you have before you a decision whether or not to

approve the Rafferty dam and the Alameda dam, which for years have formed the basis of plans formulated by the Corps of Engineers in the United States and have formed the basis of plans for inter-basinal transfer of water from the Saskatchewan basin to the Missouri basin — plans drawn up and outlined very well in the Canada West Foundation's publications — that you, in fact, have got to decide and to make that approval.

And when the potentiality for that sale of water exists, will, Mr. Minister — and I ask this question specifically of you — given the fact that the Alameda and Rafferty projects have the potential to be used for sale of water to the United States, do you, as Minister of Environment, approve of that particular aspect of the scheme?

**Hon. Mr. Swan:** — The apportionment of water that will go to the United States will be looked after through the Saskatchewan Water Corporation, not this department. So I won't answer the question on water in this area. When we come to the water corporation and you want to ask that question, I'll deal with it at that time.

**Mr. Lyons:** — I'm sorry, Mr. Minister, the fact that you have to give ministerial approval by the Department of Environment says that, in fact. And given that, in fact, you've already admitted that the socio-economic impacts can, in fact, be the apportionment of water to the United States, surely you've got some opinions on this matter as the Minister of Environment.

**Hon. Mr. Swan:** — When it comes time to make the decision of whether or not to license the projects, we'll make that decision. The time is not now. The environmental impact studies are still during the technical review process. They will be available for public review, and after all of that process is when I make my decision. So I won't be giving you a decision on that at this time.

**Mr. Goodale:** — Thank you, Mr. Chairman. To the minister, I have a number of questions I wish to direct to the minister having to do with the property management corporation and his department's relationship with the corporation.

But before I touch upon that, Mr. Minister, one question that flows at least slightly out of the line of questioning you were just dealing with. I understand, in previous answers that you've given, that the hang-ups that presently exist in relation to the final decision in respect of a possible grasslands national park in south-western Saskatchewan relate, at least in part, to matters of jurisdiction over water flows, and some dispute existing at the moment between the Government of Saskatchewan and the Government of Canada in that regard.

I wonder if you can tell me if there is any connection or any linkage at all between that problem in south-western Saskatchewan, and any issue or any development or any potential development that may be under way or proposed in south-eastern Saskatchewan? Are the two matters totally separate, or is there any possibility of overlap or linkage there at all?

**Hon. Mr. Swan:** — I would say they were totally separate, and the grasslands park is strictly under the water corporation. The problem that we're dealing with there is strictly under the water corporation, not under Environment.

**Mr. Goodale:** — Thank you, Mr. Minister. Earlier in your estimates there was quite a debate, and even a couple of recorded votes, about the relationship between your department and the new property management corporation. I understand, or I would expect, setting aside the hyperbole on both sides, that you can understand the opposition's concern in this respect.

Previously there was a department of government, the Department of Supply and Services, which handled the management and the administration of all accommodations and the goods and the services used by your department and others. The Department of Supply and Services was accountable to this House in a variety of ways during estimates, in the Public Accounts Committee, and through the regular auditing of the Provincial Auditor.

(1600)

There is, Mr. Minister, I'm sure you will agree, no area of government operations so prone to the tool of patronage and so subject to public scepticism and cynicism as is the field of buying or leasing or building government office space — it's a very sensitive area — or the field of the provision of equipment and supplies to government, and the contracting out for special services, and so forth. Those are sensitive matters about which the public is concerned. It is an area that obviously demands cautious and prudent management by those in government. It also demands close examination by this legislature to expose all of the facts and to prevent abuses.

With the substitution of a new Crown property management corporation instead of the former government department, the opportunities for scrutiny by the legislature and by other official agencies in the province of Saskatchewan are at least changed, and perhaps reduced. That being the state of affairs, I'm sure you will appreciate why this side of the House, and others in Saskatchewan, are expressing some concerns. We're dealing with a new state of affairs.

To this point in time, we just don't know, I suppose no one knows, whether it's a better state of affairs. At least we know it's different. In dealing with that new state of affairs, where the opportunities for accountability are changed and perhaps reduced, we have some questions to ask. I would like to address two or three of them to you at this moment, Mr. Minister.

First of all, just as a matter of information and education for this House, since you are the first minister to present your estimates and therefore the first to have the opportunity to explain the new state of affairs, vis-a-vis the property management corporation — from your perspective, as the minister responsible for a line department of the government, what do you see as your relationship with this new property management

corporation, and how would that relationship be different from what used to exist with the Department of Supply and Services?

**Hon. Mr. Swan:** — It's true that property management corporation is new, and the relationship will be somewhat different, but not all that different. There will be differences.

To begin with, when the Department of Supply and Services provided rental space to a department, the figure was never entered in the department's budget. Under the property management corporation there is a figure in the departmental budget. To me, that has improved the accountability of a department for the amount of money that it spends. We have to show in our estimate a figure that covers the cost of our rent. I gave that before, and I think you likely have it. And it also included the cost of mail and postage, which used to be covered strictly under Supply and Service. Now the cost of us using the mail room will be a figure that will show in the departmental budget — again, I think, an improvement in the method of accountability of each department of government.

So we feel that it's a step in the right direction. It's a new corporation. We will be dealing with it in a very similar basis to what we would have dealt with the Department of Supply and Service. When we need space for additional departmental use, we will go to that property management corporation and ask them to arrange space for us. In turn, we will pay the rental cost of the space that is leased.

When we need vehicles through central vehicle agency, we'll again go to the property management corporation and ask them for the vehicle for the type of use that we see, and they will purchase and lease to the department that vehicle.

When I need to use the government aircraft, or my staff need to use a government aircraft, they will contact again that property management corporation and use the aircraft. And the charge will come through the property management corporation, and we pay the charge.

The rental of computer equipment again, a similar method is used. Stationery and office supplies, we will order through the property management corporation. They will buy and it will be charged to our budget.

So the method of operation is not significantly different as far as the department is concerned, except all of the things that the department uses and the costs of those items will show in the departmental budget, which to me is a better method than we've had prior — one that should make it easier for the public and for the opposition to review the expenditures of any department and have it all laying in the blue book before them, and know what that department is spending and for what purpose.

**Mr. Goodale:** — Thank you, Mr. Minister. You have referred to a number of specific items that are reported now, which previously would not have been reported, or not reported in the same way. And since this is a new venture this year — and, presumably, no one has previously gone through these calculations before — can



you tell me how the specific items would have been arrived at in terms of all of the valuations that you have mentioned?

Would, for example, that information simply have simply have been supplied by what used to be DSS? Or would there have been a negotiation between your department and the new property management corporation? Did you simply submit the valuations and they were accepted by the property management corporation? I'm just wondering what process you went through to arrive at what is now a new set of arithmetic which your officials previously would not have had to concern themselves with.

**Hon. Mr. Swan:** — For the first year of operation of the property management corporation, the calculation of the cost of our present office space . . . They know how much they're paying for each office space that we occupy, so that was added up. And that was given to us as a rental rate for this year. And the same for the mail and postage.

Those figures were available to Supply and Services, and so those figures were provided as a budgetary figure for this year. At the end of the year, we'll have an accurate account of whether or not we've used that amount of space, oar whether we've used that amount of postage.

The other figures, when it comes to CVA (central vehicle agency) vehicles and aircraft usage, computer equipment rental, stationery and office supplies, and duplicating and photographing — all of those figures submitted by our department as estimated costs that the department will incur this year for those items. So that area is not new; it's in the budget, and was in last year and the year before. So it's an ongoing process.

**Mr. Goodale:** — Mr. Minister, you've indicated that at least some of the figures that you've referred to will be a little bit dependent upon your actual experience this year, this being the first year under the new information to be gleaned when you get to the bottom line at the end of the year to determine the exact arithmetic.

Do I take it from that, that in terms of these estimates, that we ought to perhaps very boldly underline that word estimates this year because of the introduction of the property management corporation into the scheme of things. And there may be some larger degree of risk associated with some of these numbers than might have been the case in the past, because there is a new instrument involved here in the calculations.

**Hon. Mr. Swan:** — I don't think I would go that far in my statement. They are estimates, and they always are. If, during the course of the year, we have need for considerably less office space and we have made some changes, and if we can lease some of that space to another department of government or something, then the figure could change for rent.

But most of the other expenses will be fairly regular kind of expenses that this department has incurred over a long period of time. So they are estimates, and estimates can go up or down a little, and sometimes departments have

to vire from one subvote to another. But I think, when you look at our estimates, we'll be reasonably close.

**Mr. Goodale:** — Mr. Minister, you've indicated some items of extra information that the new regime under the property management corporation brings forward in the estimates that previously weren't there. Can you give us the assurance that all of the information that used to be there under DDS will still be fully available in a comparable form now under the new property management corporation.

You've indicated some new areas where the legislature will be able to have new and additional information, and that's to be commended. I wonder if you can give us the specific undertaking that there's no area in this new rearrangement of things where there will, in fact, be a case of less information being available.

**Hon. Mr. Swan:** — That's very difficult for me to guarantee what the property management corporation will have. I would anticipate that all the information will be available. It was available before, but I couldn't guarantee that to the member. You would have to ask of the minister responsible.

**Mr. Goodale:** — A supplementary point just to that answer then, Mr. Minister. Can you say that in respect of any information which for one reason or another, you haven't been able to supply during your estimates relating to your department's relationship with the new Crown corporation, can you give us the assurance that if you have not been in a position to provide that information, that the information will be forthcoming to the legislature in due course, in any event, in the proper time frame, and from the proper officials related to the property management corporation?

**Hon. Mr. Swan:** — I don't think it's possible for me to speak for the property management corporation, but I don't see any reason why it wouldn't be available. It's simply that you would have to go to that minister to get the break-out. Much of the information that was asked of me has not been made available to the department. I think when you come to the estimates of the property management corporation that you should ask that minister the question. I don't believe I can speak for me.

**Mr. Goodale:** — But you can think of no substantive or procedural impediment that would in any way prevent the question being asked and the answer to be forthcoming. There's nothing structurally that stands in the way of that.

**Hon. Mr. Swan:** — I don't see anything structurally form what I see of the property management corporation. I think when its estimates are looked at that you will be able to deal with.

**Mr. Goodale:** — One final point then, Mr. Minister. Can you confirm that insofar as the Department of the Environment is concerned, there are no substantial budget changes for expenditures on accommodations and supplies and services and so forth now under the property management corporation, as compared to the previous state of affairs that used to exist under the

Department of Supply and Services?

(1615)

That, in effect, your expenditures in relation to accommodation, supplies, and services, and so forth in the coming year are essentially the same as in the previous year with no substantial changes that would attract the notice of the legislature.

**Hon. Mr. Swan:** — There would be one area of change that the member would like to be aware of. The technical services division was transferred from the Department of Labour to our department. So that space rental allocation would be additional to what the Department of Environment would have shown a year ago. But I believe the legislature is aware that that transfer has occurred and would anticipate that that adjustment would be made.

**Mr. Goodale:** — One final point, Mr. Minister, and I think this will be the final one. In the item in the estimates related to the property management corporation, of some \$985,700, roughly speaking, what proportion of that would be attributable to the transfer that you referred to in your last answer?

**Hon. Mr. Swan:** — I would like to advise the hon. member that I don't have the dollar figures. I could give you the square footage of the space that we have and it's 1,072.5 . . . I'm sorry, it's square meters. I'm not just quite up on some of these new terms, but it's 1,072.5.

I'm going to send across to the member the same list that I had sent across to the opposition a while ago.

**Mr. Goodale:** — Mr. Chairman, I simply want to thank the minister for his answers. It's been helpful.

Item 1 agreed to.

**Item 2**

**Mr. Lyons:** — Thank you very much, Mr. Chairman. I have just several questions on the item number 2, subvote 2.

Mr. Minister, could you please explain why there was the roughly \$95,000 cut in communications allowance, given that the staff complement remains the same in information and communications? Is it the intention of the department to cut back on communicating to the public?

**Hon. Mr. Swan:** — Is the member asking the question under item 1? Like item 2 basically deals with environmental protection branch. It's a different branch. Was that question intended for item 1?

**Mr. Lyons:** — Mr. Minister, it was item 2.

**Hon. Mr. Swan:** — I'm advised that all communication expenses are under item 1.

Item 2 agreed to.

Item 3 agreed to.

**Item 4**

**Mr. Lyons:** — Under item 4 there, I've noticed that you have apportioned amount of money and have lost staff from this particular area. Could you please tell us how that staff person was lost and for what reason?

**Hon. Mr. Swan:** — I believe I dealt with that before. But for the hon. member, the two positions that show as being deleted here are now contractual positions. It's the same two individuals working but they were put on a contractual basis and their salaries are basically recovered through the JEPP program from the federal government.

**Mr. Lyons:** — Could you tell me what areas of work those individuals are involved in?

**Hon. Mr. Swan:** — We had a report prepared. I think the easiest answer to your question would be to send this one across. I believe the question was asked by Mr. Shillington. I would ask you to share the information with him.

**Mr. Lyons:** — I don't recall the question actually, Mr. Minister, whether Mr. Shillington got it or not. When you say that these individuals are now on a contractual basis, is it because of an efficiency measure within the department? You say you're getting funds from JEPP, is that an efficiency mark? Or is it sort of robbing Peter to pay Paul — one taxpayer paying for what another taxpayer isn't doing?

**Hon. Mr. Swan:** — I guess it's an efficiency measure for Saskatchewan, but the JEPP program allows us to operate that way. And their contract goes through as expenses and is completely picked up on the JEPP program from the federal government.

**Mr. Lyons:** — Just a couple of questions. The member for Regina North was asking you several lines of questioning regarding the question of the dump. The member from North West was talking about the whole transportation of hazardous goods, and the potentials for disaster in the northern part of Regina. I'm wondering, have you advised the Emergency Measures Organization or taken any measures to that effect to ask them to prepare some kind of evacuation plans? Or do they have, to your knowledge, do they have those plans in place?

**Hon. Mr. Swan:** — I'm advised that that would be the responsibility of the city of Regina's Emergency Measures Organization. But our EMO staff would assist them if they want to move forward with that.

**Mr. Lyons:** — Just a short question. Could you inquire from your staff whether or not the EMO has such a plan in place, given that Regina seems to have now become a concentration . . . on the one hand, in the east part of the city we've got chemical plants which have the potential for major public hazards. If there's a fire breaks out, for example, and given what's happened with the rail line relocation, can you find out whether in fact there is a plan in existence from your Regina branch of EMO?

**Hon. Mr. Swan:** — We haven't had any request from the city of Regina to be involved in that kind of a contingency plan. If we were asked, we would assist them. But the city is autonomous; it makes its own decisions. And at the time that they request assistance, that's the time that we could provide it.

Item 4 agreed to.

#### Item 5

**Mr. Lyons:** — In regards to item 5, Mr. Minister, on the question of public safety, I that the other colleagues here have dealt extensively with questions in this regard. I just have a question in regards to monitoring and the effect that the moves that you're planning on making and are implementing in terms of the public safety personnel. Do you have any plans in place from your department to monitor whether or not the removal of gas inspectors, for example, to Sask Power or that type of rearrangement, do you have any plans in place to monitor the effect on the safety of people in Saskatchewan, whether or not such a move will increase the danger to people in the province or in fact enhance their safety? Do you have any sort of plans to look after that?

**Hon. Mr. Swan:** — We don't have any specific plans in place. We will be watching very closely as this change takes place. It is a big change, and we all realize it. But we feel that it likely will be an improvement, and we'll be watching very closely. I believe the best method of monitoring is people will be responding to us by mail and by telephone and in person, and if we're starting to detect that there is a problem, we'll certainly address it.

**Mr. Lyons:** — Okay, just so that I'm clear. But there is no agency or department or any specific individual that in fact will keep tabs on it, that these moves are made in the hopes that there will be just public feedback if something happens.

**Hon. Mr. Swan:** — We will still have the regulatory role of government and will maintain some staff, and the final details of how many are not worked out, so I can't give that to you. But we will be maintaining some staff, so we'll be watching it very closely.

**Mr. Lyons:** — Mr. Minister, I just . . . a comment. I urge you, I strongly urge you that in fact that you maintain or develop some kind of monitoring plan for this. Given the understaffing that's going on in the department and the chopping of personnel in the public safety area, and the kind of work-load that people who work in this area are under, I would strongly urge you, and in all sincerity, to put in place some kind of monitoring program so that you can act swiftly. I don't believe you or anybody else here wants another Polly Redhot type affair that when we get that kind of feedback is when we take action, that hopefully we can be pro-active in that area.

**Mr. Goodale:** — Mr. Chairman, the changes under this subvote are really, generally speaking of two kinds. One, of course, is the transfer from the Department of Labour to the Department of Environment and Public Safety; and secondly, the loss of some 30 or more person-years.

Can the minister say, first of all, on the structural point, how this arrangement that is now prevailing in Saskatchewan, putting these duties and functions as a part of the Department of Environment, how that compares to other Canadian jurisdictions? Whether or not we're following a pattern that's developing elsewhere in Canada, or whether this is different from what other provinces do.

**Hon. Mr. Swan:** — I'm advised that it varies. Departments are structured differently across the nation. Some places it's Department of Environment, some places it's Department of Labour, and it can be anywhere.

I suppose the public safety side fits very well with Environment. That's what we're involved in is public safety. And we've had I think, a fairly good working relationship with the technical services division.

(1630)

Part of the reason for the drop in numbers that you see here of course, is the transfer mid-year of this inspection for power and gas to the Saskatchewan Power Corporation. So there is . . . part of the difference that you see is contributed to that factor, that we will be transferring those two areas.

**Mr. Goodale:** — Could the minister indicate, of the 31 positions, I think it is, or 32 positions . . . the minister has indicated already that perhaps what is happening, in reality, is not a cut of that magnitude. Could the minister be a little more precise on that point as to exactly what the real drop in person-years is, after taking into account the transfers to Sask Power and so forth, part way through a year?

**Hon. Mr. Swan:** — The blue book shows 32.8 positions; of those, there are 11 early retirement, and 21.8 will be transferred to Saskatchewan Power for the gas and electrical inspection. So that gives you the figure that we have at the top, of 32.8. So there isn't the real number of people difference. But the 11 early retirements we didn't replace. Many of them we felt would be better hired by Sask Power at the time that they take over that position, so they would have the opportunity to interview and put in place the people that they need.

**Mr. Lyons:** — In regards to that final comment, Mr. Minister, are you saying that your 11 early retirees are going to go to work for Sask Power as inspectors. Did I understand you correctly in saying that?

**Hon. Mr. Swan:** — No, that isn't what I said. I said we did not rehire to fill the 11 early retirement vacancies. We thought it would be better if, at the time that the duties are transferred to Sask Power, that they have the freedom to hire the people that they see that they need. It wouldn't be these same 11 people. These people have retired.

**Mr. Lyons:** — I understand that okay, but I'm trying to get at the comments and sort of follow along the comments made from the member from Assiniboia-Gravelbourg.

In actuality, the actual cuts then to the complement of staff is 32.8, that early retirements combined with the

22.8, leaves the staff cut complement of 32.8. Yet in reality the 22.8 goes to Sask Power. I guess the question is: who is going to do the job of the 11 early retirements?

**Hon. Mr. Swan:** — Eight of those early retirements relate to the inspection side of the power and gas. The other three relate to other areas that were still left with technical services. Some we will replace; some we won't.

**Mr. Lyons:** — but if you're saying that there's eight gas inspectors cut from the complement in the province, are you expecting then that Sask Power will require the 22 people, 22.8 person-years of people, to cover the jobs done, normally done, by the eight inspectors.

**Hon. Mr. Swan:** — The member is trying to stir the figures up, and I don't know where you're getting your ideas. What I told you was that there were 21.8 power and gas inspectors being transferred. And there are eight early retirements — there were eight. So the Sask Power will have those eight vacant positions available to them to hire the kind of people that they wish. Whether they need eight, or whether they need 20, that's the choice of Sask Power once they take on the responsibility.

They will hire the number of people and the type of people that they need in their system to do the job. We're just telling you how many we're transferring.

**Mr. Goodale:** — If I could just pursue this point for another moment with the minister. Of the 21.8 positions, Mr. Minister, there are, I guess, notionally moved from the Department of Labour to Environment and Public Safety, and then from Environment and Public Safety over to SPC, what is the precise rationale for determining that those 21.8 positions are more appropriately attached to SPC, as opposed to your Department of Environment and Public Safety?

How is their function different, and how can they perform that function more effectively under the power corporation as opposed to directly a part of your department?

**Hon. Mr. Swan:** — I have answered that question before, but I'll answer it again. The decision was made to transfer the gas and electrical inspections division to the Saskatchewan Power Corporation. That method of inspection is used in Ontario and Manitoba — that the utilities corporations do the inspections.

In the case of Sask Power, at the time that a new gas installation takes place. Sask Power always sends a gas man to turn on the gas, to light the furnace, and light the water heater. So he basically does an inspection before he does that. They are fully qualified gas inspectors. It seems like a complete duplication in that area for us to be following right behind them to do another gas inspection. So that's part of the reason.

The other reason is because Sask Power has offices around the province where they could easily locate inspectors, and they could work out of that office and cover the area fairly effectively.

Another matter that we considered was that the Saskatchewan Power Corporation has a very complex billing system on computer, and this can fit into the system with very little difficulty. It would not require the purchase of more equipment or more personnel, in most cases.

So these areas make it look to us as though it's a reasonable approach, and should be probably more economic, as far as the government is concerned, to do it this way.

**Mr. Goodale:** — Mr. Chairman, I wonder if the minister is a position to give us the precise date upon which the transfer of personnel either has taken place or is due to take place.

**Hon. Mr. Swan:** — We're aiming for October 1.

Items 5 and 6 agreed to.

#### Item 7

**Mr. Lyons:** — Mr. Minister, I wonder, sir, I noticed here that there was an estimated grant to third-party persons concerned with hour environmental matters, of \$40,000. Could you provide us with a list of organizations receiving the \$40,000.

**Hon. Mr. Swan:** — Thirty-two thousand of that grant goes to the Canadian Council of Resource and Environment Ministers, and the others are miscellaneous grants. We get called on for small grants for environmental week and things of that nature.

**Mr. Lyons:** — Are you prepared to produce the list of the breakdown and the break-out of that \$40,000. You say the 32,000; that leaves 8,000 more. Could you provide me with a list of where the rest of the money's gone?

**Hon. Mr. Swan:** — I gave the member the 32,000. That is the CCREM grant. And of the other 8,000, I can give you a list of where they went last year. It doesn't come to exactly 8,000. There was the Western Canada Water and Sewage Association 1986 conference, 1,000; Canadian waste materials exchange operating expenses, 1,000; the Petroleum Association for Conservation of the Canadian Environment, 5,000 — that deals with the underground storage tanks, the leaking of underground storage tanks, that they're being checked across Canada; and the last one was the Regina Science Fair, \$200, for a total of 7,200. So that leaves us 800 in this year's budget that we could spend for other things.

**Mr. Lyons:** — Have you received, Mr. Minister, a report from the petroleum association of Canada's environment (PACE), the \$5,000. Have you received a report from PACE on their findings and, if you have, does any of their findings relate to the contamination of Saskatchewan's environment through leaking of gasoline tanks. In other words, are we suffering the same kind of problem that they're suffering down in New Brunswick?

**Hon. Mr. Swan:** — We have an initial report. It's not in its final stage yet. But I'm sure that in Saskatchewan we're like every other province; we've had some underground

storage tanks that have leaked, and we've had some spills that have been identified.

**Mr. Lyons:** — Will this report be, that's recently being prepared, will it be made public?

**Hon. Mr. Swan:** — I would expect it will be made public when it's in its final form. I'm not just sure of the time frame. It should come this year, but the exact time I'm not sure of.

**Mr. Lyons:** — And I take it that the report is being prepared by PACE (Petroleum Association for the Conservation of the Canadian Environment), and not by the Department of the Environment, is that correct?

**Hon. Mr. Swan:** — Yes, that's correct.

**Mr. Goodale:** — Mr. Chairman, specifically related to item no. 7 and the \$40,000 from grants to organizations and persons concerned with environmental matters, the minister mentioned that some 32,000 of that went to support the ministerial council across the country. I presume that is Saskatchewan's proportionate share in terms of the administration of that council.

And the minister mentioned then five or six other organizations that had received small amounts for what appeared to be special, one-shot type of events or occasions. Could the minister tell us if that effectively represents all of the requests that his department would have received last year for contributions and grants, or was this just a listing of the ones you were able to respond to out of a longer list? I'm wondering if the department was in a position to respond favourably to virtually everyone who made a request, or whether these were just sort of the lucky few and there were many others who made a request but were turned down.

**Hon. Mr. Swan:** — I'm advised that there were likely one or two others that we didn't respond to. Our department would, of course, look at them as to their need, whether or not we felt there's a project that we should support or not support. But significantly, we responded to most of them but there would have been one or two that we couldn't.

Item 7 agreed to.

## Item 8

**Mr. Lyons:** — The grant to the Toxicology Research Centre at the University of Saskatchewan; we had a little discussion earlier on about the whole question of testing of toxic chemicals in the province. I wonder, Mr. Minister, are there any conditions attached to this grant, and is that the \$200,000 going towards any directed research from the toxicology centre from your department?

**Hon. Mr. Swan:** — The grant is actually given for operating expenses of the toxicology centre. And there's an agreement signed each year with the university that deals with the operation. But no, it wouldn't be assigned specifically for any research project or anything like that. It's the ongoing operation.

**Mr. Lyons:** — Mr. Minister, is there any input from your department into the type of research done by the toxicology centre or is it, in fact, done sort of within that type of research solely decided by the researches in the toxicology centre?

(1645)

**Hon. Mr. Swan:** — The research that they do is decided by the board of directors, and we've had a member of that board. One of our staff have been a member of that board from the time the toxicology centre started.

**Mr. Lyons:** — Since there's some direction given through the department, at least through the member of the department that sits on the board, I wonder if you have any knowledge as to, as the minister, of whether in fact there's going to be some ongoing research program into the toxic affects of farm chemicals and a long-term monitoring program?

**Hon. Mr. Swan:** — The toxicology centre at the time of the opening, when they spoke, indicated that that was a major concern and one of the major studies that they would be doing.

**Mr. Lyons:** — I presume all that information will be then made available to your department. Is that correct?

**Hon. Mr. Swan:** — I would expect that we'd have the information, and I imagine most of it will be public information. I might tell you that Saskatchewan was indeed privileged to have the toxicology centre built in our province. It's the only one in Canada and, because of that, is attracting other things to our university in Saskatoon that would not have been able to be placed in Saskatoon without the toxicology centre.

So the indications we have from the university is that they're really pleased with the opportunity to have it, and they indicate that they see on the horizon two or three other major items that will come forward because of it.

**Mr. Lyons:** — Mr. Minister, I'm not in any way trying to dispute the importance of the toxicology centre. In fact, I wouldn't mind even appearing as an advocate that you increase funding; that somehow if you could get the Executive Council and cabinet to increase funding, I think that some of the concerns raised by the member from Prince Albert in regards to environmental diseases and the increasing appearance on the medical field of these — for want of a better word — environmental related diseases, indicates that there is a growing problem in North America and in Canada.

There's particular problems in Saskatchewan, given some abnormal type of occurrences, particularly in regards to multiple sclerosis and, in southern Saskatchewan, the high number of premature miscarriages and spontaneous abortions. I'm wondering whether, sir, whether you'd not consider increasing the grant to the toxicology centre so that they could carry out that long-term research.

**Hon. Mr. Swan:** — That would be an Executive Council budgetary decision in another year. This is the amount

that was approved, and I believe represents a fair portion of the operation of that toxicology centre. You realise that it's funded not just by Saskatchewan but by other provinces as well.

**Mr. Lyons:** — I'm aware of that fact, Mr. Minister, and I . . . But given that it's located here in Saskatchewan; given that it, as you, yourself, said, provides a magnet that other institutions and other operations will be attracted to; and given the fact that Saskatchewan happens to be one of those places in the world where we're subject to daily constant bombardment in the summer time of toxic chemicals, and nobody knows those long-term effects, I would ask you to urge your cabinet colleagues to consider that for next time round, to in fact increase the proportionment. I notice that the '86-87 proportionment was \$200,000. And given the operating costs, the increase in operating costs, I'd ask you to increase, in fact, that proportion to the toxicology centre.

Item 8 agreed to.

#### Item 9

**Mr. Goodale:** — If the minister has responded to this point in general questioning earlier, I apologize for asking again, but this appears to be a case under item 9, where there's a rather dramatic drop in '87-88 compared to '86-87. I wonder if water is getting to be a less controversial subject in Saskatchewan, or what the precise reasoning might be for, I guess, a cut of more than 50 per cent in terms of the budget allocation.

**Hon. Mr. Swan:** — The reason for the drop . . . we looked at the actual expenditure for last year, and the water appeal board had a surplus of 28,599 which they were allowed to retain. So when you add the reserve they had to the 41,000 there is still a drop from the estimate of last year, but it's approximately the same figure as the actual expenditure for last year.

Item 9 agreed to.

#### Item 10

**Mr. Lyons:** — Mr. Speaker, or Mr. Minister, of all the items that have come before us I think that, in terms of the estimates this time, this item under operation recycle — the cut-back and the eventual elimination of operation recycle — I think, tends to show a foolhardy attitude towards the problems which were dealt with by operation recycle, not only the vehicles around but the whole notion, and the whole thrust, and the initiative of the department to, in fact, clean up Saskatchewan, was exemplified by this particular item under the budget.

And I know we've had a discussion before, and it was raised by the member for Moose Jaw North, and raised by the member from Moose Jaw South, and other members here, on the whole question of operation recycle. I wonder, sir, whether you would consider — or is it totally beyond the realm of possibility — that you would consider urging your cabinet colleagues to take another look at this item and, in fact, maybe reversing your position on it, given its importance to bringing into the

consciousness of Saskatchewan people the need for a clean environment.

**Hon. Mr. Swan:** — We've looked with great detail at this item, and we feel that we will achieve the same goals by going the route that we are, where Ipsco, who use the steel, will continue to have it gathered by probably the same contractor. And if we can meet the same need without having to have staff and government expenditures, I believe that the province will be well served.

and if we see the need in the future, if the cars weren't being collected or something, there's nothing to stop the government being involved at another time.

Item 10 agreed to on division.

Item 11 — Statutory.

Vote 9 agreed to.

### Supplementary Estimates 1988 Consolidated Fund Budgetary Expenditure Environment and Public Safety Ordinary Expenditure — Vote 9

**Mr. Chairman:** — Are there any questions?

**Hon. Mr. Swan:** — I'd like to thank the members of the opposition for raising quite a number of questions. I think it shows an interest in environmental issues, and I'm pleased to have that opportunity to share information with you.

I'd like to thank the staff of the Department of Environment for the assistance they've provided, and thank you very much for the questions.

**Mr. Lyons:** — Well, Mr. Minister, I'd like to join you in thanking your officials for the lengthy time that they've spent here in the House watching what may be to them some elementary questions, but given that it's our first go-round, both as minister and mine as critic of the Environment, I think it's important that we ask as many questions as we believe is important to the people of the province, and also that we go through the exercise of estimates in Environment in the way that we did, in order to raise the whole questions of the profile of the environment and of the Department of the Environment, in the hopes that next year you'll be able to convince your caucus colleagues that there are serious problems out there, and that they'll provide increased funding for the department. Thank you.

The Assembly recessed until 7 p.m.