

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Clerk: — According to order, I have reviewed the following petition under rule 11(7) and it is hereby read and received, of certain residents of the province of Saskatchewan humbly praying that your Honourable Assembly may be pleased to urge the provincial government to prevent the building of any nuclear reactors in Saskatchewan.

INTRODUCTION OF GUESTS

Mr. Saxinger: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you, and through you to the members of this Assembly, a group of people. They come from Cudworth. They are in the sheltered workshop, the Columbian industry.

There are 13 of them and I want to read off the names because some of them come from the North Park Centre that got closed down in 1988: Darlene Leister, Bronia Osolinsky, Shelley Wiebe, Russell Olynuk, Betty Meszaros, Albert Detillieux, Daniel Fredericks, Louis Prediger, Max Mazur, Kerry King, Henry Pelletier, Russell Barry, and Donna Serblowski. Would they please stand.

Hon. Members: Hear, hear!

Mr. Saxinger: — They are accompanied by five staff members: Martin Schofield, Loreen Waldbillig, Lorne Sample, Margarite Gebauer, and Shawn Prestupa.

First of all I want to congratulate the staff for a job well done in the Columbian industry. I visited the Columbian industry, Mr. Speaker, and I just see a happy group there. Seven of the people I had introduced come from North Park Centre in 1988 when it got closed down. They live in a family-type setting group homes in Cudworth, and they are very much involved in the community. They do fund raising and bingo. They even are involved in singing; they have a choir, and an excellent choir, I must say.

I want to welcome them here. We have a meeting at 3 o'clock in room 218 for drinks. And I also had invited the news media to interview some of these people because some of them tell me they really enjoy this family-type living and they never, ever want to go back to any institute or North Park Centre.

With this, I would like to ask everybody in this Assembly to help welcome these people to Regina.

Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and other members of the Assembly, on behalf of my seat mate, the minister responsible for the Public Service Commission, a number of our hard-working and dedicated civil servants seated in your gallery, part of the ongoing process of

allowing people within our departments to visit the legislature during question period and to view some of the proceedings, and to get a better sense, I suppose, as to what happens here in the legislature.

The ones that are joining us today are from the Public Service Commission, Economic Diversification and Trade, Social Services, Consumer Affairs, Health, and Finance. Mr. Speaker, I would ask you and all members of the legislature to give these very special people a hearty welcome here to the legislature this afternoon.

Hon. Members: Hear, hear!

Mr. Muller: — Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and through you, 15 grade 7 students and their teachers and chaperon; the teachers: Dawne Braaten, Jim Mireao; chaperon, June Schutte; and bus driver, Alvin Pease.

Wildrose is quite a unique community. They have one of the longest running 4-H clubs I think in all of Saskatchewan, and certainly one of the most famous ones. One of their 4-H calves brought \$5 a pound at the annual fat stock show and sale in Prince Albert here a couple of weeks ago. I didn't buy that one but I was certainly there to witness it, and it's always a pleasure to see these young people working with their livestock.

I'll be meeting with these students and teachers and chaperon at 2:30 for pictures and drinks and I would ask all members to please welcome the Wildrose School to Regina.

Hon. Members: Hear, hear!

Mr. Toth: — Mr. Speaker, allow me to introduce to you and through you to the Assembly, on behalf of my colleague, the member from Souris-Cannington, a number of students from the Alameda School. They are 21 in number, Mr. Speaker, grade 6 and 7 students who are here touring the Assembly today.

I would like to welcome them, welcome their teacher, Jeff Cameron; chaperons, Mary Janke and Nelson Hagarth. And we welcome you and we trust you've had an enjoyable trip, and also I'm sure you'll enjoy viewing the science centre as well. I ask the members to join me in welcoming the students.

Hon. Members: Hear, hear!

Hon. Mr. Klein: — Thank you, Mr. Speaker. I am pleased to introduce to you, and through you to all of the members of this Assembly, some 28 young constituents of mine in my constituency of Regina South. They're sitting in your gallery, Mr. Speaker. They're grade 6 students from Dr. A.E. Perry School and are accompanied here today by their teacher, Miss Dale.

Hopefully they will find their visit to the legislature informational, educational, as well as enjoyable, and I look forward to meeting with them a little bit later following question period, to see how they enjoyed their visit. I ask all members to join with me in welcoming them

to our Assembly.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Contracts for Hospital Pharmaceutical Supplies

Ms. Simard: — Mr. Speaker, my question is for the Premier. As the Premier knows, his government has been pouring money into Canapharm, the Wolseley based firm which manufactures intravenous equipment; and as the public knows, you have been looking to sell this firm in order to get out from under it. But what we don't know is how far you're prepared to go in order to sell the firm.

Now will the Premier confirm that you have as recently as this spring been negotiating with Abbott Pharmaceutical, a Chicago based firm, to purchase this plant; and will you confirm that part of the deal would be to guarantee that Saskatchewan hospitals will buy exclusively from Abbott for a 10-year period?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Mr. Speaker, this government is very proud of the fact that Canapharm is in the province of Saskatchewan, manufacturing pharmaceutical products that are used indeed across this province, and indeed now in western Canada. It's a type of manufacturing process that was never known to the province of Saskatchewan before and is building a good reputation amongst the hospital community in western Canada. And as I told the members in the Crown Corporations Committee, Mr. Speaker, that we have had approaches, a number of them over time, about possibilities of purchasing Canapharm. And as I indicated to the members at that time that those preliminary discussions had not gone any further, and I don't believe, Mr. Speaker, that I have anything further to add at this time.

Some Hon. Members: Hear, hear!

Ms. Simard: — Now since the Premier is refusing to answer the question, Mr. Speaker, I will direct it to the minister. Mr. Minister, will you confirm that a deal is in the process of being negotiated, or that it has been, to give Abbott a 10-year exclusive sales contract to Saskatchewan hospitals which would include such items as infant formula, adult nutritional intravenous solutions, irrigation solutions, administration sets, small volume parenterals, total parenteral nutrition, dialysis solutions, electronic flow-control devices, critical care products, disposable suction, diagnostic and venipuncture products — most of which are not even manufactured at the Wolseley plant, and would be supplied from Abbott facilities outside the province, Mr. Minister.

Can you explain why you would be negotiating a 10-year exclusive contract to a company to supply our hospitals when the majority of these jobs, the majority of these products with the incomes and jobs attached, would be at a facility outside this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — I guess what I would be interested in knowing, Mr. Speaker, is that the member opposite is against the province of Saskatchewan being involved in diversification projects, as particularly in the medical industry which was unknown to this province prior to 1982. And I think it's fair to say, Mr. Speaker, in the area that the member is talking about that negotiations such as she is intimating would be carried on by hospitals on behalf of themselves with pharmaceutical companies, and I believe that that process has been the past history in the province of Saskatchewan, and certainly would be ongoing on a hospital-by-hospital basis, on a board-by-board basis and they would arrive at a negotiated settlement.

Some Hon. Members: Hear, hear!

Ms. Simard: — Mr. Minister, can you tell us what the estimated worth of sales would be annually under this 10-year exclusive sales agreement?

Hon. Mr. Swenson: — As I said previously, Mr. Speaker, and I don't think it needs repeating a third time, that those types of negotiations are carried on by hospitals and hospital boards, and they are done on an ongoing basis. And that would be the case of any pharmaceutical company dealing with a particular hospital in the province of Saskatchewan.

If she has further questions in that line, I would suggest that they perhaps be directed to the Minister of Health.

Some Hon. Members: Hear, hear!

Ms. Simard: — Mr. Minister, can you tell us what the anticipated cost of the Abbott prices will be in comparison to the current prices?

Hon. Mr. McLeod: — Mr. Speaker, as my colleague has said, negotiations for whatever products are supplied and whatever products are contracted for, for any hospital in the province, large or small, are done by hospital boards or their agents, in other words, the administrators of those hospitals. That's the case, that's absolutely the case, Mr. Speaker.

For the members opposite to stand and intimate anything other than that, I challenge them to phone the hospitals and ask if we the Government of Saskatchewan are negotiating those contracts on behalf of those hospitals. The answer to that is clearly no, and they know full well. They made attempts in their time in office to do just that. It did not come out to be the fact, and under this administration the hospitals do their own negotiating and are doing their own negotiating.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier. Mr. Premier, your government has pumped about \$7 million into Canapharm, including one instance where SEDCO made the company a loan of \$700,000 when it only requested 100,000. And I think that speaks reams about the way you do business, Mr. Premier.

Can you tell this House how much of that \$7 million you're hoping to recoup with this deal with Abbott?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Mr. Speaker, as I said to the previous questions in dealing with Canapharm, that this whole realm of questioning has been dealt with in Crown corporations, in front of the media just in the last few weeks. And the details of the financial arrangements of Canapharm were gone into there over a great number of hours, and these things were all provided to the member opposite.

There is no question that the Government of Saskatchewan, through SEDCO, has been involved in the financing of a diversification project for the province of Saskatchewan. We never made pharmaceutical products in this province prior to this government being elected.

We now today have a pharmaceutical farm in Wolseley, Saskatchewan, employing a significant amount of people in a very high-tech industry, which not only has markets in the province of Saskatchewan but indeed has pharmaceutical products across western Canada. And I think that is a plus for this province, for the people of this province.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, I would once again address my question to the Premier, and I think the Premier has a responsibility to stand up in this House and answer some questions for once.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Premier, can you explain why you believe it's in the interests of the province of Saskatchewan to deprive our hospitals access to fair and open tendering, and instead forcing them to purchase all of their equipment from one firm. And with this unilateral end to fair tendering, how can you assure the people of this province that our hospitals are getting top value for their money despite your strong-arm tactics?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Mr. Speaker, as I explained to the member in Crown corporations, any negotiations that Canapharm would enter into with a hospital in the province of Saskatchewan would be based on price being equal, product being equal, service being equal. And that would be the basis in all contracts in such situations would be carried on. There was no strong-arming going on by Canapharm with anyone.

Mr. Speaker, the product is manufactured in Saskatchewan, it employs people in Saskatchewan, and it is establishing a reputation beyond the borders of Saskatchewan. And I think that people in the medical community, both in our province and outside of our province, have recognized the quality of the Saskatchewan worker. Mr. Speaker, if there was any interest expressed by companies in Canapharm it would be on the basis of the strength of the Saskatchewan

worker working there.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, once again I'll address a question to the Premier. Mr. Premier, I want you to know, in case you're not aware, that the only thing that is manufactured at Canapharm are IV (intravenous) solutions and that type of equipment, and it doesn't include the other things that you're going to be entering into with Abbott, Mr. Premier.

Mr. Premier, I want to know and my question is this: if for some reason the Canapharm plant closes or relocates, will Abbott keep this 10-year contract, this exclusive contract with our hospitals? And does this sweetheart deal with Abbott include any guarantees about jobs of the people that are working in that plant should it close or relocate? Will you answer that, Mr. Premier?

Hon. Mr. Swenson: — Mr. Speaker, there are no sweetheart deals between the government of Saskatchewan and any company interested in purchasing Canapharm. Anyone interested in purchasing Canapharm, as any other business that the government is involved in, would have to go through a process of a memorandum of understanding, a due diligence process. And as I indicated to the member in Crown corporations that none of that had been entered into at the time of our discussions, but if they are entered into, that process will be followed out to the end. And there would certainly be no sweetheart deal in this particular operation, as there isn't in fertilizer plants or anything else.

Some Hon. Members: Hear, hear!

Inquiry into GigaText

Mr. Anguish: — Mr. Speaker, my question is to the Premier, and it concerns the ghost of GigaText, which we thought had actually passed. But it seems that Senator Cogger, who represents your party in the Senate, is in some hot water according to some documents filed with the RCMP in the Quebec court.

Now, Mr. Premier, I'm wondering if you could tell us whether or not Mr. Montpetit or his go-between, Mr. Waschuk, actually did some lobbying and influence peddling, as Mr. Cogger is being charged for. And I'm wondering whether or not you can tell us, in your fine recollection of those events, Mr. Premier, whether or not the RCMP has been in touch with your government to determine whether or not there's influence peddling against you and your colleagues.

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Once again, Mr. Speaker, members opposite ask questions that have been asked in the recent past, and as everyone in this legislature knows, that the RCMP were called in to investigate any allegations made vis-a-vis the GigaText company. There were no criminal charges put in that particular instance, and the offer's always been open to members opposite that if they have any knowledge of criminality that they should be bringing it forward and placing it in the hands

of the RCMP.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Well the minister's right to some extent. There have been questions but there's been no answers. There has been an RCMP investigation; nobody knows what they investigated. You won't tell us that information, either. And I would like to point out to you very clearly, it's quoted that Mr. Cogger allegedly accepted or demanded funds for benefits from Guy Montpetit for his companies which were seeking grants from the governments of Ottawa, Saskatchewan, and Quebec.

Now I want to ask you, Mr. Premier, were you aware, when you were riding around in the back seat of Guy Montpetit's limousine, that Mr. Cogger was influence peddling with your government?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — As I said, I'll only repeat once more, Mr. Speaker, that there were no criminal charges laid in the province of Saskatchewan after a thorough investigation; that any questions that the member might have in regards to allegations of criminality in other parts of Canada would best be put to the Attorney General, I believe.

Some Hon. Members: Hear, hear!

Mr. Anguish: — The Attorney General didn't happen to be here. I placed the question to the Premier and the Premier's responsible for the government and its misdeeds by people like Senator Cogger. The question that we put to you is that: were you aware, Mr. Premier, as you rode around in Guy Montpetit's limousine, that either Senator Cogger, who's being looked at and investigated right now by the RCMP, or his go-between, Ken Waschuk, was influence peddling your government, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Mr. Speaker, once again we have seen the member from The Battlefords raise unsubstantiated allegations in this House. Mr. Speaker, as I said to the member in a Crown Corporations Committee, perhaps if you have a favourite conspiracy theory of the day you should write books, but don't raise them in this Chamber. Because if there is criminality involved, the RCMP will handle it. And if there is criminality alleged in other parts of Canada, then it will be the responsibility of the Attorney General to look after it.

Some Hon. Members: Hear, hear!

Mr. Anguish: — The questions that were asked — a new question to the Premier — the questions that were asked, when the answers came back was either: it's under RCMP investigation; it's before the courts; or I don't have that information at my fingertips. You didn't answer the questions in Crown corporations.

I go back to the question to the Premier, and I repeat that — it's a quote:

Mr. Cogger allegedly accepted or demanded funds and other benefits from Mr. Montpetit or his firms which were seeking grants from the governments of Ottawa, Saskatchewan and Quebec.

I finally put to you, Mr. Premier: were you aware that either Senator Cogger or his go-between, Mr. Waschuk, was influence peddling your government or some of your cabinet ministers? Were you aware of that, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — As I said, Mr. Speaker, in my first response to the member opposite, those particular allegations that were made in this House last year by that member were referred to the RCMP. Those very questions — Mr. Speaker, if you remember them, which came from that member day after day — those very allegations were referred. And obviously, Mr. Speaker, there was nothing of basis in those allegations.

Now the allegations that the member talks about have occurred in another province concerning other people, and if he has those questions, I have referred to the Minister of Justice.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Well, they're being referred to you right now, and I would ask the Premier that, although the government is kind of wound up GigaText and that it was at a horrendous cost to Saskatchewan taxpayers, nobody is taking responsibility for it. Nobody is taking responsibility for the fiasco.

Here we see again the RCMP are investigating, investigating your politicians at the Senate in regard to influence peddling. These are serious allegations. They come based on court evidence, RCMP evidence, and the public has a right to know the information in regard to the GigaText affair in the province of Saskatchewan.

I ask you, Mr. Premier: today will you commit to this Assembly and to the people of Saskatchewan that you have, once and for all, open up the files of GigaText and don't hide behind court. Don't hide behind RCMP. Don't hide behind not having the information available. I ask you today, Mr. Premier, will you commit yourself to opening all the files that your government has concerning GigaText so the public can scrutinize your dealings?

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Mr. Speaker, the member opposite is wrong when he says that the details of GigaText have not been revealed to the public. That process has been ongoing since last fall when I, as minister responsible, shut down the GigaText corporation. The investment by Crown Management Board, the investment by SEDCO, the wind-down procedure, the sale of assets — all of that, Mr. Speaker, has been in the public purview. At press conferences, in public, Mr. Speaker, that whole process has been before the people of Saskatchewan.

And for the member opposite to allege that that has been hidden is entirely wrong. And, Mr. Speaker, I think the member should apologize to the public for saying that that process has been hidden from them.

Some Hon. Members: Hear, hear!

Cost of SaskTel Publication

Mr. Trew: — Thank you, Mr. Speaker. In the absence of the minister responsible for SaskTel, I'll direct my question to the Premier. And I call the Premier's attention to page 13 of your own Speech from the Throne, sir, which states, "restrictions on travel and advertising have been implemented." Now that was one of eight actions that you reported in your Speech from the Throne.

That being the case, Mr. Premier, can you explain why SaskTel is now paying to have a 20-page, full-colour, glossy magazine, which is little more than a propaganda vehicle for the minister responsible for SaskTel, printed and distributed free to some 10,000 people four times a year. And can you tell us, Premier, how much it is costing SaskTel to put out the minister's own promotional magazine? Is it \$40,000? Or \$50,000?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well, Mr. Speaker, let me indicate first of all that the hon. member says that it's political propaganda and let me say if it is that it's not a very good likeness on the cover, Mr. Speaker. That is not my picture on the cover.

An Hon. Member: — Turn the page.

Hon. Mr. Lane: — That has to do with the Saskatchewan records . . . I'm going to turn the page, Mr. Speaker. We've got ads from Northern Telecom, we've got Saskatchewan Roughriders, we've got one, two, three, four, Mr. Speaker, on the Saskatchewan Roughriders. There are two pages on the . . .

The Speaker: — Order, order.

Mr. Trew: — A new question, Mr. Speaker, to the Minister. You'll note your mug on page 8, and you will notice again your mug on page 9 of this glossy thing.

The Speaker: — Order, order. I'm not sure whether I should refer to that as unparliamentary, but it certainly isn't fitting language. Order, order. Allow the member to continue.

Mr. Trew: — Thank you, Mr. Speaker, I was just referring to the photo opportunities on those pages, of course. Minister, let me quote from the lead editorial by David Carlin, who's vice-president of marketing and corporate development for SaskTel, your employee, sir. And I quote:

As you will see, the economic, social and political issues involved in delivering telecommunications services are complex, and important to our future.

And when talking about the rapid change in the

telecommunications industry, he says and I quote: "In part it is because of changes taking place in the political arena."

Clearly, Minister, this magazine intends to devote time and space to political commentary as in fact it did in the first issue with the so-called interview with yourself. How in the world, Minister, can you justify having a Crown corporation publish a magazine solely for the purpose of spouting your government's political line, and especially in light of the Premier's comments in the Speech from the Throne and in light of the tens of thousands of hungry children in Saskatchewan? How do you justify this cost?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I'm surprised, Mr. Speaker, that the NDP just put on record today that this government's stand against the actions of the national government to put SaskTel under CRTC (Canadian Radio-television and Telecommunications Commission) regulation is a partisan political issue and is the political agenda of this government, Mr. Speaker.

We oppose that, and it's very interesting that the NDP stand up today and say that the government should not fight that particular issue. We believe, Mr. Speaker, that the way SaskTel is regulated now by the people of this province and the government of this province, is right for SaskTel and it's right for the people of this province, Mr. Speaker.

That is a political statement. It's a political decision to allow deregulation and national regulation. It is a political statement for me to object to it. What I'm surprised, that the NDP oppose my fighting and this government's fighting against the actions of the federal government to protect SaskTel.

Some Hon. Members: Hear, hear!

Mr. Trew: — New question, Mr. Speaker, to the same minister who is fighting for his own political survival and nothing more.

Some Hon. Members: Hear, hear!

Mr. Trew: — Mr. Minister, you did not answer the question as to the cost of this 20-page glossy, political propaganda report. How much did it cost and how in the world can you justify it when there are thousands of hungry children every day, as we speak, in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Again, Mr. Speaker, I believe I and most people in this province would be surprised to hear the NDP say that this government's objection to the CRTC regulating SaskTel is political propaganda.

Mr. Speaker, let me make it abundantly clear, it is the position of this government to oppose the CRTC regulation of SaskTel. To state that argument to the people of this province may be called political propaganda by the NDP, but I strongly suspect, Mr. Speaker, that the vast

majority of the people of this province agree with the government on its opposition to CRTC regulation. And for me to carry that message, Mr. Speaker, is good for the people of this province.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

New Insurance Compensation Plan

Hon. Mr. Klein: — Thank you, Mr. Speaker. I wish to call to the attention of the Assembly a recent and significant improvement in protection for insurance consumers in Saskatchewan. Some hon. members may be aware that in January of this year a new national compensation plan for life and health insurance policyholders was established. Saskatchewan played a leading role in the discussions which led to the creation of this significant loss protection plan. Our participation was made possible by amendments to The Saskatchewan Insurance Act.

Today I am pleased to inform the Assembly that Saskatchewan will require all licensed insurers here to participate in this plan which was previously a voluntary matter.

Mr. Speaker, what this means is that all Saskatchewan life and health insurance policyholders will be protected from loss in the event of the insolvency or failure of a life or health insurance company.

I'm also pleased to report that the new compensation plan is entirely funded and administered by the Canadian life and health insurance industry, a substantial benefit to consumers in terms of improved protection at no additional cost to taxpayers. The benefits under this industry-run compensation plan are considerable: guaranteed death benefits up to \$200,000, annuities guaranteed up to \$2,000 per month, and policy cash values covered up to \$60,000.

I remind all hon. members that Saskatchewan was also the leader in getting a similar plan set up to protect policyholders in the property and casualty sector of the insurance industry, a plan that has been up and running successfully since December of 1988 at industry expense and to public benefit.

For example, the recent failure of Advocate General Insurance Company resulted in over 6,000 claims from policyholders, totalling more than \$30 million. Mr. Speaker, over \$2.2 million has already been paid out to claimants, including Saskatchewan policyholders. It's anticipated that all \$30 million will be returned to every policyholder at 100 cents on the dollar under the property and casualty compensation plan. That, Mr. Speaker, is real consumer protection.

Thank you.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, I want to thank the minister for providing me a copy of his remarks just a few moments ago during question period. And as I reviewed those

remarks, Mr. Speaker, I asked myself the question: why in the world are we having a ministerial statement in this House today on this matter?

Mr. Speaker, obviously this is an appropriate and appreciated improvement in Canada. But why in the world are we having a statement today in this House about something that is relatively old news? The minister himself admits that already \$2.2 million has been paid out under this program, so it's not news, sir.

Mr. Speaker, I submit that while this is an appropriate program and welcomed, the people of Saskatchewan, particularly the 6 to 7,000 people who saw their life savings disappear June 29, 1987 and have only to this date seen not even two-thirds of those savings returned, would wish that that minister and his government would pay attention to their concerns and support them, sir.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 50 — An Act to amend The Teachers' Superannuation Act

Hon. Mr. Meiklejohn: — Thank you, Mr. Speaker. As a result of the successful negotiated agreement yesterday of the CPP (Canada Pension Plan) integration for teachers' superannuation, it gives me a great deal of pleasure today to give first reading to a Bill to amend The Teachers' Superannuation Act.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 48 — An Act to amend The Court of Appeal Act

Hon. Mr. Lane: — Thank you, Mr. Speaker. This Bill contains provisions aimed at improving the administration of the Court of Appeal and clarifying wording of The Court of Appeal Act. The amended Act will provide that the Court of Appeal shall not be fewer than five in number. This amendment will ensure the continued independence of the court. The Bill also contains a statement of the administrative powers and duties of the Chief Justice of the Court of Appeal.

The present Act, unlike The Queen's Bench Act and The Provincial Court Act, is silent in this regard.

Provision will now be made for acting chief justices, when the chief justice is unable to act, his or her designate will fill in for him or her. If both the chief justice and his or her designate are unable to act, the senior puisne judge of the court will act.

The Bill also provides for the retirement of chief justices to the status of puisne judges. This will allow them to retain their judicial status while relinquishing their substantial

administrative duties.

The Act will clearly state the right to appeal final decision of the Court of Queen's Bench. It will set out the requirement for leave to appeal interlocutory decisions of that court. This requirement is meant to decrease the unnecessary delays in court.

The Bill also contains amendments setting out the number of judges who may hear certain matters. It provides for appeals of chambers applications, except with respect to applications for leave to appeal. The disposition of matters in situations of death or retirement of a judge is provided for. This amendment requested by the Saskatchewan bar will facilitate the completion of court cases in a fair and timely manner.

The amendments will also clarify the meaning of some provisions with, most notably, with respect to the jurisdiction of the court and the principle that a judge cannot sit in appeal of himself or herself. The Act will also replace the words "judgement, order, decree, verdict, or finding" with the all-encompassing "decision". I'm confident that these amendments, Mr. Speaker, ensuring the efficient administration of the Court of Appeal will be welcomed by both the judiciary and the bar. And I'm pleased to move second reading of An Act to amend The Court of Appeal Act.

Mr. Koskie: — Thank you, Mr. Speaker. Mr. Speaker, and Mr. Minister, I don't believe we have any problems with this but I want to get my feedback in respect to the changes. And we'll be prepared certainly to move tomorrow, advance it. And accordingly, I'd like leave to adjourn debate on that Bill.

Debate adjourned.

Bill No. 49 — An Act to amend The Queen's Bench Act

Hon. Mr. Lane: — Thank you, Mr. Speaker. This Bill contains provisions to enhance the effective administration of the Court of Queen's Bench. It allows for the retirement of the Chief Justice of the Queen's Bench to the status of puisne judge without requiring full retirement from the court. This will allow the Chief Justice to give up his or her substantial administrative duties while retaining his or her judicial status.

The Bill will also provide for an Acting Chief Justice in the absence of the Chief Justice. The efficient administration of the court will be facilitated.

The Bill provides that first the designate of the Chief Justice and second the senior puisne judge of the court will act in the place of the Chief Justice in his or her absence.

Again I'm confident that these amendments will enhance the efficiency of the Court of Queen's Bench, and I'm pleased to move second reading of An Act to amend The Queen's Bench Act.

Mr. Koskie: — It's the same situation in respect to The Queen's Bench Act. We want to have a little time to take a look at the comments of the minister.

I beg leave to adjourn debate.

Debate adjourned.

(1445)

ADJOURNED DEBATES

SECOND READINGS

Bill No. 45

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that An Act to amend The Land Titles Act be now read a second time.

Mr. Koskie: — Thank you, Mr. Speaker. I want to make just a few comments, generally in respect to The Land Titles Act and the amendments. We are in essential agreement with the amendments that have been provided within the Bill.

There is one basic concern that I want to raise to the attention of the minister, and that is in respect to the provision which in effect gives to the SaskEnergy Corporation . . . yes, and to the Provincial Gas Limited the same rights, provides the same rights as SaskPower and SaskTel. Indeed what it does, it provides that a rural land title should be subject to any consent, right of way or easement acquired by SaskEnergy or Provincial Gas to construct or maintain pipeline on or under land pursuant to programs established for that purpose.

What I'm saying is that what the Bill is doing is providing to SaskEnergy and to Provincial Gas Limited basic powers that were given to SaskPower and SaskTel. And basically what it does is it is a considerable saving in that by granting this easement or right of way, it is not required to register and it saves the cost of that registration of those instruments in the Land Titles Office.

Now we are not opposed to that being provided to SaskPower and SaskTel, and in effect it has been in operation for a long time. But what is being provided here is extending that to SaskEnergy Corporation and Provincial Gas Limited. And the problem that we see is that in providing this, what guarantee do we have — and I'd address this to the minister — that in the event that it is privatized and these amendments are put into The Land Titles Act, that in the event that SaskEnergy Corporation is privatized and continues to operate under that, because it is now a body corporate, incorporated under The Business Corporations Act, and similarly with the Provincial Gas Limited.

And certainly we will be opposing, if that's the intention, and we want to have some guarantee and an amendment.

I am proposing . . . we're prepared to support the provision as long a SaskEnergy is solely a subsidiary to a Crown agent. But certainly we are not prepared to provide it those benefits of not having to register easements if, in fact, it becomes privatized. And those are the concerns that we have there. And otherwise we're prepared to support the legislation, and what I intend to do is to move an amendment to that extent.

An Hon. Member: — Do you want to send it over?

Mr. Koskie: — I'll provide it tomorrow to you.

An Hon. Member: — We can take a look at it.

Mr. Koskie: — Yes. That we have the guarantee that it provides only in the event that SaskEnergy and also Provincial Gas Limited are a solely owned subsidiary of a Crown agent and not a privatized company. Then, in those circumstances, Mr. Speaker, we would be prepared to support the Bill.

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

Bill No. 47

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wolfe that Bill No. 47 — An Act respecting the Saskatchewan Association of Speech-Language Pathologists and Audiologists be now read a second time.

Ms. Simard: — Thank you very much, Mr. Speaker. Mr. Speaker, we have met with the professional association and we have gone through the legislation. We don't have any particular problem with the precise provisions of the legislation, but I do want to say that we still remain very concerned about the terrible shortage of speech pathologists, speech-language pathologists and audiologists in the province of Saskatchewan.

I've spoken on that at some length in the legislature, that the ratios of speech-language pathologists, the national ratio, as I understand, is 1 for every 9,587, and in Alberta it's 1 for . . . to 6,503 people. And here in Saskatchewan we have a ratio that is 1 to every 13,416 people.

I mean it's atrocious, Mr. Speaker. This problem has to be dealt with. There's absolutely no question it has to be dealt with, and the Minister of Health simply has not been undertaking adequate steps of reimbursement and bonus incentives, benefit packages, that meet what is taking place in other jurisdictions across Canada, Mr. Minister . . . Mr. Speaker.

And we will be dealing with that in more detail when the Bill gets to Committee of the Whole, but at this point I simply wish to say that we are prepared to let this Bill go on second reading.

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

COMMITTEE OF THE WHOLE

Bill No. 29 — An Act to amend The Crown Minerals Act

Clause 1

Mr. Chairman: — Would the minister introduce his officials to us, please.

Hon. Mr. Swenson: — Thank you, Mr. Chairman. Today

with me I have John Reid, deputy minister; Ray Clayton, assistant deputy minister; and Hal Sanders, manager of revenue services.

Mr. Solomon: — Thank you, Mr. Chairman, and thank you, Minister, for introducing your officials. I rise to ask some questions with respect to Bill 29 — An Act to amend The Crown Minerals Act. I've reviewed the Bill and there's a first provision that you've put in there with respect to providing the government with authority to enter into agreements with other governments on the sharing of information, in order to enforce taxation legislation, is something that has been done in the past I believe on two occasions. One I recall in The Mineral Taxation Act which we supported at that time — that element of it anyway.

And I'm asking the minister this afternoon, since this is now the third occurrence on a third separate Bill, could you please tell me whether there's going to be any other Bills affected in the future with respect to this exchange of information and the confidentiality required with respect to that?

Hon. Mr. Swenson: — Mr. Chairman, as I understand it, that any time one of our pieces of legislation of a substantive nature is brought up, we like to update it because we have many more people from other jurisdictions coming to the province of Saskatchewan who didn't operate here before, and it's important that in taxation matters that we be totally current.

And also the question of confidentiality is something that is an absolute must to maintain in this particular area because of the risk in the undertaking of shareholders all across the world, if you will. So confidentiality is an absolute must in this regard.

Mr. Solomon: — With respect to taxation matters, Minister, as a result of previous amendments that have included this clause, can you share with the Assembly this afternoon whether you've exercised those particular authorities, and have they benefitted the department in collecting these taxes, or at least providing the treasury with a little more information regarding other companies in other provinces?

Hon. Mr. Swenson: — Well, Mr. Chairman, we haven't entered into any formal agreements as yet. We are in discussion with other jurisdictions, but no formal arrangement yet with any one of them.

Mr. Solomon: — Mr. Minister, part of the Bill ensures that the powers of the regulations under a certain clause will supersede any unitized oil and gas agreements or Crown leases that specifically identify lease rental rates. And you say that these leases or agreements contain clauses outlining royalties that were in effect at the time they were entered into without provision for making changes when royalty structures or rates changed. Can you give us an example of how this amendment would affect these lease agreements or unitized agreements or Crown leases?

(1500)

Hon. Mr. Swenson: — Mr. Chairman, I think I would put

it this way to the member: that if you had, say, one of the early unitizations from the early 1950s, which had a royalty basis of so many cents per barrel in comparison with today's new royalty structure which is very price and volume sensitive, that it would be necessary to update that and bring it into the mainstream of the new royalty process. And sometimes because these units in the past were on a quite small basis, it wasn't felt, I suppose, appropriate at the time to go in and change the Act simply to go to one small unit.

Since we've come in with our new royalty structure, we feel it appropriate to address some of these situations that have been around for quite a while.

Mr. Solomon: — Will the net effect of this amendment, Mr. Minister, result in higher royalty revenues to the province or lower royalty revenues to the province?

Hon. Mr. Swenson: — They certainly wouldn't be lower, Mr. Chairman. If anything, the general trend would be to an increase.

Mr. Solomon: — So the reason for this amendment will in effect be to increase the royalty revenues from these older wells that have been producing over the years. Is that correct?

Hon. Mr. Swenson: — Yes, in some cases, and to put all producers on the same playing field with the new royalty structures.

Mr. Solomon: — Could you give us an indication, Mr. Minister, what we're talking about in terms of dollars? What do your officials estimate the impact of this to be? Are we talking \$100,000 a year? A couple of million dollars a year increase in royalties? You must have some estimate, that's the reason for the amendment. Could you share that estimate with us?

Hon. Mr. Swenson: — Mr. Chairman, my officials wouldn't have those figures with them today but they'd certainly be prepared to provide them to the member in the future.

Mr. Solomon: — Thank you, Minister. I would ask that that be done then please, and certainly if the forecasts estimate and confirm your statement today, I think that that would be a good approach to take on these older wells.

Mr. Minister, another aspect of the Bill places a ceiling on the maximum amount of compensation that can be received by a company whose oil and gas rates were acquired by the Crown in 1974. What has prompted this change?

Hon. Mr. Swenson: — Mr. Chairman, as everyone is quite aware, that the government undertook a fiscal review of all areas of government prior to the last budget and that it was felt in the area of fiscal management and restraint that all departments do their best. And this was simply my department coming forward with what they felt was a contribution to the overall well-being of the province of Saskatchewan and at the same time recognizing still some responsibilities that had been

around for some time that were occurred in other administrations.

Mr. Solomon: — What will be the impact of this change on the government's financial position?

Hon. Mr. Swenson: — There are savings, Mr. Chairman, of slightly over a million dollars.

Mr. Solomon: — Does that mean a million dollars . . . a positive gain for the treasury? The minister affirms that.

Mr. Minister, what has been the average compensation that the Department of Energy and Mines and the government have paid out over the years and why did you pick \$50,000 as a figure?

Hon. Mr. Swenson: — Mr. Chairman, the average compensation payments over the last couple of years have been in the range of two and a half million dollars. The \$50,000 figure was arrived at as a reasonable amount to companies that compensation payments were owing to, realizing that many of the smaller producers in our oil patch don't have the wherewithal, the access to cash flow, that many of the larger multinational-type companies do have, and that this particular level would be appropriate in their circumstances in that larger companies would have access to other dollars that would be forgone under this particular Act.

Mr. Solomon: — Well I'm not clear, Mr. Minister, in what you're saying. Could you run that by me again and maybe reword it so that I can understand it? I'd appreciate that.

Hon. Mr. Swenson: — Well, Mr. Speaker, the figure was arrived at being a reasonable balance between those companies that operate in our province who rely on this compensation income to cash flow their operations, vis-a-vis larger companies who have access to cash flows obviously that may be generated in other areas of endeavour. And it was felt that we had struck a reasonable balance to the size of the companies that were relying on this money for part of their ongoing operations.

Mr. Solomon: — Thank you, Minister. Could you please explain . . . give us an example of how one of these transactions would take place.

Hon. Mr. Swenson: — Mr. Chairman, a company would be operating a specific well and the production from that particular well would be recorded on a monthly basis, and then the portion of that production which was due for compensation would then be reported to the department and cheques issued back to the company on a monthly basis.

Mr. Solomon: — Thank you, Minister. The portion that's due for compensation, how is that defined? Who defines what portion and under what circumstances would it be paid out?

Hon. Mr. Swenson: — There's a formula, Mr. Chairman, that's been in place, and what it did is it reflected the price and the royalty structure at the time of the expropriation in 1974. And that calculation is done on that basis and then reported to the department. The department in turn

issues a cheque back to the company.

Mr. Solomon: — What representations have you had from the companies as a result of this proposed amendment?

Hon. Mr. Swenson: — Mr. Chairman, some companies have made no representation; some have made representation to the government that they had wished this had been otherwise, as I suppose they had wished it had been otherwise when the expropriation occurred in 1974.

I think, by and large, the industry as a whole appreciates the fiscal management of the province and that steps are necessary, given our agricultural circumstances, to manage our finances. By and large, they have been appreciative of the regime that they have worked under this administration, and I think they understand these circumstances, by and large.

Mr. Solomon: — How much do we now pay out as a province, Minister, in total for the compensation on an annual basis?

Hon. Mr. Swenson: — As I said before, Mr. Chairman, the average over the last few years has been two and a half million dollars.

Mr. Solomon: — Mr. Minister, thank you. I turn now to the trust interests where the Crown owns the rights of certain surrendered lands and would like to lease these back to development. The Bill will allow, I understand, that as a role of trustee for the owner of the trust certificates, you'll be able to proceed in situations where the owners of the certificates cannot be located; and where their agreements to the terms of the leasing arrangement cannot be obtained, will be able to work out some solution. Can you tell us how many of these parcels of land are currently being held in trust by the government?

Hon. Mr. Swenson: — Approximately 2,500, Mr. Chairman.

Mr. Solomon: — How many would be held by individuals as opposed to companies?

Hon. Mr. Swenson: — Mr. Chairman, there would be approximately 90 per cent of them held by individuals.

Mr. Solomon: — And I understand these have been held primarily since the '40s and '50s. Is that correct?

Hon. Mr. Swenson: — Mr. Chairman, the member's correct, that many of those dated from the '40s and '50s and were in that state until the province of Saskatchewan got into the act in 1974.

(1515)

Mr. Solomon: — And have they been sitting somewhere on file as a result of these conversions, or I should say transfer of trust? Has there been no initiative on behalf of the department to seek out the title holders?

Hon. Mr. Swenson: — Yes, Mr. Chairman. The department has been very vigorous in trying to find the owners of these trust certificates. But, as the member can appreciate, as time goes on, where we're 40 and 50 years down the road, it becomes increasingly difficult to locate these individuals. And without this particular Act, these lands would simply sit in abeyance for ever and a day. And that is the reason that it's included in the provisions.

Mr. Solomon: — I notice from your second reading speech on May 30 that you indicated that when the trust certificates are converted to full legal title, the Crown will be free to pursue the leasing of these lands. How much land are we talking about out of the 2,500 leases?

Hon. Mr. Swenson: — Approximately 600,000 acres, Mr. Chairman, involved with the trust certificates, and the province would probably have about an 80 per cent interest in those lands.

Mr. Solomon: — How will the trust certificates be converted into full title once some of these people are located? How is that done?

Hon. Mr. Swenson: — That'd be just normal fashion, Mr. Chairman, through Land Titles Office.

Mr. Solomon: — So is it correct to assume then that these lands will become Crown lands if they cannot be searched out in terms of the individual owners?

Hon. Mr. Swenson: — The process would be as follows, Mr. Chairman: there is that ongoing diligent search for the individuals involved, and if they are found, then we go through the normal process as I outlined to the member. If a trustholder is not found, then the trust account will be established. And if during that period of 10 years, at any time that individual comes forward, the individual would have access to the money, plus the title. And then after the 10-year period, if no title holder is found, then the land and the proceeds revert to the Crown.

Mr. Solomon: — Thank you. Where the owners of the trust certificates can't be located, the Bill indicates that revenue shares will be held for up to 10 years. This period is to commence after the time of a reasonable search has expired. How do you define reasonable search and has the search already begun?

Hon. Mr. Swenson: — As I said before, Mr. Chairman, that process has been ongoing for a long period of years where we try and locate these people. The criteria will have to be evaluated on an ongoing basis I think to set appropriate amounts of time. We have access to different types of information. For instance, if our records show that the family — and that could be the larger family unit — is still resident of Saskatchewan, obviously the period of time that you would allocate to find those individuals would be different than someone who, say, had emigrated out of country, out of continent, and so you have to evaluate before. And I think those criteria must be evaluated all the time, so that before you start that process of the 10-year trust, that you're confident that you've done everything you can to do the location.

Mr. Solomon: — You outlined the process, or at least the

terminology and the reference. Will the department use existing staff to conduct this search, or will you be contracting the search out, or will you be hiring people to support your existing staff on a full-time basis to undertake the research?

Hon. Mr. Swenson: — Well, Mr. Chairman, we'll be adding one person on contract for this particular enterprise, and also we will be accessing two students from the co-op program at the university to also work on this endeavour.

Mr. Solomon: — Thank you, Minister. Final question. Could you provide a rationale for the establishment of the \$50,000 compensation payment. How is this figure arrived at, and do you think it's reasonable?

Hon. Mr. Swenson: — Well as I said before, Mr. Chairman, it was a level that we felt, after looking at all of the people involved, all of the companies involved in compensation payments, that was a reasonable, rational level, because these companies do depend on these compensation payments for income and cash flow in their ongoing operations. And the ability of some companies to cash flow is greater than others because they have access to more resources and more areas of cash flow. And this was the area that . . . (inaudible interjection) . . . Compensation payments all go to companies . . . (inaudible interjection) . . . That's a legal term, Mr. Chairman. That's either corporate, you know . . .

Mr. Solomon: — Okay, thank you. And one other question I had — I guess two more left — section 7, in reference to subsection 23.1, production year means that period commencing on February 1, 1990 and ending March 31, 1991. Any particular reason for the February date as opposed to another date?

Hon. Mr. Swenson: — Mr. Chairman, that's because of a two month reporting lag that keeps it consistent with the government's fiscal year. I think the member can understand that.

Mr. Solomon: — Thank you. Page 4, subsection 8 of that same clause, and I quote:

On and after the coming into force this section, when a lease described in subsection (9) expires, is cancelled or for any other reason is terminated:

- (a) the right of any person to compensation with respect to the oil and gas rights covered by the lease is extinguished;
- (b) the obligation of the Crown to pay compensation is extinguished, even if the oil and gas rates covered by the lease are subsequently disposed of pursuant to this Act and the regulations.

How does this clause affect compensation if the compensation is in dispute at the time? It may not have happened, but let's say there's some dispute and these things expire, do they lose all their rights in terms of the appeal or dispute?

Hon. Mr. Swenson: — I think, Mr. Chairman, that's something that would be settled in the courts. I mean if someone had a valid claim at the time of compensation, then that would be something that lawyers would bring forward and pursue and it would be up to the court to settle.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 40 — An Act to amend The Dangerous Goods Transportation Act

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

Hon. Mr. Petersen: — Thank you, Mr. Chairman. I have with me Bill McLaren from the Highway Traffic Board.

Clause 1

Mr. Brockelbank: — Mr. Chairman, the minister provided me with some information in relation to the questions I raised in second reading with regard to Bill No. 40 and perhaps I might just seek a bit more clarification on the information the minister provided.

The Bill transfers legislative basis for the enforcement of the dangerous goods transportation regulations. And I want to ask the minister, in the transfer of the legislative basis, what is the likelihood of personnel changes due to this particular legislative change, any staff dislocations as far as Saskatchewan is concerned, and if I may, the cost implications of this if there are any?

Hon. Mr. Petersen: — There would be no cost implications and there would be absolutely no staff relocations or dislocations.

Mr. Brockelbank: — I want to raise a question with regard to the Department of National Defence. The Bill excludes the movement of dangerous goods where the Department of National Defence is the mover. Would the minister know, perchance, what percentage of the dangerous goods that are moved by Department of National Defence, are moved by their own units as opposed to for-hire units?

Hon. Mr. Petersen: — I would have no information with regard to the percentages, sir.

(1530)

Mr. Brockelbank: — And, Mr. Minister, you state in the written explanation you gave to me that there is no reason for concern. And I assume that there has been no concern whatsoever with regard to the Department of National Defence and movement of dangerous goods as far as our Department of Highways and Transportation is concerned in Saskatchewan.

Hon. Mr. Petersen: — I'm advised by my department that

that would be correct, yes.

Mr. Brockelbank: — Final question with regard to this Bill, Mr. Minister, has to do with the — well, perhaps the second from final question — has to do with checking with other authorities that may be impacted upon by the changes in this legislation. What checks were necessary by way of consultation with other groups? And could you just outline that a bit, Mr. Minister?

Hon. Mr. Petersen: — We've consulted with a wide range of different people and groups including the federal government, dangerous goods secretariat, shippers, so on and so forth. And it's an ongoing consultative process that we've been involved with for some time, so there you have it.

Mr. Brockelbank: — Can I take from your comments, Mr. Minister, that the consultation with these bodies that you felt was necessary to consult with resulted in their compliance with the effect of this legislation? They're not resisting it; they're in compliance with it. Is that correct?

Hon. Mr. Petersen: — Yes, industry has been complying with these types of regulations for some time, as it was enacted under the federal law, and there's been no resistance now.

Mr. Brockelbank: — In conclusion, Mr. Minister, would you indicate to me that there are no new and unusual powers in this Bill.

Hon. Mr. Petersen: — To the best of my knowledge, there is none nor was there any intent to have any included.

Clause 1 agreed to.

Clauses 2 to 20 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 41 — An Act to Amend the Highway Traffic Act

Clause 1

Mr. Brockelbank: — Mr. Minister, I want to thank you again for sending over the written explanation of some of the sections that I had intended to question you about. The first one, of course, was a consultation with effective groups and I see you've listed the effective groups here at a national and at the provincial level. I might only ask one question with regard to that. The result of the consultation, as with the previous Bill: was the result of the consultation positive and in agreement with the moves that you are making, or was there resistance?

Hon. Mr. Petersen: — There's been general co-operation with this move. It's part of a national safety code which all governments and industry components support. Yes, I'd have to say there's been very good co-operation.

Mr. Brockelbank: — Might I ask about consultation with urban municipalities in Saskatchewan with regard to — let's pick a section — U-turns by enforcement officers that this Bill would permit something that was formerly prohibited by municipal law. Was the consultation

satisfactory there with the municipal organizations?

Hon. Mr. Petersen: — Municipalities support this move. It makes it consistent with other provisions that are presently in effect, so there's no objection to it.

Mr. Brockelbank: — Mr. Minister, it mentions the Highway Traffic Board in here. I wanted to, if I could get the minister to provide me with the members of the Highway Traffic Board, their appointment dates, where they're from — would the Minister provide me with that?

Hon. Mr. Petersen: — Yes, I will provide that for you.

Mr. Brockelbank: — I ask the Minister with a note of trepidation in my voice, because you will be aware, Mr. Minister, that I asked the previous minister of Highways for information during his estimates and it took him a year. He never did provide it. You eventually provided some of it to me after holding it in your warm hand for 30 days or whatever the length of time was.

Mr. Minister, you have not provided me with one bit of information since your estimates were completed over a month ago. Now are you serious when you say you're going to provide me with that information, and with the information you promised to provide me with during your estimates?

Hon. Mr. Petersen: — The short answer to that would be yes I am, and that information is being compiled. I will attempt to have the list of members and their appointment dates for you later this day. Outside of that I can only say that that information is being compiled and will be ready for you. I give you my word on that.

Clause 1 agreed to.

Clauses 2 to 13 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 37 — An Act to amend The Cost of Credit Disclosure Act

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

Hon. Mr. Klein: — Thank you, Mr. Chairman. I have beside me Ron Zukowsky, who is the director of policy and legislative services in the Saskatchewan Department of Consumer and Commercial Affairs.

Clause 1

Mr. Calvert: — Thanks very much, Mr. Chairman. Mr. Minister, I only have a limited number of questions regarding the Act, and I'm sure we can move through it fairly quickly.

Just for the record, sir, in 1988 when a similar Bill by the same title and similar nature came to the House, the minister at that time had indicated that you were hoping to see the regulations in harmony with regulations of a similar nature across Canada. Have you done that, sir, with this Bill? Have you brought into harmony the

regulations in the province with regulations across Canada in other jurisdictions?

Hon. Mr. Klein: — Well we've tried to do that, but this is one area where regulation is unfortunately not uniform across the country. And it's that way really in order to preserve the flexibility in meeting local market conditions and varying things.

They all have them in their regulations which allow the flexibility for their own areas, depending on the different types of loans or the area of interest rates or whether it's a financial institution or a small merchant of some kind.

It's fair to say that the whole country would like to get it regulated into one, but I think until the whole issue of interest rates is established across the country it's pretty difficult to put one of these variable interest rates into that set of specific regulations uniformly across the country.

Mr. Calvert: — Mr. Minister, did you in the drafting of the legislation, did you use other provincial legislations as a guide in preparing this piece of legislation?

Hon. Mr. Klein: — Mr. Chairman, I'd like to tell the hon. member that not only did we look at legislation right across the country, but even here within our province we have so much legislation in so many areas referring to interest rates, we tried to bring in some reasonableness to the entire thing, keeping in mind that this whole thing is brought about by institutions and the like that are at an unfair advantage because of the Bank Act, as you well know, which is a federal piece of legislation.

We're trying to keep everybody competitive, but there are so many different areas of concern that to have one again that would match right across the country, would be virtually impossible. I think that you recognize that. The department tried to do their best, tried to have the best of all worlds by assembling it into this provision.

Mr. Calvert: — I do recognize that, Minister, and I congratulate your departmental officials for indeed trying to do that, consolidate in this one piece of legislation.

Mr. Minister, have you had opportunity in the drafting of the Bill or since the Bill has been presented, to consult with the lenders in the province who will be affected by the legislation; and can you report to the House their response to this legislation?

Hon. Mr. Klein: — All of the major players that are involved directly where there was consultation — the Credit Union Central, the association of loan and financial institutions, the farm implement dealers — have been advised and are aware of it. Basically they support the concept. So that I think again all of the major areas of those involved, all support the concept of the variable interest rate and pretty extensive consultation has been done.

Mr. Calvert: — Minister, a more specific question perhaps: will this legislation affect the major chain retailers who will offer to their customers credit through charge cards and I refer to the kind of . . . like the Canadian Tire card, Bay, Sears, Eaton's, so on. Will the

legislation cover that situation?

Hon. Mr. Klein: — Yes it will apply to all of those major institutions and the department has been talking to the Retail Council of Canada to get their support behind what we're trying to do. So all of the institutions that involve credit cards, any retailers that involve the use of credit cards of their own, other than the banks, will all be subject to this piece of legislation which will be comparable indeed to what the federal Bank Act is.

Mr. Calvert: — Minister, will it apply to the charge cards provided through the major oil companies — gas credit cards?

Hon. Mr. Klein: — I've been advised that they too as well will be included in the credit cards.

(1545)

Mr. Calvert: — And, Mr. Minister, there is in the Bill what I observe as an exemption and we've talked about this and we've discussed it. I think just for the record there is an exemption to variable . . . this would be section 5, part 3 where an agreement for variable credit involves credit given by the advance of money only in that section.

Perhaps, Mr. Minister, just for the records, since this is the one category of exemption that I see in the legislation, I think it would be helpful for the record if you could describe what that exemption means in real terms, in terms of credit that people understand. Take away some of the legalese in the language of the Bill just to explain what that exemption is.

Hon. Mr. Klein: — Yes. It is a technical part of the Act and it comes into play where rather than a cash advance or if you bought something on a credit card is concerned, there are many institutions that will offer a line of credit to their customer. And it deals with the line of credit that could be advanced or would be advanced in the event that the customer would require the cash at some point in time, so that when that original line of credit is established the consumer will know up front how the variable interest rate will apply to the loan that he will be receiving at some future point in time.

Mr. Calvert: — Mr. Minister, again I would want to make the point, as I did in second reading debate, that it is from my point of view a real improvement that you've brought to consumer education and information, the provision of information from lenders to borrowers and consumers in our province. And in that regard we certainly support the Bill.

But again I would point out, Mr. Minister, that while this Bill goes a fair long way, as the title suggests, in disclosing the cost of credit to consumers — it does and I wouldn't expect it to — but it does not address the actual cost of credit. And so, Mr. Minister, I would encourage you once again to lobby your federal counterparts to sincerely deal on a national level with the cost of credit, both in terms of those charges that are permitted to the issuers of credit cards; and secondly, to the high interest rate policy of your federal counterpart, sir.

Hon. Mr. Klein: — Yes, Mr. Chairman, what the member says is absolutely right. I think it's . . . he well knows from media reports that our Premier has and will continue to address the high interest rate that Saskatchewan and western Canada is involved in, due in a lot of reasons for the hot economy in eastern Canada. And the member nods his head that he recognizes that.

And I agree; we can't really become involved provincially with the actual cost, but I'm pleased to hear that he supports the move that we are making in protecting the consumer as far as it relates to the disclosure side of it.

And he mentioned it earlier and I would like to repeat that I think that our staff did an excellent job in researching the material. They had scads of it to go through — all kinds of Acts and the like to do. And I think that they did a real good job in compiling these amendments, and it should go a long way in protecting our consumers that use the credit that they require.

Mr. Calvert: — Mr. Minister, I would simply join you in congratulating and thanking the staff of your department who I'm sure did work. I, through the good services of our Legislative Library — that's a very helpful group of people we have working in our Legislative Library — they provided for me on very short notice, copies of Bills and Acts from all over Canada that I might be able to compare, so I have some idea of the weight of material that your officials and members of the department did deal with in drafting this legislation. So I join with you in thanking and congratulating for their work.

Clause 1 agreed to.

Clauses 2 to 14 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 29 — An Act to amend The Crown Minerals Act

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

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 40 — An Act to amend The Dangerous Goods Transportation Act

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

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 41 — An Act to amend The Highway Traffic Act

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

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 37 — An Act to amend The Cost of Credit Disclosure Act

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

Motion agreed to, the Bill read a third time and passed under its title.

MOTIONS

Hours of Sitting

Hon. Mr. Hodgins: — Thank you, Mr. Speaker. Mr. Speaker, I would like to move, seconded by my seat mate, the member from Meadow Lake, by leave of the Assembly:

That notwithstanding rule 3, that this Assembly shall continue to meet this day until 10 o'clock p.m. with a recess from 5 o'clock p.m. until 7 o'clock p.m.

Leave granted.

Motion agreed to.

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Indian and Native Affairs Secretariat Ordinary Expenditure — Vote 25

Item 1

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

Hon. Mr. Hodgins: — Thank you very much, Mr. Chairman. I would like to introduce my officials. With me is Lorne Koback, acting secretary, seated on my left. Behind Lorne is Bill Calder, assistant secretary. Seated next to him is John Reid, executive director, Indian development, also known as J.R. In the rear of the Assembly, we have Jerry Welsh, director of native career development and training. We also have Howard Gelmich, administrative officer; and Lorri Lampard, policy analyst.

It's my pleasure, Mr. Chairman, to introduce these officials to you. These officials work on a daily basis in the Indian and Native Affairs Secretariat, consulting and touching base with Indian and native people throughout Saskatchewan. They do an excellent job, Mr. Chairman, and many of them do extensive travelling throughout the province in their consultations.

I can tell you, Mr. Chairman, that it is the intention of this government to continue to work in co-operation with Indian and Metis people of Saskatchewan in a number of different areas. I think a prime example of this co-operative approach is the shared provincial and federal responsibilities between the province and the federal government.

We have a lot of issues to deal with. One of the major concerns that we have are federal reductions in services and programs offered to Saskatchewan's status Indian population. It's an area that has significant consequences for the people of this province. We have liaised with both Chief Roland Crowe and Jim Durocher on some of these issues — very, very significant issues for the people of Saskatchewan. And I want you to know, Mr. Chairman, that I will continue, I will continue to voice this government's strong opposition to any federal abdication of its responsibilities to Saskatchewan's aboriginal people.

The secretariat will also continue its successful program of business assistance programs available to both Indian and Metis people. Our active participation in the land entitlement area will be continuing. Career training, employment equity, job placement assistance, and career enhancement are all a number of priorities within our department. Policy development and the overall co-ordination of the provincial departmental initiatives in addressing aboriginal issues will as well remain a major focus.

Mr. Chairman, I will leave my initial comments at that and I would welcome questions from the opposition, and through this means and method, I would trust that we would better be able to serve our aboriginal people in the province of Saskatchewan.

(1600)

Mr. Goulet: — First of all, Mr. Minister, I'd like to also welcome your staff from the Indian and Native Affairs Secretariat. I thought that this year already you might change it to an Indian and Metis Affairs Secretariat, but I see you haven't done that yet. I think it's very important.

I think I mentioned that last year, that you should be possibly moving towards changing the name in regards to section 35 of the Canadian constitution which recognizes Indian, Metis, and Inuit. And in this province of course we have Indian and Metis and it would be probably be a little bit important for the minister maybe to change the name of the Indian and Native Secretariat to Indian and Metis Secretariat.

I guess the first thing I would like to maybe get at is the whole issue of economic development. You stated that economic development was very important and I would like the minister to tell me, you know, what was spent in regards to Indian economic development this past year. And also, send me a copy of the total amounts that were provided for Indian companies and Indian people, and I mean all those that are over or under \$10,000. So could you provide me that information there, Mr. Minister?

Hon. Mr. Hodgins: — Thank you, Mr. Chairman. Firstly respecting the Indian economic development program, you will recall that that program was budgeted at \$1.3 million last year. The actual amount dispersed under that fund was \$1,299,182,000. So in essence, the full \$1.3 million was spent on a very successful Indian economic development program benefitting large numbers of Indian people, encouraging them to start up in businesses. Many of the projects levered many additional

funds out of federal government programs and other areas and gave the equity to successfully start up many of these companies.

With respect to the native business development program, that amount was budgeted at \$600,000 last year. A total amount of \$604,912 was spent. That was slightly over budget — over budget by approximately \$5,000. That's the global figures. The hon. member has asked for individual project listings. I will send those to the member. We will give you a complete list of all projects approved under either program.

Mr. Goulet: — Could you give me the amount that this will . . . How much was an increase from last year to this year in regards to those two programs?

Hon. Mr. Hodgins: — The budgeted amounts for the Indian economic development program in 1989-90 was 1.3 million. As well, this current fiscal year will be 1.3 million as well. So both of those programs in the last two years have had identical numbers budgeted for them — the Indian economic development program. The same applies to the native business development program — both years 600,000.

Mr. Goulet: — I'm wondering, Mr. Minister, in regards to the policy on disbursement of the moneys. I know that it doesn't, you know, under \$10,000 they disburse the money through the department. Now I'm wondering whether or not the policy of disbursement is exactly the same for the Indian economic development and also the native business economic development.

Hon. Mr. Hodgins: — The processes for disbursing these funds are the same in both the Indian economic development program and the native business development program. And that process, by legislation, would indicate after recommendation by either board, that the amount or the proposal would be recommended, if you like, by the boards; would come to the officials; the officials would bring it forward to my office. Amounts under \$10,000, I could approve at my level. Amounts in excess of \$10,000 would actually have to go to cabinet, and there you would have to prepare an order in council for any amounts over \$10,000.

Mr. Goulet: — Could you tell me the names of the boards, the two boards, and the members of the boards?

Hon. Mr. Hodgins: — Mr. Chairman, under the native business development program, we have seven individuals on that board: Gerald Nogier, Dan Welsh, Keith Madsen, Tony Durocher, Gene Salter, Lionel Dejardian, and Lorri Lavalley. Those are the seven members that make up the native business development program.

On the Indian advisory board, we have the tribal councils and their respective board members as follows: Mr. O'Neill Gladue, Chief Bernard Bob, Chief Wayne Morris, Mr. Wallace Tawpisin, Chief Mike Fineday, Chief Gabriel Gopher, and Mr. Allen Felix.

Mr. Goulet: — In regards to these boards, do they review . . . on the Indian economic development, did the board

review every particular individual case that came to the department?

Hon. Mr. Hodgins: — Yes, it is my understanding that the Indian advisory board does review each and every proposal under that grant program.

Mr. Goulet: — So it would be my understanding that all the information that you'll be giving me in regards to all the disbursements were actually reviewed by the board themselves. Is that correct, Mr. Minister?

Hon. Mr. Hodgins: — It's my understanding that the board does take a very active role. It does review every individual business application. There is one exception and that is applications that come from the FSIN (Federation of Saskatchewan Indian Nations) themselves, and the board, I understand, at times does not review those applications.

Mr. Goulet: — Could you give me the approximate number on how many these might be, Mr. Minister? Or could you maybe give me the exact number on how many are reviewed then by the two systems?

Hon. Mr. Hodgins: — The total number of projects that were received and were reviewed by the board were 255; the total number of projects that were reviewed by the board and ultimately approved were 74.

Mr. Goulet: — And how many were approved by the other system? You mentioned another system through the federation. And what total amount?

Hon. Mr. Hodgins: — There were four such proposals by the Federation of Saskatchewan Indian Nations, four proposals. Total amount for those combined four was \$147,500.

(1615)

Mr. Goulet: — Are these specifically broken down when you provide for me the disbursements then? Okay, maybe I'll continue with the next question. In regards to the native business economic development, about a couple of years ago of course, it was about 500,000, three years ago, it was about 500,000. And in both cases, nothing was spent that year or last year. You know, a certain amount was spent. And of course, this year it's been overspent. So there's been a big shift in just a few years, from basically nothing being spent for Metis and non-status Indians in the province in the first two years, then all of a sudden, a bit was spent last year and then a bit more just the preceding year under review.

I'm just wondering what changes took place. What was the big change in the increase in the native business development program?

Hon. Mr. Hodgins: — I think it's important to make the point that this is a developmental program. It has not been a program that has been ongoing in the province for a long, long time by any means.

This program was initiated and started under this administration just a few years ago, and like any program

that starts in its initial stages has a developmental growth period that it goes through. There were policy decisions that had to be made; there were criteria decisions that had to be made. What criteria are you going to attach to this program? What is the structure of your board going to be like? What decisions is that board going to make? What decisions is the minister going to make? What decisions is cabinet going to make? Those types of things took some time to put into gear.

It also took some time for many of the native applicants to gain a handle on this program and to express interest. And I can say that the interest in the program has grown significantly and substantially over the last two years. So I can only talk about a growth period for this program that in fact I think was long overdue.

Mr. Goulet: — You mentioned the names of the board members on the native business development side. Now I'm wondering whether that full board examined every particular case that came through that particular program.

Hon. Mr. Hodgins: — I'm advised that this particular board has not seen all of the proposals in any sense of the word. What the board does do is screen the approved projects to ensure that they have been following the general criteria that has been laid down. The criteria was very much established by that board, and the board functions in a manner that they would want to ensure that projects in a general and a specific sense are conforming to the criteria that was outlined by that board in the initial stages of the program.

Mr. Goulet: — Could you tell me in concise terms how many disbursements did come through the board and exactly how many didn't? And how much money was involved in total on the ones that didn't go through the board and the ones that went through the board?

Hon. Mr. Hodgins: — We do not have that type of information right here at our fingertips. We would have to go back and research through our files and find that information for you, but I would have no difficulty in supplying that type of information to you. It's simply that we do not have it with us.

Mr. Goulet: — I might just state on that, Mr. Minister, I mean we've had the program now for three years and it's not very difficult to operationalize a board. You know, you can do it in one year. I mean, the development on any boards doesn't take three years.

I mean, the same holds true in regards to three years ago when I raised these same questions. There was really nothing going on at the same time on Indian economic development and there was, you know, quicker action in that sense at that time. And I'm just a little bit, I guess, concerned that the same didn't happen in regards to the native business development program.

So I would advise the minister maybe to check that out and provide me with the details on exactly, you know, what was actually spent by the board and what . . . and which ones did not go through the board. If they did not go through the board, could you tell me which individual

then was handling most of the initial decision making on it?

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

An Hon. Member: — I wonder if I could ask leave, Mr. Chairman, to make some introductions.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kowalsky: — Mr. Chairman, it's my pleasure on behalf of my colleague from Prince Albert-Duck Lake, Mr. Lautermilch, to make an introduction of some 35 grade 5 and 6 students who have come down to Regina and here to the legislature, all the way from MacDowall School. They are accompanied by their teacher, Elmer Malec; and by chaperons, Mrs. Josie Peet, Mrs. Carolyn Smith, Mrs. Norma Boden; and their bus driver, Lloyd Tait.

Mr. Lautermilch or myself will have an opportunity to meet with these students shortly for photos and then also for any questions or answers they might have. And I would ask all members to join with me and welcome these students from MacDowall to the legislature this afternoon.

Hon. Members: Hear, hear!

Mr. Muller: — The chairman would certainly also like to greet the students from MacDowall because the bus driver happens to be a relative of mine. So I say hi to him.

An Hon. Member: — We won't hold that against him.

Mr. Muller: — No, no one will certainly hold that against him, I'm sure. But I congratulate you for coming down. I hope you enjoy your trip, and have a safe journey home. Thank you very much.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Indian and Native Affairs Secretariat Ordinary Expenditure — Vote 25

Item 1 (continued)

Hon. Mr. Hodgins: — The structure within the Secretariat of Indian and Native Affairs would be that we have two project officers who would be, in most instances, the officials that would be the first line of contact that individuals may approach. And the two individuals are Harold Smith and Garth Schmidt, as project officers.

Those two would be reporting to the acting director, Maurice Aubichon. That is the . . . It's a team, a team type of approach. And you would have that as the actual mechanics of the program, those individuals involved. Above them you would have the permanent head, which would be Lorne Koback as the acting secretary. And from time to time you would also engage consultants, who

may or many not review projects.

Mr. Goulet: — From the people there, how many . . . So what you're saying, Mr. Minister, is that Maurice Aubichon, the acting director, would be handling all the files then. Is that what you're saying?

Hon. Mr. Hodgins: — According to the organization chart and the way the team is set up, you do have your two project managers responsible to the acting director. And indeed the files would flow through that acting director, Mr. Aubichon.

Mr. Goulet: — So Mr. Aubichon would then make the recommendation then to his superior as to which ones would be okay and which ones wouldn't be. Is that correct?

Hon. Mr. Hodgins: — Mr. Chairman, the administrative procedure that is used in the processing of applications is what we call a check-list authority system whereby the project officers review the projects. They would put their recommendation on it as an individual project officer. A check-list there flows up to the acting director, who would make his recommendation, flows through to the acting secretary, and it's a certainly a check-list authority system that I think is recognized in many different departments.

Mr. Goulet: — In other words, who actually makes the actual decision? So that you're saying that the acting secretary is then responsible for everything that happens within that department, or the acting director?

Hon. Mr. Hodgins: — I'm advised that this is a shared responsibility, once again with a check-list authority system whereby the project officers add their mark to it, the director adds his recommendation flowing through the secretary or acting secretary, ultimately coming to the minister's office by the legislation for ultimate ministerial approval.

(1630)

Mr. Goulet: — So what you're telling me is that there is responsibility then at each level, at the project officer level. And if anything then is wrong at that level or correct at that level, then it proceeds to the next level. So at each level of responsibility, there is a degree of responsibility then at each level?

But the greatest degree of responsibility, the first greatest degree of responsibility would then lie at Mr. Aubichon's decision-making level, is that not correct?

Hon. Mr. Hodgins: — I certainly don't deny that Mr. Aubichon plays a role in the approval of projects — there's no question about that.

But decisions can be . . . decisions and recommendations are made at every level, including the project officers, the director, as well the secretary and as well flowing up through to the minister.

Mr. Goulet: — Can you then provide me the information on how many decisions by Mr. Aubichon have not been

approved at the next level then? And also provide me how many have been approved or how many disapproved to the next level.

Hon. Mr. Hodgins: — We do not have the figures with us, but I'll be happy to provide you with the total number of applications that were received in this department. As well, we'll provide you with the number of applications that were finally and ultimately approved.

Mr. Goulet: — When you also provide me with those total numbers, could you provide for me . . . on the ones that were approved I would like to know exactly how many were handled by Mr. Aubichon.

Hon. Mr. Hodgins: — We will endeavour to provide that information to you. Because of the fact that there is shared responsibility as part of this system, it is at times difficult to ascertain what the flow-through has been on some of these projects. I want the hon. member to know that many of these projects are handled initially by the project officers, flowed through to the acting director, some of them may have; some of them may not have; some of them we may have those types of statistics available; others we may not.

Mr. Goulet: — So in other words, what you're telling me, Mr. Minister, is that you will provide me with the information in regards to the files that have been handled by Mr. Aubichon and especially those files that have been later on approved. So you'll endeavour to provide me with that information then, eh?

So I'll then go to the next question. In regards to decision making, on the ones that were approved, I notice that there is a Mr. Lorrie Lavalley that is listed as part of your board. Is that the same Lorrie Lavalley that worked for your department previously?

Hon. Mr. Hodgins: — Yes that's the same gentleman.

Mr. Goulet: — Has he received any moneys through the department other than as a board member?

Hon. Mr. Hodgins: — It's my information that Mr. Lavalley, under this grant program, did receive . . . did make an application and receive a grant after he was finished employment with the secretariat. However, at the time I am advised that he was on the board.

Mr. Goulet: — Could you tell me how much he received and for what type of business?

Hon. Mr. Hodgins: — I understand that it was a rent-a-car business; the name of the business was Rent-A-Wreck, and we've certainly seen that franchise available all over Canada. It appears to be a franchise business, Rent-A-Wreck, in the amount of \$35,000.

Mr. Goulet: — When you were doing a review on Rent-A-Wreck, was Mr. Lavalley the sole owner then of Rent-A-Wreck, or were there any other partners along with . . . in the Rent-A-Wreck business?

Hon. Mr. Hodgins: — We do not have all of the project files or in fact any of the project files with us. I do not

know. I do not have that information available with me.

Mr. Goulet: — Just for the record, I notice that every time I raise questions on Mr. Aubichon or Mr. Lavalley, there was a certain degree of hesitation with regards to providing me with that information, although I do respect the minister in trying to get the information at hand and so on. But I still notice that, you know, most of this information should be relatively straightforward and fairly easy. And so there was a deal of uneasiness on the wait that I've observed from you.

But I just want to make a general statement. In regards to both Indian economic development and for native business development, what we're looking at is 500,000 in the years before; a lot of it went back to the treasury, you know, to pay for the deficit in the first two years. And we've been spending a little bit more this past year to the tune of \$600,000 and also \$1.3 million.

Now for the public, I think it's important to recognize that there are, you know, for the \$1.3 million spent for treaty Indians, I mean there's 70,000 treaty Indians in the province of Saskatchewan — 70,000. The population figure is — and I'm approximating — I think there are 69,000-and-some number. So that there are 70,000 treaty Indians in the province and they are getting \$1.3 million, which I suppose works out to about 12 cents, 12, 13 cents, you know, per Indian person in the province of Saskatchewan.

When you look at 10 or 12, 13 cents per Indian person in the province of Saskatchewan, it's a vast difference from \$370 million for Cargill Grain which . . . it's a \$38 billion industry. So for the big huge corporations of the world, you know, that come into Saskatchewan, they get \$370 million.

Last year you spent on . . . up in northern Saskatchewan, you built roads. You have a contract with Weyerhaeuser to build roads, 400 miles of roads, and this past year we spent \$8 million, you know, for Weyerhaeuser, again one company. We spend \$8 million of provincial expenditures on Weyerhaeuser, an American multinational giant, along with Cargill, an American multinational giant, to the tune of \$370 million. And when you look at Pocklington, you know, we spend . . . the figure was \$20 million, initially.

And we look at the various other deals in the province that we've come through. A lot of Indian and Metis people are struggling and trying to be part of the business world. They want to stand up on their own two feet and be able to partake in economic development, but in many cases they feel very discouraged when they know that a lot of the provincial dollars in this province are being used to go into large-scale development.

Even in regards to northern development when I look at the mining, \$7 million royalty tax free money was given a couple of years ago on companies that made \$700 million in the North.

So when a lot of Indian and Metis people talk to me, they say, look, we like to work with the government; we want to make sure that the government works with us for

development. But they said, you know, 10 cents per person is not very much when we see them giving millions to the big corporations. And they're really hoping that, you know, in the future that the government will change their policy and put a lot more bucks. Because in the long run, when you put people to work, then they pay and we get a return on the income tax system.

We also get a return in regards to people not having to depend on welfare. We make a lot of savings in that regard, and I think you've heard me say that for many, many . . . for the three years that I've been on. So I'd just like to leave that with you in that area of economic development.

The other thing that . . . so I'd like to move on into another area. There's been a major set of recommendations this year on the treaty line entitlement question and there was a presentation on May 9, 1990 by the treaty commissioner, Cliff Wright. And this presentation was of course made to Chief Roland Crowe of the Treaty Indian Nations of Saskatchewan and the Hon. Tom Siddon, the Minister of Indian Affairs and Northern Development.

(1645)

There's a whole set of reports and recommendations in regards to the office of the treaty commissioner. And I was wondering, could you give me a general summary on what aspects of the report that you liked and what were the strongest disagreements that you've had with the report that was tabled in May?

Hon. Mr. Hodgins: — The report of which the hon. member speaks today, the report that he refers to, is a report that indeed about a month ago I did receive the report. It is a very substantial report, an in-depth report dealing with the entire land entitlement issue. It is a report that is really only . . . was really only presented to me in the draft stages.

I did have a good meeting with the recently appointed treaty commissioner. I have discussed the issue in a very general way with Chief Roland Crowe and other members of the Federation of Saskatchewan Indian Nations. They do meet with me on a very regular basis. We did discuss it in very general terms. I have instructed my departmental officials to look closely and look carefully at the draft proposal. I instructed my officials to not only look at it from a perspective of our secretariat but as well to get comments from many other government agencies.

I do not have any comments other than that really to tell you today, we will be discussing it further, reviewing it further, and at some point in time coming out and making an official response as to where we feel the strengths are and where we feel the weaknesses are and taking a stance on it. But I hesitate to tell you any more than that today because we have not completed that review.

Mr. Goulet: — Just for the public record, I'd like to maybe make a general comment on the Indian land entitlement question and also the . . . we never also talk about the Metis land claims issue. But I'll basically give a little bit

of a brief overview.

In terms of land, what we're really talking about is . . . and I'll give you an historical context. About a hundred years ago under the Macdonald Tory government in Ottawa, the Indians of course paid their land claims settlement. And at that time, approximately by 1985, 1980-85 period, they had received approximately 1.5 million acres of land.

When we looked at the . . . and it's approximately the size of P.A. National Park today. But when we look at the overall aspect of this land, a lot of people say, my goodness, that's a lot of land. But when you look at the historical record, that's not a large amount of land when you compare it to the large-scale corporations. We know that the CPR (Canadian Pacific Railway) got 23 million acres of land in western Canada. We know that the Hudson's Bay Company got 7 million acres of land during the transfer.

So two large-scale corporations, a hundred years ago under the Tory government, got 30 million acres of land, and the original owners of the soil received 1.5 million acres of land. I think that's an important historical piece of information.

Over a hundred years later of course we have the PC government again in Saskatchewan, and we've looked . . . and I've mentioned this quite often on the Weyerhaeuser agreement. Weyerhaeuser gets 12 million acres of our best forest. The outstanding land entitlement question of course was approximately 1.3 million acres of land.

So you have again an American multinational receiving 12 million acres of land and utilizing it and making huge profits, over a hundred million, you know, so far. As a matter of fact, somebody was providing the stats here the other day and it was quite a tremendous sum of money. So here you have large-scale corporations benefitting from land arrangements with the government, and now we have the outstanding land entitlement issue.

Now we have this treaty land entitlement question. And when I raised this issue with you last year, you mentioned that, yes, we're going to deal with it fairly. You said, we were genuinely interested in moving towards a new phase, and you said — and I raise this in the context of Saskatchewan formula because that 1.3 million acres was according to the Saskatchewan formula — and you said at that time you'd be approaching a system that would be better than the Saskatchewan formula.

Some of the bands, there was four bands in the Qu'Appelle Valley called the . . . they joined together and they called themselves MOPS, and they took the provincial government to court, trying to fulfil the arrangements in regards to the . . . at least they started a legal process in trying to get a settlement on the Saskatchewan formula.

Of course the province said they didn't agree with the Saskatchewan formula. And when I looked at the treaty commissioner's report, we have a new formula. Of course the whole system was a data-first survey system, and under the data-first survey system, we would

probably get about 166,000 acres of land which would be a loss of close to a million acres.

Then this new equity formula that's in here is . . . the number that comes out is approximately 840,000 acres. So we have 840,000 acres of land in the new equity formula position which is still a lot less than the Saskatchewan formula.

The member from Regina South wants me to go through the figures, so I'll go through the figures for him because I think he was a little bit half asleep when he was over there. So I think I'll raise them again.

The figures are this. There's about 1.3 million acres that are outstanding in regards to the treaty Indian land entitlement question on the Saskatchewan formula. Now with a new report that come out, it will be about 840,000 acres. Now the data for his survey was 166,000 acres. Now when I talked with you last year, Mr. Minister, you said, yes, we are going to come up with a new formula and it's going to be better than the Saskatchewan formula. I took that literally to mean that it would be better; it would be more than 1.3 million acres.

And I'm wondering now that I've provided you with that information, that it is 840,000 acres, and now that I've given the precise figures, what is your immediate response in regards to the fact that it's only three-quarters of what the Saskatchewan formula was? What is your response to that, Mr. Minister?

Hon. Mr. Hodgins: — The hon. member has talked about a number of different areas and, firstly, made some comparisons between lands that have been made available to our Indian people under the entitlement that they are entitled to and compared that with some multinationals, as you referred to them — the Weyerhaeuser corporations, the Cargill corporations, and so on. And I don't know that your analogy or comparison is really a valid one.

I do want you to know that under this administration we have made significant progress when it comes to land entitlement. A recent one that does come to mind when you brought up the Weyerhaeuser agreement was the Peter Ballantyne Band has very recently received approval in principle for a 4,000 acre partial entitlement. In fact that land comes out of land that had been formerly assigned to the Weyerhaeuser corporation.

And I want the member to know that as Minister of Indian and Native Affairs and as a Saskatchewan cabinet minister and a person concerned about our economy and concerned about our native people, I do not have anything that prejudices me towards the Weyerhaeuser corporations, other than I want to diversify our economy.

But if there's land that is entitled by our Indian people, I have no hesitation, as this last example has shown, in going to certain selections such as that one and pulling lands out of the Forest Management Licence Agreement with a company like Weyerhaeuser, as we have just approved in principle and pulled out some 4,000 acres out of that corporation's jurisdiction if you like.

So I believe that that is an example of a situation where Indian people will applaud this government for standing up and delivering those lands. It still has some ways to go in the process, but it has been approved in principle, and I think that's a very positive step.

When the hon. member talks about the 1976 formula and alternatives to it, indeed there are many alternatives. There have been alternatives recently put forth by the treaty commissioner in a very preliminary and draft stage. They're at a point where we need responses from the federal government. The hon. member would know that this is a primary responsibility of the federal government.

I want the hon. member to know that we await the federal government's response to this report. And as, or more importantly, I await further discussions with Indian bands across Saskatchewan, I want to ensure that any position that I would take on this subject would be acceptable to those bands, would be acceptable to the leadership of the Indian people in the province of Saskatchewan. We would want to ensure that we could have a workable system, that is a fair system, a reasonable system, and one that will truly advance these settlements with greater speed than they have in the past.

I for one am extremely dissatisfied with the overall progress we as a society have made with respect to land entitlements. I feel that I've done a reasonably good job of speeding some of these up and being successful. Just last year for instance in the Lucky Man Band entitlement, I don't think I've ever attended a more moving ceremony than I did that evening sitting with the Lucky Man Band who had 7,740 acres provided to them under an entitlement that they had waited on for many, many tens and twenties and thirties of years.

And, Mr. Chairman, I submit to you that whatever workable solution we can come up with, we will advance these entitlements as quickly as possible.

Mr. Goulet: — It's interesting that you did mention the Peter Ballantyne Band and 4,000 acres. Under that '76 formula, Peter Ballantyne was entitled to 229,000 acres, and under the new settlement, land quantum, it'll be 74,000. In other words, they would lose 214 . . . no, I guess 154, 154,000.

That 4,000 acres of land that you said transferred from Weyerhaeuser . . . well one of the things under Weyerhaeuser contract . . . If you read the Weyerhaeuser contract, the Weyerhaeuser contract states very clearly that they get their land back. You know, whatever date that they give, if you read the agreement on Weyerhaeuser, in cases on third-party utilization of land they also get an extension. I mean they got large reserve areas as well; two major reserve areas for Weyerhaeuser.

(1700)

And also too, the Indian people were the original owners of the soil in that area and they had traditional lands all over northern Saskatchewan, so they had really the first shot at it. And it's interesting when we bought Weyerhaeuser, it became a third level of government in the sense according to the contract you had to provide

them with 90-day notice, etc., etc. You had to go through some specified ways of . . . specified procedures.

So when you utilize that as a good example, you know 4,000 acres from Weyerhaeuser from their 12 million acres is not very much. They're looking at 12 million acres — 12 million acres for Weyerhaeuser, Mr. Minister.

You say that . . . you sound as if they're a good corporate citizen, but really the legal commitments have had to be there, you know, from the resources transfer agreement of 1930. So I would disagree with your assessment there.

Because of the time factor, I would like to just maybe ask you just a question on the Metis people in the province of Saskatchewan.

Your government cut back their funding, you know, from over 700,000 to nothing, and last year they got a tiny amount of money. This was a year when we gave ourselves increases in salary in the legislature of about 20 per cent. We got increases as politicians, as provincial politicians. For the Metis politicians, we expect them to work for nothing. So you cut back all the budget and sure enough, they had to work for nothing.

But it is interesting whether or not . . . in your statement initially you said you were committed to Metis self-government, or something to that nature. So I'm just wondering, what do you intend to do in relation to the whole issue of Metis land and self-government? Where are you at with that? What do you intend to do with that, because, you know, there's been agreements being drafted up in Alberta; there's the process of the legal agreement in Manitoba taking place; there was 1.4 million acres initially — although they lost about 80 per cent of it through speculators — but Alberta had a major agreement this year. Where is Saskatchewan? Where are we going in regards to Metis land and self-government?

Hon. Mr. Hodgins: — I would like to just very briefly go through some initiatives that have been undertaken by this government with respect to northern communities that are largely Metis. And you would be very familiar with those communities. And I think if you compare the record of this administration to any other administration over the history of the province of Saskatchewan, I think you would be hard pressed to find a better record in terms of what we have done to assist northern communities, largely Metis communities, obtain development with and greater control over their lands and attain greater self-sufficiency in economic development.

You will recall in February of '88, that it was this government that announced the transfer of ownership of Crown lands within northern municipalities to municipalities. You will note on March 1, 1990, the Ile-a-la-Crosse farm was formally transferred from the provincial government to a community-based development corporation in Ile-a-la-Crosse.

And I think for Metis people, that has to be a very big step forward — a very positive step. Crown lands that were formerly owned by all the people of Saskatchewan, or the big thing called government, are now given local autonomy, a local community-based development

corporation. I think that just . . . I think every Metis person in that community would say, that's right; that's good for our community. We've now got a chance to develop. We've all now got a chance to be more in control of our own economic destiny. And I think that's got to be good news.

I think the hon. member would recall the developmental agreement, dated March 30, 1989, with respect to the transfer of the Cumberland House farm to the Cumberland House development corporation. I think that too is a very positive step in transferring lands to these community-based corporations. I don't think the hon. member would have difficulty with those general principles. And I think most Metis people would say, that's right for our community; that's right for us as Metis people; that is good for the future and it's good for our children.

You've also noted the decision to transfer the central farm at Green Lake to the Green Lake trust. Certainly there are some who are opposed to that for whatever reason, but I have to defend the government on this particular move, and I think most reasonable people would say that was another positive step forward. I think it's got to be very, very clear, very clear that through these types of initiatives, that this government has demonstrated a commitment to northern communities, to ensure that they have full participation in the development of the lands that are within and adjacent to their communities.

Mr. Goulet: — I suppose I could get into a long debate with you and provide you with a litany of all the sad situations that have arose in northern Saskatchewan since your government has come in, but I think I'll leave it for another day.

And also, your examples that you use are basically things coming under the municipal authority, and you all know that the Metis position is one of . . . you know, under Metis control. In much the same way that Indians talk about Indian control, a lot of the Metis talk about Indian control. A lot of your examples are things under municipal control.

So you are mistaken . . . you know, the concept of a municipal, you know, level of governing with a concept that has been proposed for many years in this province by people wanting a form of Metis self-government. But I don't want to belabour that point with you because a lot more talk will be . . . a lot more, I guess, talk and action will be done in the future by the Metis people themselves.

The other thing I would like to add, Mr. Minister, is this: as a government, you did away with the affirmative action program strategy. You knocked off some of the best Indian and Metis people in the province that this province has ever had. You had people with 22 years experience, 16 years experience, people who were dedicated civil servants who had worked through the Liberal government, the NDP government, and the PC government; and people who were top-notch quality civil servants, and you knocked them off in the last year, just like that. And that was a devastating thing when I met with them. So for you to come in and say, yes we've done a lot for Indian and Metis people in this province and

especially in the North, is highly questionable.

We knew that in the lease agreements you never lived up to the agreements. When I talk about northern Saskatchewan — the mining lease agreements, we used to hire 65 and even 69 per cent. I was looking at an '82 report, 69 per cent in Key Lake hired on the first-year apprentices, when I was looking at the report today when I was checking the library out.

And then I looked at the stats later on and it had dropped to about 10, 15 per cent. And you of course changed around with a new formula that is a watered-down formula. It used to be 15 years and half your lifetime and being of Indian ancestry to get into the proper records as far as northern Saskatchewan was concerned on people hired in the mines. Then you changed it to three years and it doesn't even include Indian-Metis people. It could be three years of anybody in the North, which is highly suspect in regards to the Human Rights Code because what is protected in the Human Rights Code are people of Indian ancestry, women, and handicapped people.

So I thought that you know changing your formulas and trying to make new figures come out looking a little bit better, you know, doesn't fool people. A lot of people recognize that there's a lot less Indian-Metis people working in those mines. I might in all fairness say that there's been a bit of an improvement in the past couple of years, but not really a significant improvement.

I would say that when I look back, other areas also suffered. Native court workers' program, over \$800,000 — you completely cut that back. And there's a lot more Indian and Metis people in jails these days basically because they don't have the proper support when they go and listen in on court procedures, etc., and so on. Everybody knows how tough it is just to go into a plain ordinary legal case.

(The member spoke for a time in Cree.)

It becomes a lot more difficult, when somebody's speaking a second language, to go through court procedures and know exactly what's taking place.

So those types of things your government did. You know, it was a very terrible and sad state in Saskatchewan history when that happened. At the same time this year a lot of the Indian governments are talking about a greater control in the justice system. But I notice that the Premier at the Yorkton meeting never did respond to that item and so on.

So that there's a lot of things that I can go on and on and on and on today and talk about, but those are just a few of the points that I wanted to mention. So I think that is pretty well all for now.

I would like again to thank the minister and also his staff, you know, for providing me with the details on the information today, and I look forward to receiving the information you will provide for me on both Indian economic development and native business development.

So, Mr. Minister, I'll anxiously await that information that you'll be sending me, particularly as it relates to Mr. Aubichon.

Hon. Mr. Hodgins: — Thank you, Mr. Chairman. I too would like to thank my officials for providing me with the advice here today, and as well the very hard and dedicated work that they go to on a daily basis dealing with a major segment of our population and an important, important segment of our population.

I also thank the hon. member for his questions that were provided to us this afternoon — I'm sure in a very genuine manner — and we look forward to working together in the best interests of all Saskatchewan people and specifically our first nations people, our aboriginal people, our Indian and Metis people who certainly give our province a very distinctive element, and we're very happy . . .

An Hon. Member: — Distinct society.

Hon. Mr. Hodgins: — A distinct society indeed. A very distinct society indeed and we look forward to doing what we can to make certain that the quality of life for these residents is improved over time.

Item 1 agreed to.

Items 2 to 6 inclusive agreed to.

Vote 25 agreed to.

Mr. Chairman: — I'd like to thank the Minister and his officials. And being past 5 o'clock, the committee will recess until 7 p.m.

The Assembly recessed until 7 p.m.