

**Public Hearing: Department of Northern Saskatchewan and Saskatchewan Housing Corporation
(continued)**

Mr. Chairman: — Thank you very much, gentlemen. I think everyone here is a returnee, so we can skip the usual introductory formalities. Let me again invite all of you to help yourself to a cup of coffee if you wish; it's for the benefit of all concerned. That goes for members of the media as well, and other visitors.

I want to begin with some questions with respect to Mr. Yew's . . . the residence in Jans Lake which was connected with the member from Cumberland. For the sake of convenience, I'll refer to as Mr. Yew rather than the member from Cumberland, if no one on the committee has any objection. I wonder if you could tell us when he moved into the residence at Jans Lake.

I'd also say to other members of the committee, I'm going to be carrying on for a few minutes; if anyone wants to interrupt me, feel free to do so.

Mr. Dutchak: — I'd like to speak second to you, when you're done.

Mr. Willox: — The date that he moved in was March 31st, 1980.

Mr. Chairman: — March 31st, 1980. When did he commence employment with the Department of Northern Saskatchewan? That's really addressed to Mr. Bailey.

Mr. Bailey: — In July of 1980, Mr. Chairman.

Mr. Chairman: — That was July 1st of 1980?

Mr. Bailey: — I don't have the precise day of the month, but July 1980.

Mr. Chairman: — It would normally, I suppose, but not necessarily, commence at the first of the month. Where was he actually working out of?

Mr. Bailey: — His office was in La Ronge.

Mr. Chairman: — And how long was he employed in the Department of Northern Saskatchewan?

Mr. Bailey: — He was employed to April 23, 1982, on which date he resigned.

Mr. Chairman: — And where do your records indicate that he lived when he was employed by the Department of Northern Saskatchewan?

Mr. Bailey: — We didn't look at his records with that question in mind, Mr. Chairman.

Mr. Chairman: — You don't have it with you.

Mr. Bailey: — No. But he worked in La Ronge. La Ronge was his office. And I must add that presumably he lived in La Ronge, but I can't confirm that today.

Mr. Chairman: — For the benefit of those of us who are not familiar with the geography of northern Saskatchewan, where is Jans Lake relative to La Ronge?

Mr. Bailey: — It would be in the order of 200 miles . . .

A Member: — By road.

Mr. Bailey: — . . . south-west.

Mr. Chairman: — By road?

Mr. Bailey: — Yes.

Mr. Dutchak: — Excuse me, Mr. Chairman. Can I just ask you a question? I don't mean to interrupt, but it is my understanding that in these proceedings that if there were questions that were tabled last day for the officers to bring back, that the officers should be given the opportunity to answer those questions first.

Mr. Chairman: — I don't have any strong feeling about that. It wasn't the way I intended to proceed. I had just, I thought, forewarned them yesterday of the questions that I might be asking, so they'd have the information if it was available to them. I took that precaution because officials were here Tuesday when the matters were raised and returned Thursday without the information. I took the precaution of warning them of the certain things I might ask. I didn't specifically intend that the answers to all that would be tabled, although I don't feel strongly about it if that's what the committee wants to do.

Mr. Dutchak: — Well, I'm just suggesting that perhaps the officers should be asked whether they have the answers, because they had the questions.

Mr. Chairman: — Well, presumably if they don't have the answers they'll say so. I don't see the point in . . . I must confess, to the member from P.A.-Duck Lake, I don't see the point in . . . Why not just go through the matter and see what they have?

Mr. Glauser: — Well, Mr. Chairman, I don't have any strong feelings one way or the other on this, but this is what we've normally done. This has been our practice throughout this committee, is that the officials have been allowed to bring the information forward that they . . . And that was always the first thing we did.

Mr. Chairman: — Well, that's fine if that's the wishes of the committee then.

Mr. Engel: — Well, Mr. Chairman, if I may, I'm not sure it is. I don't think we've normally taken one of our colleagues apart in a committee like this and not had a chance to raise the issue.

Mr. Glauser: — It wasn't done here; you did it in the House.

Mr. Engel: — Well, we have the verbatim before us and we can go back if you want to.

Mr. Dutchak: — If we want to follow procedure, those questions were asked here, and the officers should be entitled to answer those questions. We asked for them to bring back the information to us, and if we're going to change procedures we want to know why.

Mr. Glauser: — Besides that, Mr. Chairman, I'm sure that a lot of those questions that you perhaps are posing now will be answered and it could be kind of repetitious.

Mr. Chairman: — But members could just . . .

Mr. Katzman: — I think there was an agreement, Ned. You wouldn't dominate the committee if I didn't and you know . . . (inaudible) . . .

Mr. Chairman: — I'm not attempting to dominate the committee. I just was unaware that I asked for all this information to be returned. I'm just going quickly through the transcript. Well, perhaps that's an interpretation of what I said. I said I would probably want to know Tuesday in addition to what statements if any, so perhaps that's an interpretation of what was said.

Do you gentlemen have written answers to the questions posed to you?

Mr. Willox: — We have material that we believe was to be tabled or the committee had requested it be tabled: the federal-provincial agreement, the file on Mr. Yew, and also the list of arrears more than \$2,500. I would like to say that with respect to the last two items . . . (inaudible) . . . request that the committee consider it as in camera or confidential information.

Mr. Chairman: — What last two items are you referring to, Mr. Willox?

Mr. Willox: — The file and the list of arrears under \$2,500.

Mr. Chairman: — Oh, yeah, you have . . . So you are referring to Mr. Yew's file and all the additional files that you . . .

Mr. Willox: — Yeah, the other information is not files, but it refers to arrears and individuals. Now I suggest that it be considered in camera.

Mr. Chairman: — What's the wishes of the committee with respect to dealing with those files?

Mr. Katzman: — Mr. Chairman, have we got a precedent here at all? I believe we have a precedent on Sedco.

Mr. Meagher: — Mr. Chairman, we really decided this matter. It was decided in camera on the 26th of April.

Mr. Dutchak: — Mr. Chairman, I suggest that we go through their verbatim that we have before us, and have the questions answered that were asked of the officers. I think they have the evidence here.

Mr. Chairman: — I don't frankly think it matters. Then if that's what the committee prefers to do, then let's . . . I'm just not sure how the government caucus wants to handle this. Are you suggesting they table the material they have? Are you suggesting they be given an . . . they table written answers to the questions that were raised Tuesday, or what are you suggesting?

Mr. Dutchak: — We have some specific questions that were asked in verbatim. For

instance, referring to Mr. Yew, for example, are there arrears owing? Now the officers can confirm to us whether there are arrears, what the amount is, since his matter seems to have highlighted your discussions in the House for the past several days. I think we should clarify it in committee, where this is the proper forum to deal with this.

Mr. Chairman: — Do the officials have written answers to the questions raised in the verbatim?

Mr. Dutchak: — Why written answers?

Mr. Chairman: — Well, that's the only precedent there is. I cannot think of any precedent for me asking the same questions in the same order. If what the member from P.A.-Duck Lake is suggesting is that they treated these questions as a request for information to be provided in writing, that's a possible interpretation of what was said, because it wasn't that clear. I don't think I am under any obligations to ask the questions in the same order as they were asked, and in the same phraseology as they were asked Tuesday.

Mr. Dutchak: — Are you saying that any questions that we ask, where the officers are unable to answer, simply go with the wind and you can start questioning on a total different board the next day?

Mr. Chairman: — I am suggesting that if we ask them to return . . . I am suggesting that if we ask them to return with written answers, that's one thing. That wasn't my interpretation of what happened on Thursday, and I gather it wasn't anyone else's.

A Member: — You're right.

Mr. Chairman: — I think I am, therefore, free to proceed through this matter in whatever fashion I feel is most efficient. And I don't know why the member would suggest that I'm restricted to asking the same questions in the same fashion.

Mr. Dutchak: — I was talking about the procedure. If you wish, we'll be kind enough to let you continue your questioning, as long as you understand that sooner or later the officers are going to have to refer to the verbatim, and answer the questions that we asked for — the answers for which we are waiting. That's all I was getting at. There is a procedure to follow in this committee.

Mr. Chairman: — Well, why don't we leave it at this. If the member from P.A.-Duck Lake thinks I've overlooked something, it is open to him to raise those same questions.

Mr. Katzman: — Mr. Chairman, I think you are totally wrong. It's very simple. Many times we've asked the question on the preceding day verbally and the next day they've come back with written documents, yes, and many times they have come back with verbal answers. We have had both precedents in this committee. And I think what the member from Prince Albert-Duck Lake is saying is he placed questions on the . . . last week; he understands these gentlemen are ready to answer these questions; shall we not handle what's on the paper first and then move into the new line?

Mr. Chairman: — That wasn't my interpretation of what happened last Thursday. My interpretation of what happened last Thursday was I was simply giving them an idea of the information that I wanted, as a precaution, because they had come back without it.

Mr. Meagher: — Mr. Chairman, may I make a suggestion here? I believe that you may be suffering from some confusion as it relates to your role as the chairman of this committee of the legislature and your role up in the House. You are making suggestions that information has been made public that hasn't, and that we are asking for documentation. That is not supported by the verbatim of the public accounts last April 27th. We are simply saying that we want to proceed with the information that we've requested. We think it's incumbent upon us, as members of the public accounts committee of the legislature, to get to the bottom of some of what we perceive to be mismanagement of the taxpayers' money, and I suggest to you that you do not attempt to stonewall this committee or attempt to make publicity the paramount consideration here.

Mr. Chairman: — It isn't.

Mr. Dutchak: — Mr. Chairman, in all fairness to you, I wonder if I can perhaps make a statement and then you can respond, because I have some serious questions, as a member of this committee, as far as your attitude and activities in the last several days. I think what we have seen in the last week is some evidence — and I direct this to the officers that are present, as well. Some of the answers we've received from the officers I'm not totally satisfied with and we'll be investigating further, and they don't seem to be consistent with what the Provincial Auditor is telling us, as well.

In that case, I think we'll be inquiring perhaps further, so the officers can go back and get some additional information, because I can realize their position. They come in and they don't know what went on in the year under review, but I think we're going to have to get to the bottom of this, because I'm not satisfied with some of the answers we've been receiving. And certainly on the weekend, when I go back to my constituency and have my phone ringing off the wall, by people that were associated with the previous developments in 1981, the evidence that has been raised before us here isn't really accurate.

Now what concerns me is that there were certain questions that were raised in committee last day which you, as chairman, could have delved into. Instead you sat quiet and you didn't ask any questions at all. I'd remind you that we tabled nothing; we tabled no documents. We didn't indicate to you what documents we had to table, if we had any. We had knowledge as to some documents. We had some documents that were floating around Prince Albert and the north country for several months and several years, and nothing that the press has in the last week, I can assure you, was not available to the press in Prince Albert two months ago— nothing. Now there seems to be an indication . . . I have a serious question that I'd like to raise. I think it's highly improper that you did not bring up your concerns in this committee.

Mr. Engel: — Mr. Chairman, on a point of order. Is this public accounts committee gathered together to look at the problems that have been raised, or are we gathered together here to look at the role of the opposition? I'd like to know what the member from Prince Albert is trying to establish here. The chairman . . .

A Member: — For one thing, you cannot raise a point of order.

Mr. Engel: — Let me finish my question, please.

Mr. Dutchak: — Mr. Chairman, I'd ask that I complete my statement. There's no authority for the member to raise a point of order.

Mr. Engel: — I'm raising a point of order.

Mr. Chairman: — The member's point of order takes precedence. Let him raise it.

Mr. Engel: — My point of order was that we gathered together here. We started some questions on the role of a member that has been accused, and a doubt, a shadow, has been cast over his integrity and his character, and I think these questions should be delved into, and I can't see any reason why the government is so anxious that these questions that the chairman's answering shouldn't be asked. This is my point of order, and why you're interrupting that procedure and going on the attack of the role of the opposition in this accounts . . .

Mr. Dutchak: — First of all, your point of order is out of order. Secondly . . .

Mr. Engel: — It's not. It's not for you to decide. It's for the chairman to decide.

Mr. Dutchak: — Well, let's get a ruling from the chairman. Mr. Chairman, is his point of order in order?

Mr. Chairman: — I share the member's concerns. I'm not sure that it . . . Let us hear your comments.

Mr. Dutchak: — Well, my comments, Mr. Chairman, is that this committee has some special powers, and I'm not sure if you realize them, and I am assuming that you don't, and that's the reason why you took the strategy that you did in the House the other day. This committee has the power to call any witnesses. You have the power to call witnesses if you wish to clarify the situation. We are an investigative committee acting on behalf of the taxpaying public, and the public as a whole.

Now, I think, Mr. Chairman, you're going to have to decide whether you are going to continue to be an advocate for what went on in northern Saskatchewan, or assist us in getting to the bottom of the various incidents that we've raised and we've seen: fraud, theft, mismanagement, gross overruns. And I think, Mr. Chairman, you have a responsibility. I'm not saying you've discharged that responsibility. I'm just bringing it up for your attention because I'm concerned about things that were said in the House, for instance, your initial questions on the first day. You could have had those questions answered right here. There was no necessity to take it into the House, where you knew, I suggest, that you wouldn't get the full answer that you would receive in this committee. This committee enables you, because you have special powers as the chairman of this committee, to investigate. And as far as I'm concerned, we saw some red herrings being raised, insinuations made that I had some documents that no one else had. And you didn't know that; I didn't table anything.

Mr. Chairman: — The member from Rosthern offered them to me and I refused that offer. But . . .

A Member: — You said I had documents.

Mr. Chairman: — No, the member from Rosthern said . . . The member from Rosthern offered me some documents. And I said, 'No, I wanted my information from the witnesses.'

Mr. Katzman: — . . . (inaudible) . . .

Mr. Chairman: — Okay. I was referring to the episode here Thursday morning in Public Accounts.

Mr. Dutchak: — I think what I'm trying to say, Mr. Chairman, is that if you review the verbatim and read what was said by us, you will find that we were acting as officers of this committee. And really the fact that Mr. Yew's name is one of many that we've raised, the fact that he's an elected member, does not mean that anything is being done improperly. And you did not even ask us where this documentation came from. You did not determine that the documentation in fact was public in Prince Albert and northern Saskatchewan for some time. You made no inquiries whatsoever. In my opinion, you did not act as a chairman of this committee should.

Excuse me, Mr. Chairman. There's just a few points that I think we have to decide before going on further.

I think the powers of this committee have to be recognized by yourself and all members of the committee. We have power to call evidence; we have power to call witnesses. I think some of the officers that we've questioned have to realize as well that we have power to call anybody to this committee.

If an officer of the corporation or a department under review cannot answer the questions it may not be adequate for that officer to say, 'I don't know; I'll find out,' and then he brings a half-baked story back to us.

Now, I'm not criticizing the officers. But that may happen. And I want to make the point that we can call evidence.

Now, the mitigating factor in your case, Mr. Chairman, and I think the mitigating factor with the former premier, was the fact that you people didn't know what was going on in northern Saskatchewan. And I'm not blaming you for what happened. And I think I want to make that point so you don't think that what we've done is partisan in nature. If I wanted to be partisan in nature, maybe I would bring up the fact that one of the former cabinet minister's wives also had a subsidized house in northern Saskatchewan. But I didn't bring that up and I don't intend to.

Mr. Chairman: — That was good of you to keep that quiet.

Mr. Dutchak: — Yes, and I won't bring up others that have political connotations. I won't bring up the fact that anybody that carried your membership in northern Saskatchewan seemed to get the houses a little easier than other people. So, we won't discuss those points.

I think we want to get back to discussing why we have massive overruns; why we have fraud. We've already had convictions. We want to know where the \$900,000 went to in Pinehouse.

I have another example that I'm going to bring up this week of two identical projects . . . same blueprints . . . two different places . . . same year under construction. DNS builds one; the private contractor builds the other. We have a \$500,000 discrepancy — a difference. We want to know where that money went to.

And as far as I'm concerned, Mr. Chairman, if, every time we bring up something that may be embarrassing to your former administration, it's taken into the House and you react to the press, I think we're going to have difficulty in carrying on in our investigations. And that's a question I raise.

So, Mr. Chairman, I think I challenge you to decide whether you can remove yourself from your allegiance to the people that were responsible for what went on up there, or whether you can come with us and chair this committee properly.

Mr. Chairman: — Thank you. I am not at the moment, I may say, dealing in the broad sense with the administration of the Department of Northern Saskatchewan. At the moment I want to deal with certain allegations made against an elected member. Those allegations may have been made by way of innuendo rather than directly, but there were clearly questions raised about the propriety of the activities of the member from Cumberland, both before he was a member and while he was a member.

That issue was raised in this committee by questions put by government members. There were other ways that those questions could have been put. Some of those ways were suggested to you by some of your own colleagues. You chose not to do that, and I say to the member from P.A.-Duck Lake you chose not to do that; you chose to use Mr. Yew's name, not one day and not once, but over a space of three days. Mr. Yew's activities became the subject of fairly general comment throughout the province as a result of those questions, and it was thereafter I felt that in fairness to Mr. Yew we ought to determine what Mr. Yew's situation is. That was the line of questioning I was going to start this morning, and unless I am directed otherwise by the committee that's the way I intend to proceed: deal with Mr. Yew's affairs.

When I say that initially, there's a secondary question raised by the witness, and that is a suggestion that the matter be dealt with in camera. That's a secondary issue. But I do think Mr. Yew's integrity was impugned as a result of these committee affairs, and I think the committee has a responsibility to pursue it to some sort of conclusion. I say to the member from P.A.-Duck Lake that that's the risk you raise when you start using specific names. If it's of any interest to the public the members of the media are going to feel a responsibility to print it. It then gets out in the public and you then have to pursue the thing to determine whether or not the person is guilty or innocent — and that is the danger in using names in this committee. There are other ways of doing it. You chose not to do that. And I say that you have no option now but to see this thing through to a conclusion. And if one of the names that you are going to raise subsequently becomes a matter of public comment, I think we'll have the same responsibility. I agree that that may detract from the strict responsibility of this committee, which is to review the administration of the various departments and crown corporations. But you inevitably are going to find yourself doing that when you raise a name and a specific account, and that becomes a matter of public comment. So I think you have made your bed and you've got to live with it. As I say, that's my ruling: that I am going to proceed with my line of questioning.

Mr. Dutchak: — Can I just . . . I forgot to do this. I'd like to file, because I think, since you've brought it up, my point was that as chairman you just didn't investigate appropriately, and took something out of committee into the wrong forum, without investigating it as you should have. And I'd like to file an excerpt of the P.A. *Daily Herald* dated February 18th, 1983, which has Mr. Meagher quoted as to exactly what we were going to get into in committee. It was no surprise to you; you should have known. On

February 18th we indicated Mr. Yew's name in the press. It was public knowledge and I'd like to file this for the record, just so there's no insinuation that this was suddenly dropped on poor Mr. Yew and that he did not know about our inquisition.

Mr. Chairman: — Inquisition's not a bad term and I don't object to you using that.

Mr. Meagher: — Mr. Chairman, if I might, I would also like to make the additional comment that I share your concern that if in fact our investigation reveals that Mr. Yew was, as well as many, many other people in northern Saskatchewan, victimized by this incompetence of the Department of Northern Saskatchewan, then so be it. Then our point will have been well taken that that mortgage and housing program was so badly mismanaged and so badly run that they weren't aware of the fact that particular individuals hadn't occupied some of these dwellings for months — even years — and that they continued to maintain a ledger showing payments.

That is the point we're trying to raise. If you select one particular individual and attempt to get a lot of press, that's unfortunate. We are not making any allegations against an individual, nor have we, and the record will show that we haven't. Just the contrary. We're attempting here to clear the record. Mr. Yew was aware of the fact that we had this documentation some time ago and so were, I suggest, members of your caucus.

Mr. Chairman: — The suggestion that nothing untoward has been said about Mr. Yew as a result of these proceedings is just too much of a fiction to be tolerated. You people in this committee raised matters and you did so in a rhetorical fashion. 'Isn't it a fact that Mr. Yew owes \$ 7,000?' etc., etc. That was the manner in which the questions were raised. I saw Mr. Yew, outside of this committee, literally with his back to the wall, forced, a microphone stuck in his face, documents being waved past him: 'Now doesn't that contain your signature?' And then it would disappear before he ever saw the thing, and being asked to comment on it. That was a subject of discussion for several days running in the media.

Now, whether the committee members intended it or not, and it may have happened through ignorance rather than intentionally, you have, by these proceedings, impugned the integrity of Mr. Yew. I feel we have a responsibility to get to the bottom of it and to complete this, and that's what I'm going to do unless I'm overruled.

Mr. Meagher: — We share that responsibility.

Mr. Engel: — Okay, then, why not let the chairman proceed with his question?

Mr. Katzman: — I've got one comment here, just to correct the record and then we can go back to the point. You made a comment that I offered information on April 28th. I have so since found it and this is the information I offered you in the comments, page 250, so let's make sure we're talking about public documents, because that's what we referred to in that comment of mine. Don't misconstrue it. Volume 2 and volume 3 of *Public Accounts* were documents, so let's not turn things from where they come from, Ned.

Mr. Chairman: — Well, I gather the government members are now proceeding with the fiction that they never had any documents that were not available to members of the public generally. I'm not going to dispute that.

Mr. Dutchak: — Mr. Chairman, I think you want to know whether you felt that we can

bring out Mr. Yew's situation. I would agree that obviously if questions have been raised, we shouldn't now close the meeting to give that information before us. You know, I assume that they're going to say that, yes, he didn't live there. But that's the whole point we're trying to make. That's where you went off the mark last week, thinking that we were trying to nail Mr. Yew for some impropriety. Now we're showing the committee just how the system was, and we're trying to find out from the officers why it was that way.

Mr. Chairman: — I wished in fact that's what you'd done. I really wished you had stuck to the questions of the DNS administration and left Mr. Yew's name out of this . . . (inaudible interjections) . . . Let me finish, and then you can comment. If the member from P.A.-Duck Lake is not aware of the effect of raising an elected member's name in the context of owing money to the government, then I suggest that you have an apprenticeship to serve as a member, because you should know that if you say to a witness in front of this committee, 'Isn't it a fact that Mr. Yew owes \$7,000?' . . . If you think that's the same as saying to a witness, 'Isn't it a fact that Joe Smith (a name I picked out of the air, unknown to anyone) owes \$7,000?' then you indeed have an apprenticeship to serve, because the media treat elected members differently. It has always been thus and there's nothing particularly peculiar about our press gallery. I say that when you raised Mr. Yew's name you opened up a Pandora's box that we're going to have to pursue until Mr. Yew's name is either cleared or otherwise, whatever the case may be. That's what I was proceeding to do and, as I say, I will proceed to ask these questions unless I'm overruled.

Mr. Dutchak: — Well, I don't have any objection to it. I just want to mention, Mr. Chairman, that, yes, I am a novice in this area, but I wasn't aware that an elected member had immunity from public debt. And it's . . .

Mr. Engel: — That's not what the chairman said.

Mr. Dutchak: — I think we should get the answers, and I have no objection to you asking the questions. I think you're breaking with procedure because we have questions that have been put forth to them.

Mr. Chairman: — I don't agree. I just simply don't agree. That has not been the case since I've been a chairman. If you want to overrule me, that's the option of the government caucus, but that is not my understanding of the procedure before this committee and I know of no precedent for it.

Mr. Dutchak: — Mr. Chairman, we won't overrule you. You can proceed with your questioning, even though we don't agree with the procedure you're following, but we think it's going to amount to the same thing, and we hope that you'll have the same interest we do.

Mr. Katzman: — I assume that you will allow our members some time to question as well today.

Mr. Chairman: — I indicated if any members want to interrupt me in the line of questioning, please feel free to do so.

I think we had established that your records . . . You didn't have your records as to where Mr. Yew lived when he was employed by the Department of Northern

Saskatchewan, but you presumed he lived in La Ronge.

Mr. Bailey: — Mr. Chairman, during the discussion I consulted with some of my colleagues, and it seems quite clear that in July of 1980, he did move into a staff housing unit in La Ronge. And this would somewhat coincide with information that I understand is available, that he left the housing unit in Jans Bay about at the same time.

Mr. Chairman: — All right. That was my next question. The indication you have from your records is that he left the residence in Jans Bay at about the same time he moved into La Ronge. Is that what . . . (inaudible) . . . say?

Mr. Bailey: — Well, I'd ask the Saskatchewan Housing officials who reviewed the records.

Mr. Willox: — Mr. Chairman, I was just . . . Before starting on this, just note that it was in November when we had taken over responsibility for DNS, and in trying to respond to the files, or the questions put, it's rather a limited amount of time and difficulty obtaining all the information. But we have done the best we can within that time period. Mr. Lloyd has had an opportunity to review the files that we have at hand, and I think we can respond to most of the questions relatively accurate, given the information that we have . . . (inaudible) . . . Do you want to proceed on . . . (inaudible) . . .

Mr. Lloyd: — Okay. Mr. Yew did move into the house at Jans Bay in March 31st, and as I was asked to also investigate the approximate time that he moved out of the house. I did phone the local chairman of the LCA in Jans Bay. He moved out sometime in July. He did not know whether or not any keys had been turned over to anybody at that time by Mr. Yew, but Mr. Yew had moved and gone to La Ronge.

Mr. Chairman: — Do I take it from the witness's answer that you don't have any information as to when any keys might have been turned over to anyone — the LCA or any other officials?

Mr. Lloyd: — I contacted the chairman of the LCA; I phoned him back and I had asked him that question, and he said that he'd done some investigation and he didn't know of anybody that had received any keys from Mr. Yew. He couldn't remember anyway. He said it was about two years ago.

Mr. Chairman: — So, in effect, you don't know when, if ever, any keys were turned over?

Mr. Lloyd: — That's correct.

Mr. Chairman: — Do I gather from yesterday's discussion that it was the LAC, the local advisory council, who actually determined occupancy?

Mr. Lloyd: — The local government would suggest applicants to the northern housing branch, as I understand it, and suggest which people should be allotted into the houses. And from there, the northern housing branch would investigate as to the means of that person being able to pay for that house, or whatever it took to follow the criteria that was set out by northern housing. And then they were notified if that applicant was . . . in effect, could move into that house or be allotted that house.

Mr. Chairman: — Do your records indicate how long the house remained vacant?

Mr. Lloyd: — Approximately one year, as far as we could determine.

Mr. Chairman: — And then who moved in?

Mr. Lloyd: — A lady by the name of Della McCallum moved in in the spring of 1982.

Mr. Chairman: — In the spring of what?

Mr. Lloyd: — 1982.

Mr. Katzman: — So what you're saying, he just moved out of the house?

Mr. Lloyd: — I can't really answer that question.

Mr. Chairman: — I thought I recalled a comment which was made earlier. A comment on one of the documents that . . . What happened in 1982 then?

Mr. Lloyd: — In 1982? We were approached with an application for the house.

Mr. Chairman: — By . . . ?

Mr. Lloyd: — By Della McCallum.

Mr. Chairman: — Who was the manager of the northern housing?

Mr. Lloyd: — At that time? I believe Neil . . . A Mr. Neil was.

Mr. Chairman: — Mr. Neil. Had Mrs. McCallum been living in the residence prior to approaching the . . .

Mr. Lloyd: — Yes, as far as we know she was already in before we knew.

Mr. Chairman: — How long had she been living in . . .

Mr. Lloyd: — As far as we could find out, sometime in May she moved into the house.

Mr. Chairman: — May '81?

Mr. Lloyd: — May '82.

Mr. Chairman: — I thought I recalled someone saying something about . . .

Mr. Katzman: — Just a minute . . . hang on Ned. You think he moved out in July — July '80, and that this lady moved in in '82, May? Is that correct?

Mr. Lloyd: — We found out in September of 1982, the 23rd day. I have a note here from one of my building inspectors who was out checking on warranty work. And he says, 'The house is occupied by Della McCallum. The above home-owner has moved to La Ronge.'

Mr. Katzman: — So you find that out in September of '82?

Mr. Lloyd: — That's right.

Mr. Katzman: — And you think she moved in in May of '82. And so far you haven't told us what happened to the house between July '80 and May '82.

Mr. Lloyd: — As far as we know it was empty.

Mr. Katzman: — And still Mr. Yew hadn't turned over the keys?

Mr. Lloyd: — As far as . . . In my conversation with the local government board in Jans Bay, they don't recollect any keys being turned over. Now, that's a two-year period, which . . . Maybe, the local chairman was not on the board at that time, and there was I . . . maybe somebody did turn the keys over to one of the local board members, and that board member could be some place else. They probably could be tracked down, but I think it would be very hard.

Mr. Chairman: — What's your basis, Mr. Lloyd, for believing that Mrs. McCallum moved in in March of '80?

A Member: — May.

Mr. Lloyd: — A local government man said that she'd moved in in the spring sometime in May.

Mr. Chairman: — What would she have signed then? Would there have been any sort of a loan approval signed at that time, when she was approved as a purchaser?

Mr. Lloyd: — She would sign an interim occupancy agreement, although that wasn't signed till later on in '82.

Mr. Chairman: — Would there have been anything in the nature of a final loan application signed? Would there have been a document completed, called a final loan application, by the housing manager?

Mr. Lloyd: — No, at that point we'd take an interim occupancy until all the final paperwork, and then it goes to the mortgage document.

Mr. Chairman: — When was the interim occupancy signed?

Mr. Lloyd: — She signed on October 13, 1982. I've got '83; somebody has made a mistake.

Mr. Chairman: — Would there have been a final loan application form approved by any officials?

Mr. Lloyd: — Pardon?

Mr. Chairman: — Would there have been a final loan application form approved by any officials? Would the housing manager have signed a document called the final loan application — final loan approval?

Mr. Lloyd: — They would sign the agreement with her as the person who filled it in.

The application for mortgage was signed April 27, '82. That was the application.

Mr. Dutchak: — Mr. Chairman, do you want the officers to look through for that answer, because we have some other questions? We'd like to get on with them. Do you have other questions?

Mr. Chairman: — Yes, I do. It depends how long it's going to take them to find the final loan approval.

Mr. Glauser: — I wonder if I could just . . . if we could just proceed with another angle here for a minute. I'm having difficulty equating the position which you held, Mr. Bailey, and would that not have been manager of the financial administrative branch with DNS back at that time? You know, prior to you coming into this position?

Mr. Bailey: — In the year under review, Mr. Chairman, I was the executive director of support services, and one of several branches was financial and administrative services, yes.

Mr. Glauser: — Well, when I look at the auditor's report, and you taking umbrage with it, how could you take umbrage with it if you weren't responsible for the department?

Mr. Bailey: — Mr. Chairman, I'm not sure what the question is. I don't know what I took umbrage with.

Mr. Glauser: — Well, you disagreed with him on those payments, like, in the auditor's report. The collection procedure is in the auditor's report. You were in disagreement with him that there was no . . . that there was documentation. Do you want to assist with that?

Mr. Chairman: — I'm sorry, I didn't understand the member from Saskatoon Mayfair. I'm not sure . . . (inaudible) . . . If it's going to take a long time to find the final loan approval . . . Have you found the final loan approval?

Mr. Lloyd: — Yes, we have, Mr. Chairman. October 14th, '82.

Mr. Chairman: — I was told that append beside the housing manager's comments was a suggestion that Mrs. McCallum had lived in the house for over a year. Do you see that on the document?

Mr. Lloyd: — It says here, 'She has been living in the unit for over one year.'

Mr. Chairman: — Which suggests she moved in before March of 1982, doesn't it?

Mr. Lloyd: — Yes.

Mr. Katzman: — But that's when they're signing the thing on April 23rd of '83.

Mr. Lloyd: — She made an application in April for a house.

Mr. Dutchak: — April what? Of what year?

Mr. Lloyd: — April 27th of '82.

Mr. Chairman: — The document that the manager signed, the witness just told us it was signed in October '82. There was a suggestion on that document she'd been living in that house for over a year, which would make it well before March of 1982.

Mr. Katzman: — Ned, you misread something. You said that document was April, not October.

Mr. Chairman: — No, no, you misread it.

Mr. Lloyd: — April 27, 1982, Della McCallum made application for mortgage for that unit.

Mr. Dutchak: — So it was empty for a year instead of two years.

Mr. Chairman: — No, no. You misunderstand the document. It's not what that location suggests, and I would ask the witness to read it again for the benefit of the . . . (inaudible) . . .

A Member: — First read the document, then the date of the document.

Mr. Chairman: — Give them the date of the document first.

Mr. Lloyd: — The application for mortgage?

Mr. Chairman: — No, the loan approval.

Mr. Lloyd: — The loan approval? 'Della McCallum approved for 77 . . . (inaudible) . . . Bay. Her original house had been destroyed by fire . . .

Mr. Chairman: — You don't have to read the whole document.

Mr. Engel: — Just on that question, could I interrupt you? The original house they lived in, was that a house that they had purchased through a government housing program, or was that a house of their own?

Mr. Lloyd: — It was, as I understand it, it was one of our houses.

Mr. Engel: — Can you get any documentation on that house as to when they moved into that, and when it burned down?

Mr. Lloyd: — Yeah, that's possible.

Mr. Engel: — I'd like that information, please.

Mr. Dutchak: — Mr. Chairman, it has to be clarified.

Mr. Chairman: — I agree. This document should be clarified.

A Member: — The date of the document is what?

A Member: — April of '82.

A Member: — No, no.

Mr. Lloyd: — The final loan approval was signed October 14, '82. The application . . . (inaudible interjections) . . .

Mr. Chairman: — Would you repeat for the member from P.A.-Duck Lake the comments that you just read to us . . . (inaudible) . . .

A Member: — We've heard the comments.

Mr. Engel: — . . . (inaudible) . . . hear it again. On the October document.

A Member: — You can read it again.

Mr. Lloyd: — The final loan approval that she signed for the house that she is now in was signed on October 14, 1982.

Mr. Engel: — And the marginal note says?

Mr. Lloyd: — Her original house before that . . .

Mr. Chairman: — No. The marginal note with respect to when she moved in.

Mr. Lloyd: — When she moved in?

Mr. Chairman: — You just read it to us, Mr. Lloyd.

Mr. Katzman: — Ned, what document? You seem to know what's on this document . . . (inaudible) . . .

A Member: — Did you get a leak, Ned?

Mr. Chairman: — No, I didn't get a leak. No, I found this written on the wall of the washroom upstairs.

Mr. Lloyd: — It says here, she has been living in this unit for over one year — 1978 unit log . . . (inaudible) . . . Jans Bay.

Mr. Dutchak: — So it's been empty for a year instead of two years?

A Member: — That's right.

Mr. Chairman: — No, what I'm suggesting to the witness is . . .

Mr. Dutchak: — You shouldn't be suggesting.

Mr. Chairman: — Well, I'm going to, if the member from P.A.-Duck Lake could give me a moment. I'm suggesting to the witnesses that you don't know when Mrs. McCallum moved in. You told us it was March. It appears from that document it was well before March, and I'm suggesting to you that perhaps we don't know when Mrs. McCallum moved in. Is that a possibility?

Mr. Lloyd: — That's correct.

Mr. Chairman: — That's correct, we don't know when she . . . (inaudible) . . .

Mr. Lloyd: — That's correct. Really we don't know when she moved in . . . (inaudible interjections) . . . We really don't.

A Member: — I have a question I'd ask Mr. Lloyd. If you could get the documentation of her former house that they had and when that house burned down, it would make a heck of a lot of difference as to where did they live in between, because I think they moved from the burnt house to the other one.

Mr. Lloyd: — Mr. Chairman, that could be. I know that house burned down. Her original house burned down November 29th, 19 . . . (inaudible) . . .

Mr. Engel: — 1980?

Mr. Lloyd: — Yes, November 29th, 1980.

Mr. Engel: — Is when the house burned down?

Mr. Lloyd: — That's right.

Mr. Chairman: — Okay, I'm just going to have to ask members to speak one at a time. The second victim, apart from Mr. Yew, is going to be the *Hansard* reporter which tries to unravel this verbatim, because it's going to be very difficult. Everybody's talking at once. Okay, any other comments on that before I go on? I have other questions I was going to proceed with, but I wanted to establish that.

Mr. Dutchak: — I'm not sure how relevant . . . Mr. Engel's question obviously is to assist Mr. Yew, but we're not saying that Mr. Yew even knew about Mrs. McCallum and when she moved in and when she moved out or whatever. The point I think is that the officers are unable to tell us because they don't know. Now, should we tell them to go into the field and start investigating? I'm not sure what you're getting at. We're not alleging that Mr. Yew had a tenant in there, was getting money, or anything like that. I don't know what you're getting at.

Mr. Chairman: — Well, I'll tell you what I'm getting at. The witness suggested she moved in in March of '82. I suggested that information may have been incorrect. I think he agreed that information was incorrect and that we don't know when she moved in, and I think that's where it stands at the moment.

Mr. Katzman: — Are you saying DNS documents are all bugged up?

Mr. Chairman: — No, I'm suggesting that, apart from your unparliamentary language you've got, I'm suggesting that the witness may have (I'm sure unintentionally) been guilty of overextending himself, because I think he admits he doesn't know when Mrs. McCallum moved in.

Mr. Meagher: — Mr. Chairman, if I might make a short brief comment as well. Just getting back to your suggestion that Mr. Yew is subjected to a great amount of harassment by the press, and I want it to go on the record that if he is faced with a forest of microphones and a lot of press and, as a result of that, is unable to recall — he, or any member of the Legislative Assembly is unable to recall — whether in fact he lived in the

house or didn't live in it, or whether it was rent or mortgage payments, is a problem for that member. And it's not a problem that this committee should be dealing with. What we should be dealing with is the administration of that department and how this kind of a situation could arise.

Mr. Chairman: — I thought we'd settled that between 10:30 and 11. I thought we had settled that we were going to pursue this matter until we found out what Mr. Yew owes.

Mr. Katzman: — Well, let's ask that question.

A Member: — Yeah, that's a good question.

Mr. Chairman: — I will get there in due course, if you will bear with me. I want to know what documents Mr. Yew signed when he . . . I'm now back to March, 1980. What documents would he have signed?

Mr. Lloyd: — He would first of all sign an application for a unit.

The former person, before Mr. Yew was in that house, had signed an application. Mr. Chairman, could I just run through this more or less . . .

Mr. Chairman: — Please do, Mr. Lloyd.

Mr. Lloyd: — The former applicant, or the first applicant for that new house, had signed an application for it. In the meantime, while the house was being built, her husband passed away. Therefore, she did sign a quit claim and no longer requested the house. At that time, the northern housing branch contacted the LAC to pick a new applicant for the house, at which time Mr. Yew was contacted, or probably a number of people were. Mr. Yew, through the LAC's recommendation, filled out an application form that was forwarded to the Department of Northern Saskatchewan. This document was signed September 4th, 1979.

At that time, the application would have been forwarded to the Prince Albert office where a credit check would have been completed and which I have documentation here on it. And, of course, they would verify his income at that time.

Mr. Chairman: — Let me just . . . I'm sorry, are you finished?

Mr. Lloyd: — No, I'm not finished. But if you have . . .

Mr. Chairman: — No, I'm sorry. Go ahead. I thought you were finished. Go ahead.

Mr. Lloyd: — At that time a letter was then sent out to Mr. Yew informing him on October 18th, '79, that:

The Department of Northern Saskatchewan is pleased to inform you that your application for housing is being processed and you've been placed on our list of eligible applicants (and so on).

And at that time the house was in the stages of being lot purchased and construction details for the house.

It also says:

Please note that a \$500 down payment is required for section 40, and we would suggest that you begin making arrangements with your area housing program officer for payment of the required amount.

In the further on documents, he took that out as sweat equity — \$500.

Mr. Chairman: — Perhaps I will stop you here, Mr. Lloyd. What were the arrangements with respect to sweat equity? What was the deal with . . . Could they contribute any amount of sweat equity? Was there a limit to it, or how did that work?

Mr. Lloyd: — The \$500 equity . . . It could either be paid in cash or sweat equity, which would . . . Maybe they would take on the job of painting the interior of their house or the exterior of their house, up to \$500 worth of labour.

Mr. Chairman: — Was \$500 the limit or could they contribute any amount?

Mr. Lloyd: — \$500 was more or less the limit. They didn't contribute anymore or any less. That was for their down payment.

Mr. Chairman: — Okay. Sorry, did the member from Rosthern have a question?

Mr. Katzman: — No. I said, 'Next step.'

Mr. Lloyd: — The next step was the . . . After the house was completed, Mr. Yew would have been contacted, and the housing officer would take him through the house, and he signed an interim occupancy agreement to move into that house.

Mr. Engel: — What was the date on that?

Mr. Lloyd: — March 31, 1980, at which time the mortgage document would be drawn up as to the schedule of his payments.

Mr. Katzman: — What date was the mortgage then?

Mr. Lloyd: — Sorry, not a mortgage document; this would be on the interim occupancy. It's an interim occupancy agreement as to the amount he would pay.

I'm having problems with this because of the confidentiality that I would like to keep in these files as much as possible, outside of giving . . .

Mr. Chairman: — I don't think we need to know his payments and income, unless the government members want to hear it. I don't need to know any further details than the . . . (inaudible) . . . except one question, and that is: when did it provide for possession? Was this the document that set out possession, and when was that to be taking place?

Mr. Lloyd: — March 31, 1980 — occupancy of the purchaser. And then, of course, we had the monthly payment calculated as to the Department of Northern Saskatchewan, schedule A, and then, of course, purchaser's first payments shall fall due on the first day of the month, following the interest adjustment date, namely the first day of May, 1982.

Mr. Chairman: — Interest adjustment date . . .

Mr. Lloyd: — 1980, sorry.

Mr. Chairman: — Interest adjustment date of April 1st . . . May 1st, 1980?

Mr. Lloyd: — May 1st, 1980 was his first payment.

Mr. Chairman: — So the interest adjustment date was April 1st, 1980.

Mr. Lloyd: — Yes.

Mr. Chairman: — Okay. Let me just reiterate my understanding of this interim occupancy agreement.

Mr. Katzman: — Why don't we let him follow through this document that he's asked permission to keep going through? He asked to run through them.

Mr. Chairman: — I don't think I'm particularly disturbing his flow. He invited me to clarify any misunderstanding I might have, and I want to do this before we go on. The interim occupancy agreement, was this signed in every loan application?

Mr. Lloyd: — Yes.

Mr. Chairman: — What was said the other day with respect to this serving as a bridge between the time someone moved in and the time it was completed, so that a mortgage could be signed.

Mr. Lloyd: — Yes. Due to the fact of trying to get people into houses as quickly as possible, there might be a few deficiencies that maybe still had to be completed. These would be listed on the interim occupancy and then they would move in.

Mr. Engel: — Is that why you had a letter from an inspector dated . . . An inspector went back, was that because there were still deficiencies there? You read from an inspection report that dated somewhere around '82.

Mr. Dutchak: — Mr. Chairman, I think you should . . . (inaudible) . . . and pass it on to another member.

Mr. Engel: — No, he said we could interrupt him if we . . .

Mr. Chairman: — I like members to interrupt.

A Member: — Well, we'd rather not interrupt.

Mr. Engel: — Well, I would like to get . . .

Mr. Chairman: — The member from Assiniboia is being an individualist.

Mr. Engel: — I would like to get that information. You read from an inspector's report that indicated she had been living there for some time. And why was this inspector out there at that time? Is that because the house still hadn't been completed or that this was

used as bridge financing?

Mr. Lloyd: — Probably he was doing . . . We have what we call warranty work after the total house has been completed. He would probably be there to do warranty inspection on the house.

Mr. Engel: — Could you go back to that file or that page you had on that inspector and just see what he was doing there? It would show what kind of work he was looking at either foundation or painting or cupboards falling off the wall or something must have been the reason for an inspector to go back.

Mr. Lloyd: — Yes, it says no warranty work to be done. He was doing a warranty inspection that's what he was doing.

Mr. Engel: — So by that time it was all done.

Mr. Lloyd: — Yes.

Mr. Dutchak: — I'd just like to make a real brief point. You know, some of the questions that are coming up are whether Mr. Yew owes the money or not. I think all we want confirmed is: according to the records, is the money owing? If it is, and Mr. Yew may not owe the money . . . Why don't you just ask the officer?

Mr. Chairman: — Is the member from P.A.-Duck Lake suggesting that I'm . . . If you're rendering advice to me on how to ask the questions, I want to thank you very much. I appreciate your advice and assistance and I know you have my best interests at heart. If you're suggesting that I'm not entitled to the line of questioning I'm pursuing, then I think I disagree, and I'm not sure in what context the member's comments are made.

Mr. Dutchak: — All right. Go ahead.

A Member: — . . . (inaudible) . . . through till 2 o'clock.

Mr. Chairman: — No. we're not. I've got to go at 12.

This is an unchairman-like comment, but do I sense that the government members aren't particularly enjoying this session and you'd like it over with?

Mr. Katzman: — The thing is, we made an agreement, Mr. Chairman, that I wouldn't monopolize the committee and neither would you.

Mr. Chairman: — I'm not. I just . . . (inaudible) . . .

Mr. Katzman: — . . . (inaudible) . . . members a chance to make their comments.

Mr. Chairman: — I have invited members to interrupt whenever you want, and I do not think I am monopolizing the conversation today.

I have a question with respect to the northern subsidy. I just want to again . . .

Mr. Embury: — Has he completed his documentation run? We got to the interim application of May 31st. I want to know what happened after that, documentation-wise.

Mr. Chairman: — Okay. I thought you had raised the northern subsidy — that document. I'm sorry. Go ahead, then.

Mr. Lloyd: — When he signed the interim occupancy agreement, there were a few things that were not completed in the house. These were also noted. Some of them were: there was a bathroom fan cone not installed, and a range hood not installed in the house, and this went back to . . . That completes the interim occupancy agreement with the person moving into the house. The payments are set up; he knows what his responsibilities are. The house isn't quite finished; he also knows that somebody will be coming back to finish it. But it put a roof over the people's head.

After that, then we get into a letter that went to Mr. and Mrs. Yew:

Enclosed please find the interim occupancy agreement papers which I had both of you sign March 31, 1980. As I indicated to you, the monthly payments are . . . Your payments may be made to the LCA office in Jans Bay, or mailed by cheque to the Department of Northern Housing, Prince Albert.

Mr. Dutchak: — What's the date on that letter?

Mr. Lloyd: — April 17, 1980. And that would be the final letter that Mr. Yew, or anyone else, would receive, stating to them that they're in the house and what their payments are and that the interim occupancy has taken place.

From that point on, then the other papers that I have here in front of me. Of course then he also signed at March 31st the promissory note to Northern Saskatchewan, and the payment schedule that was on that.

After that period of time, it was the policy . . . or maybe it wasn't the policy, but after that period of time it was up to the home-owner to make his payments.

Mr. Katzman: — . . . (inaudible) . . . mortgage, I believe.

Mr. Lloyd: — There would be no mortgage agreement.

Mr. Katzman: — Mortgage application. Sorry.

Mr. Lloyd: — That was also signed — an application for a mortgage. That all takes part of the role up to the time he's moved into the house.

Mr. Katzman: — The application for a mortgage was on March 31st?

A Member: — Did he have any further communications?

Mr. Chairman: — I thought we were going to let Mr. Lloyd continue with the documents before we . . . (inaudible) . . . I thought it was a good idea.

Mr. Lloyd: — I'm sorry. The title on this is . . . I thought it was the mortgage application. It's not. It's the application for northern housing subsidy. The mortgage papers would go back later, when everything was all settled. Sometimes we had land to transfer, and until that was in our name . . . It could take up to two years sometimes to get land transferred from one department to the other. Therefore we couldn't sign a

regular mortgage document with the person.

Mr. Embury: — Before you signed the note.

Mr. Lloyd: — Yes.

Mr. Glauser: — It gives it continuity.

Mr. Lloyd: — It gives it continuity with the interim agreement to the time that we would get the land issue settled between departments. Then we would go back in one, two years. Usually it took two years to get the land settled, then a mortgage would be signed. So he did not sign a mortgage. He signed a promissory note for the time that he would be in that house under interim occupancy.

The next time . . . Of course then the next sequence of events is that we found that the house was empty.

Mr. Chairman: — Is this still in 1980?

Mr. Lloyd: — No, this is later on.

Mr. Chairman: — Okay, then I think we'll perhaps deal with this initial set of documents first.

Mr. Katzman: — No, no. When he finds the house empty, let's see if he's got a date.

Mr. Chairman: — Well, let's do that in due course. But in the meantime I have a question about one of the documents. I thought we were going to allow them to complete this description of the set of documents signed when Mr. Yew moved in. That was all I was asking.

Do I take it that . . . Let me just clarify my understanding of this northern subsidy. Am I correct that this was not a subsidy, like a day care subsidy in which there would have to be a cheque issued and goes to anyone? Do I take it that this was not in fact a subsidy which went to Mr. Yew or to the local advisory council, but was simply an internal transfer between CMHC and the northern housing branch?

Mr. Lloyd: — That's correct.

Mr. Chairman: — Right. So neither the LAC nor Mr. Yew would have ever seen this subsidy or concerned themselves about it again. Is that accurate?

Mr. Lloyd: — That's accurate. They don't concern themselves with the subsidy. That's the internal thing between us and CMHC.

Mr. Chairman: — Okay, I just have one other question, and other members may have questions. You say no mortgage document was signed. What did the interim occupancy say about the date within which a mortgage document should be signed?

Mr. Lloyd: — There was no specified date.

Mr. Chairman: — Again, I was under the understanding that that interim occupancy agreement provided for the completion of the mortgage documents, etc., within 60

days.

Mr. Engel: — Could you read those last two paragraphs on that page?

Mr. Lloyd: — Okay.

Memorandum of applicants for internal occupancy, section 40 — houses:

The vendor has agreed to sell, and the purchaser has agreed to purchase the premises described on schedule A attached hereto.

Due to the temporary delay in proceedings with the completion of the said sale, and the execution of the mortgage, DNS northern housing hereby agrees to permit the occupancy of, by the purchaser, on the 31st day of March 1980, under the following terms and conditions:

(a) The purchaser shall make monthly payments as calculated from the Department of Northern Saskatchewan schedule A form;

(b) Interim payments received from the purchaser shall be applied to the mortgage account upon execution and registration of the mortgage;

(c) The interest adjustment date in the mortgage to be the first day in the month following the purchaser's occupancy, namely, the 1st day of April 1980;

(d) The purchaser's first payment shall fall due on the first day of the month following the interest adjustment date, namely the 1st day of May 1980.

(e) Interim monthly payments collected from the purchaser shall be retained in a suspension account at the DNS advance account, and applied to the mortgage account when advised of particulars of the mortgage administration;

(f) Federal-provincial subsidies shall be calculated from the said interest adjustment date;

(g) The purchaser agrees to make payments referred to herein on the due date, and to complete the purchase and execute the required documents within 30 days of being advised that such documents are ready for execution. If the purchaser does not make such payments when due or execute the said documents in the said period, this agreement and the agreement to the purchase of the said premises shall at the opinion of the department to be exercised on notice, or without notice if the default continues for a total period exceeding 60 days, both become null and void as if they had never been executed, and the purchaser shall vacate the said premises.

Mr. Engel: — In how many days does it become null and void?

Mr. Lloyd: — 60 days. That's on default.

Mr. Chairman: — So I take it the agreement became null and void on May 31st.

Mr. Lloyd: — But that is at the option of the department.

Mr. Chairman: — The mortgage documents . . . (inaudible) . . . again I guess were not completed by May 30th, which is what I understood, or did I understand that properly? I understand that clause provided for the signature of the documents within 60 days.

Mr. Lloyd: — No.

. . . to complete the purchase and execute the required documents within 30 days of being advised that such documents are ready for execution.

So it could go farther or longer. It would depend on the department to execute it.

Mr. Chairman: — Was Mr. Yew ever advised that the mortgage document was ready for his execution?

Mr. Lloyd: — I couldn't answer that question.

Mr. Chairman: — Is there anything on your . . . I assume this wouldn't be done over a coffee table. Is there any letter, is there anything in your file which suggests that he was requested to sign a mortgage document?

Mr. Lloyd: — All I have here is one very short letter from one of the people in the office to a housing program officer in area 3:

Please find attached mortgage for the above name (which was Lawrence Riel Yew). Please have it completed and returned to me.

And that's all I've got on it.

Mr. Chairman: — What's the date of that?

Mr. Lloyd: — January 27, 1981.

Mr. Chairman: — To whom was that addressed?

Mr. Lloyd: — That was addressed to the housing program officer, area 3.

Mr. Chairman: — And who is that?

Mr. Lloyd: — To my information, I asked the same question, and they told me it was a person by the name of F.E. Christiansen, but is no longer with the department. I have no idea; don't know the person at all.

Mr. Chairman: — Why would it have taken so long for the mortgage document to have been forwarded? I gather there is no evidence it was ever forwarded to Mr. Yew. It was simply forwarded internally. That's an internal government memo. Why would it have taken so long to forward the mortgage document if the house was ready for occupancy and there was no . . . I'm curious as to why it would have taken so long to forward it.

Mr. Lloyd: — As I stated before, a lot of the time between internal or occupancy and mortgage documents was due to the fact that sometimes the land that the houses was built on was not turned over to the northern department from another department, and in most cases this was taking up the two years, probably, as a minimum to get the land turned over and registered into the department of northern housing names and into the people's names, all the legal work.

Mr. Chairman: — Okay. Was that the case in this . . . Was that in fact the case in Jans Bay in this . . .

Mr. Lloyd: — I could not answer that question; I would not know.

Mr. Chairman: — You wouldn't have any record of whether or not the land was properly in the name of the department or the name of the individual. Is that what you're saying?

Mr. Lloyd: — We have one title document here, a transfer:

Certificate of title. This is to certify that Her Majesty the Queen in the right of the use of Her province of Saskatchewan is requested by the Minister of Northern Saskatchewan, now the owner of an estate in fee simple, and of . . .

Mr. Dutchak: — Excuse me, witness. Mr. Chairman, you know very well that certificate of title is a form certificate and . . . He can table the documents.

Mr. Chairman: — I wasn't aware of that. I'm not familiar with the land-holding system in . . .

Mr. Dutchak: — In Saskatchewan?

Mr. Chairman: — In northern Saskatchewan. If it is in fact a copy of a duplicate certificate of title . . .

Mr. Lloyd: — Yes.

Mr. Chairman: — Okay. All right, in whose name is it?

Mr. Lloyd: — It's in the province's name.

Mr. Chairman: — So would the province have transferred title to Mr. Yew?

Mr. Lloyd: — No, not at this time.

Mr. Engel: — What is the date on that title, sir?

Mr. Lloyd: — There is no date that I . . .

Mr. Chairman: — Well, I guess I don't understand the system then.

A Member: — You're right there.

Mr. Chairman: — How would Mr. Yew grant a mortgage on property for which he wasn't to get title?

Mr. Lloyd: — Like, he did not have a mortgage at this time.

Mr. Chairman: — No. but it was my assumption, and I guess incorrect, that it would have been his right to have title transferred to him, he would give the Crown back a mortgage, and that would secure repayment of all sums due to the Crown. But you're saying that wasn't the system. What was the land-holding system?

Mr. Lloyd: — The land was turned over to the department, as I understand it, and I'm not a lawyer. A lot of land titles, the land was owned by the Crown in Saskatchewan and then it was turned over to northern housing and then it would be broken down into certificates of title for each lot, that would go into the mortgage documents when that was completed.

Mr. Chairman: — And would those certificates . . . But Mr. Yew would never have got a certificate of title in his name saying that he's the owner. Is that what you're saying?

Mr. Lloyd: — He would have got a certificate when and if he signed the mortgage, I believe.

Mr. Chairman: — Okay.

Mr. Lloyd: — I'm not a lawyer, so I just don't know those terms . . . (inaudible) . . .

Mr. Chairman: — All right. That was my assumption I was operating under, that once he had signed the mortgage, you would transfer title in order to register the mortgage.

And are you saying that you don't know whether or not the title was properly subdivided?

Mr. Lloyd: — The property was all subdivided and then for each an individual piece of property would go on into the mortgage document.

Mr. Chairman: — But, was there anything to prevent the department from transferring title to Mr. Yew?

Mr. Lloyd: — No, not until the time came that the mortgage document would be signed.

Mr. Chairman: — That goes back to my original question then: why it took so long to get the mortgage documents signed.

Mr. Lloyd: — I couldn't answer that for that period in time.

Mr. Chairman: — It is at least conceivable it's because Mr. Yew had moved out of the house on July, as was suggested, and no one, including the officials of the Department of Northern Saskatchewan were operating on the assumption that he was buying it. Isn't that at least a plausible explanation?

Mr. Lloyd: — We always work under the assumption that a person that moves in under an occupancy agreement that eventually they will buy the house. And that is the way the program is set up, through our agreement with CMHC.

Mr. Engel: — Even with the agreement in there that if they don't sign, finish off the documents in 30 to 60 days . . . I still don't have that straight in my mind, because I don't have the document in front of me . . . but if he's moved out more than 60 days prior and lives in another area 200 miles away, is it still the department's assumption, or was it still the department's assumption, that that was something they were going to get him to sign a mortgage on and finish the agreement . . . that it was his house?

Mr. Lloyd: — As I understand the department were not aware that he had moved out of the house.

Mr. Chairman: — Then why wouldn't the department have taken steps to complete the mortgage? It seems to me that the most plausible explanation for the mortgage never having been at least even forwarded until January was that the department was treating this house . . . treating Mr. Yew as no longer in fact the purchaser of this house . . . (inaudible) . . .

Mr. Dutchak: — Mr. Chairman, I have a suggestion. I think the representatives here should bring someone back who can describe what happened regarding the legal position of, and owner of the properties up there. I know that what you're getting at is not correct. It's not handled the same way as a mortgage in the city of Regina, for instance, where the title is dealt with differently.

In my knowledge this isn't unusual, but I think the officers here should bring back someone that knows what the system is working like and then he'll be able to answer your inquiries properly, if that's all right with you.

Mr. Chairman: — Okay. Well, it's 12 o'clock. Why don't we adjourn . . .

Mr. Dutchak: — I have a couple of questions.

Mr. Chairman: — A couple of members have made some questions.

Mr. Dutchak: — A simple question. Did Mr. Yew ever make any payments to your department?

Mr. Lloyd: — No, not that our records show.

Mr. Dutchak: — How much is owing by Mr. Yew, according to your records, to your department?

Mr. Lloyd: — Mr. Chairman, that's a hard question to answer. I'm still having trouble with confidentiality on files.

Mr. Chairman: — Why don't we just adjourn this thing? We'll have an in camera session tomorrow morning. We can discuss whether or not we want to proceed with this thing in open session.

Mr. Dutchak: — We will discuss that figure, that you're not sure whether you can give us, in camera. However, I'll go to other questions. Do you know if there was a . . . Do you have an officer that went around sort of keeping track of these houses, that visited the houses to make sure they were being occupied and so on?

Mr. Lloyd: — Well, we do now.

Mr. Dutchak: — Was there one at that time?

Mr. Lloyd: — There was an officer in that area.

Mr. Dutchak: — What was that officer's name?

Mr. Lloyd: — As far as I know, the officer in that period of time was a person by the name of Christianson.

Mr. Dutchak: — Was that F.E. Christianson?

Mr. Lloyd: — As far as I know, yes.

Mr. Dutchak: — Is that not the sister-in-law of Lawrence Yew?

Mr. Lloyd: — I don't know.

Mr. Dutchak: — You don't know that?

Mr. Lloyd: — Right.

Mr. Dutchak: — Tell me, was any mortgage statement sent to Mr. Yew, according to your records, after the year 1980? Was there any mortgage statement sent to him in 1981, according to your records?

Mr. Lloyd: — As to what he owed?

Mr. Dutchak: — Yes. You have a document, don't you, that is normally called the northern housing mortgage statement?

Mr. Lloyd: — That's right.

Mr. Dutchak: — And do you have evidence that one of those statements was dated and sent to Mr. Yew as a reminder of what he owed on his mortgage in 1981?

Mr. Lloyd: — On December 31st, the mortgage department made out an account for Mr. Yew in December, as of December 31st, 1981, and that was sent to him . . . I don't know really when that was sent. I would say it was probably sent some time in January or February.

Mr. Dutchak: — Of what year?

Mr. Lloyd: — Of 1982, it would be.

Mr. Dutchak: — And that would have been sent to Mr. Yew.

Mr. Lloyd: — Yes.

Mr. Dutchak: — Do you have any indication on file that Mr. Yew came in to see any of your officers about the mortgage?

Mr. Lloyd: — Not on the file, there's none.

Mr. Meagher: — Mr. Chairman, one question. I want just to clarify a point. Do you have on your file a document titled, 'An Application for a Mortgage Loan' signed by Mr. Yew, relating to this house?

Mr. Lloyd: — Yes, we do.

Mr. Meagher: — And is it dated September '79? September 4th?

Mr. Lloyd: — September 4th, '79.

Mr. Dutchak: — Do you have any evidence that tax notices were sent to Mr. Yew regarding the property?

Mr. Lloyd: — I have an assessment notice here, from the northern administration district, sent to Mr. Yew in 1982.

Mr. Dutchak: — When? What part of '82?

Mr. Lloyd: — It just says 1982 tax assessment notice.

Mr. Dutchak: — Do you know if those tax assessment . . .

Mr. Lloyd: — Oh, dated at La Ronge. Sorry. Dated at La Ronge — July 15th, 1982.

Mr. Dutchak: — And can you identify . . . Was there any system following up these houses? Like, can you identify any procedure which the government used to find out if the houses were full, or empty? Occupied by the proper people or otherwise?

Mr. Lloyd: — No. I cannot say that this was followed up at all.

Mr. Dutchak: — Do you have any of the mortgages, for instance, where the people moved in, and then payments were simply not made for a number of years?

Mr. Lloyd: — Yes. We have files like that.

Mr. Dutchak: — And what would be the longest term that nothing was ever done on it?

Mr. Lloyd: — Going back as far as five years. And possibly further.

Mr. Dutchak: — Okay. The rest we can leave, I suppose. It's 12 o'clock.

Mr. Chairman: — Okay. 8:30 tomorrow morning?

I guess we will be adjourning then at 9:30. At least we'll be excusing these people at 9:30. I gather they're booked into crown corps at 9:30 and they were booked first at 9:30.

Mr. Katzman: — I think the agreement we made the last time was that crown corps would wait until we were done.

Mr. Chairman: — We had them booked first the last time, and we claimed priority. This time they have them booked first and if . . . You know, if you people want to speak to the members of crown corps and complete it here before they go into crown corps I think that's fine with us.

Mr. Dutchak: — Mr. Chairman, it's not really necessary. I think our members will be prepared and we'll try to make our questions as concise as possibly . . . As long as we receive the same co-operation.

Mr. Lloyd: — Mr. Chairman, would it be possible to receive a transcript fairly soon, so that we have a better idea of the questions asked?

Mr. Chairman: — We won't get a transcript by 8:30. Oh, I'm told that they can have a transcript — not the printed copy — but you can have a xerox copy of the transcript by 3 o'clock this afternoon. I assume that will . . .

Mr. Katzman: — Hey, hold it. Just a minute, I've got a suggestion. There's a suggestion here. Why don't we meet earlier tomorrow morning, if . . . (inaudible) . . . 9:30 seems to be becoming a problem. We'll go back to our 7:30 meetings.

Mr. Chairman: — Why don't we meet at 7:30? I'm for 7:30.

Mr. Meagher: — Mr. Chairman, as well, is it possible to ask Mr. Krip to come back from the Department of Northern Saskatchewan?

Mr. Chairman: — Sure. I assume so.

Mr. Bailey: — I didn't hear the question.

Mr. Chairman: — Is it possible to ask Mr. Krip to return? I assume for the DNS estimates when we complete this.

A Member: — Tomorrow morning?

A Member: — Or is he in Prince Albert?

A Member: — He's in Prince Albert; that's where he works.

Mr. Dutchak: — Well, he could be here tomorrow, could he?

A Member: — Well, I'll ask him, yes.

Mr. Dutchak: — And if he comes, could you ask him to bring all of his records regarding two corrections buildings that were built at Buffalo Narrows and Creighton. Those are the ones I was speaking of earlier. They are identical.

Mr. Chairman: — Do I take it the member for Rosthern and I are the only insomniacs who want to get here at 7:30 and everybody else would prefer to come at 8:30?

A Member: — No, 7:30 is all right.

Mr. Chairman: — Okay, 7:30 now.

Mr. Bailey: — Mr. Chairman, is there still a requirement here to bring a witness to explain the land title procedures of Northern Saskatchewan?

Mr. Chairman: — Well, I think we'd be satisfied if one of the witnesses simply informed themselves and related it to us. I don't think you need to bring a lawyer so long as you people inform yourselves and relate it back to us.

The committee adjourned at 12:05 p.m.