

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Mr. Lyons:** — Thank you very much, Mr. Speaker. I'd like to, Mr. Speaker, introduce to you, and to all members of the Assembly here today, the 22 grade 8 students sitting on the left side of your gallery. They're from St. Francis School in the constituency of Regina Rosemont, and they're accompanied by their teacher today, Ms. Oksanna Zwarych. And I would like to ask all members of the Assembly to welcome them in the usual manner.

**Hon. Members:** Hear, hear!

### ORAL QUESTIONS

#### Reorganization of Saskatchewan Power Corporation

**Mr. Lyons:** — Thank you Mr. Speaker. My question today is to the minister responsible for the Saskatchewan Power Corporation.

Mr. Minister, I am sure you will agree with myself, and all members of the Assembly, and all the people in Saskatchewan, that Saskatchewan Power Corporation was delivering a good quality product to all the people in the province at a reasonable cost.

My question, Mr. Minister: that being the case, is it true that you're planning to split Saskatchewan Power Corporation in two, into a natural gas utility and into an electrical utility?

**Hon. Mr. Berntson:** — Mr. Speaker, I'm very, very happy — I'm very, very happy that members opposite have finally admitted that indeed SaskPower does deliver a quality product with a high degree of efficiency at low cost. And I'm glad that member has finally put that on the record, Mr. Speaker.

I will say, Mr. Speaker, that I will be making an announcement soon relative to the relative to the reorganization in SaskPower, relative that is taking place in SaskPower, a reorganization, Mr. Speaker, that has been made necessary as the result of deregulation, as a result of a recommendation by PURC (public utilities review commission) that said we ought to have two separate utilities, Mr. Speaker.

And that reorganization has been going on now for some time, Mr. Speaker, and when it is finalized, Mr. Speaker, I'll be very happy to come into this House and make the appropriate announcement, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Lyons:** — New question, Mr. Speaker. Mr. Minister, I take that long-winded answer is an admission that, yes, indeed you are going to split SPC (Saskatchewan Power Corporation) into an electrical utility and into a

natural gas utility.

Now, Mr. Minister, in light of the fact that you've already sold off, given away, the natural gas reserves of SPC, may one . . . may the people of the province take it that the next step in your plan for this foolhardy privatization is to sell off gas utility which you plan to create?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Berntson:** — Mr. Speaker, he talks about giving away the reserves of . . . the natural gas reserves of SaskPower. The fact of the matter is, SaskPower got . . . or when the deal is closed, will have the equivalent of \$325 million for those reserves, Mr. Speaker. that will have the net effect, Mr. Speaker, if applied to the debt, that will have the net effect of \$30 million of profit — \$30 million of profit to a utility, Mr. Speaker. That is spending 40 cents of every revenue dollar towards servicing the debt at SaskPower.

Mr. Speaker, for that member to say that giving those reserves away for \$325 million for the financial health of that corporation, he simply isn't tough with reality, Mr. Speaker. There is a . . . There will be a reorganization that splits the utilities, Mr. Speaker — electrical and gas. That has been recommended by PURC. It has become more and more administratively necessary because of deregulation, Mr. Speaker, and I will be making the appropriate announcement, Mr. Speaker, when all of it has been finalized.

**Some Hon. Members:** Hear, hear!

**Mr. Lyons:** — Mr. Speaker, in light of the minister's answer, I have another new question.

Mr. Minister, I have here the financial data, or a copy of the financial data, for SPC from 1978 to 1987, and notice that on electrical side, the electrical side incurred a loss, net operating loss, for the last seven of the 10 years.

We turn over to the next page, and what do you see? We see that the natural gas utility had a profit from 1978 to 1987, every year. Would you, sir, please tell the House what kind of management is that would sell off a profitable utility to some private investors and some private friends of the government opposite. And would you please table today, in this House, the deal and the nature of the kind of reorganization, as you put it, of the Saskatchewan Power Corporation.

**Hon. Mr. Berntson:** — Mr. Speaker, the reserves are not a utility. The reserves, Mr. Speaker, are reserves in the ground, undeveloped reserves. The development of this reserves, Mr. Speaker, will require that about a hundred million dollars be spent over the next five years to drill somewhere between 6 and 800 wells and all of the spin-off that goes with that, Mr. Speaker. That's over and above the impact, the net effect, of \$30 million added to the bottom line of SaskPower.

Now he asks, what kind of management would there be at SaskPower that would have these losses in the electrical utility over the last seven . . . or seven out of the last 10

years. it's the kind of management, Mr. Speaker. that brings on additional generating capacity to meet additional demands on the utility. And I talk of Coronach, I talk of Nipawin, I talk of Shand, and all of those things — some of them committed prior to this government taking over, Mr. Speaker, but all of them coming onto the balance sheet during the term of this government. And Mr. Speaker, those things cost money.

Now on the other side of the coin there's only one way to pay for those additional capacity, and that is to increase the rates. Out of respect for the electrical consumer, Mr. Speaker, you do not consciously and deliberately go into an abrupt rate shock. You step it up over time, as we did with our 7.5 per cent, three-year rate increase, Mr. Speaker. And that was appreciated, Mr. Speaker, by the consumers of that electricity, and consequently it took us some time to get that debt.

**Some Hon. Members:** Hear, hear!

**Mr. Lyons:** — Mr. Speaker, supplementary. Nice speech, Mr. Minister. The question is this: why would anybody in their right mind consider or put together a deal which would sell off the profitable side of SPC? What kind of management, or mismanagement, are you guys engaged in in this operation?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Berntson:** — Mr. Speaker, let me just say that as it relates to the management of the corporation, we went through capital expenditures and capital programs in SaskPower such as have never been seen before in this province, or in this utility. And this year, Mr. Speaker, this year we had \$46 million turn around. we posted a \$35 million-plus profit at SaskPower.

Now that member tends to equate reorganization with sale. That's simply not the case. there is a reorganization to split the utility so that administratively it can be better managed, Mr. Speaker, better managed — that's what we're after — better management for both the gas utility and the electrical utility.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I have a straight and direct question to the minister, answers to which he not given yet today.

Mr. Minister, we heard your speech about reorganization. I ask you now: will you confirm or deny that the natural gas portion of the power corporation is up for sale, or give-away, in the next short period of time? Confirm or deny.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Berntson:** — Mr. Speaker, to that rather lengthy straightforward question, the answer is no.

### Hospital Waiting List — Special Case

**Ms. Simard:** — My question is to the Minister of Health, Mr. Speaker. Mr. Minister, on April 29 in this House I raised the problem of Mrs. Klotz of Unity who desperately needs a hip replacement operation but can't get a bed. At

that time you said you were looking into it and that you would be contacting Mrs. Klotz. Can you tell me why then, Mr. Minister, neither you nor your officials have contacted Mrs. Klotz to date, almost a week after — or more than a week after I raised the question?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. McLeod:** — A couple of things that need to be clarified, Mr. Speaker, and I welcome the question from the member. In fact I've been waiting for it for some time.

The initial inquiry came to our member from Wilkie, and I believe as well to the member from Lakeview, from a Mrs. Barb Risling of Unity who is the daughter of Mrs. Klotz. That initial communication that came to us from Mrs. Risling related to the issue of her mother, and so on, but did not give the information as it relates to even her mother's name, who the doctor was — some of those things.

Mrs. Risling was then contacted by people in my office, and Mrs. Risling did talk to people, and since that . . . So when I gave the answer to the hon. member before about not having contacted Mrs. Klotz, and that the contact would go back . . . the contact has been to Mrs. Risling who is the daughter of Mrs. Klotz.

And subsequent to that, Mr. Speaker, another daughter of the same lady in question, Mrs. Helen Sauverwald from Oyen, Alberta, has contacted us on the same matter and has been, as well, contacted by the department. And that's an ongoing process, trying to see where Mrs. Klotz will come into the situation as it relates to the urgency of her surgery. And understand that there is a waiting time here and that work is going on with her particular doctor.

So I'm pleased to report to the House, Mr. Speaker, that those things are going on and that communication has been going on. So the member has to some extent misled us by saying that Mrs. Klotz hadn't been contacted. The fact is Mrs. Klotz did not contact either us or the hon. member; their daughter, Barb Risling, did.

**Ms. Simard:** — Mr. Minister, we contacted you on behalf of Mrs. Klotz, and we told you she was from Unity, and all you had to do was take a phone book and you could get her phone number through information — a very simple procedure even for you, Mr. Minister.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — As far as I'm aware, your department has not spoken to Mrs. Risling, Mr. Minister. I think you should check that out once again. As far as I'm aware, there's been no direct communication with . . .

**Mr. Speaker:** — Order. Order. Order. I think we're getting into debate, and I'm sure the hon. member would like to ask another question.

**Ms. Simard:** — Yes, Mr. Speaker, I would like to ask another question. We have a copy of a letter, Mr. Minister, from Mrs. Klotz's daughter — a letter to Mrs. Klotz's daughter, rather, from the doctor. And in that letter

the doctor states that there most certainly is going to be a summer closure again for four weeks — he's talking about a summer closure of beds — the last two weeks of July and the first two weeks of August, again for lack of funds. "I unfortunately, have no control over this, and it's going to take the patients themselves to loosen the government's purse-string."

Now, Mr. Minister, you know the problem here is a question of lack of beds. Is that what it's going to take, Mr. Minister, sick people marching on the legislature or marching to the ballot box? Is that what it's going to take to make you realize that these long waiting lists are crucial and that people need beds desperately, immediately — now?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. McLeod:** — Mr. Speaker, what it's going to take is responsible positions taken by people that are elected to responsible positions, such as the hon. Health critic of the NDP opposite.

Mr. Speaker, let me just go through the details of this issue, and I'll just go through these notes so I can be sure.

On April 18, '88 the MLA for Wilkie received a letter from Barb Risling of Unity, dated March 28, 1988 with respect to the waiting time for her mother's hip replacement. The member brought the letter to the attention of the Minister of Health's office immediately. Since the letter did not contain information on the mother's name, address, doctor, or the hospital in which the surgery is booked, an assistant to the Minister of Health — an assistant from my office, Mr. Speaker — contacted Mrs. Risling by phone that afternoon, April 18. After obtaining the appropriate information, Mrs. Risling was told that the case would be investigated, that the minister would respond by letter as soon as possible.

On April 19 my office received by mail a copy of the same letter from Barb Risling. On April 26, 1988 a letter was received from another daughter — the lady I referred to earlier, Mr. Speaker, Mrs. Helen Sauverwald from Oyen, Alberta, on the same matter. The opposition Health critic brought up the case in question period on April 27, after those communications had been going on for some time, initiated by the member from Wilkie.

Again in question period on April 29, the Health critic claims no one had contacted the family, which was absolutely untrue, Mr. Speaker — and I just lay it out here now that it is absolutely not the case. And, Mr. Speaker, now given the information that she says about beds being closed and the lady not being available in the summer, Mr. Speaker, Mrs. Klotz is scheduled for surgery this summer.

**Ms. Simard:** — A supplementary, Mr. Minister. Mrs. Klotz has been waiting for surgery, Mr. Minister, for almost a year — since I believe last July of 1987, or June, perhaps. The question is, Mr. Minister, what are you going to do for her? July and August . . . When we were contacted by the family we were told that July and August was too long a wait. We raised it so that you could take some action. Now what are you going to do for her, Mr. Minister?

**Hon. Mr. McLeod:** — Mr. Speaker, a few moments ago this hon. member over here — she's taken an irresponsible position — said that the hospital will be closed because somebody in that family told them that the hospital would be closed over the summer. I said to you, Mr. Speaker, and I say to the House, and I say to the hon. member, Mrs. Klotz is scheduled for surgery this summer. She is scheduled and she has a scheduled date as far as I know, but she is scheduled for surgery. There is no question about this, Mr. Speaker.

The fact that Mrs. Klotz has had to wait for surgery is not something that anyone feels good about, that's true. But it does not help her, nor does it help other citizens in the province, for these folks to get up and use the kind of rhetoric that they do.

Example, what she said here earlier today. What did she say? "What is it going to take? Do these sick people have to march on the legislature?" The rhetoric of the NDP. They think the solution to everything is, grab a picket sign, write anything on it, and march and walk around.

Well, Mr. Speaker, that's not the way responsible people act. That's the way they act and that's part of their rhetoric. Mr. Speaker, Mrs. Klotz will have her surgery this summer, albeit later than any of us would like it to be. But certainly it will be the case, Mr. Speaker, and the case rests there.

**Some Hon. Members:** Hear, hear!

#### **Privatization of Moose Jaw Wild Animal Park**

**Ms. Atkinson:** — Thank you very much, Mr. Speaker. My question is to the minister of privatization. Mr. Minister, in this House on April 29 my colleague, the member from Athabasca, asked the Minister of Parks, Recreation and Culture if there would be any job losses as a result of the privatization of the Moose Jaw Wild Animal Park. The Minister said, and I quote, "No."

Today, sir, we hear that nine of 11 employees have been laid off. Unlike your colleague, Mr. Minister, can you explain to this House whether or not that's considered a job loss?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Taylor:** — Well, I can explain from the information I have that the member opposite as usual is wrong again. There are not nine people without work. There are two of the people, correct, have been picked up by a new developer who is bringing in a new amusement park and recreational vehicle park and so on, added attractions, from Moose Jaw.

Some of the people that were previously employed have found other employment, and other will be employed in other aspects within the Department of Parks.

**Ms. Atkinson:** — Mr. Minister, will you tell this House how many of these people were offered and accepted ultimate employment within the public service, what was the nature of that alternative employment, and if others

were displaced from the civil service because of this alternate employment.

**Hon. Mr. Taylor:** — Mr. Speaker, obviously I'll take that under advisement. But I just want to indicate again to the member opposite that certainly some of the people that were previously with the wild animal park will find employment in other aspects of the Department of Parks, and other ones have found employment in other aspects.

**Ms. Atkinson:** — Supplementary. Mr. Minister, can you table before this House today the lease that was entered into by your government and the lessees of the wild animal park in Moose Jaw? And can you tell us today how much money the taxpayers of this province will get yearly for the sell-off of the Moose Jaw Wild Animal Park, a publicly owned facility?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Taylor:** — Well, Mr. Speaker, I can tell the members of this Assembly and the people of Saskatchewan the same thing as the minister indicated earlier, that the province of Saskatchewan will not be losing close to a quarter of a million dollars a year with the operation of the Moose Jaw Wild Animal Park.

We've entered into an agreement that will bring other types of recreational entertainments, not only to Moose Jaw but to other areas of this province. And I think that is building and diversification and adding to the interests that we have in our parks. And I want to reassure the member opposite we will not be losing between 200 and \$250,000 a year on the operation.

**Some Hon. Members:** Hear, hear!

**Ms. Atkinson:** — New question. Every time your government privatizes something, you assure us that there will be no job losses. And there have been, Mr. Minister. You tell us that fees won't increase and that services won't decrease. But they have, Mr. Minister. Your entire privatization initiative has been discredited by these wrong kinds of statements.

Mr. Minister, do the honourable thing, table the lease agreement in this legislature today so all of us can see what's in that lease agreement to make sure that the public is getting a fair return for our public investment. And, Mr. Minister, will you also assure us, Mr. Minister, that all of those workers will in fact get jobs within the public service?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Taylor:** — Well, Mr. Speaker, I think I should just reaffirm to the member that some of the members have taken employment somewhere else, so how can I reassure them employment within the public service? Certainly some of them will have employment within the public service.

But I listened to the member opposite and again she tries to mislead, saying that all of these things have turned out bad. I'll remind her of Blackstrap, which ran quite successfully in the last year. I'll remind her of the added

functions and facilities that are present in most of the parks in this province now — Cypress Hills, Moose Mountain, and Duck Lake, that were not there before, before there was a move to allow public participation in the parks. And we will see the same type of development in Moose Jaw. And I want here to stand on record as opposed to that type of development. I support that type of development.

**Some Hon. Members:** Hear, hear!

#### Statistics on Net Migration and Employment

**Mr. Pringle:** — Thank you very much. Thank you very much, Mr. Speaker. My question is to the Minister of Human Resources and Labour. Mr. Minister, I'm sure that you have seen the latest statistics on in-migration and out-migration for Saskatchewan. They show that in April, 1,867 persons left Saskatchewan looking for new opportunities, almost twice the number of people who moved in.

In the first four months of this year Saskatchewan has lost almost 5,000 persons, many of them young. Mr. Minister, we are heading for another record year. Will you confirm these disgraceful numbers in the House today?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Schmidt:** — Well, Mr. Speaker, the member opposite is new here so he probably doesn't know that his party is against diversification of Saskatchewan, that they're against the Weyerhaeuser paper project, that they're against the bacon plant, that they're against an upgrader in Regina. He probably doesn't know all these things, Mr. Speaker.

We are building and they are against everything. And now they find a statistic that they think is in their negative favour. I say that the population of Saskatchewan is over 1 million and it never was when they were government.

**Some Hon. Members:** Hear, hear!

**Mr. Pringle:** — Mr. Speaker, I may be new here, but I have a fresh mandate.

**Some Hon. Members:** Hear, hear!

**Mr. Pringle:** — Mr. Minister, in 1982 your party said, bring the young people home. In 1988 you say, let them go; they're no concern of ours. This attitude is not good enough. Would the minister confirm also that by his government's own figures, the actual number of people without jobs in this province is 1,000 more in April of 1988 than it was in April of 1987? Would you confirm this, Mr. Minister?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Schmidt:** — Well, Mr. Speaker, this province has the second lowest unemployment rate in Canada.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Schmidt:** — We are only surpassed by . . .

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

**Hon. Mr. Schmidt:** — Mr. Speaker, we are only surpassed by Ontario, which is getting rich making free trade cars. And they're opposed to free trade as well. I remind the members opposite that they may have a fresh mandate, but their ideas are 50 years old. Their ideas are so old they're starting to look new, or they're trying to sell them as new ideas. But they are in a 1932 time warp, and that's where they will always remain.

**Some Hon. Members:** Hear, hear!

**Mr. Pringle:** — Supplementary, Mr. Speaker. Correction, Mr. Minister, we're third, not second.

Mr. Minister, the people of Saskatoon Eastview have sent me here with a message — a message for you. That message is that your government has failed miserably in the field of employment and job creation. Will you say today whether or not your government is prepared, at long last, Mr. Minister, to develop an employment strategy which actually works? Will you assure the people of Saskatchewan you take the problem seriously, because out there they don't believe you do, and intend to do something about it?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Schmidt:** — Mr. Speaker, when you look at the new member there, you would expect some new ideas. He doesn't even know that the NDP has a full employment policy and they are opposed to welfare reform. I offer people jobs instead of welfare, and they're opposed to it. They are totally inconsistent. They have a policy, and when I implement it, they are opposed to it.

I am implementing full employment, starting through all of my departments, including the department of welfare and welfare reform, offering people jobs instead of welfare. They are opposed to that as well. From a new member we should have some new ideas, but we don't, Mr. Speaker. It's disappointing.

**Some Hon. Members:** Hear, hear!

## MINISTERIAL STATEMENTS

### Drought Assistance Program

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

**Hon. Mr. Swan:** — Mr. Speaker . . .

**Mr. Speaker:** — Order, order. Would the members . . . would the member from Saskatoon Nutana and would the member from Qu'Appelle-Lumsden please respect the Minister of Environment who's trying to give a ministerial statement.

**Hon. Mr. Swan:** — Mr. Speaker, I'm pleased today to announce, as minister responsible for the Saskatchewan Water Corporation, the first phase of the Saskatchewan government drought assistance program. The first phase consists of the water corporation providing an additional

\$8.5 million to enrich six key water supply programs.

Drought is not a new reality in Saskatchewan; our last widespread drought experience in this province occurred in 1984, and at that time Saskatchewan Water Corporation revised the existing policies and developed new programs to deal with short-term and long-term water supply problems. Since persistent drought conditions have existed in some area so far southern Saskatchewan for the past five years, these programs have continued to be offered by Sask Water.

What this means is that Sask Water has taken a proactive role in combating drought through a variety of programs including well development, dug-out pumping, municipal water assistance, water supply lines, dug-outs and small storage reservoirs, and irrigation development. While these programs have been extremely successful, worsening drought conditions and a farm economy under stress mean that we must deliver even more. The water supply enhancement I am announcing today does exactly that.

For well drilling, Saskatchewan Water Corporation will increase funding available to meet increased demand under the test drilling assistance program. They will increase financial assistance program. They will increase financial assistance for deep wells to 50 per cent for the full depth of the well, and add to the community well development program to include dug-outs and infiltration wells and water supply pipelines for farm groups of five members or more.

The corporation will reduce rental rates by 50 per cent for dug-out pumping equipment and provide a grant of 50 per cent for the rental of pumping equipment from other suppliers. Sask Water will also purchase additional equipment for use over the summer and to meet expected demands in the fall.

The dug-out and small storage reservoir program will be revised to pay 50 per cent of construction costs after taking into account the assistance available from PFRA (Prairie Farm Rehabilitation Administration)

The municipal water assistance program will be enriched to provide a grant of 50 per cent to help cover the cost of hydrogeotechnical engineering and exploratory drilling. It will also include 50 per cent of the cost for urban pumping or hauling water to replenish reservoirs.

In addition, Sask Water has in place water management plans and operating plans and operating plans to ensure that major reservoirs and other major water supply sources are managed to best conserve water and meet minimum demands.

Water is our most valuable natural resource. In times like these we realize just how valuable it is and how multi-use water supply developments prove their value on the prairies.

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — Thank you, Mr. Speaker. Well, Mr. Speaker, I see that the government has finally aroused themselves that there's a problem of drought in the rural part of Saskatchewan. Unfortunately, it's like most other

things, it's coming almost after the fact in many cases, and I see it's the first phase of whatever is yet to come. And I say to the minister, it would be very nice for the farmers and ranchers of southern Saskatchewan to exactly know what they have to look forward to.

I mean, we still . . . what we see here are sort of a reannouncement and shuffling of old programs. We've seen Alberta react more than two weeks ago to the problem. Now we have phase 1 of what — what, I'm not sure of. There's no mention of participating in a federal plan. We're not sure where that's going. There's a number of problems that come into this, and that's underlined by timing. We see test drilling deep wells which . . . less PFRA assistance; we see community wells where farmers can go together, but how long is that going to take? I mean, if this is the type of program that you're looking at, why weren't you looking at it a month ago when we knew the problem was there?

I say we can go into the dug-outs and pumping. And I ask you, Mr. Minister: where are you going to pump from? If you are going to dig new, small storage areas and dug-outs . . .

**Mr. Speaker:** — Order. Order. Order. Order. We're having a little difficulty hearing the member responding, and I'd like the co-operation of all members to allow this.

**Mr. Upshall:** — Well I see, Mr. Speaker, that the members are a little testy, opposite, when it comes to the truth because . . .

**Some Hon. Members:** Hear, hear!

**Mr. Upshall:** — . . . we have no long-term, thought-out plan here. We have another short-term response that we've seen that has already been in place. We see no mention of what's going to happen to farmers who have cattle and who have to water and feed those cattle right now. There's . . . is there any mention of transportation assistance, or feed assistance, or the availability of pastures, or are we going to have park land or Crown lands freed up from pastures? The government seems to be unable to, or unwilling to make any decision on this matter.

I think what we need here, Mr. Speaker, and Mr. Minister, what we need here is a long-term plan that you could have had in place long before this, that farmers would know exactly what they were looking at if there was a problem. And now we're pulling out of the air these programs that really aren't addressing the problem — phase 1. We don't know what's happening.

So I would ask the minister, please, for all those farmers and ranchers who don't really know what's going out there, please immediately put all the rest of your cards on the table with some assistance for grazing and dry feed and pastures so that we know what we're looking at.

**Some Hon. Members:** Hear, hear!

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

## MOTIONS

## Change in Committee Membership

**Mr. Tchorzewski:** — Mr. Speaker, I've given notice to the government House Leader of this. I would like to move a motion changing membership of committee, with leave.

So, Mr. Speaker, I would like to move, seconded by my colleague, the member from Humboldt:

That the name of Mr. Thompson be substituted for that of Mr. Lyons on the Standing Committee on Crown Corporations.

Leave granted.

Motion agreed to.

## ORDER OF THE DAY

### GOVERNMENT ORDERS

### COMMITTEE OF FINANCE

#### Consolidated Fund Budgetary Expenditure Science and Technology Ordinary Expenditure — Vote 15

#### Item 1 (continued)

**Ms. Smart:** — Mr. Minister, before I begin the questions I'd like to thank you for the invitation that you extended to me last week to attend the regional conference on science and technology. I found it very interesting, and I met some informative people. I also took the opportunity this weekend to attend the science fair in Saskatoon, and again I had an opportunity to meet with people there.

I still have a number of questions that I would like to ask you before we wind up these estimates, and I want to begin by asking you a question regarding the new deputy minister, Harley Olsen. He's not with you today, I gather, so he's not beginning his work yet.

**Hon. Mr. Meiklejohn:** — That is correct, Mr. Chairman. The new deputy minister will be starting on June 1.

**Ms. Smart:** — Mr. Minister, was this position advertised nationally?

**Hon. Mr. Meiklejohn:** — Yes, it was.

**Ms. Smart:** — Would you be prepared to table a copy of the advertisement here in the House, and also would you be prepared to table a copy of the job description that Mr. Olsen is working under?

**Hon. Mr. Meiklejohn:** — I don't see any reason why not. It was a public competition; it was carried in *The Globe and Mail* across the country, and it was also carried in the main dailies in Saskatchewan — the *Leader-Post* and the *Star-Phoenix*.

**Ms. Smart:** — Does that include also the job description, Mr. Minister — that you would table that?

**Hon. Mr. Meiklejohn:** — Yes.

**Ms. Smart:** — Would you also tell us how many applicants applied for that job?

**Hon. Mr. Meiklejohn:** — I can give you that, yes.

**Ms. Smart:** — Thank you, Mr. Minister. I'll expect those fairly shortly, since they will be easily accessible to you.

I'd like to just talk briefly, though, about the qualifications of Mr. Olsen for the job because there is some concern about that. Can you describe the experience that he's had in industry, especially in the area of research and development?

**Hon. Mr. Meiklejohn:** — Mr. Olsen has been in the service of the government for some 14 years, going back into the time the previous administration was in power. He has had several positions, certainly, with regard to senior supervision and administration. He has also been involved with research in some of those specific positions, and he has a master's in agricultural economics.

I think that when one considers the importance that agriculture plays in the province at this particular time and the thrust that we are putting into agricultural biotechnology, that Mr. Olsen is very well qualified for this particular job.

I would also point out that in the past, when deputy minister have been employed in the various departments, that there are situations when they do not necessarily have, in this particular case, a very long background in research. The previous deputy minister, I would point out — his background was in education.

**Ms. Smart:** — Mr. Minister, I understand you saying that Mr. Olsen has experience in administration, and also you've emphasized agricultural research. There are a number of agricultural research components in the provincial government that are not under the jurisdiction of Science and Technology, and it is the interest in your department to be a broader department, looking at industry generally and experience in research within the university community in a broader sense.

And that's the comments that I've been getting from people in the high-tech community. They are concerned about the need for a deputy minister in Science and Technology that has had experience outside of agriculture, but with the other dimensions of research, especially as your government is promoting the high-tech industry generally and wanting to see economic diversification. How can you justify a deputy minister with experience in agricultural research, and as I understand it, very little experience in industry or research in other fields?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, I find the questioning quite interesting. As I said, the previous deputy minister in the department's background was totally in education. He had no experience whatsoever as far as industry was concerned. I think that Mr. Olsen's experience certainly has carried over into the agricultural

sector, and as I indicated, a lot of the work that we're involved with, certainly as far as biotechnology and machinery research and so on, is very important to today's need.

I would also point out the fact that the process for choosing a deputy minister is simply advertising the position, and then a series of interviews are held with those who have been short-listed. A committee does that, and then the recommendation is made as to who should be given the offer.

(1445)

In so far as other areas of expertise, no one individual is going to have expertise in all of the areas that we would deal with in Science and Technology; that's an impossibility. That's why we have people in the department such as some of those who are here with me today. They have expertise in those other areas. We have people with engineering background, we have people with marketing background, administrative background, and so on.

And it's our hope that over the period of time, as positions become available or the department has been developed, that we do fill positions with people who have a variety of experience and qualifications. So one individual — this is an administrative position. Certainly he has expertise in so far as administration and in so far as a part of the sector.

To get the ideal person, if you will, I think is very difficult to find. And it's my understanding from talking to committee members that this was the top candidate, in their estimation.

**Ms. Smart:** — Mr. Minister, what was the nature of the committee that sat in judgement on the applications and made recommendations. Is that a committee within your department or a committee of government? Can you describe that committee?

**Hon. Mr. Meiklejohn:** — Well this is a competition that is held through the Public Service Commission, so I assume that they're the ones that are responsible for setting up the committee. I wasn't involved with it.

**Ms. Smart:** — Are you telling us, then, that a committee of the Public Service Commission is the committee that recommends deputy ministers and makes a decision as to who should be recommended?

**Hon. Mr. Meiklejohn:** — I believe that the members on this committee that made this particular selection — there was a representative from the Public Service Commission, a representative from Executive Council, and Mr. Jim Hutch, who is the president of the Saskatchewan Research Council.

**Ms. Smart:** — Well, Mr. Minister, you must be aware that there is concern in the high-tech community about the appointment of the deputy minister, a concern that you haven't addressed the issues of the experience — not that you can ever find an ideal person, but that you need to build in this dimension of expertise in industry and in research beyond agriculture, particularly because your

own background is not in these areas and that you need that kind of advice. And a person who's been the assistant to the Deputy Premier and then later an assistant to the Premier is not seen, in the high-tech community, as a person with the background, with the job qualifications needed to be the deputy minister of Science and Technology.

Mr. Minister, I have some questions related to a council of ministers that you mentioned in the estimates in 1987, because of concern from the high-tech community and from myself as a critic for Science and Technology, about who was advising you in the terms of the development of policy. On September 15 in *Hansard*, you refer to the council of ministers that has been set up within the last few months to participate in a social impact study regarding the effect of advanced technology on society as a whole. You said you expected this study to be completed around the middle part of February 1988. My question obviously is: has the study been completed, and when will it be made public?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I would just point out one further comment with regard to the new deputy minister. You like to make the point that he was in the Deputy Premier's office. I would point out to the member opposite that Mr. Olsen's background with this government and this province goes back to 1974 when the NDP were in power. So he served certainly in a senior capacity with the NDP government for seven years prior to his being employed with the present government.

With regard to the council of ministers that was referred to, Mr. Chairman, that is the council of ministers from all of the provinces and the territories and the federal minister from across the country. This was something that was set up last year, and it was discussed briefly when the council of ministers met in Edmonton in March, but as I understand it, the information that I have, it's going to be discussed further at the next meeting of minister, and following that, the report will be made available, but not available, but it's not available at this time.

**Ms. Smart:** — Mr. Minister, I don't want to get into a lot of detail discussing this deputy minister any more, but it is my understanding that it was not a senior position under the New Democrats.

**An Hon. Member:** — That he what?

**Ms. Smart:** — That it was not a senior position under the New Democrats — that's my understanding.

**An Hon. Member:** — He was deputy chairman at the land bank. Prior to that he was the head . . . (inaudible) . . .

**Ms. Smart:** — I'm not asking the questions to the Deputy Premier, I'm talking to the Minister of Science and Technology.

Mr. Minister, you mentioned in the *Estimates* last year, you mentioned an advisory board — and I'm just looking to find the quote here — you mentioned an advisory board that was giving you information, and you said it was a very active advisory board. I assume that that advisory board is different than the council of ministers

that you mentioned before, and that this advisory board is a provincial board. I wish you to tell me who is on that board?

Mr. Minister, it's on the top of page 2569 of *Hansard*, September 15 — you say:

We also have a very active advisory board for the Department of Science and Technology, and this group will be meeting within the next 10 days, and we will be taking a look at the services that are being delivered and seeing where there are loopholes and where we have to make some changes.

**Hon. Mr. Meiklejohn:** — Thank you, Mr. Chairman. The advisory board that's referred to is to do with the Canada/Saskatchewan Subsidiary Agreement on Advanced Technology, and within the next month it's our intention to move towards setting up an advisory committee towards, or for, the Department of Science and Technology not just specifically to do with this agreement.

This particular group, of course, will have many of the members that will be on the new advisory board. But that one that was referred to and I can certainly . . . I can read the names, or I can send a copy of them over to you.

**Ms. Smart:** — Sending a copy of the names over will be fine. How often did the board meet during 1987 to now? How many times has that board met?

**Hon. Mr. Meiklejohn:** — The board meets at its own discretion; that's at the call of the chair. And it's not something that I always have information on as to when they are meeting, because I don't attend those meetings unless I'm invited.

**Ms. Smart:** — But this was described to us in the last estimates as an advisory board for the Department of Science and Technology, in a way that was to convey the impression that this board was an active board involved in giving you advice about the department, and that you were going to look at what loopholes had been identified and what changes might be proposed.

And of course, my question to you now is: what loopholes would such a group identify; what changes were proposed? And if it sits at its own discretion and doesn't have any connection to the department, in terms of you being part of that board or being involved in the meetings or knowing when they're happening and that kind of thing then how can you describe it as a very active board for your department?

**Hon. Mr. Meiklejohn:** — I would point out, Mr. Chairman, that advisory council again is basically set up, or was basically set up to deal with the subsidiary agreement on advanced technology. Certainly we meet on a regular basis with representatives from the various companies, and many of them, of course are on this list that I'm going to present to you

We have, over the course of the last year, identified



different areas, certainly, where we feel there would be loopholes, where we need to take a look at developing some new programs, possibly some new policies. and one of the main problems that was identified was in the area of marketing, so we're looking into that in more detail right now.

Another area of concern that has been raised is in the area of financing for high-tech firms, because that seems to be an ongoing problem. they have difficulty borrowing money from the banks, and the venture capital corporation certainly has not always proved to be an answer as far as the high-tech companies are concerned. So I'd say those are two of the main problems — the marketing, and providing, in many cases, short-term funding for them.

**Ms. Smart:** — Well I can certainly see financing as being one of the concerns and loopholes, and I can certainly agree that the venture capital programs is full of problems for people trying to access capital for developments that are ongoing.

I think it's interesting that a government that bases its policies on saying things like, taxpayers' money should not go into high risk ventures, is saying also that science and technology is such high risk that private enterprise won't put money into it. And so of course government funds end up going there.

I recognize that concern. I just want you at some point to identify that contradiction, because to me it's very blatantly a contradiction for your government to continue to say that you won't fund public projects that have a risk in them, and that at the same time you want to get into funding the high risk of science and technology.

But that's part of the policy discussions that have to go on with your department and with the topic that you're trying to struggle with in the development of advanced technology in this province.

You've mentioned that this advisory board was connected with the Canada/Saskatchewan Subsidiary Agreement on Advanced Technology, so I would like to just direct a couple of questions to that.

I want to know if I'm right in assuming that this is the portion of the Economic and Regional Development Agreement (ERDA) that applies to science and technology. Is the Canada/Saskatchewan Subsidiary Agreement on Advanced Technology a subsection ERDA?

**Hon. Mr. Meiklejohn:** — There are a couple of things, Mr. Chairman, with regard to the concern of the advisory council. We do have a detailed report now. We'll be meeting again the first part of June when we'll be discussing it and taking a look at some of those concerns that been raised.

As far as the department is concerned, and many of our programs, I'm sure that you're well aware that they are designed to share the risk. And we're sharing the risk there with, in most cases, the federal government and the industry itself. So we're committed to doing that and

helping out in whatever way that we can.

And finally, the subsidiary agreement, or what we're talking about here in the agreement, subsidiary agreement on advanced technology, is a subsidiary of ERDA.

**Ms. Smart:** — Is it administered by the Department of Science and Technology?

**Hon. Mr. Meiklejohn:** — Yes, it's administered by Science and Technology, but it's in conjunction with the Department of Industry, Science and Technology at the federal level. That's the old DRIE (department of regional industrial expansion), as such.

**Ms. Smart:** — I have a brochure that I suppose was published by the federal government, but it says that this agreement runs until March 31, 1989, and claims for projects approved by March 31, 1989 will be accepted until September of 1994.

The total budget for the Canada/Saskatchewan subsidiary agreement was to be \$33.2 million shared equally by Canada and Saskatchewan, but only \$3 million of this has been spent according to the *Estimates*; it's on page 104 of the *Estimates*. It seems to me that this agreement never amounted to much, and now it's gone completely.

The Saskatchewan Advanced Technology Management Association has published a newsletter in which they say that they would like to . . . they'll be participating in meetings, held in Saskatoon on April 27 and 28, with the federal government. They are very concerned about this agreement. They were meeting with you and with the federal government to see about the revitalization of the agreement and enhancing its impact.

I would like to know what happened at those meetings on April 27 and 28 in terms of this agreement, and why there's no money in the budget now for it?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, it's incorrect for the member to say that there's no money in the budget for it; that's part of the \$3.5 million that has been allocated for programs.

Certainly it is a concern. There have been a lot of discussions with regard to that particular agreement and the amount that has been spent. We're going to be discussion that further at our meeting in the first part of June.

I would point out that other provinces have raised the same concern, and in some cases there have been extensions granted. So we're looking at different options now, whether we're going to be asking for an extension on it or whatever the case might be. But it's certainly incorrect to say that there isn't money in the budget.

(1500)

**Ms. Smart:** — Well I'm looking at page 104 of the *Estimates* for 1988-89 — grants pursuant to the Canada/Saskatchewan Subsidiary Agreement on Advanced Technology.

Under estimated for '88-89 there is nothing, for '87 to '88 there was \$228,000. The actual amount spent in '86 to '87 was \$978,000, and in '85 to '86, \$604,000. Where is the money then? I don't see it in the *Estimates*.

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, that amount of money is now included in the economic diversification and investment fund.

**Ms. Smart:** — Why? Why, when you said . . . when there was an agreement that \$33.2 million would be available for five years for this Canada/Saskatchewan subsidiary agreement — \$33.2 million, half of which I don't see anywhere in the budgets over the last five years. Where did that money go? Why was it put under economic diversification instead of staying here in the *Estimates* under the title for the agreement that it refers to?

**Hon. Mr. Meiklejohn:** — Well the main reason, Mr. Chairman, that the change was made . . . it was originally taken out of the Heritage Fund, but in the last year . . . we started this process last year in simplifying where these funds were being put, and it has been moved in with the other money.

But there's certainly, if you'll take a look at the amount that's in there now — last year we had \$3 million; this year we have three and a half million dollars. So the amount actually has been increased as far as the money for programs is concerned. But it's for simplification, that's why it's moved in there.

**Ms. Smart:** — I put it to you that it's part of the smoke and mirrors strategy of your government in order to . . . helping us to understand the *Estimates* and to know where to hold you to account.

Half of \$33.2 million is nowhere in the budget. It's not under the economic and investment fund; it's not under the Canada-Saskatchewan subsidiary agreement. And yet you have a promise in this newsletter that projects will be accepted until September of 1994, and approved, and there's only this 300 and . . . \$3,000,500 under the economic diversification fund, which includes a lot of other things besides this agreement.

I really am quite confused as to how your government is trying to organize this money. I wish you would explain to me again, clearly, and for the high-tech community, what is happening to the Canada/Saskatchewan subsidiary agreement.

**Hon. Mr. Meiklejohn:** — Well I've already indicated to you that it is under discussion right now with representatives from the high-tech community, and it will be discussed further at a meeting in the first part of June and then a recommendation made as to the approach that we're going to take with it, whether we're going to be looking for an extension from the federal government as some other provinces has, or just what.

I would remind you that applications for this fund, project funding, will be received, as it stands now, up until March 31 in 1989, but the projects could be carried on and payments would still be made up until 1993. As you're

well aware, many of these projects are not just completed within the space of a few months, or even in the space of a couple of years. So a project may well be started prior to March 31 but not completed for three or four years after that, so the funding would still be made available for that.

I would also point out that there hasn't been a year, certainly in my involvement here and I don't think prior to that, when all of the funds have been called on. So I mean for you to try and say that the government is holding back money, and it's not putting money into the budget — the money is there, but if the companies are not making application for it in their specific projects, we're not going to go out and solicit or force them to take the money. They have to make application for it.

**Ms. Smart:** — Well it's very clear from the way your department has been operating that you are not taking the initiative in developing policies to fund the high-tech industry in any sort of organized and planned way. So I accept your statement that people just have to wander in off the streets and ask you for money, and maybe you will give it to them and maybe you won't.

But our concern is that your government announced \$50 million in the last election campaign for high-tech money, and it announced half of \$33.2 million for the Canada/Saskatchewan Subsidiary Agreement on Advanced Technology. And what we see in the *Estimates* is a very small amount of money estimated for those projects. Now that where I say it's smoke and mirrors.

When you say to the public that you're putting all this money into high tech, and then when you look at what you actually do, it's not there. It's absolutely not there for the high-tech community. And it's a concern in terms of the kind of support that they're going to get from your government and what you're talking about when you talk about money being available and then when it isn't in the budget. How do you justify that?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I would point out to the member opposite that we have a very active department as far as Science and Technology, and our people are out there working very hard, working with the clients that are already in operation and certainly working with many new clients. We have new businesses, of course, that are coming on stream pretty well on a monthly basis.

The reason that the moneys have not all been spent each year certainly is not because of inactivity on the part of the department. There have been very few requests that have been denied over the last year, and any of those that were denied were simply because they didn't meet the criteria for a specific grant. It was nothing to do with the amount of money being available.

So I think if you want to check back on that, we are in very close contact with the high-tech community, with the organization that they have, SATMA (Saskatchewan Advanced Technology Management Association), and also with the representatives from the various companies, and representative from the department are involved on an ongoing basis with any given number of companies. This is going on all of the time.

So I think that the information is being passed on to them certainly. There is all kinds of consultation going on, and it isn't just a matter of them wandering in off the street, as you might say. But the moneys are there, and if the projects meet the criteria then they are able to receive this grant money.

**Ms. Smart:** — Well my point is still that the grant money that you say you're going to spend is not in the budget to be spent. And I would like to ask you if . . . what pockets of money Science and Technology controls? There's a certain amount of money in the Consolidated Fund, I understand. The Heritage Fund is gone from these estimates. The Canada-Saskatchewan agreement has gone. There's a . . . and estimates for your department and then there's money under the economic diversification and Tourism department. Is there any other pockets of money that your department has any access to in these estimates?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, the member opposite again is saying that there's no money there and ERDA is gone, and this simply is not the case. The amount of money that's budgeted for program this year is up by \$500,000 from what it was last year.

As far as pools of money that are in existence, the only two pools of money that Science and Technology have at their disposal are in vote 15, which is clearly identified there, which is for administration, and the other one is vote 66, which is the economic development and investment fund, and that's where the three and a half million dollars is found. There's nothing hidden there whatsoever.

And the two programs that are funded from the economic development and investment fund are the ERDA programs and also the research and development programs that the department assists on.

**Ms. Smart:** — I understand that there's \$1.983 million in the Consolidated Fund. Is that something that you administer . . . (inaudible interjection) . . . No . . . (inaudible interjection) . . . Pardon . . . (inaudible interjection) . . . Who administers that?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, that figure that the member has quoted, that is for administration; that's the vote 15, and we do control that. I don't know what you're saying about the Consolidated Fund.

**Ms. Smart:** — I'll look it up later and get back to you on that.

So your total amount of money then that you are administering is the amount of money that's in your department plus the three and one-half million dollars that's in the economic diversification fund.

Then where does money come from to meet the expenses of the order in council for Develcon, which got three and a half million dollars just this last April, spread over a number of years? But can you break that down and tell me where that money is? That's for the research on the commercial development of their maxi-network system.

**Hon. Mr. Meiklejohn:** — Just a question, again with regard to the Consolidated Fund. All of the moneys that are listed there, that's again, the administrative amount of it here, the \$1.983 million.

In so far as the total money that we have then, it's \$5.483 million. And in so far as Develcon is concerned, that would be money that would flow over a four-year . . . four fiscal periods, and that will be out of the vote 66 from the economic development and investment fund.

**Ms. Smart:** — Well it seems to me, when I look at the amount of money that you have, that it really isn't very much for the kind of development that's required in this province.

I'm really quite surprised to find that that is the way it is because, for example, we had the announcement in the throne speech in 1986 that there was going to be a biotech institute built in Saskatoon, or in the province somewhere, and that institute has been mentioned many times.

It was mentioned in the estimates in September 15 of '87, where you say we are very actively involved right now in discussion the biotech institute. And you also acknowledged that that was one of the main projects that your department is involved in right now. Where is the money for that in this budget of \$5 million?

**Hon. Mr. Meiklejohn:** — The Agricultural Biotechnology Research Institute has moved along fairly well, and we would certainly hope that before too long we will be able to advertise for an executive director for that particular institute.

As far as the moneys are concerned for that, we will certainly put in what we can from Science and Technology. But there are also other areas within government that it should be . . . possibly we may be able to tap. I think since it is very agriculture related, I would hope that we may be able to get a few dollars from the agricultural development fund. but to this point we are looking at the sources of those funds.

Of course this is . . . we're not going to be funding all of it. It is going to, of course, be a joint federal funding type of program as well.

**Ms. Smart:** — Well that response creates two big questions for me. One is: what is the biotech research institute going to be doing, if it's funded federally? What is it going to be doing that's anything different than the National Research Council biotech institute that's now in Saskatoon? Can you outline for us the difference between the two and what you see as their priorities?

(1515)

**Hon. Mr. Meiklejohn:** — The idea with the institute, when we get it going, would simply be that it's going to play a very important role in so far as co-ordinating some of the research funds that are now coming in. There are some 13 to 15 different departments in and around the campus now that are involved in that particular area.

And it is also going to be designed to top up some of that research money that's coming in, whether from the federal government. We would expect, as is the case now, a lot of money certainly is coming in from private sources.

But right now we need some type of a co-ordinating agency that can tie all of this together, because it is zeroing in on one specific area, and that's agricultural biotechnology. Right now the funds are being disbursed quite widely and there's really not that much co-ordination. So it will affect, I suppose, to some extent what's happening with the planned biotechnology institute, because you're looking at the whole family of the private industry, the research councils that are now in operation there and many of the departments within the university that are doing research in that area.

**Ms. Smart:** — So it's not going to be actually doing any research itself. It's going to be an institute, basically a co-ordination office, for biotech research in the province.

Well it seems to me really a very strange way for government to organize themselves, to announce something in a throne speech in 1986 and then to stand in '88 and tell me that maybe a little bit of money will come from the Science and Technology department, maybe there'll be a few dollars from somewhere over here.

That's what I'm talking about when I say about — the way in which you develop your policy seems to be very loose and strange to me in terms of knowing what you're doing and knowing where the department is going and knowing what it is that you're talking about when you tell us in this estimates that one of your main areas of concern is the biotech institute and biotech research.

Then you have these answers that are so very vague, and the money doesn't seem to be there, the organization doesn't seem to be there. The promises are there. There's all this hype about the need for it and how wonderful it's going to be for Saskatchewan, and we've heard that many, many times. And yet when you actually question about what it is and what it's going to be doing . . . and very concerned that it not duplicate the work of the National Research Council, which is already a federally funded organization doing biotech research. And you're wanting to set up something else, but you're not too sure what it is, and you're not too sure where the money's going to come from, but you talk about it as if it's already in the works and well planned out.

It's that kind of smoke and mirrors that the people of Saskatchewan are really getting concerned about. We have a right to know what it is you're planning to do and how it is you're planning to spend the money and how it is you're planning to co-ordinate this. And certainly the high-tech community deserves to know what your plans are.

And I don't think it's enough to stand up and say, tap a few dollars here and tap a few dollars there and bring a few people together. There may well be the need for co-ordination, but it seems to me that that could be the role of the Department of Science and Technology, as much as anything else, to make sure that these research

projects are well co-ordinated.

One of the roles that your department played over the last few years, again around this issue of co-ordination, was setting up the two offices of research at the University of Regina and the University of Saskatchewan. And they were described very glowingly in the annual report from your department in '86-'87 as being very effective:

(They) co-ordinated over \$32 million in grant and contract research support for private enterprise, crown corporations, international agencies, the university, and government.

This fiscal year, the Regina office of Research co-ordinated over 203 successful and on-going research projects for a total value of \$3.6 million in grant and contract research support for industry, government, crown corporations, and university and international agencies.

(And) working with other provincial departments, Saskatchewan Science and Technology co-ordinated and analyzed the \$85.4 million spent annually on provincial research activities in order to increase the efficient allocation and prioritization of research activities in support of government policy and program initiatives.

That's what those offices were doing, and that's what you boasted that you were doing in your annual report.

So I have two questions. You've been able to do that work of co-ordination, according to your reports, and yet you've also set up those two offices that were doing that co-ordination and now this year, those offices are terminated. So why did you terminate them if they were doing such a good job, and what's happened to them?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, the member opposite has mentioned several things in trying to make out that this is a complicated process. For most people I don't think it is all that complicated. I would point out that we have been involved with the discussions on this Agricultural Biotechnology Research Institute since last September, and I have been co-chairing that committee with the president of the university.

Now you're wondering about the advanced technology or the high-tech firms — should they have the right to know what's going on? Well I'd point out that there have been representatives from all of those different companies involved in developing the report and setting the guide-lines as to how this research institute is going to operate. So I can assure you that they are very well in the know as to what's happening with it because they've been involved in developing it.

We had, I'm sure as you're aware, a meeting with the prime Minister about a month ago when he visited the Plant Biotechnology Institute.

We discussed such things as the institute, the research institute, and also the larger centre of agricultural science for the centre of excellence, as such. So this is all part of it, and I know that it takes a long time to get all of these things

together, but we are talking about a tremendous amount of money that is invested in research in this particular area.

I certainly would have hoped that we could have had this thing going some two months ago. But until . . . I just received a copy of the final report, as a matter of fact, a little over a week ago from the working committee, so we couldn't really do much more until that was received and then make representation to the federal government as far as their share was concerned.

In so far as your last question and talking about the offices of university research, we do a lot of co-ordinating of research, certainly, within the department, but that's research and development to do with other government departments. The offices of university research in Saskatoon and here in Regina — that was a three-year agreement that was set up back in 1984, and the understanding was that at the end of that time that the university offices would be self-supporting because it has triggered a tremendous amount of research money coming in just as a result of having that office. It seemed to me that the office in Saskatoon went from in the neighbourhood of one and a half million dollars to over \$30 millions in research coming in.

The University of Regina has had a very, very good record in so far as attracting research dollars because of the existence of that office. And as I said, that was a three-year agreement, but we decided this year to extend it for one more year. But we cut the funds in half, the main reason being that the universities were not quite ready. They wanted a little bit of time for the transition to take place, and I had the honour of being over at the University of Regina today for a news conference where I announced that they would be getting \$50,000 for this year, and that's simply to help them . . . that's an extension to help them through the transition period. But they firmly believe that at the end of this current year that they will be self-supporting.

I would point out to the member opposite that a similar type of announcement will be made in Saskatoon in the very near future with regard to the extension that is being done up there. So they're very pleased with it. We've had ongoing consultation with them as to how things are going. I think it's been a great program, and they have really benefitted from it.

**Ms. Smart:** — Well the money for those offices must be coming out of that three and a half million then from the economic diversification, vote 66.

**Hon. Mr. Meiklejohn:** — Yes, that's considered program funding, and that comes out of the vote 66.

**Ms. Smart:** — So for three years the Department of Science and Technology funded those two research offices at the university. Now the agreement was terminated and you were wanting to pull out of it altogether, but you've agreed to continue with the university for another year.

The university, although it has gotten a lot of money for research through those offices and they have been

successful, presumably that money that they collected would be for the research projects and not for funding those offices *per se*. Now is it part of the agreement from the university that those offices would be funded by that research money that's collected from private enterprise, or is this another burden on the universities, another operating cost for the universities which they have to pay for out of the money that's given them from the Department of Education? What is your understanding about the funding of those offices?

**Hon. Mr. Meiklejohn:** — The university offices of research have been looking at the possibility of charging some of the overhead costs back, and also looking at other ways within the universities. Certainly they have appreciated the support that they have had, and they have been putting forth the suggestions as to how they are going to carry that on. They recognize the fact that the program was going to run out, but we felt because of the importance of this to the university that we should give assistance in those areas.

So the University of Saskatchewan received \$600,000 over the last three years and the University of Regina, 300,000. And it's their feeling that they will find ways, because of efficiency and possibly charging back some of the overhead to the grants, that they will in fact be able to carry those offices on at the end of this year without any other assistance. And they've got their long-term strategy in place, and of course by our assisting them a little bit this year they hope to be able to meet that commitment.

**Ms. Smart:** — Well it seems to me from the kind of response that you've been giving me, your priority is co-ordination of research projects. That's what the biotech institute is to do in that area. There's a need for the other agricultural research development that's at the university, a need for your department to be co-ordinating the research.

Here was a project where you were putting money into two co-ordinating offices, and yet you only did it for three years, and now that funding isn't available in the future, and it means another burden on the universities to pick that up. Now if they can work it out that they get it from their money from their research grants, perhaps that's what they should be doing. But the universities are suffering very much in the area of research and development funds, very much needing more money all around. And for you to start up a co-ordination project, which you then drop on the basis that perhaps the university would be able to pick it up, or someone else will fund it, it seems to me another part of the sort of haphazardness of this department in terms of how it's developing.

Mr. Minister, I've got a number of other specific questions that I want to ask you, and since we're talking about the money that's available to Science and Technology, I want to ask you a bit about your trip to China which you came back from, I gather, about three weeks ago. You went on a two-week trip as part of the twinning agreement with Jilin province in China, as I am understanding it, and there were about 18 people on the trip, some people from your department and others from other departments. Would you please tell the House and tell me where the money

was in the *Estimates* for that trip to China, and what was the benefit to us in the market-place?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, a couple of points with regard to your concern about co-ordination and the university research. Certainly the universities have indicated they are very happy with the arrangement that they have had with Science and Technology. And you're talking about shortage of funding that they have. I think the fact that because of our initiative that they have been able to increase the amount of research money coming in, from something in the neighbourhood of one and a half million to about 30 millions, has been pretty significant. But I would point out there are other programs that are in place as well.

And the Prime Minister announced not that long ago about, I think, \$1.3 billion that is going to be going towards universities and the university, of research. And also something that we're promoting quite strongly, and the universities are quite involved, is the university-industry collaboration where we're trying to get the industries to put more money into the area of research. So there are other programs that are carrying on as well.

With regard to the trip to China, you've indicated a number of 18 people that were there, but I would point out that we had I think something like eight in the Science and Technology delegation. And the balance of the people were members of the negotiating team which were there to negotiate the third plan of action with Jilin province. The expenditures of course there would have come from the various government departments that they were representing.

(1530)

As far as our own expenditures for the Science and Technology delegation, they would come out of vote 15, the general operating budget. But since some of these things were paid before the end of March, we're taking some of that out of the two years. And it's not that it was a large amount of money. Some of it was taken from last year then, and some coming out this year.

As far as the benefits are concerned, you know that the history with Jilin province goes back several years. In fact, I think that the original initiation was taken on behalf of the previous premier, Allan Blakeney, starting this. And then the agreements were signed and started, I think, about three years ago, and the new agreement that we have just negotiated and signed is now in existence for the next two years.

And I think that it represents a lot of opportunity between Saskatchewan . . . or for Saskatchewan businesses. We just had a meeting this morning, as a matter of fact, to discuss the various types of benefits that the industry feel that they gained from going. And they've already got negotiations going on with firms and companies in China. And they feel that it has been a very, very worthwhile trip.

I think that we have lots to do as well in ensuring that we do tap those opportunities that exist in China. They've got a large number of consumers there, and if we don't move

into some of those markets, certainly others will. And I think that you have to understand that it takes a fair amount of time to build up the trusting relationship that is necessary before the Chinese people are going to deal with any companies, whatever country or province they might be from. And I think that we have established that excellent relationship. We're now ready to move on into specific areas where we can take advantage of opportunities that exist.

**Ms. Smart:** — Who were the eight people connected with Science and Technology that went? What was their capacity, and what sort of detailed negotiations went on? What are you talking about when you say there was negotiations between businesses — what kind?

**Hon. Mr. Meiklejohn:** — Well I'm certainly not going to be able to give you information as to negotiations that went on between companies and the Chinese companies. If the company representatives want to give you that information, you'll have to get it from them; I don't have that.

But the representatives that were there on behalf of Science and Technology, besides myself: my chief of staff, Mr. Jim Hutch, the president of the Saskatchewan Research Council — and I can send this list over to you as well; Mr. Keith Head, who is a consulting agrologist with Newfield Seeds in Nipawin; Mr. Bob Hawkins, general manager of Del-Air Systems Limited from Humboldt; Mr. Laverne Volding, the general manager and co-owner of V&V Livestock, and is a swine consultant; Mr. David Cole, general manager of Sterling Microelectronics; Mr. Brian Duck, who is a consultant, does a lot of work with Agdevco (agricultural development corporation); and Mr. Wayne McElree, who is the intergovernmental co-ordinator in Science and Technology.

**Ms. Smart:** — And the cost of this trip for them was paid for out of the economic diversification fund. Is that correct — vote 66?

**Hon. Mr. Meiklejohn:** — Yes, out of vote 15, as I'd indicated.

**Ms. Smart:** — It seems to me, Mr. Minister, that that \$3,500,000 is being divided up into all sorts of little pockets for trips to China and for co-ordinating meetings and this kind of things. It's not much of a budget, to start with, for the development of Science and Technology in this province.

Mr. Minister, there was an article in the paper just recently about a group in Regina that wants to develop a high-tech centre near the airport, "to give Regina the ammunition it needs to battle Saskatoon for the high-tech buck. They want to begin building a \$15 million high-tech centre called "omni park" by the end of this year.

What relationship does Science and Technology have to a project like this, and would you be looking at helping this kind of competition set up in Regina against Saskatoon?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, just one

final comment with regard to the China trip. None of that money comes out of the \$3.5 million, which is vote 66; that's for programming, research and development. I'd indicated to the member opposite that any expenses for this particular trip were from the vote 15, which is to do with administration.

In so far as the latter question and the possible or potential development of a centre near the airport in Regina, there may be several groups that are interested in developing such a centre near the airport in Regina, but we certainly are not going to be in a position to give any information out as to any discussions that have been held. There's only been one meeting that I have been involved in, and that was simply to get information as to what the group were planning.

So there's no request made for any type of funding, so whether they're going ahead or not, I have no idea, Mr. Chairman.

**Ms. Smart:** — Is your department working at all with the Saskatchewan Science Centre, and is there any proposal to put provincial funding into the Saskatchewan Science Centre in Regina?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, we have a representative on the board for the science centre. We certainly support the initiative that they have there, but to this point in time we have not been involved in any funding, nor do we see our being involved in the near future.

**Ms. Smart:** — Mr. Minister, I want to just turn quickly to the *Estimates*, specifically for your department, and question you about the amount of money for the administration branch.

You've doubled the administration branch — almost doubled it — in size from 6.3 person-years of employment in '84-85 to 11.3 person-years, and the budget amount has almost tripled. This is a relatively small department, so I want to know why over one-half of the people are working in the administration branch and why it costs over three-quarters of a million dollars to run the department's internal workings?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, the amount of money and the staffing remains the same as what it was last year. The amount of money is actually a lesser amount than it was before.

Certainly there are 11.3 positions in there, but that takes care of our accounts for the deputy minister's office and all the support services that go along with the department. So I mean, we'd consider that in. It's understandable why you would need that number of people; it's because of the support services that are required and are being provided out of that particular section in the budget.

**Ms. Smart:** — Can you describe support services, what you mean by that?

**Hon. Mr. Meiklejohn:** — The section under administration takes in a good, wide area here. As I mentioned, that's all of the administration, performance

of administrative support, responsibilities to the deputy minister's office; there's also the minister's office, the computer services, personnel, finance, and the general administration of the department. so it takes in, as I say, a wide area. I can certainly give you a copy of all of the different sections that are covered under that particular department if you wish.

**Ms. Smart:** — Well a large part of the department is administrative costs. I'm not convinced that the people who are working there are . . . is necessary to have such a top-heavy department in terms of administration.

I'm concerned about the fact that I think only at the most two people in your department — and you can correct me if I'm wrong — have a background in industry or come from . . . or serve the industrial dimension of the interest in the Department of Science and Technology, and that you have changed the research co-ordinator into a communications department which has just about doubled its budget since the first set of estimates concerning Science and Technology were printed.

I want to know why the steep increase in the department of communications, and what you managed to spend the money on last year, and what you're planning for this year in communications.

**Hon. Mr. Meiklejohn:** — Mr. Chairman, with regard to communication, there are several areas in which the money is expended in that particular department. One in information promotional materials, development and production. We have processing, special events organization.

One of the main expenditures, I suppose, is the development and printing of the tech transfer catalogue which includes the majority of the high-tech companies that are in existence in the province, and that is distributed very, very widely and has been very, very beneficial in getting information out about the companies and the type of products or processes that they're involved in, and I think has generally meant a fair bit of business as far as those companies are concerned. But that's one of the areas that's certainly included in there.

We publish a newsletter, which you're familiar with, the *Frontiers*. We've had resource centre that's carried on as well. And special events, there are always events that are taking place. You know what's happening, of course, this week, and that has led to some additional expenses.

But communication is a very important part of the department and a lot of good information that's going out to the high-tech industry itself, and on their behalf.

**Ms. Smart:** — Well, Mr. Minister, I wouldn't see communication like that being the same as research co-ordination. I would think that research co-ordination would be something quite different. I think that the public in Saskatoon and Saskatchewan has had quite enough of the kind of hype that's been coming out from the department.

The technology transfer catalogue includes all sorts of agencies and groups and people who are . . . some are

now are out of business, some are not necessarily connected with the research community, and it's my understanding that if you were to do a transfer technology catalogue that really included the high-tech firms in Saskatoon, it might list as many as 66, but not certainly the 170 that are in that catalogue; that it's a glossy publication that has not been proven to be as useful as it could be if the communications arm of your government was truly trying to let people know what was really happening in Saskatchewan, instead of puffing up the Science and Technology department and the activities in the province to the point where you've lost touch with what's really around and what the real concerns of the people are in the high-tech industry.

**Some Hon. Members:** Hear, hear!

(1545)

**Ms. Smart:** — I think I have some other colleagues who would like to question you.

**Mr. Koenker:** — Thank you. Mr. Minister, what have you done to facilitate employment for university students having a technological background for this summer?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, with regard to the number of companies that are in existence in the province, certainly we do have computer print-outs. We can list, I think quite effectively, how many companies we've got in existence in the province. And I think the tech transfer catalogue has played a very important role as far as getting information out, and it has benefitted the companies more than anything else.

In so far as the employment for students in the summer, because of the fact that the high-tech industry is growing, there are more companies certainly coming on stream, but some of the others are hiring more people. We would expect that there are students from engineering and from computer science that are being taken up by that, and also the encouragement that we are providing through the university industry collaboration program. But other than that, as far going out — and we're not certainly providing any assistance, financial assistance, as far as students going out and getting jobs in the high-tech field.

**Mr. Koenker:** — Mr. Minister, why aren't you assisting students to further their education by virtue of summer jobs in the high-tech field? And why aren't you, even more importantly, assisting Saskatchewan high-tech firms by providing a student employment program to enable nascent high-technology companies, particularly, to benefit from some of the expertise of students at the universities in Regina and Saskatoon? Why aren't you taking a leadership role in this regard?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, I would point out to the member opposite that we have had discussions for the last few months with the Shad Valley project people, and we had hoped to have that in operation this summer. However, when we submitted the number of people to them — and this is something that's operated out of Ontario — they then asked that we would double the number of people that we had, and we weren't in a position to do that at that particular time. We were

putting forward, I think, 20 individuals, and that's what they had suggested at first. So we're still working on that. I would hope that we can do that in conjunction with the Shad people next year, along with the University of Saskatchewan. So we have been attempting to get that going, and quite frankly, I was very disappointed when they backed out on us and wouldn't provide it this summer.

I would also point out, though, that there are several other programs — student employment programs — that are offered by other departments within the government, and a certain amount of assistance is being made available there. So that would apply to students that are in the high-tech field just the same as students that are taking any of the other courses at the university.

**Mr. Koenker:** — Precisely my point, Mr. Minister, that you have a responsibility to create a niche for students with a scientific background. You have a responsibility and an opportunity to provide particular employment possibilities unique to them and for them. And they should not necessarily have to compete among all sorts of other university students for summer jobs, particularly so because high-tech firms, and especially nascent high-tech firms here in Saskatchewan, would benefit in large measure by the opportunity to hire some of these students. And it's a reciprocal kind of arrangement whereby students could benefit from having field experience on the job over the course of the summer.

Now you talk about sending students to Shad Valley in Ontario. We don't need to do that necessarily, and you aren't doing it, as you say. I want to know why you can't put Saskatchewan students to work in Saskatchewan high-tech firms over the course of this summer — why you don't have plans to effect this kind of thing.

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, I certainly didn't suggest to the member opposite that we're going to be sending students to Ontario. I indicated that we were hoping to be co-operating with the Shad Valley project, which is operated out of Ontario, to have students working with the companies here in Saskatchewan and going to the University of Saskatchewan. So I said nothing about them going out of the province.

As I also indicated, we were not successful in getting them to come into Saskatchewan this year to provide that program. But we're not going to give up on it. That is an opportunity, I think, that we can capitalize on, and if we can get 20 or 30 students involved in that and out in the community working with high-tech firms, I think that's great, and that's a good start.

At the same time, there are other programs that are provided in the province as far as student employment is concerned. But certainly at this point, although the idea might be sound, we in the Department of Science and Technology are not going to be providing assistance to companies to hire students from those particular colleges in the summer-time. I mean, there are lots of opportunities out there right now, as I've indicated, and I think a lot of the high-tech firms are employing some of these university students in the summer-time.



**Mr. Koenker:** — Mr. Minister, can you supply details on the Shad Valley project for me?

**Hon. Mr. Meiklejohn:** — Yes.

**Mr. Koenker:** — Thank you very much.

The reason I'm concerned about this, Mr. Minister, is because in last year's estimates I questioned you about the possibility of student employment programs. This was on September 15. And you indicated, or you seemed to indicate at that time, that this in fact made a lot of sense. You said in conclusion of our exchange at that point, quote:

So I think you raised a good point, and it is something that we're aware of and are putting plans in place so that we can get something operating next summer.

This in respect to student employment prospects. And I took your words at face value. I believed you when you said that you would be able to put something into place for students, and now we come to this summer and there's nothing that's been done.

I had suggested to you last September that you venture on to the University of Saskatchewan campus, and you talk to students there and you maybe talk to some of the faculty there, and you come up with some kind of program that might meet the real needs of student and of the high-tech firms that you're responsible for. And you haven't done it. you put all your eggs, it seems, in this Shad Valley basket, and nothing's come of it

Mr. Minister, you can talk about other government departments having an opportunity for summer employment of students, and that high-tech firms can choose from those kinds of students, but what we see from your government is a reduction in the opportunities program for students, and I think it's positively damning that you have the nerve, in your latest issue of *Frontiers* for May, to talk about student employment possibilities: "Employing Summer Students Brings Mutual Benefits." You have a full two columns in this little newsletter put out by your department on the benefits of student employment, and you do nothing to facilitate that. In fact, your government has cut student employment funds from 10.5 million to \$4 million, and there's been no increase over last year's figures in that regard. They're frozen at \$4 million.

I don't see how you can possibly talk about the benefits, mutual benefits, which is precisely my point about students employment projects — that it benefits the student and it benefits industry. I don't see how you can talk about that and not provide funds and leadership in that regard unless you're talking out of both sides of your mouth. Now I would like to hear from you and explanation of how Saskatchewan high-tech firms are benefitting from student employment prospects under your ministership. What can you tell us in that regard?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, the member opposite never was too good with figures. I mean, he's carrying on here like he really knows what

he's talking about.

I indicated back in the fall that we were negotiating at that time with the Shad Valley people as far as the programs were concerned that we could offer here in Saskatchewan. And those discussions went on for several months throughout the course of the winter.

But it was only recently that we received the word from them that they were not going to be providing a program in Saskatchewan this year. And they do have them at several of the other universities across the country. So I mean, for you to say that we're not trying to do anything about it, or doing anything about it, we did not know until just a short time ago that they would not be coming in and providing a program in which we were willing to co-operate on and also to put money into it.

So I think that there are still many opportunities out there as far as high tech is concerned. Certainly the copy of *Frontiers* that discussed the benefits, there are many benefits. I think we have to encourage the industry to hire as many of these young people as they can for the summer. And I'm sure that many of them are doing that, because it is a benefit, not only as far as the student is concerned but also as far as the company is concerned.

We do have some co-operative programs that are in existence. And I really commend the University of Regina for being involved in one of those, because it does give some of the students an opportunity to get out and get the real life experience, working with some of these companies.

But right now these students have the same opportunity, as far as getting jobs in the summer, that students from all of the other departments have. And I certainly believe that in the future there will be many, many opportunities for young people going into the high-tech industry, because the demand is going to be there.

**Mr. Koenker:** — Mr. Minister, my point is that the help isn't there. The help isn't there from your department. The help isn't there from your government with the Opportunities program, \$4 million frozen from last year — cut last year, incidentally, from 10.5 million.

And, Mr. Minister, you must have been in Toronto at the high-tech conference on January 13 when the Prime Minister of this country announced, and I quote:

I want very much to stress the critical importance we attach to education as the foundation on which durable science and technology policies much be built.

Education as the foundation on which science and technology policies are built, and you are doing nothing to facilitate that kind of development. It's also been said that students are to the spread of high technology and science as mosquitos are to malaria. They have a vial role to play in building the high-tech sector of this province, and it's a role that you are choosing to ignore and, I would submit, you're choosing to ignore because you don't have any money.

And this brings me to question you about the \$50 million promise made by the Premier of this province for \$50 million worth of help — seed money he called it — for nascent high-tech firms. Can you tell me what the status of that promise is, and when we are going to see \$10 million for high-tech firms for each of the next five years?

(1600)

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, it's one thing for the member opposite to stand up and say we're not doing this and we're not doing that, but at least it was this government that had the courage to go ahead and develop a Department of Science and Technology, which is something that the previous government didn't recognize. And the money that's been going into the research and development and to high-tech companies over the last six years has increased dramatically.

I think that you made mention then of the conference that was held in January in Toronto, and certainly you didn't carry on . . . indicate that the Prime Minister had also announced — you talking about the importance of education — and the fact that he announced at that time that there would be no fewer than 2,500 scholarships made available across the country for students that are going into engineering and into the natural sciences.

So this certainly is going to be a big plus, and I would hope that we should have at least 100 students in Saskatchewan that are going to be able to cash in on those scholarships for this current year. So that's a step in the right direction.

As far as the offices of university research are concerned — and you know of the amount of money that we put in there, and the questioning your colleague just had — that's had a tremendous impact on increasing the amount of research money coming into the university.

And I don't have any doubt at all but there are many more students that have jobs as a result of that money that's coming into the university because you know, with your association with the university, that there are a lot of students that are employed on campus in the summer, working in the offices where this research is being carried on.

So I don't think that you can say that we're not doing anything in so far as helping students get jobs in the summer. If they didn't have the research dollars coming in and through the programs that we provided, there would be a lot more students that wouldn't have jobs. So I think that has been very, very positive.

I would also indicate that we've been doing a lot in so far as raising the awareness of students as to what opportunities do exist in this area because we're not just planning for today, we're looking at the future a few years down the road because we're going to need many, many more people in the area of research and engineering.

You're talking now as well — your last question was to do with the election promise with regard to moneys being allotted for technology transfer — we're in the process right now, discussions are going on with other

departments and the research council as to the best way of utilizing dollars to bring about technology transfer.

There is a fair degree of that going on. We are providing a certain amount of money in that area, but there's also money being provided by other government departments which is going into research, and some of that of course is also spinning off into tech transfer in companies being able to do things a little bit better and a little bit smarter. So those plans are under way right now, and as soon as we can give you more information on it as to how this is going to be brought about, we will be doing that.

**Mr. Koenker:** — Mr. Minister, the high-tech firms of this province have been waiting for a year and a half to learn the details of the Premier's \$10 million a year for five years seed money promise for high technology, and I don't think they should have to wait a year and a half to find out the details. Now you're telling us that plans are being made, and in the future we may hear some of the details; people have been waiting for those details for a year and a half.

On October 19 I asked the Premier about this very question and he indicated that, quote:

I promised in the next five years that we would have a program in this province that encourages high-tech development, that we would rank among the best in the country, and that we would spend up to 10 million a year over a five-year program. I promised that, Mr. Speaker. All I can say to the hon. member: you watch, you watch us deliver on a five-year program for high technology.

Those were the words of the Premier of this province on October 19, 1987, a full year after his election campaign promise on October 10, 1986. You watch, he says. I'm watching, and the high-tech firms in this province are watching. We want to see that \$10 million in seed money for new high-tech firms. And I want to know when we can expect to see it from you, the minister for high technology?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I would point out that during the course of the last year and the plans for this coming year, there is more money flowing from Science and Technology into the various companies, high-tech companies, and also where we are looking at transfer of technology into some of the other lower-tech companies. We've also got to look at the institute that we're talking about, moneys that are going to be going into that. Some of that is certainly going to be to get ideas from the bench out into the commercialization, and that involves technology transfer.

I think that you can look at some of the companies, and I'll just point out three of them where there have been direct benefits because of the moneys that we have been assisting them with. Capa Software is one example; SCI-TEC is another one; International Road Dynamics — these are all companies that we have been involved in, and there have been many others. So we are working with the high-tech companies and we're helping them to become more effective. They're expanding their

work-force, and we're also looking at the employment of more technology with some of the other industries.

I would also point out that there are new industries coming in all the time that we are involved in. We are giving them support in one way or another, depending on what type of project that they're making application for.

So There are things happening. You certainly are aware of the fact that the revenues have been down the last few years, and certainly it's not always possible to do all the things that one might do if you have all kinds of money, like you people had back in the '70s and didn't do any of these things.

So you've got to keep that in mind. but we are committed to getting more high technology going and the industry is growing. Certainly there's lots of evidence of that in Saskatoon, and I think if you look around here in Regina you can see it as well.

**Mr. Koenker:** — Glowing words, Mr. Minister, but no money. You refuse to talk about the \$10 million over five years that your Premier promised a year and a half ago, and then re-promised on October 19 of last year. He said, you just watch us go; you watch us deliver on a five-year program in high technology. And I'm taking him at his word.

And I think it's . . . I must say, I commend you for not putting your foot in your mouth, because you're skating on very thin ice. Because you aren't talking about the \$10 million — very wisely so. Because I say this was a political manoeuvre by the Premier of this province and nothing but that — a political manoeuvre.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — This \$10 million over five year, \$50 million is imaginary money — imaginary money — and every single Saskatchewan high-tech firm in the province knows that. They have your number, Mr. Minister. That number is \$50 million over five years, and you can't deliver on it. You won't deliver on it.

You talk about the New Democratic government not having a high-technology policy or department. I'll tell you, Mr. Minister, the New Democratic government, when it governed this province, did not go out and promise \$50 million over five years for high technology and not give it.

Your Premier promised it. He promised it a year and a half ago; he promised it a year ago, and he hasn't delivered on it, and you are unwilling to deliver on it. Will you finally admit that that was just a political promise and imaginary money, pure hype from the Premier? Will you admit that, Mr. Minister? For once be honest with the high-tech firms in this province and say there ain't going to be a \$50 million fund for high-tech firms, seed money for high-tech firms. will you finally admit that we'll never see that money from your government?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I would point out to the member opposite that this government is committed to science and technology, and probably in

the neighbourhood of 120 or \$130 million are being spent on research and development within this province. And some of that, certainly, is going towards technology transfer. And I've already indicated to him that certainly, if there's more money, you can do many more things. but the five years is not up at this point.

We are committed to spending in the neighbourhood . . . we're probably going to be spending about . . . we spent \$3 million last year; we've got three and a half million dollars in there this year. And certainly there's going to have to be more money found as far as the Ag-Bio Institute is concerned, and there are other programs that are going to be coming in that we're going to have to look at getting additional funding.

So we're doing what we can with the funds that we have, but I think we have to take a look at the economic responsibility. And there are other priorities, certainly, as well. But we're doing the best that we can, and we'll keep moving in that direction of helping the high-tech companies and other companies as we can.

**Mr. Koenker:** — Fifty million dollars over five years, from the Premier of the province. No details, no game plan, no time frame, no money, no commitment — that's the bottom line. No \$50 million seed money for high-tech firms, Mr. Minister, and that is a broken PC election promise.

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, I don't know what the hon. member feels we've been doing with all the money that we've been spending over the last year. He's talking about \$50 million and no money spent. I've already indicated the amount that is being spent by the various department and certainly what's been spent out of our department. And there has been a lot of money allocated to this particular area, and we certainly want to continue making sure that the dollars count where they're most needed.

**Ms. Smart:** — Mr. Minister, the Department of Science and Technology has become just about a joke. There's no funding in support for science education; there's little support for science students getting employment. There is all sorts of scams with the tax credit and the venture capital system that's been set up, and money going out for manufacturing that doesn't exist — and that's one of the criteria for getting venture capital grants, is to be able to produce manufacturing in Saskatchewan. There's money that's been promised in the Canada/Saskatchewan subsidiary agreement that doesn't exist; there's the \$50 million over five years that doesn't exist.

And it just proves, again and again, my point that this department is hot air and hype; it's boosterism; it's promises that don't exist in substance. And that is a betrayal to the people of Saskatchewan who very much want to see some substantive and careful planning in the area of high tech. And you particularly would be well advised to surround yourself with some people that know what they're doing instead of continuing to bumble around in this area without the support system that you need to be credible.

Mr. Minister, I have some very specific questions that

have been asked to other departments, and I want to wind up these estimates by asking you these questions. I would like to get the name, the title, and the salary of each one of your personal staff. I would like to know if any of them have had a pay change in the last 12 months, and if so, what it was, and including any remuneration for moving to Saskatoon. May I have that?

(1615)

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I find it interesting the comments that the member makes opposite, and it's just typical, I think, of all the rhetoric that we've heard. You're talking about the Department of Science and Technology and the fact that nothing is happening. I take great pride in pointing out to you that the Department of Science and Technology and the activity that's going on in this province is looked upon as one of the leaders as far as the country is concerned.

So I mean for you to make some of the statements that you're making, they're just totally out of line if you'd really take a look at what's happening across the country. The programs that we provide, and the policies that we're following, of course, there is close consultation with industry as well as with the universities and the research councils. So we are trying to meet the needs that are being indicated to us. And that consultation is certainly going to be continuing.

As I indicated to you earlier in the estimates, we plan on setting up an advisory council to the Department of Science and Technology within the near future, and that is going to provide us ongoing information and support as well. So I mean, these are things that are happening at the present time.

Now with regard to salaries, we can certainly provide that information for you. I can either read them out to you or I can send it over. I'm not sure what you're referring to in so far as moves to Saskatoon. There hasn't been any expenditure for moves to Saskatoon since the department moves up there, which was a year ago last summer. So there's been no money allocated in that area at all.

**Ms. Smart:** — I was referring to any extra remuneration that was being provided to staff because they had to move. Was there any extra money given to staff beyond their salaries for the move?

**Hon. Mr. Meiklejohn:** — No, any of the moves in so far as the department was concerned, all of that was taken care of prior to September 1, 1986. So there is nothing in the current year at all in so far as personal staff or department staff.

**Ms. Smart:** — Do any of the people in your department have a government car or a car allowance? You can send me these answers in writing.

**Hon. Mr. Meiklejohn:** — We can certainly send that to you in writing. I'm the only one that has a car. The deputy minister does receive a car allowance, but we can send you all of that information.

**Ms. Smart:** — I'd also like to know about the

out-of-province travel in 1987-88 by the minister, the staff — the date, the destination, the number of persons on the trips, the purpose and the total cost. If I can have that . . . (inaudible interjection) . . . I can have that in writing? Okay, and the total in-province ministerial air travel in 1987-88 with the same details as I just asked you for?

**Hon. Mr. Meiklejohn:** — Yes, that'll be made available.

**Ms. Smart:** — I also would like to know what costs in 1987-88 your department incurred for polling, advertising, aircraft charter or lease, and in each case the date, the purpose, the firm and the cost. Can I have that information?

**Hon. Mr. Meiklejohn:** — Yes, Mr. Chairman. That's provided in the . . . been provided in the past, and we certainly will do that again.

**Ms. Smart:** — I'm specifically interested in whether the department did any business in 1987-88 or to date in '88-89 with Band City Aviation, and if so, the date, the purpose and the cost.

**Hon. Mr. Meiklejohn:** — We haven't done any business with that firm this year that I'm aware of. We can certainly check our records. The majority of the air travel is with exec air.

**Ms. Smart:** — I'd also like to know the total amount paid by the department to the property management corporation in '87-88 and anticipated to be paid in '88-89. For each year, for what purposes were these moneys paid?

**Hon. Mr. Meiklejohn:** — That is set out in the *Estimates*, and we dealt with it a couple of weeks ago in so far as some of the specifics for the rental and renovations and things like that that had been done. If you still require more information on that, we can get it together for you.

**Ms. Smart:** — Okay, I'll have that in writing. And then I'd also like to get an itemized list of the facilities — the offices, the compounds, the parking lots — provided to your department by the property management corporation.

**Hon. Mr. Meiklejohn:** — I've already indicated in the *Estimates* where we are leasing or renting space in the T.C. Douglas Building here in Regina and in the Innovation Place in Saskatoon. We did deal with that, but we can certainly give you the addresses of those facilities.

**Ms. Smart:** — Have you also given me the number of square feet, or in the case of the parking lots, the number of stalls in each of the facilities that you've outlined?

**Hon. Mr. Meiklejohn:** — We can give you the facilities in square metres; that's what we have it in.

**Ms. Smart:** — And parking stalls, please, if you have that.

So am I correct in assuming that you're leasing all the facilities that you operate in this department?

Specifically, are there any instances where the facility is not leased?

**Hon. Mr. Meiklejohn:** — I didn't hear your last question.

**Ms. Smart:** — My question was: are all the facilities that you occupy leased or are there any instances where the facility is not leased?

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, all of the facilities that we use are leased. And with regard to the parking, I believe we have two spaces here in Regina and 10 in Saskatoon.

**Ms. Smart:** — I also would like to get an itemized list of the services being provided by the property management corporation and the amount being charged to the department for those services today — that's beyond the space, the services — and how much was paid in fiscal '87-88, the mail service, the government automobiles' cost, the furnishings, etc.

**Hon. Mr. Meiklejohn:** — Yes, Mr. Chairman, we provided that in the past and we dealt with it a couple of weeks ago in estimates as to the specifics, and we can provide that to you.

**Ms. Smart:** — Well I'm really amazed that you say you dealt with them in estimates, because you haven't been asked those questions yet. I'm asking them now.

Thank you for giving me those answers, Mr. Minister, and thank your officials for being here to talk with us.

**Mr. Tchorzewski:** — Thank you, Mr. Chairman. I have a couple of straight administrative-type questions. On item 1, Mr. Minister, I don't believe this has been asked, but you have under personal services, 11.3 person-years. You have that last year and this year, but the amount of money that you have allocated is \$100,000 less. I'm sure you'll have an explanation for why or how you will have the same number of person-years but \$100,000 less in money to pay for those person-years. What is the explanation?

**Hon. Mr. Meiklejohn:** — Did you say for administration?

**An Hon. Member:** — Yes.

**Hon. Mr. Meiklejohn:** — Well the difference there is, I think, some \$23,000, and so there's not a great amount of money there. I suppose that some of it was possibly to do with the fact that we did have people on the year before that had much more seniority. I suppose their salaries were probably higher than some of the people that are coming in now.

**Mr. Tchorzewski:** — I'm sorry, I was more specific. I was asking under personal services, and the difference there is in fact \$81,000, Mr. Minister. Have you had that much movement in staff and personnel, that the people you now have are getting paid — well it's only 11 people, 11 person-years — are getting paid \$81,000 less?

**Hon. Mr. Meiklejohn:** — Thank you, Mr. Chairman. You will notice that there's a significant difference in the cost

for other expenses; the overall figure — that's what I was looking at — is about \$23,000 less. I think what we found, that breaking it down like we have here maybe more accurately represents what the actual expenditures are for.

I think we would . . . as I indicated through, some of the salaries are probably going to be a little bit lower there, but that certainly is not that large an amount. I suppose, too, that we can look at the fact here that in some cases we find that we may have to do some contracting of services because of a particular type of project or a particular type of expertise that we may require with some of the high-tech companies. So that's going to be filtering down into other expenses.

**Mr. Tchorzewski:** — Mr. Minister, I've been there before. In fact, I've been the chairman of the treasury board. I know that under personal services, you don't include contracting . . . (inaudible interjection) . . . But I'm not asking you about other expenses; I'm asking you, under personal services, how you can have the same number of person-years from one year to the next and have a reduction in the amount of money allocated, appropriated, of \$81,000 unless your Minister of Finance is trying to cook the books.

Now will you explain to this House: how you can have 11.3 person-years with an \$81,000 reduction in appropriation? I was not meaning to be argumentative. I simply asked you a straight administrative question; I wanted an answer. Give us the answer and I'll go on to my next question.

(1630)

**Hon. Mr. Meiklejohn:** — Mr. Chairman, the additional expenditure, of course, in 1987-88 was due to the fact that in fact there were two additional people in those positions up until the end of May. So there was an additional expenditure at that part of the year. We did drop down at that point then to the 11.3, so the expenditure was higher than for the previous year.

**Mr. Tchorzewski:** — So are you telling me, Mr. Minister, that if I look at the *Supplementary Estimates*, I ought to be able to find in the *Supplementary Estimates*, under Science and Technology, an additional expenditure for these extra two people?

Now I've got the *Supplementary Estimates* in my hand and I'm trying to locate that, Mr. Minister, and I can't. If you spent more money on two additional people that you do not have appropriated for in your 1987-88 budget, it ought to show in here. So I don't know that your argument holds any water. Now will you try again, sir?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, the information that I have, that there was down-sizing that occurred at that particular time, at the end of May — but I think that if you consider the fact that the \$607,000 that's indicated here is only an estimate; the actual expenditure for that year was 474,000, so there isn't really a very large difference indicated there. So the down-sizing had some effect on it, but that is only an estimate. The actual was 474,000.

**Mr. Tchorzewski:** — Thank you. That explains the question. I'm sorry it took so long to get it out of you, but I'm glad we finally got it straight. So just for clarification, you actually underspent the appropriation for '87-88 by some — whatever amount — so that you spent actually \$470-some thousand. I accept that.

We'll see in the *Public Accounts*, if we ever get them. They have now been several months late, as you know — as a matter of fact, over a year now in which we have not received those *Public Accounts*. I guess that's clearly . . .

We now have evidence of why the government refuses to provide those *Public Accounts*, Mr. Chairman, because in the opposition we try to find out what is being proposed to be spent this year compared to what was spent last year. We're unable to do that, because for one, we can't get answers from the minister, who are confused because they don't know those answers or are not forthcoming with them. And two, because the government refuses to table those *Public Accounts* so we can make the appropriate comparisons.

Now there is the nub of what is wrong with the lack of accountability on the part of the government. But I thank you for finally coming up with the answer, Mr. Minister. I point out to you that there still is a shortage of . . . less money, even less than what you spent last year, although you have the same number of person-years that you're asking for, not only in this subvote, but in subvote 2 as well.

So I suggest to you, Mr. Minister, that throughout these estimates, and I've gone through them all for all the departments, there is a cooking of the books by the Minister of Finance so that the public does not exactly know what is being requested. And you don't, and your government don't really care, because you just spend willy-nilly whenever you want, without ever accounting for it in a timely way. But thank you for finally giving me the answer. I've got some other questions on some other subvotes.

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

Item 5 — Statutory.

Vote 15 agreed to.

**Consolidated Fund Budgetary Expenditure  
Economic Diversification and Investment Fund  
Science and Technology  
Vote 66**

Item 7 agreed to.

**Saskatchewan Heritage Fund Budgetary Expenditure  
Research and Development Division  
Science and Technology  
Ordinary Expenditure**

**Mr. Tchorzewski:** — Thank you Mr. Chairman. Mr. Minister, in '87-88 there was \$829,000 appropriated. I

don't know whether it was spent, of course, because there's no way we know unless you were prepared to tell us. But in 1988-89 there is nothing. There's obviously a good reason. It must have been shifted somewhere or it's cancelled. Can you explain to us what it is?

**Hon. Mr. Meiklejohn:** — Yes, Mr. Chairman. As I had indicated to the hon. member's colleague earlier, this money is now in the economic diversification and investment fund.

**Mr. Chairman:** — I'd like to thank the minister's officials.

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I too would like to thank my officials. I think they're doing a tremendous job and have done a very good job in getting ready for these estimates. And I would also like to thank the hon. members for their questions.

**Ms. Smart:** — I'd like to take this opportunity to thank your officials, Mr. Minister, for being here and answering our questions. Thank you very much for the time.

**Consolidated Fund Budgetary Expenditure  
The Saskatchewan Research Council  
Ordinary Expenditure — Vote 35**

**Mr. Chairman:** — Would the minister introduce his officials.

**Hon. Mr. Meiklejohn:** — Mr. Chairman, on my left is Mr. Jim Hutch, who is the president of The Saskatchewan Research Council, and behind him is Mr. Ron McGrath, controller.

**Item 1**

**Mr. Tchorzewski:** — Thank you, Mr. Chairman. I too want to welcome your officials, Mr. Minister.

I have just a few brief questions on The Saskatchewan Research Council. The reason I want to ask my questions is because on March 23 the Premier did announce that the research council was to assume the responsibility for PAMI, the Prairie Agricultural Machinery Institute. And I just want to clarify what is happening here, or hope that you might clarify it.

First of all, the Minister of Agriculture, the Premier, said that SRC will assume responsibility for management of PAMI under the contract to the PAMI board, and I'm wondering . . . and there was some talk about the new management structure would be worked out. Can you report to the House, Mr. Minister, what that new management structure is?

**Hon. Mr. Meiklejohn:** — Yes, Mr. Chairman, with regard to PAMI (Prairie Agricultural Machinery Institute), I know that the member opposite is aware of the change, as far of the operation of it, in that Alberta has backed out. The funding, as far as PAMI is concerned, is now being provided by Saskatchewan and Manitoba. We are committed to \$957,100 for the current year, and that's being funded out of agriculture.

The Saskatchewan Research Council will be assuming, or

is assuming the management of that. I'm informed that they're still in the process of developing the strategies and how the thing is going to be operating, and we'll certainly be very happy to pass that on to you just as soon as they've completed them. But discussions are going well, and it should be done in the very near future.

**Mr. Tchorzewski:** — So I guess you're telling us, Mr. Minister, that that has not yet been finalized, and I want to point out that that's one other example of, I think, a very inappropriate way for government to function: simply making announcements, take a blind leap of faith, and then say, well, we're going to work it out at some other time.

And I'm not suggesting for a moment that it's a problem with the Saskatchewan Research Council. I'm saying, Mr. Minister, it's a problem of you, as a minister; of the Premier, as the Minister of Agriculture; and of the whole approach of this government which is an approach that has no — absolutely no inkling of what good management and good planning is all about. As a result, we have a \$3.7 billion dollar deficit because of that kind of mismanagement.

So I'm not happy, but I have to accept your explanation that no . . . there was no idea about how it was going to work. You had to have something to announce in the throne speech, and the Premier had to have something to say, so he announced that this would take place. And then somehow down the road, who knows when, there would be a restructuring.

But having said that, surely, since the decision was made and the Minister of Finance knew about the decision, you at least would know how much money has been provided in the Saskatchewan Research Council for the new function of managing the Prairie Agricultural Machinery Institute.

Can you tell us, Mr. Minister, how much money has been appropriated to the research council to carry out its new management role?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, the research council has been managing PAMI since April 1, and certainly it was necessary to make an announcement prior to the end of March. I think, as the member opposite can well understand, that there were concerns with PAMI as to how it was going to be operating, if and where the funding was going to be coming from after April 1. So SRC (Saskatchewan Research Council) is managing it.

But when I indicate that some of the strategies are still being developed, it's simply to the point that the first board meeting has not been held yet. But SRC is in fact managing PAMI and has been since April 1, and, I'm sure, managing it very well.

The other thing, with regard to the moneys that you're wondering about, any moneys for managing will, of course, be coming out of the \$957,000 that I indicated to you earlier. I would just point out, too, that the funding for Manitoba is 425,390, so any management cost will be coming out of that total budget.

**Mr. Tchorzewski:** — So you have not provided any appropriation in the Saskatchewan Research Council, as I see here in the *Estimates*, for its management function? Am I correct in that?

**Hon. Mr. Meiklejohn:** — The funding, of course, that I have indicated here, Mr. Chairman, is simply government grants. There will be other moneys coming in from contracts, as I'm sure you understand.

The management process that is taking place right now is the fact that SRC is operating it. There is an acting director in place. There's one less position, I suppose, than there was before, and that of course is going to be part of the overall strategy, I would think, in the development of the management of it. That's the information that I have.

So as soon as that takes place — right now, Mr. George McKave is in Humboldt two days a week to assist in the management of PAMI, and the balance of the time the acting director is in charge of it.

**Mr. Tchorzewski:** — You say, Mr. Minister, that there has been a reduction of one position at PAMI as a result of all this?

(1645)

**Hon. Mr. Meiklejohn:** — The position of director has been vacant for quite some time; in fact, I would think going back at least a year, and that was a person by the name of Lorne Smith, who is now with Science and Technology. So the position has been vacant for several months.

**Mr. Tchorzewski:** — So the net result, Mr. Minister, as part of your decentralization strategy, is that this position which has been vacant for over a year now is not going to get filled, so that the senior management which was part of the community of Humboldt, and who was really quite an important element in the decentralization strategy, is now no longer there. You're going to abolish it, and the management is going to be taking place out of the city of Saskatoon. Now would you like to explain, Mr. Minister, how that becomes a decentralization approach to benefit rural Saskatchewan.

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I think the member opposite has to understand that with new management taking over in the form of the research council that we have to have a bit of a transition period. And I'm sure that during that transition period part of the plan is going to be assess the types of services that are being provided by PAMI and taking a look at the staffing needs that they require. And in fact if they find in the future that they need that additional person there, they will be hiring someone. But until they've had a chance to assess it further and to see where they go from there, that's the way it is right now. But give them some time for the transition to take place.

**Mr. Tchorzewski:** — I don't think we have any choice other than to do that, Mr. Minister, because a decision has been made.

I'll ask one final question, and this is an important

question. Can you provide some assurance to this House, and the community of Humboldt, and the people who work at PAMI, and the whole institution — which is a valuable one — that this process will not result in a reduction of staff at PAMI because much of the functions will gradually move to what is happening at the research council somewhere else? Can you make that commitment in this House, Mr. Minister, because I think you do have an obligation to do that if you really believe your Premier's often-stated concept of decentralization? Will you give that commitment?

**Hon. Mr. Meiklejohn:** — Mr. Speaker, if one considers the history of the SRC, the research council have gone from 81 people in 1983 — 181, sorry — in 1983 to 230 today. We can see that their main efforts are designed towards future growth, and they have had tremendous success. The same plan is going to be in effect as far as PAMI is concerned. They are looking at a growth strategy there. I think that they want to ensure that PAMI is getting as many contracts as possible and continuing to operate in a business-like manner. So as time goes on and as they grow, I would certainly hope that they will be employing more people out there, but that may well take some time.

But SRC has a good record, I think, in so far as that, and under their management I would hope that that will continue. But there are no guarantees that they are going to remain at the same stage they are right now.

**Mr. Tchorzewski:** — Mr. Minister, this is not a question, it's a comment. It is a very telling commentary on your part to say there are no guarantees because that signals, that signals that there may very well be some plans in your government's back pocket, not associated with the SRC, to further undermine the whole concept of PAMI.

That was a very telling comment that you just made in this House, and all I can say to you is that I'll be back in here next year, in the next session, to ask you or whoever you are replaced with, by — if you are replaced, it's not my decision — to ask the questions on some of the assurances you gave here today and see what happens.

And my fear is that PAMI is going to have a price to pay with the move that you have made, and that PAMI, as we know it, is not going to be the PAMI that has functioned so effectively since its institution some time ago.

**Hon. Mr. Meiklejohn:** — Mr. Chairman, my only comment to that would be that I think it's unfortunate that the member opposite would try to cast a little bit of fear among the people that are employed out at PAMI at the present time or living in the Humboldt area, because there is certainly no indication that there is going to be any job losses out there.

And if you look at the history of SRC, they are going to be operating that plant in as efficient a way as possible and looking at the growth and the opportunities that exist. I would think that we can well look to having a bright future as far as PAMI is concerned.

**Ms. Smart:** — Mr. Minister, I'm looking at page 24 of the annual report for the Saskatchewan Research Council, and I notice under liabilities and province's equity that

the bank indebtedness in 1986 was \$88,677 and in '87 was \$2,092,839, and I would just like an explanation as to why the bank indebtedness went up so high into the millions in 1987?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I'm informed that there are two reasons for the large difference — I don't think the member is even interested over there — two reasons for the difference: higher accounts receivable, and decrease in deferred income.

**Mr. Koenker:** — Yes. Is the Canadian centre for advanced technology still at the Saskatchewan Research Council?

**Hon. Mr. Meiklejohn:** — Yes, it's still there at the present time.

**Mr. Koenker:** — You seem to qualify that, Mr. Minister — at the present time. Are there any plans to move it or to close it down?

**Hon. Mr. Meiklejohn:** — I'm informed that they're in the process of selling some of the technology, but this would result in the transfer of some of the employees to a manufacturing centre within Saskatoon. But the deal has not been totally finalized yet; it's in progress.

**Mr. Koenker:** — So what you're saying, Mr. Minister, is that you're basically privatizing, or looking at privatizing the Canadian centre for advanced technology. Is that in fact the case?

**Hon. Mr. Meiklejohn:** — No, on the contrary, Mr. Chairman, it's the Canadian Centre for Advanced Instrumentation that the member opposite is referring to, I believe. This will always remain with the research council. It's part of the technology which is simply being taken out of there and is going from the idea into the manufacturing stage. That will be taking some of the employees with it, and I think that's great. But as far as the centre, that will remain there.

**Mr. Koenker:** — Why is some of the technology being sold off then?

**Hon. Mr. Meiklejohn:** — This is a technology that is better handled by the private sector, and I think that it's good whenever we can get the ideas from the research labs and the centres out into the private sector where the manufacturing is going to take place. The research council certainly isn't into the manufacturing business.

**Mr. Koenker:** — Just so that I understand then: will the centre continue to operate with the same funding available for it at the Saskatchewan Research Council?

**Hon. Mr. Meiklejohn:** — The CCAI (Canadian Centre for Advance Instrumentation), as such, has always been on its own. It doesn't receive funding from the research council. It receives its money from doing contracts with private business.

**Mr. Koenker:** — Mr. Minister, do you — let's put it this way — do you envision any change in the mandate or the work, the role of the centre in the next year?



**Hon. Mr. Meiklejohn:** — Well it's pretty hard to say there's not going to be any change, because they're always working on different project there, and I'm sure that they will continue to do so. Hopefully there'll be other projects that they can get involved in that will spin off as well, such as the one that we're talking about now.

**Mr. Koenker:** — Have the employees involved been given guarantees of jobs?

**Hon. Mr. Meiklejohn:** — Mr. Chairman, I point out that the SRC is not a government department, and there are no guarantees as far as the jobs are concerned. But certainly the information that I have, that the employees will by going along with the technology into the manufacturing.

**Mr. Koenker:** — And when can we expect to hear details of this move?

**Hon. Mr. Meiklejohn:** — As I indicated, talks are going on now. The thing is not finalized. And we certainly are not in a position to say today exactly when this is going to happen. It really hasn't that much to do with the overall operation of the research council.

Item 1 agreed to.

Vote 35 agreed to.

**Consolidated Fund Budgetary Expenditure  
Economic Diversification and Investment Fund  
The Saskatchewan Research Council  
Vote 66**

Item 6 agreed to.

Vote 66 agreed to.

**Supplementary Estimates (No. 2)  
Consolidated Fund Budgetary Expenditure  
The Saskatchewan Research Council  
Ordinary Expenditure — Vote 35**

Item 1 agreed to.

Vote 35 agreed to.

(1700)

**Mr. Chairman:** — I'd like to thank the minister and his officials.

**Hon. Mr. Meiklejohn:** — Well, Mr. Chairman, I too would like to thank the officials for being here and providing the information. I would hope, and I'm sure, that they will carry on with the good work that they're doing at the research council.

I would also commend the critic and the former critic for the interest that they have taken, not only in the research council but in the high-tech industry. And I would certainly encourage them to in the future pay a visit to the research council because there's no better way to learn what's going on there than to visit. And I'd also encourage you to visit some of our high-tech companies in Saskatoon and in Regina because we have a lot of

exciting things going on, and we're very proud of that.

So thank you very much.

**Ms. Smart:** — Mr. Minister, I'd like to thank the officials for being here, for answering our questions. Those of us who represent Saskatoon constituencies are very interested in the research council work, and are familiar with the research council and will be visiting it in the future, as we have in the past. We welcome your invitation to do so, and emphasize again our concern that this also be a project that develops in a diversified and decentralized way around the province.

Thank you.

The committee recessed until 7 p.m.