

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goodale: — Mr. Speaker, I rise under rule 11 to present a petition. This petition adds to the thousands of other names which have already been filed with this Assembly, protesting the elimination of the school-based children's dental program, and calling for the reinstatement of the dismissed dental therapists and assistants.

This petition is signed by residents of Saskatchewan from Rockglen, Lisieux, Killdeer, Fife Lake, Conquest, Regina, Coronach, Gravelbourg, Saskatoon, Kindersley and Moose Jaw.

ORAL QUESTIONS

Duties on Saskatchewan Potash Industry

Hon. Mr. Blakeney: — Mr. Speaker, I'd like to direct a question to the Minister of Trade. My question deals with the threat to Saskatchewan's potash industry posed by the U.S. commerce department's ruling to apply huge tariffs on Canadian potash sold in the United States. And even though thousands of Saskatchewan jobs are at stake and this decision has been in the works for some months, on Monday when we asked about this, the minister would not indicate what concrete steps his government planned to take to protest and fight this ruling.

My question is this: can the government be any more specific today; what concrete steps do you propose to take in order to protect the Saskatchewan potash industry and the Saskatchewan jobs which are associated with it?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, as I've indicated to the hon. members, I believe on Monday, and to various people of the media, that we are studying and looking at various options that those . . . that decision will be taken very soon. And when that decision is taken, we will certainly let this Assembly know, and the rest of the world know, as to what our position is going to be.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. Mr. Minister, the ruling was a decision brought about by political pressure, and I suggest to you that we need to counteract that with our own political pressure. And our best ally in this case, as in other cases, will be the U.S. farm lobby who doesn't look kindly on the idea of paying 40 per cent more for potash.

And so I ask you, sir, what concrete steps have you taken to get this message across to American farm state politicians about the impact of this decision? Why isn't the Minister of Agriculture, for example, down in Iowa today, spreading the word? Why are we not taking steps to convince U.S. farmers, farm organizations, and farm state politicians that it's in their

interest as well as ours to fight this decision?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Well, Mr. Speaker, I find it rather amusing that the Leader of the Opposition would now have us . . . and would suggest to this Assembly that somehow the Premier should go to the United States and lobby for the interests of Canada, and particularly the interests of Saskatchewan. The Premier has done that on many occasions, and the Leader of the Opposition is very quick to criticize him for traveling out of the province into the United States. Now he seems to change his view the other way.

With regard to the initial question: will the U.S. farm lobby counteract the lobby of the New Mexico potash producer? We were of the view and attempted that particular strategy. And it would appear that the U.S. farm leaders and particular lobbyists in the U.S. are not biting on this particular issue. One would have expected Senator Bob Doyle, for example, representing a state like Kansas, to be on to this one very quickly.

The advice that we received from some of the people that are much more expert at lobbying in the United States than we are, is that the U.S. lobbyists are of the view that the farmer (a) is looking with his hand out in the United States for even a larger subsidy to the farmer down there, and as a result he wants to get everybody on board, including New Mexico or the people from Texas or the people from California.

So one would be surprised that the U.S. farm lobby group did not take an interest in this, particularly if one could look potentially at the ruling having an impact of increasing the price of fertilizer to the U.S. farmer by as much as 25 to 35 per cent. One would have thought that the U.S. farmer would be interested in that.

We will continue to use whatever channels we have, particularly through Washington, to see if we cannot bring that to the attention of the very powerful farm lobby group in the United States, and hopefully try to effect some change prior to final determination.

Hon. Mr. Blakeney: — New question, Mr. Speaker, to the Minister of Trade; I deal with the same issue. The minister will know that the state of Iowa is now alive with politicians, and last Sunday in Des Moines all seven of the declared candidates for president of the Democratic Party were there, and I would be surprised if they wouldn't be interested in something that affects so many farmers of the mid-west.

And I ask you, sir, with that opportunity what steps did your government take to get across our message to these politicians and the many others who were with them in Iowa now contesting the Iowa caucuses, and why, in your judgement, Mr. Minister, do you feel that your efforts should be restricted to speaking from Regina or through lobbyists in Washington, and neither you nor any of your colleagues are down in Des Moines where all the political action in the United States is now taking place?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Let me make several observations. Observation number one is the Premier has, perhaps more than . . . certainly more than any other Premier in this province, in the history of this province, lobbied into the United States, lobbied on the farm question, lobbied on the trade question more than anybody else — tenfold, twentyfold, fiftyfold more.

Now one goes to the view that all of the politics in the United States is taking place in the Iowa primaries; I doubt that. If you were to look at the Democratic candidate that has the closest roots to the farm vote, it's Richard Gephardt from Missouri. One often thought that the Democratic Party in the United States was a great champion of open trade, and it's gone exactly the other way. And what I think is a mindless and stupid and ill-conceived policy, by most of the people within the Democratic Party, that in fact don't want open trade with any one. They want higher and higher trade barriers. They want policies of protectionism not seen since the 1929s.

It's the Democratic Party that now control the Congress. It's the Democratic Party that is so mindless in the way they're approaching it. I would guess if you were to ask somebody like Dukakis from Massachusetts, he might question whether or not what was potash and what was farming. So I think it is still the administration is the best chance that Canada has to solve its problem. And if we are to rely upon the Democratic Party in the United States with their mentality towards trade and protectionism now, we'd better run for cover, I'm telling you.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. I direct a question, my supplementary, to the minister. If he is unwilling to enter the fray in Iowa, my question deals with whether or not he's prepared to enter the fray in New Mexico; and has your government spoken with the Government of New Mexico to devise a strategy for protecting the New Mexico potash industry without massive tariffs on Canadian potash, as was devised the last time the New Mexico industry flexed its political muscle? Have you made those moves with the Government of New Mexico, and if not, why not?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Well, Mr. Speaker, let me answer in this way. What we have been dealing with in this particular situation is an anti-dumping action, and it's not a countervail action as many would have seen in the softwood lumber issue.

Now as the hon. member should know — is the one member in that caucus that would know — that an anti-dumping action involves (a) companies in United States complaining against companies in Canada. They're not alleging somehow that there's a subsidy as they alleged in the softwood lumber thing. So at this point in time it's been company versus company appearing before the Department of Commerce. In fact governments really do not have status before that particular situation in a dumping action.

Now the question is, the preliminary determination has

come down and the question is: how do we respond to that? Do we respond to it by, as the hon. member says, going to the Iowa primaries, trying to buttonhole these people to see if they can get some Canadian votes, or do we go down to New Mexico? What we are advised is the driving force behind this particular action, both on potash and on uranium, is Senator Pete Domenici from New Mexico, not, in fact, the governor of the state of New Mexico, but Pete Domenici, if you really got down to it. And that's the one that appears to be trading off his potash for support for the grain farmer, or trading off uranium with support for somebody else.

As American protectionism grows harder and harder and harder, and as we in Saskatchewan trade so much with United States, whether it's in our red meat industry, or whether it's in our resource industry, it is very important that we maintain that access to the U.S. market. Now clearly we have tried to accomplish that. But I think we all admit that the way the Americans are looking at the rest of the world — their attitude towards protectionism; their attitude that only they are playing fair and everybody is playing foul — makes it very difficult.

And on the one hand, one would like to throw up his hands and curse and cuss the Americans, but on the other hand, they're the only market that you have for much of that product, and therefore I think one should see, and one would hope to see, the diplomatic solution to this rather than trying to get into a price war or some kind of fight with the Americans that we wouldn't win. We've always in this country approached that on a diplomatic course, and I think the diplomatic course is a proper approach to take at this point in time.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. As the minister indicates, if we have problems with the Democrats, we also have some problems with Republican Senator Pete Domenici.

My question to you is this, Mr. Minister: do you not agree that the last time this problem arose in the late '60s, it was an anti-dumping action by producers in New Mexico? And do you not agree that premier Thatcher acted; that an arrangement was set up which did not involve tariffs but still protected the New Mexico industry, and that arrangement was sustained by our government when we came to office; and that that is far preferable to a 40 per cent tariff or a 50 per cent tariff where the only person who gets cash in hand is the U.S. government, and neither the potash producers or the American farmers?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, I think one would have to acknowledge the following: that the attitudes, whether in 1981, '82, when the last countervail action in softwood lumber was dealt with before the U.S. regulatory authorities, or whether it was back in late 1960s, early 1970s when potash was at issue, or you can go through a series of steps. But the political environment in United States — and it's not all the Democratic Party; I would be the first to acknowledge that; it's clearly both of them. It's clearly the American attitude that somehow the world is trading unfairly against them, that they are fair traders and everybody else is, by implication, a foul

trader.

Now are there a variety of options that we are studying at this point in time, whether they've been done in the past, or whether they haven't been done in the past? Clearly, those things are being looked at today. We will be taking a decision very, very shortly as to what our response will be and how we will pursue in this particular area. And when we make that decision, we will tell you, and we will tell the world.

Mr. Goodale: — Mr. Speaker, my question is to the same minister, relating to the U.S. trade action against our potash.

In the last number of days the minister has speculated publicly about a number of actions that he might take. He has spoken of selling, or not selling, part of PCS (Potash Corporation of Saskatchewan). He has spoken of closing mines. He has spoken of writing off, or not writing off, a certain portion of PCS debt. He's talked about other dramatic actions, presumably to counteract the rationale being used by the U.S. Commerce Department. And in all of that talk, Mr. Minister, there seems to be the implied concession that maybe, just maybe, some of the American allegations about dumping might in fact be correct.

And I think it's important, Mr. Minister, and I ask you to do this in this House, to clearly and categorically set the record straight on that matter and give us the unequivocal view of the Saskatchewan government that there has been no dumping; that our potash industry is in fact clean in this regard, and that the U.S. allegations are not well-founded. I think we need that strong political statement, and I would invite the minister to make that.

Hon. Mr. Andrew: — Well, I like those kind of questions and I will entertain those questions . . . (inaudible interjection) . . . Let me explain very clearly and succinctly for the member from Assiniboia-Gravelbourg the position of the Government of Saskatchewan with regard to the alleged dumping of Saskatchewan potash into the U.S. market. Let me make it very, very clear. We have said all along, and we believe that the problem is an international, global problem. And it's not unlike the problem in the grain business or the world wheat market.

Now if Saskatchewan is dumping potash into the United States, then every U.S. farmer is dumping wheat around the world, and every Canadian farmer is dumping wheat around the world — which we don't accept. We accept it as a reality that there's a cost/price squeeze, or supply/demand problem in potash and agriculture products world-wide. And that goes back into the United States.

Now what the Americans are saying in their recent ruling is the following: we're going to establish rules for companies that operate outside the United States, but those rules don't apply to companies that operate inside the United States. One set of rules for them; another set of rules for the rest of the world. And we say that's not fair. But the Americans don't accept that. I guess that's their prerogative.

I believe that is the direction that they have taken. That is wrong. If the Americans were to apply to their own businesses the standards that they try to superimpose upon us, they would close down every department store in their Boxing Day sales after Christmas each year because they would be doing exactly the same thing.

Mr. Goodale: — Mr. Speaker, a supplementary. It's my understanding that in a week or so, as soon as the Commerce department ruling is officially published, that our potash producers are going to have to begin posting bonds in the United States, equivalent effectively to the duties that have been imposed.

I want to ask the minister, in view of the crippling impact that those bonds, or the requirement to post those bonds could have, is your government making plans, or are you prevailing upon the Government of Canada to make plans, for at least some temporary financial support to our potash producers in Saskatchewan to offset the heavy new cost that may be imposed by those bonds, at least while this issue is not finally resolved through the American regulatory system?

Hon. Mr. Andrew: — Well let me make it very clear . . . is that these actions are by U.S. producers against Canadian producers. And the Canadian producers are for the most part "big boys" by anybody's standards — Noranda, Rio Algom, IMC, Government of Saskatchewan — and I don't think it would be proper, quite frankly, to ask the general population to pony up some money to help these guys in their legal actions. I doubt that the people of rural Saskatchewan or rural Quebec or the Maritimes would want their tax dollars paid in to somehow help Noranda, who has the biggest tariff against it, Noranda Mining Company. I would doubt that we would want to do that. I haven't really discussed that with anyone, but I think my idea and my answer would be: no, we're not contemplating that, and no, I would not support that.

Wintergo Hydro-Electric Project

Mr. Prebble: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of the Environment. And, Mr. Minister, it was clear yesterday in the legislature from statements by the minister responsible for SPC (Saskatchewan Power Corporation) that your government has resurrected the notion of a dam on the Churchill River, specifically the Wintergo hydro-electric project which the minister of SPC yesterday called the single best hydro project left to be done in Saskatchewan.

Now, Mr. Minister, this is extremely surprising because this project was the subject of a two-year public inquiry in the late 1970's. Ninety-two per cent of the submissions to that public inquiry opposed the dam on the Churchill. And that inquiry ended up recommending that a dam on the Churchill not proceed because it was undesirable economically, environmentally and socially.

My question to you, sir, is: why has your government decided to ignore the recommendations of the Churchill River board of inquiry on the views of many Saskatchewan people who opposed the Wintergo project during that major public inquiry? Why are you now deciding to ignore that inquiry, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Swan: — Mr. Speaker, let me respond to the hon. member this way. I appreciate the fervour with which you put your question, and I think that you go back quite a ways in history to drag up some of those skeletons.

What the member was saying yesterday was that if we were looking for a water powered station, that's the only one remaining, the only capable one of delivering service to the people of Saskatchewan. But as you know, the Government of Saskatchewan is not proceeding with the direction at this time, but rather are proceeding with the Shand project as the method of meeting the needs of Saskatchewan citizens. And we're a long, long ways from looking at the Churchill project.

Mr. Prebble: — Well a new question to the minister, Mr. Speaker. Mr. Minister, yesterday the minister for SPC clearly stated in this House that Mr. Bruce Campbell of SPC had been retained by your government specifically to work on the Wintergo project. So all we need to do is go back to yesterday's citations, Mr. Minister.

Now, Mr. Minister, you know that a dam on the Churchill would destroy the outstanding scenic beauty of the Churchill. It would destroy 25 rapids and waterfalls on the Churchill. It would destroy the way of life of the people who live in that area. It would destroy a major wilderness and historic river, Mr. Minister.

And my question to you, Mr. Minister, is simply this: will you give this legislature and the people of Saskatchewan your assurance that this magnificent Churchill River will be preserved for future generations of Saskatchewan people to enjoy, and that your government will never build a dam on the Churchill River? Will you give us your assurance of that?

Some Hon. Members: Hear, hear!

Hon. Mr. Swan: — Mr. Speaker, I doubt very much as I would, as one minister, have the authority to give any one that kind of assurance. Let me assure you this, that before any project of that type would go ahead, there will be many studies and many people looking at it. There will have to be an environmental impact study that the world can address, and all the people in the province could address.

We're a long, long ways from that proposal. There's been no proposal come forward at this point dealing with this particular project.

Drinking Water for Cumberland House

Mr. Goulet: — Mr. Speaker, my question is directed to the minister in charge of the Environment. Mr. Minister, the people from Cumberland are trying to get their children clear drinking water, rather than be forced to drink from the polluted Saskatchewan River. They're trying hard to make a living, Mr. Minister. Yet you, in the last question period about a week ago, you stated that they should come and co-operate with you.

Why do you take such an arrogant and authoritarian position? Why don't you come off your high horse and ivory tower approach and go and meet with the people from Cumberland House and co-operate with them at the community level?

Some Hon. Members: Hear, hear!

Hon. Mr. Swan: — Mr. Speaker, the comments that the member makes as he asks his question about the government being arrogant and uncooperative, the government has legislation in place that it must live with. And the people of Saskatchewan also must live with that legislation. It was passed by this legislature.

The people at Cumberland House have made a decision that they were going to put a weir across, or a dam across the Tearing River. They said that they were breaking the law at the same time they were proposing to do it, and that's exactly what they were doing, is breaking the law. When they contacted the Saskatchewan Water Corporation and asked for forms to make application to build that weir, the forms were supplied. And it's my understanding that the application forms arrived, filled out, at the water corporation office this morning.

I believe that the government's place of business is here in Regina. If the people of Cumberland House had wanted to meet with me, they certainly knew where to find me. They have made no contact with my office to ask for a meeting. And if they do make a contact, we can consider it at that time. But it is their decision if they want to contact me; they know the phone number; they know where I am.

Mr. Goulet: — Mr. Minister, I have given notice to the Minister of the Environment . . .

An Hon. Member: — Is this a supplementary?

Mr. Goulet: — No, it's a new question. And he's had a week to think about it. He's also had a week to act on this request from the people at the community level. The people want to co-operate with you, Mr. Minister, but they want you to get off your ivory tower approach. They want to be able to solve their problems of drinking water and the levels. They want this government not only to stay at the legislature but to go around to the community level. Why won't you go down to the community level, Mr. Minister? Why won't you do that?

Hon. Mr. Swan: — Mr. Speaker, as I indicated to the member earlier, there has been no contact by the people from Cumberland House, asking for a meeting with this government to deal with the issue that the member is raising, until now. And they have now made application to Sask Water, and that application will be dealt with. But this is the first contact that I have had, since I've been minister, from people from Cumberland House dealing with this particular issue.

Mr. Speaker: — Order, please. Order. Order, please. Order, please. Order. Order, please. Time has elapsed; that's obvious.

MINISTERIAL STATEMENTS

Extension of Rafferty-Alameda Environmental Impact Public Review Period

Hon. Mr. Swan: — Mr. Speaker, I rise to inform the Legislative Assembly and the people of Saskatchewan that the public review period of the Rafferty-Alameda environmental impact statement will be extended for an additional 30 days. The public review period was originally scheduled from August 17 to September 16 of this year, but will now run until October 16.

Over the past few days I have received a number of requests from individuals and organizations who have requested more time to review the environmental impact statement. And as a farmer, I certainly recognize and understand the time constraints and the busyness of many Saskatchewan people during the harvest season. I believe that extending the public review period until October 16 should allow everyone ample opportunity to present their comments regarding the proposed Rafferty and Alameda projects.

This extension will not have any effect on the recently announced board of inquiry which will be holding public hearings on the project next month. Copies of the environmental impact statement are available at municipal offices throughout the Souris Basin area, and also at public libraries in Estevan, Weyburn, Regina, and Saskatoon. Our government wants to ensure that anyone interested in these projects have sufficient opportunity to provide their comments. Through the extended public review period, and the public hearings by the board of inquiry, I believe that this will be achieved.

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Minister, first of all I'd like to congratulate yourself on recognizing that there is need to extend the period of hearing for the Rafferty and Alameda dam projects. I believe that the reasons you have outlined, or at least some of the reasons that you have outlined, back up the case that we have put forward in terms of extending the public review period. But, Mr. Minister, as you well know, sir, there are two tracks to this public review period that we're dealing with in regards to Rafferty and Alameda.

Certainly the first track is the review by the Department of the Environment, which, as you said, began August 17, would extend to September 16 of this year. August 17, I might remind you, Mr. Minister, was a scant six days after the release of the 2,000-page, 18 volume, Rafferty dam environmental impact statement.

But that, Mr. Minister, is only one part of the review process. There is the other part of the review process which people have been asking you, have been asking you to extend, sir. For the reasons that you have already outlined, for the reasons that you have already outlined I'm requesting and suggest, sir, that you extend the other part of the environmental review project; that is, the public hearings, those hearings which are held publicly and which will allow all Saskatchewan people to see what kind of scrutiny is being given the Rafferty and Alameda dam projects.

Mr. Minister, I have here, I have here a number of affidavits, legal documents, which will be submitted to the court in a very, very short period of time by people who want the public hearing portion, which is scheduled to begin, I believe, September 9, by people who want this public hearing portion extended by another 30 days so that they can present their case publicly to the people of Saskatchewan. And I want you, sir, to listen while I read you the affidavit. It says:

Whereas not enough time has been allocated for citizen groups to properly assess the environmental impact statement; and

Whereas only 50 copies of the environmental impact statement have been made available under tightly restricted circumstances. Therefore I, the undersigned, request the court to delay by 60 days the beginnings of the public hearings into the Rafferty-Alameda projects in the interest of democracy, so citizen groups can properly evaluate the environmental impact statement and make proper submissions to the public hearings.

Denote, Mr. Minister, the emphasis was on the public hearings. You, sir, were requested to extend the hearing period of the public hearings so that the people of Saskatchewan will have access to the information to be presented by opponents of the Rafferty and Alameda dams; not some closed doors hearings, not some kind of closed door proceedings undertaken by your department, but to the public hearings which will be held under the scrutiny of the public and of the news media of this province.

I ask you, sir, and I request, since you have already granted that the time sufficient was insufficient time . . . pardon me, that there was insufficient time to deal with this internally within the Department of the Environment, will you now, sir, will you now extend and grant an extension of time to put back, to delay the opening of the public hearings so that public of Saskatchewan can see, can see in the broad light of day, precisely the kind of political boondoggle that Rafferty and Alameda represents. Thank you.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 8 – An Act to provide for the Postponement of the Tabling of Certain Documents

Hon. Mr. McLeod: — Mr. Speaker, I move, seconded by my seat mate, the Minister of Justice, by leave of the Assembly:

That the order for the second reading of Bill No. 8, An Act to provide for the Postponement of the Tabling of Certain Documents be discharged and the Bill withdrawn.

I so move, Mr. Speaker.

Leave granted.

Motion agreed to.

Bill No. 15 – An Act to amend The Student Assistance and Student Aid Fund Act, 1985

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. At the outset I would like to remind the House that The Student Assistance and Student Aid Fund Act allows the pursuit of post-secondary education. The federal and provincial governments have co-operated for many years, as I'm sure all members of this legislature are aware, in rendering such assistance to students who might be denied further education purely for lack of necessary financial means, the issue there being then, Mr. Speaker, a question of accessibility and extending that accessibility to as broad a cross-section of our young people as we can.

In fact the federal government initiated their Canada student loan plan back in 1964, at which time \$2 millions was provided to 3,000 Saskatchewan students. In 1971, the province of Saskatchewan initiated a student assistance plan to further help those students whose needs were not met by the federal plan. In that initial year, the province provided \$800,000 to 2,000 students. And I would underline that, Mr. Speaker, because it will be a basis to show you how far we have come in terms of helping our young people, and making our young people accessible to post-secondary education. 1971 – there was \$800,000 provincially to 2,000 students.

Both levels of governments have concurred that responsibility for the costs of post-second education to the individual students remains primarily with the parent and/or the student. Neither level of government can supply post-second education at no cost to the individual student. Rather, the purpose is to supplement – and I would underline that word as well, Mr. Speaker – the purpose is to supplement the family student resources, where needed, to ensure that all qualified students have the opportunity to reach their educational potentials.

Since 1982-83, Mr. Speaker, this government has been active in ensuring that needy students did receive assistance for post-second education. In '82-83, less than \$20 millions in federal and provincial funding was authorized for student assistance, while in '86-87 over \$80 millions was authorized for the combined federal and provincial plans. We went in that five-year period . . . four-year period, Mr. Speaker, from 20 million to 80 million.

From '82-83 to '86-87, the federal government component increased by nearly fourfold, from 11,700,000 to 43,700,000. Mr. Speaker, during that same period of time the level of direct provincial assistance to students increased sixfold, that is from 6.1 million in '82-83 to 38 million in '86-87.

So often the question is asked, Mr. Speaker – and I raise

these numbers as debate today – because the question that is often raised by students and other: is the government continuing to put forth, if you like, the share of the money that some people think is earmarked specifically for post-second education? Is that finding its way into the students' pockets from the federal treasury? And I think that these numbers would point out that it has, and more.

And the federal government funding increased by fourfold; in that same period, Mr. Speaker, provincial funding increased sixfold. This is a dramatic increase, Mr. Speaker, and shows our commitment to assisting those in our society who would otherwise be denied a post-secondary education. We authorized more assistance to needy students in '86-87 than was authorized by the previous administration in the last seven years of its administration, Mr. Speaker – more money authorized for needy students in '86-87 than was authorized by the previous administration in its last seven years, Mr. Speaker. That's what I talked about a commitment, a Progressive Conservative government's commitment to our young people.

Nevertheless, in a tighter economic environment it became apparent available funds needed to be targeted to high-need students. Consequently the government has shifted its emphasis on support from bursaries to loans, requiring students who can, to repay their assistance. Those students who have higher needs will receive additional assistance in the form of loans, but these additional loans will be forgiven for high-need students upon satisfactory completion of their program.

Along with the growth and assistance over the past few years, there has been the development of a variety of different student assistance programs, each with different yardsticks measuring the needs and resources available to the student. It became more and more apparent that this caused the student to be confronted with a complex, sometimes contradictory set of rules governing the programs, at a minimum, Mr. Speaker, a confusing situation for many of our young people, and it also lends itself to administrative inefficiencies.

Our government has taken the steps this year to standardize the criteria of all its student assistance programs, so that all federal and provincial assistance will be based on only one set of criteria, and not one set of rules for the Canadian program and not another set of rules for the Saskatchewan program, Mr. Speaker. But as so often people accuse us, and rightly so, that governments should get their act together and to simplify and minimize the red tape, and if we're going to have rules, can't the two levels of government get together and have a standard set of rules. And so that's what we're doing here, Mr. Speaker. This will greatly simplify the application process for the student and for the program administrators.

Mr. Speaker, many of the proposed changes to the Act now before the legislature are housekeeping in nature and are designed to improve the efficiency of the student assistance program.

The dramatic rise in the level of student loans provided to

Saskatchewan citizens is that the time has come to correct the previous practice of funding student loans with budgetary moneys. The non-forgivable portions of student loans are in fact repayable and will be repaid to the Consolidated Fund. This is not a budgetary expense, and therefore the Act has been changed to reflect standard accounting principles for non-budgetary expenditures.

Also Saskatchewan loans are currently issued and collected in-house, that is to say, by the department, Mr. Speaker. As the Saskatchewan loan portfolio increases, it may be advantageous for the province to have these funds issued and collected by private financial institutions, much like the present practice with Canada student loans – banks, credit unions, that sort of thing, Mr. Speaker. A proposed change in the Act would make it possible to transfer loans to the private sector should economic conditions indicate this is the desirable course to follow. In other words we would like to have the capacity to do so if such a situation would arise, Mr. Speaker.

Not only have we provided more dollars for student assistance, but we have provided that assistance to more students, which we attribute to the fact that more and more of our people are seeing the value of post-secondary education. This need is being addressed both by our student assistance programs, as well by the ongoing development and streamlining of our post-secondary education institutions, which I think we've had some fair debate in this House already, Mr. Speaker, throughout the estimates.

In '82-'83, approximately 6,000 students were authorized assistance through the provincial student aid program. Four years later, Mr. Speaker, 15,000 students were authorized assistance through the provincial student aid program, and we anticipate a similar number this year. I think that speaks well for our government's commitment to making post-secondary education accessible to our young people.

(1445)

We've gone from a situation where four and five years ago we had the funds to assist 6,000 young people, and now in this past year, and again this year, we expect to be able to assist some 15,000 students, Mr. Speaker. It speaks well for our priorities and our commitment to help these young people to supplement their earnings or, in some cases, their parents' or guardians' earnings. I re-emphasize those numbers – we've gone from 6,000 to something in the order of 15,000 in four short years, Mr. Speaker.

Mr. Speaker, this record, and these proposed changes to the Act, indicate an ongoing commitment to the people of Saskatchewan, a commitment to improve and facilitate the provision of assistance to students who most need help in realizing their educational potentials. This reaffirms the budget speech commitment to be responsive to the needs of students.

So with that, Mr. Speaker, I move second reading of Bill No. 15, An Act to amend The Student Assistance and Student Aid Fund Act, 1985.

Mr. Prebble: — Thank you very much, Mr. Speaker. I want to say to the minister, first, that we did witness, under your government, initially some improvements in student aid and student assistance for which, in the past, I've commended you for.

This year, Mr. Speaker, we are witnessing a major deterioration in the student aid program in this province. The minister, I note, talked about the increased numbers of students who've received assistance from the government, and that's true. Obviously a large portion of that increase is as a result of the increase in enrolment that we've seen in our post-secondary education institutions. And to the extent that people are enrolling in university and technical institutes because they wish to pursue an education, that's something that we all rejoice in.

To the extent that students have been forced to go back to school because they can't find a job, due to the economic policies of this government, that is much less welcomed. And I might say, Mr. Speaker, that unfortunately there are a good many students at our post-secondary education institutions today, who, while they're pleased to study, would have been even more pleased to have been able to find a job, but, with the doubling of unemployment that we've seen in this province in the last five years, they've simply not been able to.

Now, Mr. Speaker, the minister has made reference to making post-secondary education more accessible as a result of the policies that his government has initiated in the last year. And I say to him, and to all members of the Assembly, that it's simply not true that post-secondary education has been made more accessible in the last year as a result of the initiatives of this government.

On the contrary, Mr. Speaker, what we've witnessed in this province, first of all, is the virtual elimination of the student bursary program in Saskatchewan as we knew it. I would point out to the minister, and to all members of the Assembly, that last year, in the fiscal year 1986-87, a student was eligible for a bursary if they were in a 33-week university program, providing that they were eligible for a student loan of \$2,640. Today, Mr. Speaker, a year later, that same student must borrow \$5,940 in Canada student loan and Saskatchewan student loan before they are eligible for a single penny of assistance by way of a bursary or what the government now is terming a forgivable loan.

Now, Mr. Speaker, that means that, in effect, students must borrow \$3,200 more in Canada and Saskatchewan student loans this year than they needed to borrow last year before they're eligible for a penny of bursary assistance. And this will obviously mean, Mr. Speaker, that thousands of young people in Saskatchewan – and I may say that dozens of them have already contacted my office and are saying that while they were eligible for a Saskatchewan student bursary last year, they're not eligible for one this year. And if the Minister of Education suggests that that action is resulting in increased accessibility to post-secondary education in this province, he must be dreaming, Mr. Speaker, because no one else other than the minister believes that statement.

Now, Mr. Speaker, I must also point out to the minister that he has imposed an additional obstacle on assuring accessibility to post-secondary education in this province by saying to students that their opportunity for a forgivable loan, providing that they can be eligible for the \$5,940 that they have to borrow before they ... before a penny will be forgiven. But if they are eligible, shall we say, to borrow 7 or \$8,000, and \$1,000 of that, perhaps, is forgivable, they have to be assured, Mr. Speaker, that they will pass at least 60 per cent of their courses before any of that loan will be given back. And that's a very, very significant change in the way the bursary program used to operate.

The bursary program has been changed into a forgivable loan program, and for many young people who have been out of school for a number of years, and are then deciding to go back to school and perhaps complete their adult upgrading or take a course at a technical school after, shall we say, being out of school for seven or eight years, many of them will naturally be uncertain about how they will get along upon returning to pursue their education.

And it's our view, Mr. Speaker, that the technical institutes, the universities, and the community colleges of this province are perfectly capable of making a decision about whether students should be eligible to return to school or not, based on their performance, without the government having to decide to withhold assistance from students who don't do well in their studies, Mr. Speaker.

Mr. Speaker, I want to make one final point about the general student loan program before specifically turning to the Bill, and that is, that I point out that the government has chosen to further reduce portability, under the student bursary forgivable loan program in this province, by making a decision this year to cut off all students who are Saskatchewan residents and wish to study outside of Saskatchewan — all those students, Mr. Speaker, for the first time, are made ineligible for any assistance under the forgivable loan or bursary program.

In the past, Mr. Speaker, those students used to be eligible for bursary assistance, and now they are not eligible for bursary assistance. And we on this side of the Assembly consider that to be a very narrow view on the part of the government, Mr. Speaker, because it's our view that we ought to be encouraging young people to travel to other parts of Canada, to study in other parts of Canada, to learn about this great nation.

And instead this government, Mr. Speaker, is saying to Saskatchewan young people that they're only eligible for bursary assistance if there is a program that they wish to take that isn't available in Saskatchewan and therefore they have to go outside the province to take it; and unless they're pursuing that, they're not eligible for any assistance from this government. And I consider that, Mr. Speaker, to be very unfortunate.

I want to turn specifically to Bill 15 and to acknowledge the minister's point that large parts of this Bill are in fact housekeeping. But one section of this Bill, Mr. Speaker, is not housekeeping. And I want to draw the minister's attention and the attention of all members of the

Assembly to section 10 of the proposed amendment to The Student Assistance and Student Aid Fund (Act, 1985).

Section 10, Mr. Speaker, in my view and in the view of members on this side of the Assembly, grants the Minister of Education unnecessary and irregular powers with respect to being able to make regulations as they pertain to the total amount of financial assistance that may be provided to students in Saskatchewan in the form of student aid; gives him unusual powers with respect to making regulations respecting the terms and conditions on which student aid may be provided.

The minister is also being given, Mr. Speaker, in this amended legislation, powers to make regulations determining the eligibility criteria for awards and for various types of financial assistance. The minister is being given the power to make regulations respecting applications for student assistance, determining the period during which financial assistance is to be provided, and respecting the information that's to be provided by students in connection with obtaining financial assistance.

Mr. Speaker, I want to point out to members of the Assembly and members of the public, that it's general practice that it's the cabinet that sets these regulations. In other words, they're set by the Lieutenant Governor, Mr. Speaker; they're not set by the minister. It's highly unusual that the minister should be making these regulations, Mr. Speaker, instead of the cabinet. And we on this side of the House consider that to be highly inappropriate. It would be much more appropriate if the cabinet made these regulations, rather than the minister having the arbitrary power to make those regulations, Mr. Speaker.

In a small way, Mr. Speaker, this particular section of the legislation that's before us today, section 10, is an extension of the kind of power grab that we saw in Bill 5, Mr. Speaker, where the government gave themselves the authority to make a great many decisions with respect to the organization of government without coming to the Assembly. And what this minister wants to do, Mr. Speaker, is have the power to make regulations respecting the student aid program and change very substantial regulations, Mr. Speaker, that could very specifically affect the livelihood of students in this province. He wants to have the authority to do that without going to cabinet, Mr. Speaker, and we on this side of the House say that that's inappropriate.

So, Mr. Speaker, I want to give notice to the minister now that when we go into clause by clause reading of this Bill, that I will be moving an amendment to this legislation striking, Mr. Minister, your power and authority to make regulations without going to cabinet, and instead making provision for cabinet to make these regulations rather than you, sir, to make these regulations alone.

Mr. Speaker, I also want to draw the attention of members of the Assembly to subsection 10(1) of this Bill which states:

The Lieutenant Governor in Council may make regulations defining, enlarging or restricting the

meaning of any word or expression used in this Act but not defined in this Act.

Now, Mr. Speaker, the list of current definitions under this Act are small indeed. There's only five terms in fact that are specifically defined. The definitions are provided for the words: committee, department, fund, minister, and trustees.

There are a large number of other important words in this Act, Mr. Speaker, that could easily be defined in a way that would very much affect the livelihood of students. For instance, the definition of a student could be defined under this Act without, Mr. Speaker, any amendment to legislation being brought before this Assembly. In fact, under subsection 10(1) of this Act, the cabinet could choose to define student in whatever way they wanted to by way of regulation, without ever bringing an amendment before this Assembly.

And, Mr. Speaker, I consider that to be inappropriate, and I urge the minister to withdraw subsection 10(1) of the Bill. I say, Mr. Speaker, that section 10 of the Bill is providing the Minister of Education with an unnecessary power grab. And, Mr. Speaker, I call on the Minister of Education to change, Mr. Speaker, the provisions in the legislation that I've made reference to.

I have a number of other questions about the Bill. I'll be sending the Minister of Education a letter asking for clarification on these questions. I don't want to keep the time of the House on it. Mr. Speaker, until I receive a reply to the minister from those questions and have a chance to consult with student organizations and other post-secondary institutions around the province, I would like to beg leave to adjourn the debate. Thank you.

Debate adjourned.

(1500)

Bill No. 28 – An Act to provide for the Postponement of the Tabling of Certain Documents (No. 2)

Hon. Mr. Andrew: — Thank you, Mr. Speaker. I would move second reading of The Tabling of Documents (Postponement) Act, 1987. It was the practice in previous governments, and it has become the practice in our government, to postpone the tabling of certain documents required to be tabled in the fall session to a date in the following spring session.

The reason is obvious. It is normally very difficult to have all departments' annual reports prepared for the required December filing date. With the House sitting the summer of this year, the filing date occurs on July 22, 1987 for agencies whose fiscal year has a year ending March 31, 1987. It is obvious that if the December filing date is a problem, then the July date is even a greater problem.

Unlike previous postponing legislation, this Act only postpones the tabling of documents where the documents were required to be prepared with respect to the period ending March 31, 1987. Documents required to be prepared prior to that date are subject to the usual rules as far as I'm aware. Virtually all those documents

have in fact been submitted.

The Act then goes on to postpone the tabling of documents until the first sitting day in the 1988 . . . and that is largely consistent with the last and the past practices.

I would therefore move second reading of An Act to provide for the Postponement of the Tabling of Certain Documents (No. 2).

Mr. Tchorzewski: — Thank you, Mr. Speaker. I would like to make a few brief comments on this Bill which is asking for a postponement of the tabling of certain documents.

I listened to the minister's explanation, and I heard what he said, and he was accurate to a large extent except to one, which I will come to later, in which he was not quite as lucid as he might have been. I listened to the minister, Mr. Speaker, to hear some assurances that the public of Saskatchewan might get so that they might allay . . . so that he may allay their fears and their concern over the kind of secretive approach that this government has taken with regards to providing information to people about the operation of their government. I say, having listened to what the minister said, that there was nothing in his remarks that could have allayed those fears and those concerns.

And I think that is significant, Mr. Speaker, and important. I say that because it is my belief, and it is shared by my colleagues on this side of the House, that public confidence in the institutions of government are important. They are extremely important if our system is to work at its best. It is not the kind of system that can stand on its own. It is the kind of system that can only operate if the understandings that develop over time are carried out by whoever is sitting on the treasury benches of government.

And that means, Mr. Speaker, that public confidence in the ability and the desire of their government to act within long-standing requirements of forthrightness, honesty, and the requirement of providing timely information. And there's more that, I say with regret, that this government has chosen not to meet those requirements.

I say that more, Mr. Speaker, with regret and concern than out of desire to score a political point here today because I think the experience that we have had in recent years should make us, each and every one in this House who are concerned about the democratic system which we cherish so much, we should be concerned when we have documents which provide information to the public about the actions of their government, about how their government spends their money, taking as much as two years before they are provided in this Assembly. That is a very serious matter and should not be ignored, either by members of this House or by the public. I give you two examples.

The budget, which is a document of this legislature presented by the Minister of Finance . . . We had this year, Mr. Speaker, a budget that was presented months after the time it should have been. The fiscal year ends on March

31 and the new fiscal year begins on April 1 of every year. Never in the history of this province since it was first organized and recognized has there been a budget that did not come until June, which kept municipalities and school boards – which the Minister of the Environment will know about – all of those organizations like those and others who rely on government to redistribute the wealth of this province so that they could carry out their functions, could not do their appropriate budgeting and planning until June of this year because this government was either unable to, or unwilling to, provide a budget when it should have been provided.

And although this Bill in itself will not affect that, personally I think it is time that there is legislation produced in this legislature which will require a government to provide a budget by a certain time – after the experience we've had. And although this Bill won't deal with that question, I think it's just an example of how a government can begin to undermine the confidence that people might have in the institutions of their government.

I bring to your attention, Mr. Speaker, another document which is extremely important in order for the public and the legislators here to be able to see how the government is managing the affairs of the province, and that is the public accounts. We received in this Assembly, tabled by the Minister of Finance, the public accounts tabled in July – for the year 1984-1985 – in July of 1987. That, Mr. Speaker, is unacceptable. That is an attempt to keep the information hidden from the public until it is so late that its timeliness is gone, as the provincial auditor has said, so that it's almost irrelevant.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — We can't operate effectively as a legislature on behalf of the people we represent if that kind of information is not provided in a timely way. Now, Mr. Speaker, there are possibly two reasons for this: (1) the government either has been unable to get its work done and get its act together so that it can provide this in a timely way – that would, too, be the first time in history of Saskatchewan – or, the government has deliberately held back reports, such as they did with the public accounts, so that the public would not be able to have their legislators scrutinize what the expenditures of this government has been.

In the final analysis, Mr. Speaker, it is a matter of how the public money is being spent because, whether his personal and direct or indirect taxes are of individuals, or whether it is resource revenues, it is the public's money.

The government doesn't own the resources of this province, if we talk about resource revenue. Resource companies don't own the resources of this province. The people of Saskatchewan own the resources of this province, and all they do with those resources is rent them to the developer, whether it is the Crown, or whether it is a private concern. So those are public revenues, and when a government withholds or, by incompetence, is unable to provide the annual reports or the *Public Accounts* when they should be provided, it is keeping from the public knowledge about how their

money is being spent. And this institution then cannot work effectively.

Now I say, Mr. Speaker, that when partisan political considerations determine every decision of government, then you have the worst form of government. And there can be no other reason for the delays that we have seen in the last two or three years than partisan considerations. And I regret that very much.

As the minister said, the Bill asks for postponement of the tabling of certain documents; but I say to that, it is reasonable for the public to ask why some have not been tabled and, in fact, may not be tabled for an indefinite period of time.

Normally, I wouldn't ask this question because the minister is right – there has been a postponement Bill every year for a long time. But these are not normal times, Mr. Speaker. These are not normal times. Will we have another session of the legislature and another budget not brought in until next June, or next July, or whenever it might be? That's never been a concern or a consideration we've had to make, but we have had to make it now because of what happened this year.

If that's the case, Mr. Speaker, if there is not another budget presented until next June, then some of those annual reports which the minister referred to will not be tabled in this House except 15 months later, after the end of the fiscal year of that department or that Crown corporation. And I say to you that 15 months is far too long – 15 months is far too long and should be unacceptable here, and is really irresponsible of the government not to provide them earlier.

Now if the minister would stand up when he . . . or the Minister of Finance, or this minister when we get into the committee of this Bill on another day, and assure this House that the *Public Accounts* will be provided even when the House isn't sitting, then I think we will have come a long way. And I will be asking the minister if he can give the House that assurance when we consider this Bill in committee.

But there are other examples. We have, for example, Mr. Speaker, the prescription drug plan annual report. Its year ended on March 31, five months ago. That report hasn't been tabled. And we have to ask, why? Is it unreasonable to believe that five months is an adequate time for the report to be audited and signed by the minister and printed and presented to this House? I think not.

Now there is even a more blatant example, and that is the 1986 report of the Crown Investments Corporation – more commonly referred to by this government as the Crown Management Board – the 1986 report which works on a calendar year. The Crown Management Board calendar year ended at the end of 1986. Mr. Speaker, that's eight months ago. Surely it is not too much to ask of any government, this government in this case, that the report of the Crown Management Board should be tabled before a period of eight months.

I raise these because I want to highlight what I said about this is not a normal circumstance, a normal situation, as

the minister said. It's normal from the point of view that these kinds of Bills have always brought into the House, but it's not normal in the kind of environment of keeping information which the public wants to have, needs to have, in order for it to judge whether its affairs – the affairs of the public – and whether the tax dollars of the public are being spent appropriately by the government of the day.

That has not been happening. That has been raised before. And that will be raised again. I will want to have a few more remarks to make on this, Mr. Speaker, but for now I wish to ask leave to adjourn the debate.

Debate adjourned.

(1515)

Bill No. 32 – An Act respecting the Emission of Air Contaminants

Hon. Mr. Swan: — Mr. Speaker, I rise today to move second reading of The Clean Air Act. The Clean Air Act, which we are considering today, will replace and improve upon the existing Air Pollution Control Act which was adopted in 1965. The new Act will ensure that all industry is treated equally and fairly, place a greater emphasis on industrial needs, streamline the process of obtaining approvals, clarify various aspects of the previous legislation, and make my department's air quality program more effective and efficient.

This Bill has been reviewed by approximately 50 industries, corporations, government agencies, and environmental interest groups. The comments received were favourable, and many suggested changes have been incorporated into the Bill are acceptable. The Clean Air Act represents a substantial improvement in environmental legislation in this province. It is a tough but fair piece of legislation which will not only bring Saskatchewan into line with other Canadian legislation but will also help to protect and enhance the quality of life for residents of this province.

This Act will be welcomed by the general public and those with an interest in the quality of our environment. It will also be favourably received by industry. The Clean Air Act will ensure, with minor exceptions, that air pollution emissions from all industrial sources, incinerators, and fuel-burning equipment will be subject to an approval issued by the department.

The existing Act only applied to new sources constructed after January of 1976, and this has led to an unacceptable double standard. At present, new industries and facilities are required to obtain an approval to control air pollution emissions, while older operations are exempted. By requiring every major facility to obtain an approval, this Act will ensure that all operations are treated equally and fairly.

The normal term of permits written under The Clean Air Act will be five years, as opposed to the current period of one to three years. Extended permit terms have been requested by industry in order to facilitate long-range

operational planning and sales.

Obtaining a permit to operate an industrial source will be a straightforward task with The Clean Air Act. The information required in an application is clearly itemized, and typical conditions that may be included in the approval are outlined to avoid any misunderstanding. The Act provides the ability to amend permits and issue control orders to deal with problem situations, if these are required.

The Clean Air Act contains improved definitions and terminology which will facilitate the resolution of problems and complaints received from the public. Jurisdictional overlap and some gaps with legislation, administered by the Department of Energy and Mines, have been eliminated. Tertiary oil production and oil-gas processing facilities, which have the greatest potential for air pollution emissions, will be regulated under The Clean Air Act.

Longer permit terms will reduce costs for the department. The air quality section will be reorganized to place a greater emphasis on industrial approvals, inspections, and the review of data submitted to the department.

As a result of this Act, the level of service to the public will be increased and, in the long run, the quality of life for all residents will be improved.

In closing, careful examination of The Clean Air Act will show that it is a progressive piece of legislation which is worthy of support from anyone who's concerned with the integrity and quality of our environment. I invite the support of all members for this Act.

Mr. Speaker, with those comments I move second reading of Bill No. 32, An Act respecting the Emission of Air Contaminants.

Mr. Tchorzewski: — Thank you, Mr. Speaker. I will make just a very brief comment and then I will ask to adjourn the debate because the critic, my colleague, the member from Rosemont, will want to say a few things on the Bill.

All that I want to say, for the purposes of the debate today, is a comment on the minister's remarks about streamlining the process. I don't think anybody can object to the streamlining of any process. It's something that I think we would all find worthy. But the one thing that I think we have to be very careful about is when, in the streamlining of the process the provisions of the Bill are weakened, or of the enforcement is weakened, then I think we destroy the whole intent of any environmental protection legislation. I don't know if that's what's happening in this Bill because it would take some more study. But I only raise that as a concern which I would certainly have initially with any legislation that deals with the environment.

And so we'll be looking at it, and we'll be asking the minister to give us his assurances and show us how the enforcement of the provisions is not weakened by the streamlining of the process.

The other point I want to make is that one of the

shortcoming of many such laws that we have in Saskatchewan and in Canada is that the penalties, on many occasions, are so low that it's actually profitable for those who might break the law or abuse the environment to pay the penalty rather than meet the requirements. And I regret to say that governments tend to err on the side of making the penalties low so that corporations – or they may not be corporations, they may be municipalities or individuals – decide well, I'm going to pay the fine because it's cheaper to pay the fine, and I'm just going to continue to go my merry way because it will cost me a little more money.

I say, Mr. Speaker, that we have to guard against that, because this environment that we live in is only given to us once, and if we abuse it and destroy it, it's not going to be here again. And so in this industrial age with growing populations and the development of larger urban centres with more people concentrated in smaller areas, we'd better act responsibly and make sure that that "once in the lifetime of the earth" gift that we get, our environment, is something that we cherish and protect, because not only is it in our interests but it's in the interests of generations of people who are going to come after us, and we ought to be just as concerned about them as we are concerned about the interests that apply to us today.

As I said, my colleague, the member from Rosemont, who is the critic for the Department of the Environment, wishes to speak on this further, so therefore I, at this time, ask leave to adjourn the debate.

Debate adjourned.

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Human Resources, Labour and Employment Ordinary Expenditure – Vote 20

Item 1 (continued)

Hon. Mr. Schmidt: — Thank you, Mr. Deputy Chairman. Before proceeding with the examination of the estimates in my department, I'd like to move a motion, an erratum for the supplementary estimates making a correction in a typing error. It's a rather long motion. I would ask possibly that the members opposite could take it as read and we would send them a copy. It merely corrects a footnote.

Motion agreed to.

Mr. Goulet: — Mr. Chairperson, I'll be directing my questions then to the Minister of Human Resources, Labour and Employment. Mr. Minister, my first series of questions relate on a more specific level again to the economic development aspect, you know, for Indian and Metis people, and your proposal.

I checked back and sure enough, of course, the economic development proposals work out to about \$15 per person – it was \$1.5 million. But as I checked a little bit more closely, on last year's budget, on Indian economic development, you had budgeted \$3 million. But as I checked the record, there was only \$1.5 million that actually went to the reserve level. And I'm wondering,

Mr. Minister, where the other \$1.5 million went?

(1530)

Hon. Mr. Schmidt: — Mr. Deputy Chairman, last year's budget had \$3 million for Indian economic development. The process is that the government examine the proposed projects. And last year after we examined the projects, we found that half of them – to the extent of \$1.5 million – had merit.

The other half have gone back for further review. Some of them have little economic development value. Some of them dealt in such matters as setting up small computer centres on reserves and things of that nature, and we have to examine whether these are economically viable or feasible, or have any long-term benefit to the residents of the Indian reserve requesting the type of project. In addition, a lot of those requests are from individuals, and we have to look at the merit.

So we felt that \$1.5 million worth of these projects had value, and the other projects requested have been deferred – either rejected or deferred; most of them are still being considered. And so it's not that the money was there and disappeared. I would say that the deficit is \$1.5 million less because we didn't expend all of the money in the budget.

Mr. Goulet: — How many applications were there for that Indian economic development program? And how many were accepted; how many were rejected?

Hon. Mr. Schmidt: — There were, in the last fiscal year 61 projects approved. We don't have the exact figure on the requests, but we expect they would have been in the range of about 120 to 130, approximately double. About one-half of the requests were approved. Some are under study and some will be rejected or have been rejected.

Should also answer the question that we left off on last day where you wished to know the changes made in the department staff. You wished to know what percentage of the department staff was of Indian or Metis origin prior to the government down-sizing this spring. Prior to government down-sizing this spring, 50.8 per cent of the department staff was of Indian or Metis origin. Now that we have streamlined the department, down-sized it by seven people, 61.2 per cent of the department staff is of Indian or Metis origin. So it's actually gone up, according to our calculations, by about 10 per cent . . . or an increase of 10 per cent. It's gone up by more than that, of course. Statistics are very easy to manipulate. But the percentage before was 50.8 per cent to 61.2 per cent. The increase would probably be in the range of 18 per cent, but the numbers there, between them, is 10 per cent.

In addition, of the seven people who left the department, one went to early retirement, there were four vacancies not filled, and two people transferred to other departments. But you know, you could calculate the percentages, and we will, of the percentage of increase of Indian and Metis people. My quick, in my head, calculation is that it's about an 18 per cent increase. But the net figures are from 50.8 per cent to 61.2 per cent.

Mr. Goulet: — In regards to your senior management, how many senior management positions have you got; how many of them are Indian or Metis ancestry?

Hon. Mr. Schmidt: — The situation is that there's always some question on definition. We feel that, considering the traditional definitions of senior management, three out of six senior managers would be of Indian or native ancestry. We had three before there was any departmental staff change, and we still have three.

Mr. Goulet: — In regards to that approximately \$1.5 million worth of grants that you gave out to the 61 Indian businesses, could I have the information on who the Indian businesses were; and how much did they each get in terms of the grants, you know; and for what type of business; for what time period; how many people-years of work did each one of them produce; and finally, how many of those were joint ventures?

You may want to . . . if you haven't got the information immediately available, I could give you notice and you could probably send me all the information tomorrow, unless you have the information handy immediately in front of you.

Hon. Mr. Schmidt: — I do have the information, and I'm quite prepared to put it on the record for you, and we can send you a copy in addition, but it will be on the public record.

The approvals last year . . . and most of them were joint ventures where there was federal funding, and provincial funding, or band funding, or bank loans, or joint ventures of some sort. I can't tell you offhand whether all of them were joint ventures, but I would think very nearly all of them were joint ventures of some sort.

You'll have to excuse my pronunciation on some of the band names here. You have to realize that my background, of course, is German and I speak that language quite well. I'm not too good on some of the pronunciations, but: Beardys and Okemasis Band, Dave Cameron, expansion of a horse racing and breeding business, \$35,000, three jobs; Beardys and Okemasis Band, development of a corral cleaning business, Floyd Gardypie, \$35,000; the same band with A. Douglas Gamble, \$20,000, one job; the same band, Brian Peeteetuce, \$20,000, three jobs, development of a sewer and water construction business; the same band, member Alex Gamble, \$2,475 development of a landscaping business, three jobs; Big C band, Frank and Beatrice Piche, \$35,000, four jobs, expansion of a general store business, Athabasca constituency; Big River band, George Netmaker . . .

Mr. Chairman: — Why is the member on his feet?

Mr. Goulet: — I would accept the minister's words that he will send me that information, you know, from across, you know, in terms of the businesses and amounts that they were allowed. So that in order for us to get on with further questions — and get nitty-gritty information. So I'll get that later on if the minister will do that.

Mr. Chairman: — The minister did indicate he was going

to read it into the public record, so the option is his.

Hon. Mr. Schmidt: — I'll abbreviate as much as possible. I believe we were on Big River band, George Netmaker, development of a skidder business, \$16,000 and two jobs; Carry the Kettle band, Isabelle Gray, expansion of a hardware business, \$25,000, three jobs; Carry the Kettle band, development of a fibreglass/plastic products manufacturing plant, \$10,000 for a study; Cote band, establishment of arts and crafts retail outlet, \$10,000, two jobs; English River band, Joe Everett, \$35,000 for a service station and restaurant business, nine potential jobs; Fishing Lake band, Merv Sunshine, expansion of a roofing business, \$25,000 and two jobs; Fishing Lake band, Bernard Desjarlais, expansion of a construction business, \$20,000 and three jobs; Flying Dust band, expansion of a gravel and paving business, \$45,000 and two jobs; Gordon's band, Kenneth McNab, expansion of auto wrecking and repair business, \$10,000 and two jobs; Gordon's band, Harold L. McNab, \$30,000 for purchase of a garage business, two jobs; James Smith band, Ernie Sauve, expansion of a horticultural business, \$14,000 and three jobs; James Smith band, Dick Sanderson, expansion of a market garden, \$11,500 and two jobs; John Smith band, Vernon Night, establishment of a convenience store and gas bar, \$25,000 and three jobs; John Smith band, development of a tourist recreational complex, \$10,000 for the study; John Smith band, Eric and Rosalie Bear, expansion of a strawberry farming business, \$5,000 and three jobs; Kahkewistahaw band, undertake an oil and gas exploration study, \$25,000 and four jobs; Keeseekoose band, Albert Musqua, development of a road grader business, \$35,000 and three jobs; Keeseekoose band, Arthur Shingoose, development of a building construction company, \$10,000, seven potential jobs.

The Lac la Ronge band is getting closer into your area, expansion of a marina, \$35,000 and four jobs; Lac la Ronge band, feasibility study of a retail shopping mall in La Ronge, \$10,000 for the study; Little Pine band, purchase of 7 per cent interest in a drilling company business, \$30,000; Mistawasis Band, Cecil Watson, undertake a bulk fuel station feasibility study, \$5,000; Moose Woods Band, undertake a golf course feasibility study, \$10,000; Mosquito G.B.H. Band, a development of a road grader business, \$20,000 and two jobs; Muskeg Lake Band, a development of a café business, and that's Freda Arcand, \$12,000 and three jobs; Muskowekwan Band, Harvey Desjarlais, establishment of a convenience store and garage business, \$23,600 and two jobs; Ochapowace Band and Keeseekoose Band, Lester Henry and Ted Quewezance, undertake of a feasibility study for custom van conversion business, \$5,000 for the study; Ochapowace Band, \$70,000 and eight jobs for the Ochapowace Ski Resort — might say I was out there and they were doing an excellent job last year and seem to have a lot of clientele from all over southern Saskatchewan. I did actually see the eight people employed, and it was a very good operation last year.

The One Arrow Band, Karl Prosper, purchase of shares in a tire service business, \$28,750 and one job; Pasqua Band, Bernard Gordon, purchase of a backhoe attachment, \$5,500, two jobs involved there in his business; Peepeekisis Band development of a business

planned for integrated ethanol/feedlot business, \$12,500 – this is for a study.

In addition, since I know a bit about that particular economic development, that development is in my constituency. And the provincial government – not because it's in my constituency but because my band members thought of the idea of an ethanol plant – has spent \$500,000 towards the feasibility of ethanol plants in Saskatchewan. And there's a very good chance that this ethanol plant will be a major type of Indian economic development. They have a tentative contract signed with Mohawk Oil who are producing ethanol in Manitoba right now. This government is encouraging ethanol production and there's a very good possibility, with co-operation from the federal government, this 10 to \$12 million project will proceed.

(1545)

Continuing, the other development was in the Peepeekisis Band, Mervin Dieter, development of a fencing business, \$23,000 and four jobs. Now not all of these developments are actually on the reserve. I believe that some of these are band members who belong to that given reserve who are expanding their businesses in cities. And I believe he operates his business in Regina. The Pelican Lake Band, expansion of a saw mill business, \$45,000 and six jobs; Pelican Lake Band, Leonard Thomas, purchase of a skidder, \$10,500 and four employees working with him, or four people employed. Peter Ballantyne Band, expansion of a construction company, \$50,000, eight jobs in the construction company. The Piapot Indian Band, development of a grader business, \$35,000 and two employees; Piapot Band, Ken and Brian Carrier, development of a road gravelling business, \$35,000 and two jobs. Piapot Indian Band, Don Carrier, expansion of a men's hair styling and beauty salon business, \$10,000 and five jobs. The Poundmaker Band, Harvey Tootoosis, \$24,000 on two jobs, expansion of a consulting business; Saulteaux Band, expansion of a construction business, \$20,000 in two jobs; the Saulteaux Band, study of developing a resort complex, \$10,000 for the study; Saulteaux Band, Stella Gopher, expansion of an arts and crafts business, \$9,500, six jobs . . . five jobs involved there; Starblanket Indian Band, development of a seed cleaning plant, \$100,000 and 12 potential jobs; Stony Rapids Band, establishment of a Black Lake mini-market, \$43,700, four jobs; Sturgeon Lake Band, Wesley Daniels, establishment of a fitch farming business, \$5,600, one job; Whitebear Band, Joe Sheepskin, expansion of a wicker business, \$7,300 and two jobs. He operates that business in Saskatoon. Whitebear Band, Bernard Shepherd, development of a wood-working operation, \$4,500 and one job; Witchehan Lake Band, Harvey Jim, development of a gas bar and arcade business, \$5,800 and three jobs.

In addition, there were a few province-wide type projects. The Battlefords Treaty 6 Tribal Council, development of an authentic Indian village, \$40,800 and 25 jobs; Prince Albert District Chiefs, expansion of a trucking business, \$63,000. They employ 15 people. Prince Albert Development Corporation, expansion of a security and janitorial business, \$50,000 and 25 people employed in that business; Saskatchewan Indian

Agricultural Program, development of a rainbow trout raising business, \$16,000, 8 people are employed; Saskatchewan Indian Agricultural Program, purchase of equipment for berry picking business, \$15,000, 60 people are involved in the berry picking operation; and the last over the 61 that referred to, the Silver Sage Construction and Maintenance Corporation, expansion of Silver Sage Construction and Maintenance Corporation in Regina, \$10,000. They employ 20 people at this time.

I think you can see that the money that we do put into economic development goes to a wide variety of . . . and last year it was to treaty Indian people. This year we're hoping to expand that to Metis people as well. It goes to bands. It goes to individuals. And you can see that many of the people are very busy in a broad area of construction and business and things of that nature. And we follow up on these projects to see how well they're doing, and we're quite satisfied with how well they're doing in these businesses.

Mr. Goulet: — Mr. Minister, the other day you gave me a lot of rhetoric about self-sufficiency, decision making by Indian and Metis people in regards to economic development. Today you come back here and tell me that you have rejected the majority of the Indian economic development proposals. You can talk about self-sufficiency and say people can do and make their own plans, but yet you will not give the proper dollars.

I'm still trying to wonder, Mr. Minister, where have you got the \$1.5 million? Did you shove it in Weyerhaeuser's sleeve? Where have you got that \$1.5 million? Where did it go? You budgeted for it; where are you hiding it? Where did it go?

Hon. Mr. Schmidt: — Well, you know, here, check my sleeves, the sleight of hand – it's not there. I mean, that's money that didn't exist. That's money that the government didn't borrow. That's deficit we don't have.

And had we found . . . I listed to you the projects that we okayed last year, and had we found more, we would have approved more. We'll probably be able in a few minutes to give you some indications of the things that we did turn down or deferred. And you have to realize that that is not money that was really put elsewhere. It's money that this province does not have, and did not borrow, to spend on development projects that we felt didn't have a very good chance, or needed further study before we could okay them.

Mr. Goulet: — Mr. Minister, you give Weyerhaeuser a chance to develop for a period of 20 years. They are given a chance on a 20-year period to be able to come out and do their economic development aspect by exploiting our northern resources. And you also give them a write-off for 30 years if they cannot make that profit level.

Why is that you're treating the big corporation with a different set of standards, and an Indian economic development corporation with another set of standards?

Hon. Mr. Schmidt: — I'm sorry. I was trying to get you some information sent over there, and I missed the last

part of your question. Could you just run the last part of it for me?

Mr. Goulet: — Why is it that there is unequal treatment when it come down to a big corporation like Weyerhaeuser, where you spend and provide them a \$250 million forestry industry when with all the land — that's more than all the reserves across Canada — you give that to Weyerhaeuser. But when Indian people try and get economic development, you reject their economic development, you reject their economic development proposals and you'll get the 30-year sweetheart deal with Weyerhaeuser. Why the unequal treatment?

Hon. Mr. Schmidt: — I told you last day, you've got to stop your hatred for Weyerhaeuser. They are a corporation that employ a lot of people. As I indicated earlier, 14 per cent of their construction staff is of Indian and Metis ancestry right now on their construction project. You should be changing your attitude and talking to Weyerhaeuser to see how Indian and Metis people can get involved in the lumbering industry. And, you know, to have an attitude of hostility towards Weyerhaeuser makes it extremely difficult to try to get more jobs for Indian and Metis people if you are typical — and I don't think you are — of the attitude towards Weyerhaeuser.

Mr. Goulet: — Mr. Minister, I will point this out to you again in regards to Weyerhaeuser. People would appreciate definite jobs of a long-term nature when it came down to Weyerhaeuser. People would appreciate the same terms of agreement that you've given to Weyerhaeuser in regards to land and regards to the interest-free loan for 20 years. People would appreciate that.

It's not specifically Weyerhaeuser that people attack — it's the sweetheart deal that you made, the give-away deal that you made. That's what people are worried about because it costs them in the long run. It costs them in terms of the Indian economic development loan structures — the amount has to come down because we have to pay Weyerhaeuser. That's why people are raising the Weyerhaeuser issue.

I would like to ask you, Mr. Minister, what are you going to do? Have you mentioned this in regards to the Metis economic development aspect — that you have given the Metis economic development fund, a new native economic development fund, 500,000?

I would like to know, Mr. Minister, have you consulted AMNSIS (Association of Metis and Non-Status Indians of Saskatchewan) in regards to the criteria for the development of the native economic development program? Have you consulted the people in that regard, and have you already developed the criteria?

Hon. Mr. Schmidt: — Now in the case of the Metis economic development fund, we will discuss this with AMNSIS, most likely during the month of September, and see what can be worked out with respect to how this money can best be spent. I can indicate to you there also that the money should be spent on individuals rather than specific group projects, unless the group project is of a

major significance. The money would be allocated where it will do the most good for the individual Metis people in the business field.

Clearly, and you referred again to Weyerhaeuser and give-aways and you talk about unfair treatment, but it seems to me that Weyerhaeuser took over existing leases in northern Saskatchewan that a government Crown corporation was operating, and not particularly to the benefit of Indian and Metis people, and it seems to me that you, as a member of the NDP, supported very strongly that government Crown corporation. And you will see that already Weyerhaeuser is employing more Indian and Metis people than the Crown corporation did. And you will see in the future, should you be able to convince the Indian and Metis people to co-operate — and we will do very hard to do that, and I'd hope that you would join in with us — that you will see such more economic development in northern Saskatchewan as a result of the Weyerhaeuser sale and the Weyerhaeuser business.

When the Government of Saskatchewan and a Saskatchewan Crown corporation couldn't do a proper job of running a paper mill, because governments are not very experienced in the paper business, and when the best bureaucrats you could find couldn't run the paper business, it was losing 91,000 — I believe \$400 a day — but 91,000 is very accurate. When that isn't working, surely the government should sell that to somebody who knows what they're doing, who has the markets, who can build a paper mill, who can use the aspen trees that have been rotting there for generations and generations, falling down and rotting, and they will now be put to use — surely that can benefit Indian and Metis people and all people in Saskatchewan.

Mr. Goulet: — Mr. Minister, I was asking you a question specifically related to a situation of Indian-Metis people, and all you could do is gloat about the benefits of an American corporation like Weyerhaeuser.

You keep on gloating and gloating away at the tremendous advantages of Weyerhaeuser, yet it controls more land — it controls more land than what all the treaty Indians in Canada own in terms of reservations. Weyerhaeuser includes new regulations that forces treaty Indians to have a third party arrangements wherein an American corporation now affects treaty Indian bilateral arrangements. They need to go to Weyerhaeuser to get a 180-day notice, and also that Weyerhaeuser has the first shot on the land. And it's only through another process that you will get an agreement. So when you can stand there and gloat about an American giant that, in fact, what you are doing is completely going away from your responsibility as a minister in charge of Indian and Metis affairs in this province.

(1600)

We are talking about people fighting for jobs and fighting for economic development grants, yet you haven't given me the proper evidence on where the 1.5 million went. You just laughed about it. The \$1.5 million that could have gone into Indian business would have been an important aspect in confirming a positive self-sufficiency

approach, at least in a partial direction, but you have cut it back. You have cut it back. You have taken it away.

You feel that this \$500,000 that you offer, and made without their consultation, is going to all of a sudden be the step for self-sufficiency? It amounts to \$5 per person for a year.

But the situation, Mr. Minister, is indeed bleak, as you know. People still want involvement into the decision making that affects their lives, especially in terms of economic development. What are you doing to involve the Metis people in regard to that native economic development program funding of \$500,000?

Hon. Mr. Schmidt: — Well, I can assure the member opposite that Metis people will be involved in an advisory capacity as to screening what would be an adequate project and what wouldn't be an adequate project, and we will take that advice in making the final decisions before the orders in council go through authorizing payment on a project.

Mr. Goulet: — Mr. Minister, I might add in regards to your last statement, that the same type of colonial paternalism that I mentioned the other day exists in your statement that we will use the Indian and Metis people as advice, but we will make the final decision and cut over half of them out because we have the final authority. That's exactly what you're telling me.

Yet on the other hand you can come in and make an introductory reply and speak at great lengths about economic self-sufficiency where Indian and Metis people make the decisions themselves. But that isn't the case. What you do with large-scale corporations is completely the opposite.

With Indian and Metis people you have already made the final decisions. You know the types of businesses you are going to make decisions on, and you don't accept the decision making, you know, that comes from Indian and Metis people.

In regards to the question of employment, a lot of people have mentioned that large-scale corporations will not voluntarily, on a long-term basis, in regards to permanent employment, on the permanent jobs, they will not hire Indian-Metis people in the long run.

What was established was the affirmative action lease agreement and affirmative actions programs. And through that process about 60 per cent of the people were hired, for example, in Key Lake. When the Conservatives came in, they took apart the monitoring committee that was supposed to look after that, the monitoring committee that was supposed to look at the numbers of Indian and Metis people that were employed in Key Lake. That monitoring committee and George . . . and the Minister of Health said, I did that. And of course he did that.

As the minister of the North, the first thing that he did was attack northern Saskatchewan people and the employment benefits that they were getting. The first job, when he was the minister at that point, was to tear down

that fact. And within two years there was only 20 per cent people working in the mine in Key Lake, and that was the record of the minister when he was supposed to be representing the people in northern Saskatchewan.

Now in your case of employment, when the PCs come in, in terms of Weyerhaeuser they say, yes, we will hire Indian and Metis people, when they are put the question. I look at the clause in the Weyerhaeuser agreement; it says "encourage." Encourage, what does that mean? It doesn't mean a thing. It is just a statement to do nothing; that in fact all he will do is make short-term summer projects as a basis of your argumentation and you will not look at permanent staff as a viable alternative and a way of getting at it in the Weyerhaeuser agreement. Because all you say is, oh, we will agree with the big corporation that we should only . . . Indian and Metis people do not need the encouragement. They already have the motivation to find jobs, but you are blocking them with your policies.

What are you going to do, Mr. Minister, to change this aspect in regards to employment in any large-scale development that occurs in the province of Saskatchewan? Are you going to apply the affirmative action lease concept to these major developments in the future?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, the information I have is that while the numbers are down at Key Lake, in the last six months they have hired 100 per cent Indian and Metis people in the last six months. And it's not always easy to keep up with an exact quota system. You have to have people applying for the jobs; you have to have people qualified for the jobs. In the last six months they've been quite successful in hiring 100 per cent Indian and Metis people.

The allegations you make about the uselessness of Weyerhaeuser in development of the North, I would suggest that the 14 per cent of the construction workers working on site would hardly agree with you.

You have a problem in that you continue to emphasize the negative, and the negative really never achieves much. It never develops anything. It's a problem that is consistent with the NDP party, as I recall it, in my younger days.

I never saw such a negative group of people all gathered in one place. And the problem is . . . the reason I didn't really fit into the party you're in is that I had a positive attitude. I felt that the world could be improved, it could be changed; that if people went out and did something, they could get something done. But I recall going to NDP conventions, and the constant theme was that somebody else out there is bad; therefore, we are suffering. Somebody else out there owns everything; therefore, we have no jobs. And it was a very negative group.

I've never seen a political organization — and I've had some association with three now — that was so paranoid. I mean, it was really disappointing. And I felt that if you were ever going to have any progress, you could not have an NDP government, and that's why I got disillusioned with socialism and the negativism of your party. And you

continue that trend. Everything is negative. What you should be saying is, let's go out and find some more corporations to come in and help us develop the North. We have other government corporations. We have a plywood plant that Indian and Metis could buy. We have all kinds of other things that Indian and Metis people could invest in, in the North, in all parts of Saskatchewan.

Let's not chase away investment. Let's not chase away technology. No one in Saskatchewan has the knowledge or ability to build a paper mill – Indian and Metis people don't; German people don't. Canadians of every kind do not have in this province the expertise to build a paper mill. As a matter of fact, the paper mill is not designed in Canada. Nobody in Canada builds paper machines, so therefore we have to draw on what's in the rest of the world. We can either sit here and stare at the trees or bring in a paper machine and make them into paper.

Mr. Goulet: — Mr. Minister, I wasn't talking about the paper. I'm talking about the existing jobs that out there that anybody can do in Saskatchewan. There's a lot of unemployed workers in this province that are looking for jobs in regards to the forestry industry. There's a lot of Indian and Metis workers in northern Saskatchewan that are looking for jobs that are not getting them. That's the reality of the situation.

In regards to the question of funding, I would like to know – you never did answer the question – the issue of funding to AMNSIS (Association of Metis and Non-Status Indians of Saskatchewan)? AMNSIS is fighting for their constitutional rights of self-government. Self-determination, self-sufficiency is what they are fighting for, but yet you cut all funding just like that. Because the Premier was given a little bit of a hard time in Ottawa, you choose to beat up on Metis people in this province. You just beat them up just like that because of a statement. You were vindictive. They did not, at that point, feel that they could do real justice to native people. They had to cut off the means for developing their constitutional rights.

But the association wanted to find out a couple of weeks ago whether or not the minister would approve of at least wind-down funds. The Premier said it would be business as usual when he came back from Ottawa; that in fact it appeared that there would be at least funding, as was done in other cases, for wind-down dollars. I asked the question a couple of weeks ago whether or not you would provide money for the wind-down phase, and I haven't heard any reply yet. Are you going to at least provide the dollars for the people who are working during that period in time, and do it in the just and fair way that it should be done?

Hon. Mr. Schmidt: — Well we've indicated earlier that we will not be providing wind-down funding because you're not talking about money there for the average Metis citizen of Saskatchewan, you're talking about money for administration, money for travel; you're talking about . . .

Mr. Chairman: — Order, please. If the member would want to get into debate, just stand up and I will recognize you.

Hon. Mr. Schmidt: — If the member for Moose Jaw North, when he shouts across the House, would take his hand away from his mouth, I could hear what he's saying and I might be able to reply to him. I couldn't quite hear what he was saying.

So the answer that I'm giving you is that the AMNSIS money was used totally for administration. They've received \$9 million from the federal government for economic development and have quite a clear mandate to put that to use. In addition, we are putting up \$500,000 for Metis development.

The budget of the organization has salaries for area directors, \$40,000, plus 12 per cent for benefits, plus \$500 for travel. Here's an organization that is spending more on administration than MLAs are paid in this province. You know what you receive as an MLA.

An Hon. Member: — He's overpaid.

Hon. Mr. Schmidt: — And you're asking that the taxpayers . . . My colleague suggests he's overpaid. I would say that the member opposite is paid just about right. Others here are underpaid.

The question here is that the taxpayers . . . you're asking the taxpayers of Saskatchewan to pay administrative people, area directors, a total organization of some form of government that is not really yet recognized in this country in any way, you're asking us to pay on behalf of the taxpayers to administrative people more than MLAs receive in this province, more than you receive, and the list of requests and expenditures goes on and on.

(1615)

And I have an entire budget submitted for this year and, you know, the legal fees and the consulting fees, and it goes on and on. None of it, none of that money is spent on jobs for Metis people.

I just read you a list of 61 projects, one and a half million dollars. All of that money went directly to jobs for treaty Indian people. None of that AMNSIS went to jobs for Metis people. It went to administration, to travel and bureaucracy, and that is not what you can build a nation on; it is not what you can operate a nation on. A nation cannot operate that way, a province cannot operate that way, and a people cannot operate that way.

A people have to have a broad spectrum. They have to have economic development. They have to have social institutions, educational institutions, and the money we're talking about here in economic development is not all. You know very well that the province spends money on Indian and Metis people for education, and for health, and social services, and all other forms of benefits. And you know that is a substantial amount of money.

So don't say that somehow your friends are hard done by by losing their administration money. They should generate it themselves in whatever manner they think is appropriate, or else cut their administration costs.

Mr. Goulet: — Mr. Minister, the basis of your remarks again show your paternalism and unequal treatment. It's the type of statement that promotes the racism in this province. What you are doing, Mr. Minister, you're expecting Indian and Metis people to be pushed out of work. You are expecting Indian and Metis people to be used only for cheap labour. You're expecting Indian and Metis people to have a higher unemployment rate than the rest of this province. You're expecting Indian and Metis politicians to be able to be paid nothing. And yet you pull a high salary for the nonsense that you pull across in this legislature.

Mr. Minister, your treatment, you as a politician, in regards to public funds, you're getting paid from the public funds of this province. Municipal politicians do. The political self-government structures and the political governing structures of Canada receive dollars. But what you are saying, Mr. Minister, is this: when it comes down to Indian and Metis people on their political structures, they are supposed to be paid absolutely nothing. That, to me, is racism in terms of political control, and I find that absolutely not amazing.

We have heard a lot of statements of this sort come out where you expect Indian and Metis people to work for nothing, to work for less than anybody else. You expect them to do things that developed the constitution. We get paid. I get paid and you get paid in this legislature. But the same principles that accrue to us as politicians of this province should be the same principles of operation that accrue to Metis forms of self-government, which is precisely what the Association of Metis and Non-Status Indians was.

Mr. Minister, are you trying to say that the Indian and Metis forms of government . . . are you saying that they are supposed to receive absolutely nothing while we get paid as we talk here? Is that what you're saying, Mr. Minister?

Hon. Mr. Schmidt: — Here you go again on racism. I really don't know what you mean by racism or what accusations you intend to make here.

But lets . . . I'll come here and I'll bare my soul. I'll give you some personal information. You bare yours. I can tell you that, as a cabinet minister, I believe I get a clear cheque for \$1,700 extra as compared to an MLA, for two portfolios which is about . . . I clear about \$800 a month for each portfolio I have, and that's not totally clear because at the end of the year I have to pay my income tax. Now last year my income tax was \$41,000. My family paid over \$50,000 in taxes. The first three years — I stopped calculating — but the first three years that I was an MLA here, I paid more in taxes than I received in a pay cheque from the government.

And I don't know what you mean by racism. Are you saying that we are not caring people on this side of the House?

I'm not objecting to paying those taxes, but what I'm saying to you is that at a certain stage the people of Saskatchewan have to balance between how much they pay in taxes and how many services are provided to people. It costs an awful lot of money for the people of this

province, as I've given you an example, to bankroll the Government of Saskatchewan and to bankroll the Government of Canada. And we are now going into negotiations with another form of government, that is referred to as self-government, and it's going to have to be decided who's going to bankroll that form of government and to what extent. And we're prepared to sit down and go into those negotiations.

But don't come here and call me a racist. I think that's a cop-out. I think you should sit down here in this legislature or anywhere else in this country and work out solutions to these problems rather than come here and call me, a member of the Assembly and a taxpayer who pays his taxes regularly, call me a racist.

I feel that the people of this province are very generous to those in need, regardless of whatever their colour or creed or religion is. The people of this province are struggling to help everyone as much as possible. So I think you should put such terminology aside and stop coming up here and insinuating that I am a racist. Because I believe that that is the kind of language that is demeaning, not to me, but to the people who are saying it.

Some Hon. Members: Hear, hear!

Mr. Goulet: — Mr. Minister, in regard to the statements I have made, there is a distinction between individual forms of racism and policies of systemic racism. You all know the law in this province of what systemic racism is, and institutionalized racism is. You bring out, as usual, your individualistic views about racism and try and say that I am talking about individual forms of racism between you and I. That's not what I am talking about.

I am talking about the policies of this government that systemically eliminate more jobs for aboriginal people in this province than there is for the rest of the people. I find that, in regards to the racism question, that there is a failure to understand that in the context of systemic and institution . . . But we have a law in this province and, as a lawyer, he should recognize that law on the human rights in this province. That there is . . . And he should understand the law of systemic discrimination which we are trying to fight. I am challenging you with statements such as affirmative action, which is a law that came into this province to fight the systemic discrimination that exists.

I have not been pointing to you as to whether or not you are individually racist, I've never said that. What I am talking about is policies and practices that promote racism in this province. And sometimes statements that are taken off the cuff that promote and incite that type of hatred.

For example, when we went into the constitution there was a statement that was made that we spent \$1 million a day on Indian and Metis people in this province, and this was presented on national TV. Statements like that are made to incite and mislead the public, to assume that there is way, way too much money spent on Indian and Metis people. That works out to about \$365 million for the whole year, and you mentioned today that there was about \$375 million spent in this province. But when I

travel around, people are asking me: where's this \$375 million?

In economic development alone, where the basis of an existence of a people, of any people, is a basic requirement, what the policy of your government shows is that you slashed that by 50 per cent this year. You slashed it by 50 per cent. And you can come out to me and say that it is a fair policy, it is an equal policy; we are giving equal treatment to everybody. But you're not giving equal treatment to everybody.

I've given you countless examples on the Weyerhaeuser deal, specific cases on the unequal treatment. I am talking about unequal treatment between aboriginal people versus big corporations and the friends of the government. That's what I'm talking about.

I'm not talking about the racism of the people of the province of Saskatchewan as you imply – definitely not. Most people that I work with throughout the province, and everybody knows that they don't like . . . and dislike racism, that racism is just a form that should be eliminated from society. But they are systematic forms that contribute to that. And those types of forms that have helped alleviate that problem are the type of things that you are doing away with.

And I've quoted specific cases before. I talked about the problem of even the concept of a leadership when I challenged the Premier on a statement on AIDS and aboriginal people. I challenged that question over a year because the information that I got was that the only national group, or ethnic group, that was mentioned when the Premier said if AIDS ever hits the native community, it would be hell on wheels.

That kind of statement coming from the leadership, and I don't mean the Premier as an individual, I mean the leadership. The concept of a position that's that important in this province is the type of thing that I really find very discouraging as a person who tries to fight against racism in this system. And I'm not going to . . . (inaudible) . . . around and say that it doesn't exist – it does exist. It is said in so many words from this and that, and by so many practices and policies. That is what I'm talking about when I talk about racism.

When you look at the history of racism, and the types of strategies that have been used on racism, what you do in the first place is this – and this has occurred even in modern day racism – is that you look at a people that you want to put down and you tie them in with a dangerous or inhuman situation. You either say that they are mere animals – and this has been brought about in the history of literature on racism – that you tie them in and make a connection with them as nothing but animals, or just people who will work like animals. And so the racism is tied in with something that you look down upon. And our western society, of course, looks down on that concept of animals. So you tie that in with the people.

(1630)

The other aspect that has been used in the history of racism has been this. You tie a people, you tie a people

with a dangerous – not animal – but with a dangerous disease that everybody finds should be something that is resolved in this province and all over the world. But you tie them in with that, and the basis of racism is this: that if it indeed is true that only one group was tied in, then somebody has to challenge that and bring it out into the open. And that is precisely what I did at that point in time. When I checked out the situation later on, they said: oh, we were mentioning everybody. I found out that that wasn't the case.

When specific questions were asked about the Premier as to which other nationality or ethnic group was mentioned, he could not come out with one proper answer – not one. He kept talking about youth; he kept talking about women; he even brought out seniors when pressed under a question. He was trying to hide the fact that, in fact, he did not bring out the question of nationality and ethnicity in his statement. And that's the type of thing – it would have been a lot better if he said: oh, I may have slipped up; I never really meant to say that, and I'm sorry that if somebody ever thought that I said that, then that isn't exactly what I meant. But he kept on trying to defend his position.

You cannot defend a position like that. It's futile to try and attempt to hide that type of thing. So I am giving you examples of systemic racism where chief positions of policy-making in this province, and practice, can be seen to be affecting a group of people. It is interesting that right after the Premier said that, and in conjunction with his treatment of aboriginal people at the constitution, Mr. Minister, this is what happened in La Ronge.

Even in a simple hockey game, even in a simple hockey game, it said there was a poster at a hockey rink in La Ronge – right after Devine did not agree to the constitution. I said – the people understood that: Devine beat . . . the Premier beat. It says: the Premier . . . well the quote is this; it says, and I quote:

Devine Beat the Indians; The Beavers Will Too.

And I find that . . .

Mr. Chairman: — Why is the member on his feet?

Hon. Mr. Hepworth: — Point of order, Mr. Chairman. I thought it was the practice of this House to refer to members either by their constituency or by their portfolios, as opposed to by their names. And I consistently hear the hon. member referring to our Premier and the Minister of Agriculture by name.

Mr. Goulet: — Mr. Chairperson, I did not mean to name the Premier. I was doing a quote in regards to that fact, so I will continue.

So those are the types of things that I am talking about. I am not talking about an abstract thing that I cannot understand myself. A lot of people know . . . Mr. Minister, you mentioned that people should be positive. I will tell you this – when I entered the legislature – I stand here because we know we can do something positive in conjunction with all the people in this province. I know we can do something positive in conjunction with

Indian-Metis people in this province. I know, and I firmly believe that, and that's why I am here.

And that is why, when issues come up that are of a contradictory nature, my position is one of standing up and fighting those types of positions. I know the majority of people in this province will do the same thing. So when I see injustices being done, I will have to stand up to that injustice. When I want to be positive — people I see fight for jobs in northern Saskatchewan, and they're told that jobs are not there.

When you look at the aspect of Indian economic development, those people who did the planning, over half who got knocked off in that Indian economic development program were very positive. But I'll tell you something; they must be frustrated now. They must be down-hearted, because they don't have the economic development base that other groups are provided for, like big corporations.

So I would like to pin-point that fact. It's not an abstract thing that I do not understand, Mr. Minister, it's something that I could relate to in terms of policy and practice, and in terms of institutionalized structures in this province and in Canada. And so when you brought up the issue of racism, that is my explanation, Mr. Minister.

I would like to get into the concept of the land question. I feel it's very important that the land issue be addressed. When you look at the Indian-native secretariat, the new division, and you look at the record, we need to get some action on that.

I overhear people saying that because of the high unemployment rates, because of the lack of economic development funds, Indian people are being forced into positions where they have to accept money rather than land for settlement. Money loses its value after you use it in one term. But you know, and the people in here know, that land retains its value as history goes on. And land could be used by the children and the grandchildren for many years because it will always be there.

But you try and use a modern day beads and trinkets approach to the solution of the land question. Sure, people would appreciate the fact that we cannot . . . because of the economic pressures people are forced to accept this position. And it is my thinking that you're trying to get a policy where you want to provide the dollars in exchange for the land. But there's still a lot of land in this province, as you know, Mr. Minister, in regards to Crown land throughout the province that people could use for economic development purposes, the very basis of self-sufficiency that you, yourself, talk about.

What, Mr. Minister, are you going to do in the future in regards to this question of land? What substantive thing are you going to do to make sure that a solution, once and for all, in regards to the land question, can be resolved?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, that was a rather long question. I'll try to give a shorter answer. I would say to the member opposite that my reading of the situation is that the people of Saskatchewan are tired of

listening to his musings on racism. My observation would be that he's perfectly suited to be a member of the NDP and should be there for all of his life because he has the true attitudes of a member of the NDP. He fits in perfectly.

We get into this question of . . . (inaudible interjection) . . . He keeps suggesting racism. Everything he sees or hears is somehow turned into the context of racism. And I would submit that there is a difference between realism and racism, and therefore the matter should be discussed in a realistic manner and considered realism.

The member opposite wants to know about expenditure on Indian and Metis people in Saskatchewan. We have estimated, as closely as possible, provincial expenditures in health, \$133 million per year; in social services, \$112 million per year.

Now for fear of being accused of being a racist, I won't go into any form of explanation, or any kind of answer as to how these costs are calculated, or why they arise. I leave that for the member opposite to comment on because I'm simply giving him the figures.

We should really go into the reasons for these expenditures and how they might vary from normal expenditures, but in any event, health is \$133 million a year, and I will not say why it's that high; social services, \$112 million a year; justice, \$62 million a year; education and training, \$40 million per year; economic development and employment development, \$10 million per year; other, \$18 million a year — for a total expenditure of \$375 million per year from the province. In addition, as far as we can calculate, exclusive federal money spent in Saskatchewan is an additional \$253 million a year, for a total expenditure from Canada and Saskatchewan of approximately \$628 million per year, in this province, on Indian and Metis people.

And surely, money alone cannot solve all the problems related to the Indian and Metis people. The department of northern Saskatchewan poured as much money as could be poured into two constituencies and still not break the provincial treasury. I believe they were running in a range of expenditure of \$130 million a year in northern Saskatchewan. And when we became government, the problem was not solved. And we have to look at other alternatives, and we believe economic development and self-sufficiency are the other alternatives.

Mr. Goulet: — Just another little comment on the issue because you keep raising the topic, and that's the fact that you seem to imply that what I talk about is always one of an issue of racism. This morning I raised questions in this House that didn't have anything at all to do with racism. And I raised three questions the other day, and others as you look for the record. I haven't posed that question . . . I've only posed that question when it has occurred. And I will continue to do that when and if it will occur in the future. I will not back down in this House when it comes down to the issue of systematic discrimination, and I'll have you know that.

One of the important things and that's at issue, in regards to this budget, has been the cut-back on the communications budget, the *New Breed* budget. The

New Breed was providing an important communication link to the community level. And when I look back at the history and connections with the Saskatchewan Indian, they also provided very important communications systems.

And these were at very crucial times in history of the development where the initial stage of the constitution was coming in, in regards to the Saskatchewan Indian in 1982. And that money was cut back by the PC government. Now it was cut back in regards to the aspect that goes to the . . . that was used utilizing the AMNSIS budget for the *New Breed*.

And to me that's a signal that you are trying to silence the people. The people want to communicate with the membership, and not only the membership, but the public at large. Specific ministers from across have had their voice heard through the *New Breed*. It was balanced. We heard your arguments through that paper, but because a few people chose to voice their concern strongly and criticize the government through it, you chose to do the cowardly act of doing away with it. In much the same way, when AMNSIS challenged you, you did away with them. You just do away with any challenge that you have in this province.

(1645)

It's not a matter of being negative, Mr. Minister. It's a matter of standing up strongly for your rights. You have to know the difference between standing positively for your rights and just being mere negative.

What I'm trying to get at in terms of economic development is to get stronger affirmative action agreements so that you can hire more Indian and Metis people in this province. What I'm asking for is land claims so that the grandchildren can walk on Indian and Metis people's land. That, in fact, what I am looking for is improvements in the economic development grants that you've given to Indian and Metis people. Those are positive suggestions and implications of my questioning.

So when we state over here, when I make a statement in regards to issue such as race, when it comes from time to time, I will stand up and say so. I will not be muffled; I will not be silenced. I will not be silenced like the *New Breed*. I will not be silenced like you did to the Saskatchewan Indian. I will never be silenced as long as I stand in this legislature while issues like that come out.

Some Hon. Members: Hear, hear!

Mr. Goulet: — In final, Mr. Minister, the issue of the constitution was extremely important for Indian and Metis people. When you cut back the budget, for example, on Metis people, you cut out the mechanisms, one of the important mechanisms of self-government that they had. They had, you mentioned, even consulting dollars. The consulting dollars were used to try and find out new means and methods of dealing fairly with Canada in regards to the self-government question. And as we looked at the constitutional talks, it became very apparent that this government was not willing to have a strong Indian and Metis self-government structure, when

the strong structures represented in Ottawa there were torn down by the Premier, at that point in time, and he tried to introduce a weak, watered down version. And we're talking about the highest level of governing for Indian and Metis people in much the same way that we talk about the highest level of governing for this province.

The constitution was an extremely important position. When I looked at it and the comments that were made by the Premier, it was very different than the comments he was making one month later in the Meech Lake agreement — very, very different. There was one way of dealing with aboriginal people, and one way of dealing with the Meech Lake accord. Remember when they dealt with the Indian and Metis issue of self-government, Devine said, well, we have to . . .

Mr. Chairman: — I would caution the member to not use the member's name.

Mr. Goulet: — Okay.

When the Premier said that we will have to go back and get public hearings, we have to define this thing specifically and in detail before we accept it, we have to make sure and take the greatest care that Saskatchewan and Canada has ever seen. That's what he seemed to be implying.

But when it came down to Meech Lake, he will try and sell the Meech Lake agreement without public hearings. You will get us to accept the concept of distinct society without defining it. Mr. Minister, that is what I mean by unequal treatment — that the government that you represent, and the position that you hold as upholding the rights of Indian and Metis people, are contradicted by your very practice.

You have one way of dealing with aboriginal people and one way for dealing with, for example, the Meech Lake accord. That is what I find disturbing. This is what a lot of people find frustrating, but in the end result, people will stand up for their rights. Indian and Metis people will stand up for their rights in Saskatchewan and all over Canada. Although a lot of barriers will be put in their place, and be put in by specific ministers like yourself in terms of policy and practice, that in fact in the long run justice will prevail as far as Indian and Metis people are concerned; that, indeed, what the majority of the people in Canada and Saskatchewan want is that justice and equality must prevail for Indian-Metis people in this province and right across Canada.

That's what people of Saskatchewan want. That's what they would like to see. They would like to see a Premier that stands up for the rights of Indian-Metis people. That's what they would like to see. They would like to see a minister in charge of Indian and Metis affairs that will stand up for the rights of Indian and Metis people. They don't want you to just gloat about the Weyerhaeusers of the world. They want you to be able to work with them and see that their issues of economic concern, political concern, cultural concern, educational concern are done in co-operation with this provincial government and the Government of Canada.

I will ask the minister: what is he going to do in the future to make sure that this co-operation, the positive building that is required for this development that I'm talking about – what is he going to do to substantively change what has been happening in the past five years? What are you going to do, Mr. Minister?

Hon. Mr. Schmidt: — Well I . . . Mr. Deputy Chairman, in this country it has been traditional that magazines would be supported by subscriptions and advertising. And many magazines in this country – almost all magazines in this country – operate that way.

With case for the *New Breed Journal*, we find that the federal government annually contributes \$128,000 towards the *New Breed Journal*; and in addition, the province of Saskatchewan is contributing \$96,000. And we felt that the \$96,000 could be put to more important use than the subsidization of a magazine. And traditionally magazines that have had merit, and where the readership was interested in the magazine, would have had subscriptions and advertising, and it would fund the magazine.

In this case, I understand that the *New Breed Journal* has changed its operation procedure and is still operating on the \$128,000 that the federal government contributes towards the *New Breed Journal*. I'm not aware as to what their advertising revenue is or what their subscription revenue is, so we couldn't really say whether the \$96,000 was necessary to the operation of the *New Breed Journal* or not.

However we felt that the \$96,000 of taxpayers' money should be put to other uses. And despite the allegation by the members opposite that there are cuts in health care, you should take into account that the health care budget is up \$36 million this year, and \$96,000 doesn't go too far towards paying those additional expenditures.

But I can assure the member opposite that that \$96,000 is being spent on Indian and Metis people through health care, social services, justice, education, and all other services that the government of this province provides.

When you speak about rights, I have to caution the member opposite that in the NDP their education is deficient – I learned that when I was there – and that they never got beyond rights in any kind of education they ever received, and haven't yet discovered that with rights come responsibilities. And so therefore you will never hear the NDP talk about responsibilities like: my responsibility to pay my income taxes – my family considers it a heavy responsibility to pay in excess of \$50,000 a year in taxes. That's responsibility, and that's the kind of responsibility that the NDP don't understand. And the NDP have this view that I should keep working myself to the bone, and that's almost the case because I do a lot of my own physical labour – I have crooked fingers to prove it – and that I should keep doing that to keep the NDP in the style they are accustomed to. And I can tell you that the majority of people in this province are getting sick and tired of working for the NDP to keep the NDP in the style that they are used to, living off the work of the average citizen of this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — That is the caution that I give to the member opposite, that with rights come responsibilities. And in the constitution of Canada there are special rights for Indian and Metis and Inuit people that are not there for other Canadians. There are a few special rights for French Canadians as a result of the situation in Quebec. But my ancestry is German; my wife's is Ukrainian. There are Polish people . . . (inaudible interjection) . . . I thought I heard a Polish person speak to me just now . . . (inaudible interjection) . . . Yes there it is, in the opposition.

These people do not have special rights in the constitution, but they continue to have responsibilities. And I say to you that I do not begrudge or deny Indian and Metis and Inuit people special rights in the constitution of Canada. But I do caution you that with special rights – with all rights – comes responsibility. With self-government comes a responsibility; to finance your government becomes a responsibility of dealing with your people in a fair manner and leading your people. With rights come responsibility and that should never be forgotten.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — And that is something the NDP have never, ever used. I have never, ever heard them use the word "responsibility" because I don't think it is in a socialist's dictionary.

The committee reported progress.

The Assembly adjourned at 4:59 p.m.