

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICES OF MOTIONS AND QUESTIONS

Mr. Martens: -- Thank you, Mr. Speaker. I have a question. I give notice that I shall, on day 76, ask the government the following question:

Regarding SGI's policy on the sale of written-off vehicles: (1) when a written-off vehicle is sold to an auto-body shop for resale, what measures are taken to ensure the accuracy of the reported mileage of the vehicle and other information regarding the condition of the vehicle; (2) if the accuracy of mileage or other information about the vehicle given to the auto-body shop proves to be inaccurate, what means of redress do the auto-body shop or any subsequent purchaser of the vehicle have with SGI; (3) what legal obligation do automobile wholesalers and retailers have to provide accurate information about a vehicle to purchasers; (4) do the legal provisions which apply to automobile wholesalers and retailers regarding false information about vehicles apply to SGI when it acts essentially as a vehicle dealer; (5) if not, why not, and what legislation exempts SGI from these provisions; (6) what level of responsibility does SGI assume for the accuracy of information provided for vehicles which it sells; (7) how is this level of responsibility communicated to purchasers of the vehicle; (8) when the information regarding a vehicle sold by SGI proves to be false, can the purchaser return the vehicle and receive a full refund, given the false premiss under which the vehicle was sold; (9) if not, why not, and what is the legal rationale of this position?

INTRODUCTION OF GUESTS

Hon. Mr. Anguish: -- Thank you, Mr. Speaker. I have the honour today to introduce through you and to members of the Assembly 18 grade 7 students from Notre Dame School in North Battleford. They're here today with their teacher, Mr. Perreault; chaperons, Marge Baillargeon and Colette Ahlstedt; and the bus driver, Marian Sayers.

We'll be meeting out front sometime after 2 o'clock for pictures. We're supposed to graciously accept the use of your boardroom, Mr. Speaker, but I'd ask that the students and the chaperons and the teacher and the bus driver actually meet me in room 315 which is my office.

And I would ask that members of the Assembly welcome my guests here today, Mr. Speaker.

Hon. Members: Hear, hear!

Ms. Hamilton: -- Thank you, Mr. Speaker. I would

like to introduce to you and through you to all members of the Assembly approximately 20 members of a group of golden immigrants over the age of 55. They're accompanied today by the assistant director of Regina Open Door Society, Keith Karasin, and a volunteer worker, Maria Trabus. They're members from several countries of origins including China, Vietnam, Iraq, Iran, Poland, India, Ethiopia, and I apologize to anyone that I may have missed in that.

Today they have a trip to the legislature. It's one of the many activities sponsored by the Open Door Society to help the group understand and familiarize themselves with institutions of their new country. There are also language classes, job training, and so on that they'll be involved in.

And I'd ask all members to give them a warm welcome to the Legislative Assembly today and give them a show of what it's like to see a question period in action and the behaviour, and the best behaviour, of the members of the Assembly.

Hon. Members: Hear, hear!

Mr. Koskie: -- Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to introduce to you and through you to the members of the Assembly 17 grade 6 students from the Watson Elementary School. They're seated in the west gallery. They're accompanied by their teacher, Ms. Bernice Gerspacher and Lori Sproule; chaperons Dick Schwartz, Kathy Fetter, Barb Gibb, and Rob Kavalench.

Mr. Speaker, I will be meeting with this group following their tour of the building and I ask all members to join with me to extend a warm welcome to the students.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, it's my pleasure to introduce to you and to members of the Assembly, 16 members and spouses of the Royal United Services Institute who are seated in your gallery -- maybe they want to stand and be recognized.

I want to say that all members will want to welcome them here today and I look forward to meeting them at about 2:20 in the members' dining room. Along with them is David Marshall, the coordinator of the group. So welcome to the Assembly today.

Hon. Members: Hear, hear!

Hon. Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, it's my privilege to introduce a dedicated group of senior citizens in the west gallery representing Senior Power of Regina. I've had the opportunity to meet with this group as minister responsible for seniors' issues. They've got many good ideas and they continue to work hard to make this a better community. And I would ask all members to join in welcoming Senior Power of Regina to the

Assembly today.

Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. To you and through you to the Assembly, I would like to introduce a group of people here today that come from the member from Moosomin's seat. And they are Terry Shackleton who is the economic development officer for the Pipestone Valley RDC, also Neil McConnachie, Ron Hall, and Bill Haussecker, who are directors for the Pipestone Valley RDC. And along with them today are representatives from Korea: Pastor Jacob Lee, who is the director of the K.C. Ethanol Corporation; T.K. Han, who is an interpreter; and Dong Han from Regina, who are also here and advising the Pipestone Valley RDC.

I would like to ask members to welcome them here today.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, I want to join with my friend and colleague from Souris-Cannington in welcoming Reverend Jacob Lee and his group from Korea who are here with us today; Tong Han and Dong Han, who are here along with the RDC chairpersons from Pipestone Valley rural development cooperative. I wonder if they too would stand and be recognized by the Assembly.

I know they are working on an ethanol project. And we welcome them here today because it's this kind of international investment that makes Saskatchewan grow.

Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, to you and through you to other members of the Assembly, I notice in the gallery today a group of people representing the Saskatchewan Real Estate Association. I recognize some people from my home community of Moose Jaw, plus other familiar faces. And I would ask all members to join with me in welcoming these people from the Saskatchewan Real Estate Association to the Assembly today.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- I'd like to join with the Leader of the Opposition in welcoming the Saskatchewan Real Estate Association members who are here today. I had the opportunity this morning, and I know a number of other members did, to meet with this group who are looking at ways and means of making the economy of Saskatchewan work better. And I just want to say that our deliberations were fruitful and I'm sure all other members shared in that experience.

So welcome here today, and we hope you enjoy question period.

Hon. Members: Hear, hear!

Ms. Stanger: -- Thank you, Mr. Speaker. I'd like to introduce to you and through you to the Assembly a member of the Saskatchewan real estate board, Norm Thorpe. We don't often have people here from Lloydminster because it is a long drive, so I think Norm should stand up and I'd like my colleagues to welcome him here.

Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, I would like to join with the Minister of Social Services in welcoming members of Senior Power. Mr. Speaker, these are indeed the builders of the province of Saskatchewan and we are very, very pleased to welcome them in the House. I will be meeting with them right after question period, Mr. Speaker.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

International Museum Day

Mrs. Bergman: -- Thank you, Mr. Speaker. Mr. Speaker, we all have a history. This province has a history and all of us are part of this culture -- the art, science, crafts, sport, and technology of our life. We celebrate ourselves, our lives and our culture, in museums.

It is my pleasure today to rise to take note of International Museum Day. Saskatchewan is blessed with a wide range of museums which celebrate our lives and the lives of those who founded this province.

In Regina alone, there is the Royal Saskatchewan Museum, the Saskatchewan Science Centre, the Regina Plains Museum, the RCMP (Royal Canadian Mounted Police) Museum, the MacKenzie Art Gallery, the SaskTel museum, Government House. And I understand that there there will soon be a new Saskatchewan military museum at the Armouries on Elphinstone Street, and many other museums that members are naming for me.

Museums make an incredible and indelible mark on our lives. They are no longer the dusty repository for old things. They are fresh, exciting ways to understand, interpret, and celebrate ourselves and our lives.

Please join me in recognizing International Museums Day.

Some Hon. Members: Hear, hear!

Cathedral Village Arts Festival

Ms. Crofford: -- Thank you, Mr. Speaker. I am pleased to announce that the Cathedral Village Arts Festival, May 23 to 28, is once again upon us. People may have noted the banners on Albert Street.

It's a time when all sorts of people within the

constituency, along with an open invitation to the rest of the city, get together for a week of fun and entertainment.

This year's attractions are many and varied. The Fringe Theatre will once again be at the festival with theatre companies performing plays, **Promises**, and **Lies about Betty and the Truth About Zucchini**.

Stages will be set up at Cameron Street and the Royal Bank this year, and will feature a folk festival stage and an endless amount and variety of music, dance, and theatre.

A family picnic will be held at Les Sherman Park on Monday, May 23, kicking off at 9 in the morning with a pancake breakfast and will last late into the night with games and music and fun.

There will also be bike tours and races and a fantastic children's tent; arts and craft shows and sales; and lots of food.

The major sponsors of the festival this year are SGI CANADA and Sask Lotteries. But the Cathedral area merchants should also be recognized for their contributions to the festival and their determination to make this week a success.

So, Mr. Speaker, I'd like to invite and urge all who are interested to come to the Cathedral Village Arts Festival from May 23 to 28. Thank you.

Some Hon. Members: Hear, hear!

Regina Open Door Society

Ms. Hamilton: -- Thank you, Mr. Speaker. Tomorrow night there is to be a volunteer and host orientation and informational meeting sponsored by the Regina Open Door Society. Next Thursday is volunteer appreciation night. Both events will be held at the society's offices on Broad Street.

Mr. Speaker, I urge members and other citizens to become more familiar with the work of the people of the Open Door Society. With the helpful dedication of a group of volunteers, the society provides a broad range of services to immigrants and refugees in Regina.

The society literally takes them from bus station, train station, to the workplace and citizenship court. And it does so in a friendly, courteous, and professional manner.

Some of the services provided include language instruction, educational and employment services, community involvement, and life skills training.

I've been to the Open Door Society with the member from Churchill Downs and on an occasion I've had the opportunity and the pleasure to be able to greet new Canadians. And I'm always impressed with the caring, encouraging nature of volunteers and staff who serve as counsellors, instructors, extended family

and friends, and so much more to our new Canadians.

Mr. Speaker, it is often the most dedicated and most effective volunteers in our community who go the least noticed. The Open Door Society deserves our thanks and our applause for the help it gives to our new citizens.

I'd ask members to join with me and give them appreciation and recognition for the hard work that they do.

Some Hon. Members: Hear, hear!

Lloydminster Interval Home

Ms. Stanger: -- Thank you, Mr. Speaker. I have some news from Lloydminster today concerning the Lloydminster Interval Home. Later this month construction will begin on a 2,200 square foot addition to the home. The addition is a necessary step in order to make the facility wheelchair accessible and to help ease overcrowded living conditions.

The Interval Home has been in operation for nearly 14 years in Lloydminster and has provided shelter to over 5,000 women and children throughout this time. The facility also offers eight different informational support and therapy programs for men, women, and children. The Interval house is a valuable and appreciated aid for women in need of shelter and understanding.

This past Wednesday a sod-turning ceremony took place at the site of the addition to mark the occasion. Four grade 6 students from Barr Colony School took place in the ceremony. They were to help with the celebration because of their support of the Interval Home through fund-raising activities at the school. Students raised money by taking up silver collections at their musical concerts and also at their 1993 Christmas concert. The students who were present were Khri Boyce, Troy Stewart, Brandy Leer, and Jennifer Griffith.

Mr. Speaker, this addition to the Lloydminster Interval Home will allow the people there to run an even better operation which is so important to women, children, and men in our community.

Some Hon. Members: Hear, hear!

Minister of Health Attends International Conferences

Mr. Wormsbecker: -- Thank you, Mr. Speaker. In Saskatchewan we're quite justifiably proud of our history of innovation in health care. As the current member from Weyburn, I'm intimately aware of the contribution of individuals, such as one of my predecessors, to the creation of the finest health care system in the world -- a fact recognized by professionals everywhere.

As further evidence of that universal recognition, our Minister of Health has been invited to participate in

two international health care conferences this week, both taking place in Washington, D.C. (District of Columbia). Her registration fee at the first has been waived and all expenses for the second are to be reimbursed, meaning Saskatchewan gets international recognition at no expense.

Sunday and Monday she was a delegate to a conference called Health Care Cost Control: Internal Market Mechanisms, a conference co-sponsored by the Institute for Research on Public Policy in Montreal, and the Brookings Institute of Washington, D.C.

Today and tomorrow, the hon. minister will attend and speak at the Royal Society of Medicine Foundation's Anglo-American-Canadian meeting, entitled, policy issues and priorities in health care reform. She was the unanimous choice of the steering committee to speak on public policy issues in the management of health care -- an honour befitting her and the government's leadership in health care in the province of Saskatchewan.

An honour, Mr. Speaker, she rightfully deserves; one she shares with the health care pioneers of our . . .

The Speaker: -- The member's time has elapsed.

Some Hon. Members: Hear, hear!

NorSask Success

Mr. Sonntag: -- Thank you, Mr. Speaker. I'd like to relate to the Assembly the success story of NorSask Forest Products in Meadow Lake.

It was only five years ago, Mr. Speaker, that NorSask's future looked very grim, basically because the operation was inefficient. The management team at that time decided to establish a five-year plan which would turn things around.

Modernization was the key component to the plan. Old machinery has been replaced by new, computerized equipment and is now value-driven. That is to say, that it maximizes the cut from every board and log based on the price on any given day. NorSask has acquired a new chipper-canter to allow logs to be scanned again to maximize the cut; an edger optimizer for optimum board cuts; and currently NorSask is purchasing a slasher and debarker system which will allow the mill to use smaller logs with less waste.

Through these changes the company has become more efficient. In fact five years ago one cubic meter of log produced 200 board feet of lumber; today that same cubic meter produces 270 board feet of lumber. Although these numbers are great and the turnaround from this employee-owned company has been unbelievable, the management at NorSask are constantly looking for improvements. In fact a new five-year plan is being established to modernize the plant even further.

Today forestry people from across Canada are coming to Meadow Lake to see how a small company like NorSask can be leaders in their industry. Again a great reason to have designated Meadow Lake as the forestry capital of Canada for 1995.

Some Hon. Members: Hear, hear!

The Speaker: -- Why is the member on his feet?

Mr. Cline: -- Mr. Speaker, I wonder if I might ask leave of the Assembly to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Cline: -- Thank you, Mr. Speaker. The galleries are full of guests today and it's my pleasure to introduce to you and through you to all members of the Assembly, a group of 30 grade 4 and 5 students from Mayfair School in my constituency in Saskatoon, seated in the west gallery. And they're accompanied by their teacher, Barb Gallo, and also by her husband -- also a teacher, but who I think is here as a volunteer today -- Donald Gallo; and chaperon Anne Fofonoff.

And we'll be meeting for a photo and refreshments later on in room 218. And I want all members to join with me in wishing the students from Mayfair School a warm welcome to the legislature and a very enjoyable day here in Regina. Thank you.

Hon. Members: Hear, hear!

Ms. Crofford: -- I want you to welcome today 25 students, grade 4 and 5 students from Davin School in Regina in the east gallery. It's so full they've had to go to the east gallery. And they're accompanied by their teacher, Bev Mazer; and Mrs. Schubach and Mrs. Ramsay are parents accompanying them.

We'll be meeting at 2:15 for a photo. And I just want to say that you're lucky because you get to get out for a field trip, but we can't. So would you join me in welcoming them.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Labour Legislation

Mr. Goohsen: -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Labour. It appears that each passing day more and more groups of people and organizations come out against your changes to the trade union and labour relations Act, Minister. Today we have received a letter from the Federation of Saskatchewan Indians. The letter, signed by Chief Roland Crowe, reads, and I quote:

We are concerned about the proposed changes that would increase the power of the trade unions in Saskatchewan. To increase the trade union power at this time will further

disadvantage our people.

Mr. Minister, Chief Crowe is asking you to amend your legislation, or at least he's asking, and I'll quote:

Postpone your proposed changes strengthening the union position until such time as other accommodations have been reached to deal with the systematic discrimination inherent in the union movement.

End of quote.

Mr. Minister, this latest letter is proof positive that there is no one, no one in this province that supports your government other than the union movement. Mr. Minister, will you do as Chief Roland Crowe has asked you to do?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: -- I've also received Mr. Crowe's letter. I've had a brief opportunity to review it and will be doing so more extensively.

On the surface I do not see that any of the amendments before the House aggravate the admitted problem that native people have in finding employment. I do not think that any of these amendments materially affect that. Every fair-minded person in the province would admit that natives face systemic discrimination. We do not believe that these amendments materially affect that.

Of course, we have to attack that kind of discrimination but there are other venues for doing that. We don't think this legislation affects that at all.

Some Hon. Members: Hear, hear!

Faulty Video Lottery Terminals

Mr. Neudorf: -- Thank you, Mr. Speaker. On Monday, Mr. Speaker, the official opposition raised a very troubling issue with respect to government accountability as it relates to VLTs (video lottery terminal) and casino gambling. So I say to the minister of gambling, it appears that there is very little, if any, public access to the goings on of your government and your Gaming Commission.

Question period is obviously not good enough because we've asked you about problems with the computer system, and you say everything is hunky-dory, there are no glitches.

Now, Mr. Minister, when we forced the truth out of you, we have been told that these are not . . . we are told that not only are there problems with the computer system, there are also problems with the individual machines themselves. We have been told that the machines from GTECH have problems with overheating chips, so that they stick the slot machine on a pay-out. We've also been told that the Williams machines are also unreliable.

Can you tell us, Mr. Minister, can you tell this Assembly how many machines are affected, how are faulty machines detected, and how much money is involved by now?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: -- Thank you, Mr. Speaker. In answer to the member's question, let me say that, as I've indicated in this House, we're very satisfied with the way the central computer system that monitors each individual video lottery terminal is functioning.

With hundreds of machines, Mr. Speaker, in the province, it is I think reasonable to expect that there will be some breakdown of some of the electronic equipment within these machines. I would expect, Mr. Speaker, with hundreds of machines across the province, as there are in other jurisdictions -- GTECH has sold into many jurisdictions, as Williams gaming machines are -- they're in Alberta, Conservative Alberta; they're in Conservative Manitoba; they're in the Maritime provinces; they're in the American states; the Liberals have purchased them.

So it's not a matter of whether or not we have purchased faulty technology. We have purchased the best technology on the market, but I think it is not unreasonable to assume that there will be individual machines break down.

In terms of giving you the exact number of machines that have been repaired, or the exact number of machines that have been replaced, I don't have those figures with me.

But I can, for you, get a report from Western Canada Lottery Corporation, who does the service work and who does the central monitoring system -- the central computer monitoring system. I can give you a breakdown of the number of machines of each make, the three makes that we have purchased that have been repaired, and I will get those to the member from Rosthern.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Thank you, Mr. Minister. Mr. Speaker, Mr. Minister, this issue speaks to the integrity of your gaming strategy and the credibility, Mr. Minister, of your government. If the central computer system can malfunction to pay out too much, if the machines can break down and stick on pay-out, which is what they have been doing, they can also malfunction to take out too much money. And it would appear that the public would be none the wiser because it's being done behind the scenes.

How, Mr. Minister, is the Gaming Commission being held accountable? They're not a Crown corporation. They don't appear in estimates. And you have your commission so stacked with your NDP (New Democratic Party) partisans and government hacks that it looks like a meeting at the Tommy Douglas House.

Mr. Minister, exactly how is the commission and your government open and accountable to the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: -- Thank you. Mr. Speaker, I want to thank the member one more time for his question, but in his preamble it's quite clear that he doesn't understand how the system works.

The machines are in many locations throughout the province -- individual machines. They are all tied through the telephone system that we have in this province to a central computer system. Each individual video lottery terminal is monitored and can be checked on an hourly and a daily basis.

I say to the member from Rosthern that the central computer system is functioning very, very well, and we have had absolutely no problems with this technology. I want to say to the member from Rosthern that following our lead, other jurisdictions have as well bought GTECH equipment, who are the suppliers of the central computer system.

And I want to say to the member that if he's going to stand in this House and suggest to the people of this province that there will be no mechanical or electronic failure of any of the machines and if there have been, that we have been incompetent and haven't been diligent in our purchases, then I say to him that people will understand that he's spewing total folly.

Mr. Minister . . .

The Speaker: -- Order, order. Next question.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Mr. Minister, all I can say, if other jurisdictions are following your lead, heaven help them. The experience that we've had in Saskatchewan . . .

Now you're not answering my question. How do we know the accountability? How many glitches have there been in spite of your denial, how much money has been involved, and how many of the operators, including hospitality rooms, have been paid out because of an excessive pay-out on your part?

Hon. Mr. Lautermilch: -- Well, Mr. Speaker, Mr. Speaker, let me say to the member from Rosthern that there isn't an industry nor is there a business that doesn't work without some measure of fault. There are tractors that will run into dugouts through mechanical failure, there are hog barns that will burn because of electronic failure, and I'm telling the member from Rosthern that there are machines that are in this province -- the video lottery terminals -- that will experience electronic failure and will break down.

And I want to say to the member that the central

computer system is functioning very well, is monitoring each and every individual machine, and there will be some problems -- we know that -- with individual machines.

I can tell the member the case he raised in North Battleford with respect to the Williams machines that were appearing to pay too much, the Western Canada Lottery Corporation, who monitored each of these machines, tell me that within an hour after the running and the starting up of the running of those machines that they knew that there was something that appeared to be irregular.

So for the member to indicate or to suggest that this system is not functioning well, is not monitoring each and every machine, is inaccurate. I say to the member he should sit down and rethink.

Some Hon. Members: Hear, hear!

The Speaker: -- Order, order. Next question.

Mr. Neudorf: -- Thank you, Mr. Speaker. Mr. Speaker, this is the selfsame minister that got up and said, working fine, no glitches, no glitches.

Mr. Minister, I'm going to repeat the words of the director for the study of gambling in Nevada. He said that government-run gambling has a number of very real dangers, including, and I quote: the potential for scandal because of the absence of checks and balances. Unquote.

We have no way of knowing, Mr. Minister, whether some machines have been malfunctioning and withholding too much money. We have no way of verifying that 93 per cent figure other than taking your word for it, Mr. Minister, and that is not good enough.

Mr. Minister, the Provincial Auditor has told us today as a matter of fact, that this is not something that he would normally take a look at unless he was specifically requested to do so. Because of the great concern of this issue to the people of Saskatchewan and your unreliability as a minister and as a government, Mr. Minister, will you commit to ask the Provincial Auditor to review the records regarding VLT (video lottery terminal) pay-outs so that Saskatchewan people can regain some confidence in your machines, that indeed they are paying out at the proper rates. Would you make that commitment, Mr. Minister?

Hon. Mr. Lautermilch: -- Mr. Speaker, firstly let me re-explain to the member from Rosthern how the system works. I have said that the central computer system is working, functioning properly. It is doing the purpose and it is put there . . . the central computer system, sir, is working properly. And I defy you to bring forth any information that would suggest, either in this House or outside of this House, that what I say to you is otherwise. And I know you can't do it because it's simply not the facts.

I said the central computer system is functioning

properly. I have indicated to you that we are well aware, as you will be well aware, that there can be individual breakdowns of video lottery terminals the same as there are with radios that break down or televisions that break down or cars or tractors that break down. Those are natural occurrences.

I say to you, Mr. Speaker, the monitoring system is working very well in terms of the integrity of the video lottery terminal program. We have absolutely no reason to believe otherwise.

With respect to an audit, the practice of audits in this province with respect to the video lottery terminal program, will not divert one iota from any other arm of government. There will be open and honest accounting which is a practice that I know is foreign to you after having been a member of the former administration, but things have changed now, sir. We are open, accountable and the audits will take place.

Some Hon. Members: Hear, hear!

Elimination of Poverty

Mr. Britton: -- Thank you, Mr. Speaker. Mr. Speaker, I have a question to the Premier. Mr. Premier, I have a couple of **Star-Phoenix** articles. One is from a few years ago. And the headline reads "Romanow vows to end poverty." Do you remember that, Mr. Premier?

The other one is from today's paper. And the headline in today's paper is: "One in 10 using food bank." Something don't add up here, Mr. Premier. And I would like to ask you -- you are the Premier that vowed to end poverty. Saskatoon is the city that you represent. And now fully 10 per cent of the people who live in the city are using the food bank -- why is that, Mr. Premier? What happened to your vow to end poverty and why is it one in ten Saskatoon residents are forced to turn to the food bank for help? Would you answer that question?

Hon. Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, let me say that we are still committed to eliminating poverty in this province. We're still committed to creating employment. We're trying to do that, I might add, without the support of the official opposition or the Liberals.

Mr. Speaker, we inherited their \$15 billion debt. You people didn't even admit until 1990 that poverty existed in Saskatchewan. You didn't even admit that poverty existed. You have voted against every single initiative to support low income people. You voted against the minimum wage increase. You're going to vote against the labour legislation. You voted against the seniors' income increase. You voted against the Family Income Plan increase. And you didn't support day care during your term. Give your head a shake.

You didn't support low income people for 10 years and we're trying to play catch-up.

Some Hon. Members: Hear, hear!

Mr. Britton: -- Thank you, Mr. Speaker. It's interesting, very interesting. Every time the members on the other side can't answer a question, they bring out the old blame thrower again. Well I suggest it's time you quit trying to blame other people and take responsibility for your own actions.

Now let me tell you, you don't want to tell us why it happened, but the administrator of Saskatoon food bank knows why. And here's what she says. She says the poor economy is driving more and more people to the food bank. That's what she says. The poor economy, Mr. Premier.

Mr. Premier, you used to promise that once you were elected there would be no more food banks. That's what you promised. You made a vow. A vow is stronger than a promise.

Now the need is greater than ever. Demand on the food bank has increased by 15 per cent since 1991. And about 150 new families a month are going there every month. Mr. Premier, when is it going to stop? When are we going to see the job numbers go up; the food bank numbers and the social welfare numbers start coming down? Can you tell us when that's going to happen?

Hon. Mr. Pringle: -- Well I know the member doesn't like to hear good news, Mr. Speaker, but the social assistance case-load actually went down in April of 1994.

Some Hon. Members: Hear, hear!

Hon. Mr. Pringle: -- Mr. Speaker, where was that member when his federal counterparts offloaded last year in UIC (Unemployment Insurance Commission), offloaded to the province, when they made the province responsible for treaty families off reserve right away? Where were the Liberals when their federal government just took \$40 million out of the economy and UIC cuts was going to increase our case-load by another 5 to \$7 million?

Mr. Speaker, we are trying very hard, through **Partnership for Renewal**, to create a positive economic development climate in this province. We're doing that despite the obstacles of their \$15 billion debt. We have increased the minimum wage. We developed a child hunger and nutrition program. We developed the child action plan for families and children in this province. We added to the northern food allowance. We took the cap off utilities.

Mr. Speaker, that member has never been in the food bank of Saskatoon. I was there last week. Where were you when we were planting potatoes last week in Davidson to support low income people who need food?

We've got to deal with the emergency situation and we're dealing with long-term solutions at the same time, which is the approach that is required.

Some Hon. Members: Hear, hear!

Mr. Britton: -- Well thank you, Mr. Speaker. Mr. Speaker, I would like to talk to that member about being poor. I would like very well to talk to you about that, sir.

An Hon. Member: -- Where were you, John . . .

Mr. Britton: -- Where was I? I planted more potatoes in my life than you've ever seen. And I tell you, Mr. Minister, I'll tell you something else, it's about time you quit blaming other people. Quit blaming other people for your own faults. And I . . .

The Speaker: -- Order. Order! I wish the members could hear themselves you know during question period. I would ask the member from Pelly who has been interrupting a number of times today that he would please . . . I ask the member from Pelly to please abide by the rules.

Mr. Britton: -- Thank you, Mr. Speaker. You know, Mr. Speaker, as I mentioned, when they can't give us an intelligent answer, they always bring up the debt -- and the debt gets bigger and bigger every time -- never telling everybody that 8 billion, 8 billion of that debt is theirs, and we proved it right here in the House.

Mr. Premier, I'll address the rest of this to you, sir. I will remind you of your record. Out of the last 27 years, 23 of those years you have either been the Premier, or the Deputy Premier in the city of Saskatoon. Okay? And has the situation improved any since you were their member? No. It's got worse. Has the situation improved for the poor people living in your city and your riding? It's getting worse and worse, Mr. Premier.

So let's look at your record. There are more people on welfare. There are more people at the food bank. In January, 30 houses in your constituency were shut down because it wasn't fit for people to live in. After 23 years of you supposedly defending those people, looking after those people, that's your record.

The Speaker: -- Does the member have a question? Would the member ask his question.

Mr. Britton: -- I apologize for getting off a bit. Mr. Premier, they don't want to live in those conditions. They're living there because they have no job, no money, and no hope under your administration. When is it going to change? Can you tell the people when you're to do something? When are you going to start doing something to help those people?

Hon. Mr. Pringle: -- Well, Mr. Speaker, let me say to that member that his \$850 million debt a year doesn't help the cause any. That is very difficult, to work under those circumstances. Then his federal counterparts and the current Liberals added to the case-loads. The reality is, there is good news, Mr. Speaker.

The real estate people are here. Retail sales are up, Mr. Speaker. We've got the **Partnership for Renewal**; the agricultural diversification; we've developed the

Opportunities Corporation; we gave businesses, small businesses, a tax break to create jobs. We have confidence in Saskatchewan communities and Saskatchewan business people to create employment.

If he's really interested in supporting, let him support the child action plan as we vote on it later in the next week or two. If he's really interested in families, he'll support us on the budget and support the child action plan and the labour standards benefits for part-time people.

Some Hon. Members: Hear, hear!

Judges' Court Action

Mr. McPherson: -- Thank you, Mr. Speaker. My question today is for the Minister of Justice. Earlier today in the Court of Queen's Bench judicial centre of Saskatoon, there was a statement of claim filed between the judges of the Provincial Court of Saskatchewan and the Minister of Justice for the province of Saskatchewan and the Government of Saskatchewan and Robert W. Mitchell, QC (Queen's Counsel) in his personal capacity, it says on the statement of claim, Mr. Speaker.

Mr. Minister, never before in the history of Saskatchewan and Canada has a minister of Justice been in conflict with and sued by the judiciary. That is a very serious precedent to be part of, and I know you'll recognize that.

Mr. Minister, do you not think it is in the best interests of the province for you to step down until this action has been settled?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, in the absence of the Minister of Justice, I want to say to the member opposite that he and his leader may continue to argue for a 24 per cent increase for judges, but I want to say that, in light of the current economic situation that we are at as a result of the \$15 billion debt built up by the previous administration, a 24 per cent increase for judges was not believed to be in the best interest of the taxpayers.

One needs only to look to the west of us, to the province of Alberta, to see how they in fact are dealing with their judges. You say never before has there been a situation where judges receive a 2.5 per cent increase. This government took a responsible action in dealing with an outrageous amount of increase of 24 per cent for judges. And we said that it had to be something less than that, in line with the other . . . with the civil service in the province.

In Alberta the Premier of the province decided to roll back salaries of judges arbitrarily 5 per cent, and when there was protest, threatened to fire one of the judges. That's what they do in Tory Alberta.

For you to say that the increase here is unreasonable . . . Mr. Speaker, I'm wondering who has the floor?

The Speaker: -- If the member could finish up his answer, then I'd recognize somebody else.

Mr. McPherson: -- Thank you, Mr. Speaker. The question then, well I'll put the question to the Premier, Mr. Speaker. Mr. Premier, the Minister of Justice holds a special place in your cabinet. He is responsible for something quite apart from the responsibility of any other minister in this government. The Minister of Justice is responsible to uphold the law and our constitution.

The Speaker: -- If the Premier and the Government House Leader want to make a mockery of this place, that's their right to do so. That's their right to do so.

Mr. McPherson: -- Thank you, Mr. Speaker. I'll begin the question again so that the Premier could hear it.

The Speaker: -- Order. Order. I want the member to put his question.

Mr. McPherson: -- The Minister of Justice is responsible to uphold the law and our constitution. Mr. Premier, he's the spokesperson for the justice system which is taking action against him. Will he now or will you not now have him do the difficult but honourable thing and have him step aside from this position in the face, in the face of this action, in the face of this action this morning?

The Speaker: -- Order. Order. Order.

Hon. Mr. Lingenfelter: -- Mr. Speaker, I want to say to the member from Shaunavon that he is the last person in the world to talk about honour in this Assembly given the fact of what he has done.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, that individual has voted against labour standards which would improve the working conditions of the poor in this province; he's voted for an increase of 24 per cent for judges, to say nothing of walking across the floor, mid-term, having been elected for one party and crossing the floor to the other, taking documents given to him in confidence from one caucus and using them in question period. To talk about honour in this House in that respect is the height of hypocrisy and I think the member should be ashamed of himself for even using those words.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Thank you very much, Mr. Speaker. Before orders of the day, I would request leave for making a member's statement about another member.

Leave granted.

ANNOUNCEMENTS

Brittons' Golden Wedding Anniversary

Mr. Neudorf: -- Thank you very much, Mr. Speaker, I appreciate and I want to thank the Government House Leader and my colleagues for giving me this opportunity.

Mr. Speaker, we're going to be talking about a rare event in this legislature, which is unity as we're experiencing it right now. And I want to talk a little bit about the town of Unity. Because in the town of Unity there's a couple, Mr. Speaker, that is going to be celebrating their golden wedding anniversary, and this couple is none other than my colleague and his good wife, John and Amy Britton, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Neudorf: -- On behalf of my colleague, who cannot answer right now, I'd like to thank members. This couple, who married in 1944, I understand, in Bonnyville, Alberta -- Bonnyville, Alberta, Mr. Speaker, is where they were married, not that they ever lived there. But even in those days, I will inform members across the way as well, they went there because there was no marrying tax in Alberta in those days and so they took advantage of that.

Then John became very engrossed in the oil business and he became an oil tycoon. And his good wife Amy worked in the office back in those days, even prior to it being in vogue to do so.

Their marriage has been blessed by three daughters and six grandchildren.

And we all know what his nickname is. And I've often wondered, Mr. Speaker, why he was known as Red, because taking a look at the snow on the roof -- and there's very little of that, most of that has blown off -- I never really could understand. But as all members will know, he drove a red car, so I thought maybe that's why it said Red and Amy on the licence plate.

But I understand in the good old days he actually did have quite a bit of hair that was red, and rightly so. Because as members will know, and as question period demonstrated today, he's kind of a feisty little character and he can create a lot of excitement wherever he goes. And as caucus chairman, I can assure you, I hesitate not to recognize him on the speaking order, because if I ever do that, colleagues of mine will attest to the fact that I regret that.

So he is a valued member in our caucus. I know that he is a joker; he likes to tell a lot of jokes, keeps us on our toes. And I caution other members, don't ever ask John how poor he ever was. You'll regret that, because we go through that quite a few times in our caucus.

So Amy and John have opened their hearts to us, Alma and myself, on a couple of occasions. We've gone on a CPA (Commonwealth Parliamentary Association) trip together; we've got to know them real well. Last summer they were not going to be home, but our daughter had a ball tournament, a provincial ball tournament, in Unity, and they said, come on, opened the doors, they opened their hearts, and we had just a

tremendous time while they were gone. And he had a list of jobs for me to do while I was there, mind you, but really appreciate that.

And John and Amy, I just want to say to you, as caucus chairman here, that as you pause and reflect upon the memories that you have created over the years for yourselves, I hope you enjoy that, and I know that you are both too feisty to actually sit still and live on memories, because you are still very, very busy creating memories of your own at this time.

So I hope and I trust that God may continue to grant you many years of happiness as you go through life together and with your family. Congratulations.

Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, I want to join with the House Leader of the official opposition, the member from Rosthern, and the members of his caucus, in congratulating the member from Wilkie and Mrs. Britton on this very important milestone -- 50 years.

Fifty years of married life is an achievement which, as the member from Rosthern has pointed out, it seems in these days is becoming less frequent. But it's encouraging to see that people of the character and the strength of the Brittons, if I may refer to them in this context, again restore our faith in the strength of family and the values that are associated with that.

I decided not to take the questions today in question period from the member from Wilkie because it seemed to me just instinctively, intuitively, that he had something really raring to go and he had the bit in the teeth, and I'm lucky that I didn't take the questions, as demonstrated by his tenacity. He exhibits principle, commitment, spirit in the debate. It's a great testament to him.

And one final word, a great testament to Amy, his wife, because 50 years putting up with the member from Wilkie must be quite an accomplishment. But I know how tough it is in political life for spouses, and she deserves a large measure of the credit, too.

So, John, on behalf of all of our side, best of everything, and another 50 to both of you.

Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker, and thank you to all colleagues in the House for allowing us this opportunity. As my colleague, caucus chairman, has said, and the Premier, it is a very rare occurrence when you find a member of this House, particularly, in our case, our colleague, the member from Wilkie -- and I'd like to use the first person, Mr. Speaker -- our friend, John and Amy, have reached this magnificent milestone in their life.

To think that at this stage in their life that they would both be contributing still to the public life of Saskatchewan is really remarkable because if you are

so lucky in life to achieve this milestone, usually it is the bright lights of Phoenix or some warm location that draws you there together to enjoy the years that you have, instead of in the legislature of Saskatchewan.

I'd like to say, on behalf of the Progressive Conservative Party of Saskatchewan, John, that we really do appreciate the contribution that you make to our party and to our caucus and to our province as a couple.

And this is a couple that started out with some very, very humble beginnings. As much as John likes to make light of his experiences as a young person, and listening to Amy and John talk about life together at the beginning, you know that it was very humble; that it was filled with hard work; that their children were always given every opportunity no matter what the sacrifice that mom and dad made in order to make sure that that happened.

And we're very proud of you to be here today to be our colleague, and 50 years is something that is truly a milestone, Mr. Speaker. And we just want to say thanks for sticking around this long to be with us, John.

Hon. Members: Hear, hear!

Ms. Haverstock: -- Thank you very much, Mr. Speaker. I too would like to add my congratulations on behalf of the Liberal Party and the Liberal caucus and as Leader of the Third Party to the member from Wilkie and his wife, whom I had the privilege of meeting by the way at a function in Saskatoon not that long ago that was being sponsored by the Saskatchewan Mining Association.

We had a very lovely time, in fact she was sitting beside me, and I enjoyed her as much as I have enjoyed her husband. One of the things that . . . I find the member from Wilkie most entertaining and not only has he been very thoughtful to me but I think he's someone who really does demonstrate commitment, not only from the numbers of years that he has spent in politics but it's very obvious that anyone who has been in a partnership, a marriage for 50 years, is someone who has made decisions about what is really important in life.

So we would like to add our warm wishes for many, many good years together.

Hon. Members: Hear, hear!

Mr. Devine: -- Thank you, Mr. Speaker. I just want to join with my colleagues here in congratulating Red and Amy on their 50 years of marriage.

I want to say to the members of the legislature that often you don't see that kind of commitment where somebody who is in a relationship for 50 years still serving in the legislature. And as our leader said, it's quite inspirational to an awful lot of younger people who have been involved in public life and in politics, but to be around somebody like the member from

Wilkie, who encourages people to be involved and to participate, is inspirational.

And I want to say on behalf of me and my family and again the Progressive Conservation Party and its larger family, we have been inspired by John and Amy and we certainly respect the fact that they would serve at a time when in many cases they should have been retiring. So it's our pleasure and our benefit that they haven't retired and that they've brought all that experience to our caucus and indeed to this Legislative Assembly.

And frankly I can't think of another jurisdiction where I've noted somebody actually still serving in the legislature, and has celebrated their 50th wedding anniversary. Now maybe others can think of some, but I can't. And if that's the case, if this is unique to Saskatchewan, perhaps it's unique to Canada. And if it is, all the more reason that we should acknowledge this very fine couple, because that kind of commitment to each other and to serving the public is indeed unique, and perhaps unique to Saskatchewan, but certainly to Red and Amy. So, on behalf of all of us here, again, Mr. Speaker, congratulations to a very, very fine couple.

Hon. Members: Hear, hear!

Mr. Britton: -- Thank you, Mr. Speaker. I don't know just how to begin. First of all I want to say thank you. I began to wonder who that guy is you were talking about there for a while, but the Premier was right when he mentioned that Amy had to be somebody special to put up with me and also help me -- and she did. I always say that we've had about 25 years of happy married life, which is not too bad, that's 50/50.

We did start out and we worked together and that's maybe part of it . . .

An Hon. Member: -- Oh, oh, here we go; how poor were we.

(1430)

Mr. Britton: -- No, I'm not going to tell you how poor we were. I wish I'd have known this was going to happen, Mr. Speaker, because then I might have had time to put some words together that was appropriate to tell you how we feel about the good things that was said today, even if you didn't mean them, because they do listen good as the old cowboy used to say -- it listens kinda good.

So thank you very much. I appreciate what you've done and I just wish Amy could have been here to hear it. Thank you very much.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: -- Mr. Speaker, as it would

relate to question no. 59 I hereby table the response.

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 52 -- An Act to amend The Education Act

Hon. Ms. Atkinson: -- Thank you very much, Mr. Chairperson. Sitting beside me is Arleen Hynd, the deputy minister for Education, Training and Employment, and directly behind me is Michael Littlewood, an official in the department; and joining us shortly will be Ken Horsman, the assistant deputy minister.

Clause 1

Ms. Haverstock: -- Thank you very much, Mr. Chair. I do acknowledge, Madam Minister, that in many ways the amendments that are proposed are housekeeping amendments. And each package or group of changes appears to clean up the Act, in my view, and make operations much more effective in one way or another.

But at the same time, I think, while these amendments themselves are acceptable, they point toward concerns for some of the parents and students in the province. And I want to pose some questions to you a bit later just for some clarification.

As I see it, there are three packages of adjustments to the Act, and they are as follows: first, some adjustments regarding the Book Bureau; secondly, adjustments to allow for the merger of rural and urban divisions; and thirdly, adjustments to allow for administrative cooperation.

And in addition, we recognize there are amendments with regard to the liability protection of persons working with school safety, within those patrols, with which we don't have any concern or complaint at all.

Now regarding the adjustments on the Book Bureau, I notice with interest that the Act now extends the powers of the minister to engage in contracts to acquire materials other than books for use in schools. And also, there's another clause which enables the Book Bureau to acquire materials other than books.

And I want you to know that this is something that I heartily endorse. The learning process -- and the two of us would not have to have this conversation -- but obviously it's much enhanced by the use of audio-visual materials, by videos, by CD-ROM (compact disc read-only memory), by productions, non-book resources such as posters and educational games.

Having said that, I do want to express my sincere hope that you and the Book Bureau does indeed move forward to carry out those kinds of changes. The province of Saskatchewan, I know, has adopted the concept of resource-based learning. And that means of course that students are taught by using a broad

variety of materials rather than the strict adherence to textbook-driven techniques.

To put teeth in this amendment, it's incumbent upon the government then to commit itself and we need to have a commitment to purchasing the resources that students need to learn. Being able to make these purchases is one thing, actually making the purchases is another.

And with regards to this matter, I have three very simple questions for you. The first is, how were purchases of non-book material handled in the past? The second is, is there a plan for purchase of video and non-book learning materials? And thirdly, is there a policy which favours Saskatchewan companies when purchasing learning materials?

I will sit down and let you contemplate those.

Hon. Ms. Atkinson: -- Three questions. How were the purchases made in the past? I need to tell you that I understand from the officials that the Book Bureau has been purchasing audio-visual materials, CD-ROMs, that sort of thing, and this legislation is simply catching up with present practice.

Is there a plan for future purchases? We're in the process of ongoing curriculum development in the province. We will soon be releasing our response to the high school review and we will start to develop grade 10, 11, and 12 curriculum in the core subject areas. And obviously there will be a demand as curriculum is developed in the province.

In terms of the policy and do we have a Saskatchewan-first policy, because of the resource-based learning, I understand that a lot of the resources are purchased from outside of the province because we do not have a very large book industry in the province. But of course we do have some -- Fifth Street House in particular, along with Glen Sorestad's book agency.

And so it is the preference of the department to have school divisions purchase books. And as we particularly develop the high school curriculum, I think that there will be . . . and going to an emphasis for Saskatchewan and Canadian literature, there will be an opportunity for Saskatchewan authors, poets, and book agents to have the materials purchased in this province.

Ms. Haverstock: -- Thank you very much, Madam Minister. I'm sure Glen and others, and Lorna Crozier who's no longer in the province, and all of these people will be delighted to know that they'll have more of their poetry books purchased.

I want to move now to the merger of urban and rural divisions. Another set of amendments that seem to be sprinkled throughout the Act makes it possible for school divisions to merge. And on the face of it, this of course would appear to be a most sensible thing.

I think the provisions create a sense of choice as well

for some people. When an urban and rural division merge, they'll have the choice about how the districts are laid out, in my understanding. And it gives people affected by such a merger an opportunity to select whether or not they will have a ward system or an at-large system, is what my understanding is from what was written.

It is proper that people are able to make choices on matters of local concern, especially in choosing the structures of public authorities. But on the other hand, this simple opportunity for choice and local autonomy is exactly how the health district board debate began.

And I know that you have assured us, Madam Minister, and you have publicly stated this on several occasions, that these changes are not what you've termed the thin edge of the wedge; that they are not the beginning of radical changes in the educational system being forced upon an unsuspecting public without real input in prior consultation.

So, Madam Minister, I know that you have indicated that division mergers are entirely in the realm of what's called voluntary, at this point, and that you've stated publicly, and I quote: that there is no pressure whatsoever to amalgamate.

Recently we discovered that some matters for the district health boards may be voluntary, but that others are not voluntary. And like the people of Saskatchewan, I guess I'm raising these things with a kind of cautiousness because I'm cautious about what these amendments might signal for the future. As a result of that cautiousness, I'm going to pose just a few questions to you about this particular area regarding rural-urban school division mergers.

First of all, in clause 18 it provides for the merger of an urban-rural school division, and I'm wondering the following: are there any such mergers being contemplated at the present time of which you're aware; and secondly, are there any such mergers which have actually been impeded in the past, prior to these amendments coming forward?

(1445)

Hon. Ms. Atkinson: -- Well just for the record, and to reiterate what I've said many times publicly about the pilot, the voluntary pilot projects, as someone who has studied a bit about the history of this province when it comes to school division amalgamation and mergers -- and I'm talking about the larger school units that came about in the early 1940s -- the history of Saskatchewan education reform has been voluntary and not enforced.

We still have schools that have not joined the larger school unit boards in the province. In fact the history of school consolidation or school division consolidation continues. Last year we had four very small school divisions merge into I think it's called scenic valleyview, which is outside of the city of Regina.

We've said very clearly that the legislation is here for those who wish to voluntarily amalgamate. The legislation previous to now would not have allowed for rural and small urban centres to amalgamate. And what this legislation does is allow for those cities and rural areas that are interested in amalgamating, they can do so.

And I'll give you a couple of examples of why we went forward with this legislation. The P.A. (Prince Albert) School Division, along with P.A. Rural School Division, Carlton High School, and the city of Prince Albert, and the Kinistino School Division are presently in discussions about the possibility of amalgamation.

They are sharing many of the same personnel. They have gone through a community development process where they have engaged the community in the kind of discussion that we think that is important before these kind of voluntary amalgamations go forward. As well, the city of Melfort and Tiger Lily School Division, which is the rural school division around Melfort, are also involved in the same process. In fact I'm meeting with them tomorrow in Melfort to discuss this.

Now what we have said, because there is interest that is coming and there are also some rural school divisions that are interested in amalgamating -- the Arcola area have an interest, as well there's an interest in the Canora-Kamsack-Timberline School Division area -- what we have said is we will agree to three to five pilot projects. We want to have those pilot projects follow principles of understanding and certain criteria which I'm very prepared to share with you.

And it's important that we have those pilot projects go forward in order that we can meaningfully evaluate whether in fact it means better education for students and whether in fact it means financial savings. Because there are those who will argue that this will mean vast financial savings; there are those that say no; and there are those that will argue that this is not better education, this is . . . and those that will argue that this is better education.

So we want to have a variety of pilots -- larger rural-urban, smaller rural-urban, and then rural -- so that at the end of the process we can do a proper evaluation that involves the community to determine, is this better education for kids and is . . . does this in fact mean reduced cost for administration.

Ms. Haverstock: -- Thank you very much, Madam Minister. And I appreciate your offer to share those criteria with me because I'd be most interested in seeing them.

As you're likely aware, one of the things that I had wanted very, very much in the changing of health care in the province was to ensure that there would be pilot projects. And I want you to know that I am very, very pleased with the way in which your department is undertaking this. Because I think that we would have

been much further ahead, not just in terms of being able to evaluate the cost benefits -- the benefits versus the detriments, if you will, of health care reform -- but also in terms of people's sense of real cooperation and input into the process.

If we had had a pilot project in one of the urban centres and focused on that to get it right and to eke out what would work and what would not work, to have a larger urban-rural kind of split -- whether it be Prince Albert, I think would be a good example -- to have the North which is unique, and an area like the south-west of the province in health care which is equally unique, and I mean people, as you know, even get isolation kind of pay there for certain kinds of jobs that they have, and I think that this is a very thoughtful approach to this. It allows you for an opportunity to gather information and to make decisions based on evidence. And I think that's something that people want to see.

And in particular, the most important thing is having an opportunity to truly evaluate whether or not you're going to end up with something better. So, you know, not only do I want to give recognition to your department for following this process, but I want to as well acknowledge the parts of the province who have indicated that they're interested in this. I think it's to their credit that they would like to partake in such an enterprise.

All that having been said, and I am interested in whether or not there are mergers that have not taken place because of the . . . (inaudible interjection) . . . There have not. Okay, thank you.

If boards amalgamate, rural and urban, what happens to smaller schools? I mean not what happens to smaller schools, but I'm thinking in particular what we call the small school factors and all the provisions for example, that exist within these smaller schools. And I'm wondering if you could comment if you will, on how you sort of examined such things as the transportation factor, the grant factor for small school size. Will this in fact, these kinds of amalgamations, ultimately jeopardize the smaller schools?

Hon. Ms. Atkinson: -- Good question, and obviously that's certainly a question for those school divisions that have small schools, and have as a result of the formula, because we have a small schools factor . . . they're worried about what happens to our funding for small schools. And what we have said is during the pilot process there would be no changes in the way we fund small schools. So nothing will change there.

Secondly, in terms of transportation, we fund, the province funds, 100 per cent of transportation costs or busing costs in the province. And there's a little bit of controversy around that issue. Because there are school boards that will argue, we're efficient and we get paid for our efficiency, and those schools divisions that aren't efficient, they get paid for their inefficiency.

So we're in the process of examining how we have fairness in the transportation system and how we fund

transportation because of the concerns that are coming from school boards that believe they're efficient and some others may not be.

Ms. Haverstock: -- Thank you. I think those assurances are what people would like to hear from you.

In section 120, it's going to be amended to accommodate . . . this is the section that deals with accommodating mergers. I'm wondering how local school advisory committees will be appointed. And as an adjunct to that, will elections in the urban areas of merged divisions be eliminated as a result of this particular amendment?

Hon. Ms. Atkinson: -- Because this is a pilot . . . our school board elections happen this fall, and obviously these pilots aren't going to be up and running by the fall. We're anticipating the earliest may be January, but it may not come until 1995 because one of the things that the school divisions have to go through is a consultation process.

As well, they have to, if you look at the criteria, they have to describe to us how they are going to approach local decision making that enhances the learning environment for all members of the school community. So we will want to know how they are going to involve local people in decision making within a larger, amalgamated school division, because we think it's important that local people don't feel as though the school division has gotten larger and therefore they have less influence on the kind of decision making. We want to look at how school divisions plan to involve people in the decision-making process when it comes to how we deliver education in Saskatchewan.

So how that will occur will be a community development process that school divisions are going to ascertain or determine. And if they meet the criteria, that will be important for the pilot to go forward.

Ms. Haverstock: -- Thank you very much. The last area I want to talk about is administrative cooperation. And I note the amendments will now make it possible for boards of education to make agreements for mutual benefit of both -- this is with other kinds of groups. I recognize that . . . I think these amendments are less restrictive than the previous Act and I welcome that adjustment. Cooperation in the provision of educational services I think is something that's most desirable.

Having said that, I wish to point out that what may begin as an innovative pilot project alternative may eventually become expectation. And it's clear that all social service programs, including education, I think require considerable reform. The nature of that reform is properly a matter for public debate. And I'm sensitive to the potential for non-governmental agencies to be required to undertake more and more of the direct services delivery expectations of the public in the face of government retrenchment.

Provisions such as this make it possible today for what I consider to be innovative joint projects and efforts, but my concern is that the government may come to rely more and more on those joint efforts to deliver basic services. And I want your comment on that.

I know of course that it's only time that will tell, but a lot of people are feeling that the trend is such that it's becoming the way of the world. And I know that the way in which you spoke of education in the past is not in that context, that it would become less and less of the responsibility of government to do.

I have then just a few questions regarding administrative arrangements that are being pointed out in these amendments. In section 92.1 it makes it possible for boards of education to enter into agreements with these other bodies.

I'm wondering what types of agreements are anticipated; some of these might have come to your attention all ready. And I'm wondering if these types of arrangements that you're now being faced with as a potential for occurring, what made it impossible for those to occur prior to this amendment coming forward? And if you have any examples, I'd be most interested in having you put forward some examples of successful joint ventures in service provision.

Hon. Ms. Atkinson: -- What this section is dealing with is entering into agreements with other boards of education or Indian bands or conseils scolaires or francophone school governance. It also will allow for coming together of various school divisions where they might be able to procure certain goods or services if they acted jointly.

Not unlike the old hospital groupings, like Saskatoon before health reform where City Hospital, University Hospital, and St Paul's went together to look at the joint purchase of computer equipment. So that's what that allows for. Because I'm told that the current wording is far too restrictive and they're not able to do that.

In terms of the issue you raise about health, education, social services involving the community, we have some successful examples in the West Flats in P.A. and Saskatoon Princess Alexandra School. And I'll give you an example.

Princess Alexandra has entered into an arrangement with Radius Tutoring project to provide services for at-risk youth. As well, more and more community people are being involved in school activity through integrated school services where we're starting to have social workers actually located in schools, who may be from the Department of Social Services, or mental health workers who may be from MacNeill Clinic, or one of the other child and youth health agencies.

We've got 20 pilots and we're just in the process of evaluating those pilots, but I expect that because of the response that has come from teachers who are actually in those schools enjoying the support of those

services that they didn't have access to in the past, and being able to deal with the crises situations that their students are dealing with without having to phone the Department of Social Services a hundred times to get a response, or Mental Health Services, I think we'll see more of that.

(1500)

And there are some issues of who's going to control that process. But we're talking about a paradigm shift where it's not the principal that controls it, it's not the Department of Social Services, it's not the Department of Health. It is coming together, all of these agencies and groups, to begin to rationalize the services we provide; and perhaps by preventing overlap and duplication, being able to redirect some resources into added services that weren't there in the past.

I think this has lots of potential, and in fact the OECD (Organization for Economic Co-operation and Development) is in the process of coming to Saskatchewan to look at two of our pilot projects to see how they're working because they're seen as on the edge of new thinking for the way we deliver services to children and youth.

Ms. Haverstock: -- Thank you very much, Madam Minister. Rather than taking up time in committee, I will take you aside and ask you to tell me which ones they're coming to see.

Well in conclusion, Mr. Chair, and Madam Minister, I just want you to know that we're in general support of the theory and the apparent intent behind these amendments that you've put forward.

I wish to thank you and I thank your officials as well. Thank you for hearing my concerns and answering my questions. I appreciate it very much.

Mr. D'Autremont: -- Thank you, Mr. Chairman. Madam Minister, I'd like to welcome your officials here today.

As we look through this Bill, we see particularly three main issues in the Bill. The first is dealing with materials used in the schools, the second is amalgamation, and the third part is the safety patrol.

I'd like to start off dealing with the purchase of textbooks, documents, reports, materials, etc. You mentioned CD-ROMs. I would assume then also other software for computers. How are these purchases going to affect intellectual property rights in the copyright laws? What considerations have been given to that?

Hon. Ms. Atkinson: -- We have to comply with copyright law. We can't . . . we have to pay for things, we can't duplicate things. And so they do comply with copyright law.

The other point I should make is that with our expansion of distance learning -- we're in the process of creating a distance learning agency -- we will be

able to, through interactive television, perhaps telephone hook-ups, computer link-ups, we will be able to provide distance learning opportunities for people living particularly in remote parts of rural Saskatchewan or remote parts of the North with educational opportunities. And obviously the Book Bureau will be involved with the distance learning agency to ensure that we have the necessary technology, I guess, and equipment and, I suppose, transferring books onto CD (compact disk) disk in order for learning opportunities to take effect.

So there's a linking here between the Book Bureau and what's coming in distance education.

Mr. D'Autremont: -- Thank you, Madam Minister. I was concerned as to whether or not items would have been copied in some manner and then distributed because it's very important that the intellectual property rights be protected.

Now I'm sure that there are items that are copied. What happens in those circumstances? Do you pay a copyright fee to the publisher if you copy an item for use some place -- say you copy some software or a document of some sort? What happens in those cases?

Hon. Ms. Atkinson: -- Okay, we're in the process of negotiating an agreement with a group of publishers. It's called the Can Copy agreement and what that would allow for is school divisions who get materials from the Book Bureau to copy that material, but that won't happen until that agreement is signed.

Mr. D'Autremont: -- Thank you, Madam Minister. On the issue of possible amalgamations, voluntary amalgamations -- and I think it's very important that it be voluntary and I know that I have stressed this with you before and talked to you about it.

I was particularly interested in your comment that Arcola is one of those areas that may be interested in this, because it'll be the Arcola and Oxbow school divisions that would be involved in that and those both are in my constituency.

And I know that they're already working together to a certain extent. They're sharing the services of the secretary-treasurer. In most likelihood, they will share the services of the director of education, starting sometime this summer.

So when this type of thing takes place it is indeed very important that it be done on the local level. But even though it's going to be done on the local level, there are a number of issues around the subject that must be dealt with at the provincial levels, such as bargaining with the teachers' federation group, and how that may affect local . . . the teachers in the local area in the units that'll be affected.

So what part will the government play in those type of situations where, while you're dealing with the local division boards, they also impact on the broader provincial scene through say the teachers' federation, etc., and other organizations?

Hon. Ms. Atkinson: -- Well as you probably know, we have two levels of bargaining in the province. We have the provincial bargaining where the government trustee team negotiates a collective agreement with teachers on a provincial basis. And we tend to deal with those issues like wages and benefits; working conditions -- prep time, those kinds of things, extra-curricular activity -- are dealt with at the local level.

We think that the collective bargaining process in the province has worked well in the past 20 years. We've never had a province-wide strike in the province in the past 20 years. We don't anticipate that we're going to change the two levels of bargaining if school divisions go to larger school divisions.

Now obviously there will be some issues. I don't know if Arcola, for example, or Oxbow have unionized support staff. So I think there will be some issues that we need to address in those school divisions that come together that may have unionized people in three or four school divisions, support staff that may have different collective agreements. Obviously those kinds of details will have to be worked out.

As well, there may be two or three or four different collective local agreements with teacher associations at the local level that may provide for a different level of working conditions. And obviously that will have to be worked out.

I think from our point of view, and I've sent you a copy of the document, there are criteria that the various pilot projects will have to meet, and we will want to know how they intend to deal with a number of these issues as they move towards amalgamation.

And the other point that I want to make is that we see this as a community development process. The community will be involved in the process of having those discussions at the local level, because it's important that amalgamations go forward with a fairly large degree of community support.

And the other issue that we will want to have school divisions address, is how local people are going to be involved in the decision-making process because there is some concern that local people, if they go to larger school divisions, won't have as much input into the school process as they do now.

So we will want those school divisions that are going forward with the voluntary amalgamations to address that issue as well -- how they anticipate local people are going to participate.

Mr. Martens: -- Thank you, Mr. Chairman. Madam Minister, one of the things that is a concern to me as it relates to amalgamation -- and I believe it can take place within the framework of voluntary -- where I see a real significant negative impact is how large urban centres can negotiate a system whereby if population is going to dictate the election of school board members with a rural school division that

surrounds the large urban . . . and I'll use Swift Current as an example.

The large urban centre, 15,000 people, and the rural school division of less than 4 or 5,000 -- no, it could be 10 or 12,000 people -- that rural school division has serious problems. And identifying how the tax base, which could even be similar in size, how that tax base could have representation from the city system and no representation from the rural area; how that is going to be addressed on the part of the department, and how it can be made so that there is some willingness to participate.

Because I as a rural taxpayer do not want to have someone in urban recommending how much the mill rate should be and defining that for me, because I believe in the public system as a school board system. But if you make it too difficult, what will transpire is the separate system will get a lot of that taxation because they can designate, and then they will be able to say, I don't want to be a part of that public system; if I don't have any children in the system, I'll take my land base and my tax base and apply it to that system which has the least amount of mill rate. And they can do that in that area. And you need to have some way of giving equity -- I guess that's the basic question -- you need some way of giving equity in the determination so that negotiations can take place. And that's where the biggest problem exists.

Hon. Ms. Atkinson: -- I just want to assure you that Prairie West School Division has nothing to worry about. They've already contacted me and I've had various discussions with people who live in the Prairie West School Division and they're concerned about the possibility of going with Swift Current. This is voluntary. They won't be going with Swift Current unless they choose to have the discussions with the Swift Current School Division.

There are some parts of the province where they don't have the concerns that the people in Prairie West do. And I'm thinking in particular of the people who are around the city of P.A. and people who are just beginning to discuss things around the city of Melfort. This is not forced amalgamation; this will be voluntary.

We do obviously want to see three to five pilot projects, because we want to see how this is going to work. Because we're talking about some changes in the way we have historically delivered education in the province -- and not the way so much, but the process, I think would be a better word to use. So I don't think the people in Prairie West have anything to worry about, and I don't think you do either.

Mr. Martens: -- I wasn't worried about them specifically because I recognize that they have the capacity for self-determination. My problem is in equity and taxation when representation is based on population and there is no equity in delivering the volume of tax dollars required to run the school division in the city of Swift Current or in Prairie West, and where will that equity come from? Will it be

discussions between school divisions as to how that equity can be resolved?

And I would go one step further, Madam Minister. Those school divisions around the Prairie West School Division have a great deal of apprehension about how Prairie West is going to handle that situation because they feel that that's a buffer zone and they will never be drawn into that discussion. They will amalgamate among themselves, but not with Prairie West. And they're afraid of that inclusion into the city because equity and taxation and mill rates causes them a great deal of concern.

And it causes me a concern as an individual who lives in the rural area. And that is what you're going to have to address in P.A., you're going to have to address that in Yorkton -- all of those divisions which have agencies supplying education on behalf of another school division -- and if they amalgamate, then how are you going to handle it? And that's the discussion.

Is there going to be a great deal of latitude in how you apply those mill rates, because if they're going to be setting at a variable rate, then it's going to have some significance. And if not, then I'm not sure they'd want to start to talk about negotiating how to amalgamate.

The school divisions in the south-west have talked a lot about amalgamation. In fact they have done a lot of those kinds of things in preliminary work, but they have always come to the roadblock on equity in paying the taxes. And that causes them all kinds of concerns. Can it be handled through a tuition fee structure, like it is in the comprehensive schools, or should it be handled in other ways? And that is a real serious concern to those rural school divisions around any large or . . . well medium-sized urban centre.

Hon. Ms. Atkinson: -- I did share the criteria that school divisions will have to meet with your colleague, the Education critic. And one of the criteria is that no school board can be surrounded by school divisions that want to get together; you can't leave someone out. Because then what you have is maybe wealthier school divisions going together and leaving the less wealthy school division out. That's number one.

Number two, what they have done in the P.A. area is put together what I consider to be an absolutely exemplary strategic plan where these issues are being addressed. How do they deal with the issue of equity, fairness, and accessibility? And obviously those issues have to be dealt with in order for this to go forward.

(1515)

Mr. Martens: -- The other point that I'd like to make is that there has to be some recognition about the population bases being the only criteria for membership on the board of directors. That has also some relevance to this, because it's the tax dollars that pay. It's not people that pay, it's property tax that pays. And so there has to be some equity in relation to that as it relates to the discussion on representation on

these school division boards.

And the reason I say that is if four rural school divisions went together with a large urban centre, the urban centre still would have more population than those rural school divisions, and then they could, if they went on a basis of dividing the area to have the wards within the city . . . within the framework of the city as to having greater representation than the rural school division or than the rural part of it, then they can dictate the taxes to be paid in property taxes. And that's the problem that this creates.

And I'm saying that there has to be some balance between representation by population and representation by those people who are required to pay the taxes. And that's where the difficulty comes in.

Hon. Ms. Atkinson: -- Just an observation. If you look at the history of how we've gone about creating subdivisions, particularly in rural Saskatchewan, subdivisions have never been based solely on wealth. Because you could have the possibility of a subdivision that may have a lot of oil with very small population having a larger number of trustees relative to more populated areas.

So what we've tried to do historically under all of the administrations that have governed this province, is try to accommodate various issues that emerge and have impacts upon how subdivisions are created.

But I don't anticipate that we will ever go to a time when we base representation solely on wealth. I think it has to be an accommodation of population as well.

Mr. Martens: -- Well I agree with you to some extent, but your argument can go just as much on the people part as it can on the wealth part. So you have to have a balance between the two. And measuring that and its relationship is what I'm talking about.

In an urban tax setting, the taxation on property provides services. In rural taxing, and the fundamental principle there is it provides benefits back to the land. You don't have that in the urban centres as much you do in rural, and that is the reason why rural municipalities get all in a snit about this. And that's why, because they don't have garbage collection, they don't have police work -- they don't have all of those things in dealing with their taxes and their property taxes. And that's the distinction. And so there has to be a balance between those two.

And I agree with you that wealth isn't the only criteria, but population should also not be the only criteria in delivering the service.

Hon. Ms. Atkinson: -- For someone who knows a little bit about rural Saskatchewan, having been born and raised there and having family there, I know that rural people are very sensitive about having representation in all kinds of institutions, because they think that they have some issues that need to be addressed.

And I don't disagree with you. And this is going to be a fine balancing act, how we do this because there are sensitivities. I think my brother would certainly argue that he pays more than his fair share of school taxes and property taxes, and he wants to be represented. So I understand the point you're making.

Mr. D'Autremont: -- Thank you, Mr. Chairman. Madam Minister, the discussion that's been going on is quite relevant because we've already had that kind of a situation develop in Saskatchewan.

Eston is the example, that the board eliminated the director from the Eston area to provide another director from Kindersley, the city of Kindersley, and so it does create some major problems because Eston now feels that they do not have someone on their division board who represents them. So it is a very sensitive issue in rural Saskatchewan.

In fact when it comes down to the discussion of amalgamating with other school divisions, the Gull Lake School Division put out a little pamphlet, a little information-discussion guide for their ratepayers because they had lost their director of education and looked at the situation of contracting that service with another school division. And they looked at all the school divisions around them. And their decision was not to proceed because they felt that it was not the proper time to do so. And I'll just read the one sentence from it: The main two reasons were that the timing may not be right and there needs to be local discussion.

So they were very concerned that the people throughout the whole division have the opportunity to discuss the issue before they proceeded in any particular direction. And I think that's very important because it needs to be done at the local . . . In rural areas we have local school districts which are amalgamated into a larger division; you don't have that in the urban areas. But each one of those local school districts feels that it has some level of autonomy even though in actual fact, under the Act, it may not have that. But they still feel they represent a particular area and a particular jurisdiction, and they wish to be consulted.

When it comes to providing for directors on an expanded division, as my colleague was talking about, I agree with him that there needs to be consideration not just for population but for the geographic areas that are represented. And in the case of Eston and Kindersley, Eston felt that they were losing out geographically. They did not have perhaps the population to warrant having a director just representing Eston, but nevertheless they felt they lost because of geography.

This issue of amalgamation was brought up by the SSTA (Saskatchewan School Trustees Association) at their convention last year, and they passed a resolution endorsing it. And in fact, I'm hoping you took a lot of your ideas from their recommendations on this.

One of the items they brought up was, once you went to a larger division, that in rural Saskatchewan because we have the local school districts already in place and they look after one particular school, they have input into the operation of that particular school. In urban Saskatchewan you don't have that.

With this piece of legislation, will you be providing for the opportunities for each individual school within an urban school division to have some sort of representation on the board? The SSTA was recommending a move along that line. They didn't spell out as to exactly how that should be done, but that some form of representation from each individual school, a parent group or something that would be elected at large, provide for that school as an advice-giving body to the school division.

Hon. Ms. Atkinson: -- This legislation does not change the present situation in urban Saskatchewan where there are local school advisory committees. We are in the process of doing consultations about The Education Act, and these consultations are always ongoing. And I don't know if you're suggesting that we look at that one, but we didn't for the purposes of these amendments.

Basically there were a few housekeeping amendments and they were to facilitate the process that some school boards want to go to voluntary amalgamations. So this is not a major rewrite of the Act.

Mr. D'Autremont: -- Well because things are operated somewhat different between rural and urban, if in the case that my colleague was bringing up where there could be an amalgamation between rural and urban, the rural schools have an organized body, an organized group of school trustees which make representations to the division board, where in urban Saskatchewan you don't have that. You may have your parent-teacher association, but that is a body the executive of which are elected only by those members who attend the meeting of the parent-teacher association.

Whereas the rural school district trustees are elected at large. Their elections are similar to the elections of people to the school division board or to the RM (rural municipality) council or however . . . whichever bodies you wish to discuss. But they have a legitimate and legal entity, whereas the PTA, parent-teacher associations, while they have a function, are not a jurisdictional body to make representations to the division board.

And I think it would be very important and a benefit to urban schools to have that kind of a body in place, that the entire boundary area, the property owners, the parents within an urban school area would have a body which would represent their interests to the division board. Because if you look around, and particularly in Regina here, I've had a number of calls where schools were closed but there was no organized body prior to that closure that was speaking on behalf of that school other than the parent-teacher

association. And I think it would be beneficial to have an organized body that could represent that school. And perhaps, Madam Minister, that's something you could look at.

Hon. Ms. Atkinson: -- Just briefly, as someone who represents an urban constituency, the kids in my constituency go to schools all over the city of Saskatoon. While we have a neighbourhood school, the students in that neighbourhood don't necessarily go to that neighbourhood school. And so it becomes somewhat difficult to look at what you're talking about. But certainly we have to figure out a way so that parents and taxpayers feel as though they have more influence or more involvement in what happens in our schools.

And obviously, if you look at the criteria, we are cognizant of that and we are asking those school divisions that are interested in voluntarily amalgamating in addressing the issue of local involvement and local input should they decide to proceed to larger school divisions through voluntary amalgamation.

Mr. D'Autremont: -- Thank you, Madam Minister. More and more parents are becoming interested in having a direct input. And while again the parent-teacher associations provide one avenue, having a local board of trustees I think would be a much more positive step. And you clearly identify that in the urban settings you don't have a particular school. You have a neighbourhood school but it may not serve your children.

And one of the other areas that will be a problem, and it's a problem in rural Saskatchewan also, is how much responsibility or how much authority does the local school board trustees have. It seems to be that the authority they have, the responsibilities they have are those delegated to them by the division board. And it varies from whether the division board wants to accept the responsibilities for some decisions or pass them down to the trustees to take the blame for whatever happens.

So I think it would be important that when this is done, that a clear set of authorities and responsibilities be set out.

The third item that I identified with this Act was the school safety patrols. And, Madam Minister, up until now, who has held the responsibility for liability and protection for the decisions made by the school safety patrols?

Hon. Ms. Atkinson: -- At present school boards have liability insurance for teachers, employees, students. And for those people who are volunteers -- who might be volunteer helpers with the school board patrol -- it has not been clear who has a liability, and now this legislation makes it very clear.

Mr. D'Autremont: -- Thank you, Madam Minister. So the province will be paying any insurance premiums on this liability, or will the school boards be paying

the insurance on the liability that may be associated with the school patrol?

Hon. Ms. Atkinson: -- School divisions will be paying.

Mr. D'Autremont: -- Thank you, Madam Minister. I think the school safety patrol is a very worthwhile program and that it should be encouraged in all those urban settings that do have a large number of children moving through, particularly areas where there's a large amount of traffic. I think it's very important.

I would encourage you to take a serious look at the idea of the concept of having local school board trustees in the urban areas. I think it's very important and also that amalgamations of school divisions must proceed on a voluntary basis after a large amount of consultation within the areas affected.

Thank you, Madam Minister.

Hon. Ms. Atkinson: -- To say that . . . I have said voluntary, voluntary, voluntary, wherever I've gone in the province. If you look at the history of this province when it comes to larger school divisions or consolidated schools that were started by Woodrow Lloyd, an NDP or a CCF (Co-operative Commonwealth Federation) education minister, it has always been voluntary, and I don't anticipate that that will change in the near future.

(1530)

Clause 1 agreed to.

Clauses 2 to 21 inclusive agreed to.

Schedules 1 and 2 agreed to.

The committee agreed to report the Bill.

Mr. D'Autremont: -- Thank you, Mr. Chairman. I'd like to thank you, Madam Minister, and for your officials coming in today, and for your cooperation.

THIRD READINGS

Bill No. 52 -- An Act to amend The Education Act

Hon. Ms. Atkinson: -- Mr. Speaker, I move that this Bill be now read a third time and passed under its title.

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

ADJOURNED DEBATES

SECOND READINGS

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 3 -- And Act to Create, Encourage and Facilitate Business Opportunities in Saskatchewan through the**

Establishment of the Saskatchewan Opportunities Corporation be now read a second time.

Ms. Haverstock: -- Thank you very much, Mr. Speaker. The concept of government being involved in financing business opportunities is a questionable one at best, and other than allowing for a great deal of political manipulation and the steering of funds towards projects and people who have the ear of the government of the day, I see no conclusive evidence to suggest that a government lending institution is a good vehicle through which to finance private enterprise.

The main problem, which government appears to be ignoring, is how to bring lenders and borrowers to the table with a view to making a deal that is conducive to new business start-up and expansion of existing firms with potential, even during tough, very difficult economic times.

The fact is that banks are in a position of power and as part of their responsibility to their shareholders they make decisions to expand or to reduce the size of their portfolios in various sectors, depending upon market conditions.

During times of strong economic activity, businesses are welcomed with open arms by lending institution managers wearing their lending hats. Then when a downturn in the economy is experienced, entrepreneurs face lending institution managers who then put on their collector's hat, which creates a vacuum in capital for the business community as lending institutions tighten up criteria, call loans, and even in some cases refuse to renew mortgages or loan arrangements.

That is truly the serious problem faced by business. It is a lack of stability, a lack of consistency in the lending criteria between strong and weak economic cycles, which makes it difficult to establish and maintain long-range plans for investment.

When a decision is made by government at the provincial level to attempt to stimulate business investment through its own lending institution, we have not only established another expensive bureaucracy which lends itself to political interference, we enter the realm of financing which, based on the track record of governments in general, would not appear to be something that governments are very good at.

The historical picture of SEDCO (Saskatchewan Economic Development Corporation) in Saskatchewan is not a pretty one. Established with very good intentions, the cumulative losses of SEDCO since its inception has been quite overwhelming. The projects invested in encompass some success stories -- and no one would argue with that -- but the list of losers is far longer and far more expensive.

There has been sufficient time spent in the legislature talking about the failures but perhaps not enough time spent on a detailed analysis of why SEDCO failed,

apart from the obvious reasons of financing patronage deals and perhaps government trying to pick winners.

I contend that it is not going to make much difference to change the name from SEDCO to SOC Co or Sask Op, or what ever acronym it is to be known by. It could simply mean changing the name under which bad processes are administered and questionable deals can be made. Therefore it is critical that the new corporation being established will operate in a substantively different way.

The legislation that we are discussing is designed to, and I quote: create, encourage, and facilitate business opportunities. Although I believe that to be an admirable objective, I have no greater confidence in SOP Co that it will be any more efficient or effective at meeting all of these different kinds of goals and objectives than SEDCO was.

The other objectives of SOP Co are to provide financial assistance, to provide management services to client companies, to provide counselling and training, and to provide information and advice. And I believe that the government may be missing the point, missing the point about what the true deficiencies are in the world of business today. Most business people are not suffering from a shortage of access to management services. They aren't suffering from access to counselling, to training, or particularly government information and advice.

One common thread that has run through my discussions with people in the investment community and the business community is that the one thing lacking is access to capital from major lending institutions. The Bill indicates an intention to have SOP Co work with conventional lenders. The question we must ask is this, Mr. Speaker: how much of the other services I mentioned above are really necessary for the government to be providing at all; or, does the government have any particular expertise in these areas, based on its previous track record? Do we want to repeat or prevent a fiasco? Does that possibility exist?

I believe that in its haste to eliminate SEDCO from the minds and memories of Saskatchewan people, the government has spent time planning what it wants SOP Co to do but has given very little detailed consideration as to how it can accomplish those ends.

In examining the legislation, we find that it continues to allow for equity investments in companies, loans to companies, and guarantees debt replacement by business to conventional lenders. The legislation, similar to what was undertaken by SEDCO, allows for the Opportunities Corporation to engage in joint ventures, to form and manage investment pools, and borrow money to buy property.

We believe that there is something missing in all of this. We believe that what is missing from the goals and objectives is some tie -- a tie between the financing and the actual creation of new jobs.

To date, the government's economic strategy has targeted some subsectors, some subsectors that it says should be the focus of economic development. But the limited capitalization of SOC (Saskatchewan Opportunities Corporation) or SOP Co, whatever it will be called, which is only 25 per cent of what was available to SEDCO, does not seem to be targeted at development of any specific sectors of the economy.

One has to question, Mr. Speaker, how the government intends to ensure that money is not simply just spread around on a broad-scale basis, but that it is applied according to concise criteria which will target growth sectors and channel resources into them.

Saskatchewan people have watched hundreds of millions of tax dollars being literally vacuumed out of the economic drain, through an economic drain of SEDCO. It is critical that there be tangible goals identified, specifically outlined, and discussed, to ensure that this new corporation is identifiably different from SEDCO, with improved project selection criteria and obviously far better control.

There are some aspects of the Bill that I think are very interesting. The legislation fixes an upper limit of capitalization at \$100 million while SEDCO was set at \$400 million. I fully concur that SEDCO was empowered to lose too much money. Are we saying by capitalizing SOP Co at \$6 million initially with an upper limit of \$100 million, that the government is not prepared to lose as much? Or is there reason to believe that this will not be a losing venture at all?

I believe there is some opportunity here, an opportunity for change, given that the annual budget allocation will be debated and approved in this House. I hope this will include an assessment of the targeted sectors and the plans to concentrate specific envelopes of funding to specific growth sectors.

The time is past when we can have bureaucrats giving money to the people with the most pull or the shiniest presentation. Government does not belong in the banking business, and it is time that we developed a process by which we can direct what money is available for economic development and put it in the hands of the professionals.

I'm concerned about the broadness of this legislation, Mr. Speaker, at a time when we have to be specific. I'm concerned about the fact that this Bill, like the **Partnership for Renewal** document, fails to provide any specific analysis of what will be accomplished, how it will be accomplished, and how those accomplishments, or lack thereof, will be measured.

I am not certain that we should be creating another potential, almost guaranteed liability for Saskatchewan taxpayers if the government is either unwilling or, worse yet, unable to define where the money will go and why it is going there. For instance, will the objectives of SOP Co be to create jobs? Or is it designed to invest in the jobless recovery? Are there tangible levels of profit or rates of return that SOP Co

plans to make? Why wouldn't this Bill be tabled with a proposed budget?

The government should never permit -- at least I would hope it would never permit -- SEDCO or SOP Co to lend money to a business person without a financial projection, without a specific business plan, without a marketing strategy, and a summary of the track record as well as the qualifications of that particular individual or the principals in the proposed deal.

But unfortunately, what we're seeing is we're seeing that this government sits, and it sits holding onto the public purse possessively, resentful of suggestions that maybe they should put forward a grown-up plan of how SOP Co will operate, what it plans to achieve -- and I mean exactly what it plans to achieve -- and in what sectors it sees the need for greater investment support.

(1545)

For my money, some of which is in that public purse, I don't know why we would approve of this Bill until the government has clearly laid out an investment strategy for the province of Saskatchewan, put forward project selection criteria, and indicated that there will be better control on this pet project than there was on SEDCO, who was indeed its parent.

The promotional literature provided by the Minister of Economic Development indicates that the mandate of SOP Co will be to assume, and I quote directly, Mr. Speaker: to assume a proactive role in attracting new businesses to Saskatchewan where financing would help to facilitate the transaction. End of quote.

I think that the time has come to move away from simply stating a mandate and assuming the goals will be met. What has become painfully obvious is that governments across the country and including our own, can talk a great deal about what ought to happen, what they would like to see happen, but they haven't had much success at making it happen.

I would be very interested indeed in knowing just how the minister can explain what it is about SOP Co or Sask Op -- I keep wondering what the acronym will be -- that will ensure that results will be different. There seems to be in the proposed budget a fair amount of money targeted at write-offs and write-downs for losing investments.

The question begs is why the corporation would be experiencing these levels of losses if there have been significant changes to the way that Sask Op will operate.

On balance, Mr. Speaker, I am pleased to see SEDCO being wound down, but I'm not particularly inspired for the plans of Sask Op, that it will make a very meaningful contribution to economic growth and development in our province. There doesn't seem to be much contained in the proposal which inspires people in the business and investment communities in

Saskatchewan with whom I've spoken.

I do hope indeed for the sake of our province and the need that we have for significant economic growth in the province that if this comes forward it will be successful. What I would like to see however is greater specificity put forward by the Minister of Economic Development, particularly with the things that they're trying to achieve and some built-in measurability to ensure that it will happen.

Thank you very much.

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, my comments are going to be very brief this afternoon on this particular Bill, and once I've concluded my remarks it's my intention that this Bill should proceed to the committee stage.

There's a number of questions I think that are best answered in committee, Mr. Speaker, but I am a little perplexed in preparing myself today for this discussion on this Bill. The minister has said, you know, SEDCO has to be changed because -- and I look at some of the words that he uses here -- is that it's lost its credibility; it's ripe with political influence; it's loan criteria are too loose; too risky; too extravagant; corporation needs to be reformed from top to bottom. In other words the entire format of the institution has to be changed.

I've heard these things about SEDCO, Mr. Speaker. Being a former minister you always hear criticism, and I don't doubt for a minute that you can always do things better, but it's interesting to look at other members of the government. And they tell us yesterday in debate, private members' Bills here, that the best place to get consensus is in caucus, and then after you get caucus consensus you come into the House.

And in reviewing verbatim on this particular issue in this session, I'm wondering if the Minister of Economic Development has been attending caucus meetings. And I'd just like to quote a couple of excerpts from speeches made by other members of the NDP government. And I would refer you, Mr. Speaker, to the member from Kinistino who was talking in regards to this Bill and he says, and I quote:

I want to say that the Saskatchewan Economic Development Corporation, Mr. Speaker . . . in the past . . . has brought tremendous benefits to the Saskatchewan economy and has expanded the economic base of this province immensely. Yes, there was some problems with the institution. But I would suggest to the members of the legislature and to the business people in Saskatchewan that the benefits far outweigh the downside.

And the same member, the member from Kinistino, goes on to say:

We are putting the priority on small and medium-sized businesses in Saskatchewan,

and this corporation is going to deliver on that promise . . .

Interesting comments, Mr. Speaker, when you understand the minister's desire to change this corporation entirely.

And the member went on to say:

. . . this corporation will also take an active role in promoting economic development by seeking loan and investment syndication with private sector financial institutions and venture capital funds to share the risks . . .

So obviously the member from Kinistino is envisioning quite a wide mandate for this particular entity.

The member from Athabasca, during the same debate, said:

The key industry areas are agriculture, value added production in forestry, minerals, energy, tourism and information processing and communications.

The only thing that I miss here, Mr. Speaker, was the kitchen sink. And I think the member from Athabasca appreciates that over time, SEDCO has indeed participated in all of these areas and done so with a fair degree of success.

The member went on to say:

All projects will be subject to commercial viability analysis before economic development benefits are considered.

Well I think that member recognized, Mr. Speaker, that SEDCO has always had very competent people in its employ, and that they've always put the test as best to their ability that they could to any of these projects which were anticipated.

And also, the member from Prince Albert Carlton, in the same debate to the Assembly, expects a lot out of this institution because he says:

I believe that this Saskatchewan Opportunities Corporation which is formed by this Act will form a very important part of the Saskatchewan government economic policy because what it will do is it will be able to provide money to those businesses or corporations or enterprises which are developing which are unable to get money otherwise . . .

Well one of the criticisms that the minister brings to the House of the old SEDCO was that it should no longer be the lender of last resort in the province of Saskatchewan. Obviously the member from Saskatoon Carlton has a different view of that because he said that in this session of the House and debate in this Bill.

So I've got three members of the government caucus, three back-benchers, Mr. Speaker, all talking about their vision of what son of SEDCO will look like. And what son of SEDCO looks like, according to the member from Athabasca and the member from Kinistino and the member from Prince Albert Carlton, is much what it looks like today -- a corporation that has tried to be the lender of last resort, which has helped small-business people all over the province of Saskatchewan. And I've had reams of statistics here, Mr. Speaker, to show that in most cases it has been pretty successful.

Now when you stack that up against what the minister has to say, it really makes you wonder, Mr. Speaker, about this consultative process that they do in the NDP caucus. And it makes me wonder why the opposition members should agree with the Bill being brought forward. And obviously, a great number of the government's own back-benchers don't agree with it being brought forward. It's very difficult for me to make these things square themselves, Mr. Speaker.

But anyway, we'll get into third reading, and we'll get some of these answers, we hope, from the minister and his officials. And in particular, Mr. Speaker, I think it's important that we talk about the employees of the current Crown corporation and what the future entails for those employees -- how they're going to be treated, and are those people that currently work for SEDCO going to work for the new entity?

Or if they are not, are they going to work somewhere else? What provisions are going to be in place for those employees? Will there be early retirement. Will there be severance packages? What are the prospects of the people that currently are employed there?

And the best place to answer those questions, Mr. Speaker, is in committee. So at this time I have no further comment and would expect this Bill to move to third reading stage.

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

Bill No. 20

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Carson that Bill No. 20 -- An Act to amend The Urban Municipality Act, 1984 be now read a second time.

Mr. Swenson: -- Thank you, Mr. Speaker. Once again my comments will be very brief, and at the conclusion I fully expect this Bill to move into the committee stage.

There's a number of technical matters dealing with RMs in this Bill, Mr. Speaker. The main areas dealt with are parking enforcement, changes to how petitions are dealt with, and of course property assessment. These have come forward at the request of SUMA (Saskatchewan Urban Municipalities Association), and rightly so. The government has

attempted to respond to the Bills.

The most contentious area is obviously the area of property assessment. The Bill temporarily limits the use of income-based assessment, i.e., assessing taxes on the basis of the income-generating potential of the property instead of the land's market value.

Now commercial property owners, Mr. Speaker, are anxious that income-based assessment begin immediately, and have expressed dissatisfaction to the opposition over this, the fact that it isn't covered in the Bill.

It's our understanding that SUMA does not necessarily oppose income-based assessment but simply wants to implement it properly. And given the dramatic change, Mr. Speaker, this system would have on municipalities' ability to tax, this is probably reasonable. But property owners, Mr. Speaker, view it as a delaying tactic that will have a negative impact on the economy.

There are obviously arguments, Mr. Speaker, on both sides of this issue. Income assessment would essentially amount to a blanket tax concession for all commercial property owners, which probably would benefit the economy; however it is questionable whether the municipalities can afford tax concessions of this scope at this time.

The important thing that this Bill would achieve is a balance of those two views. And we will want to examine the Bill more closely in committee, Mr. Speaker, in Committee of the Whole, to make sure that that balance is achieved.

There is the question of petitioning, Mr. Speaker, which also needs to be addressed. Does the new petitioning structure inhibit municipalities in the way that their democratic process is presently conducted? As you know, petitioning is something that's done on almost a weekly basis in many of our urban settings particularly in the province, and those questions are best dealt with in Committee of the Whole.

So at this time, Mr. Speaker, I conclude my remarks and have the Bill move forward.

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

The Speaker: -- Why is the member on his feet?

Hon. Mr. Wiens: -- With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wiens: -- Thank you, Mr. Speaker. I want to introduce to the Assembly this afternoon and ask members to join with me in welcoming a very good friend, Homer Beach. He's from the co-op farm at Ernfold. He was a companion of mine on a trip to

China in 1980 on the first Canada-Chinese farmers exchange, and is today, this year again, hosting friends from China.

Ren Zhi Hua is with him on the farm for the next six weeks. And with them is He Kong Fang who is in the Whitewood area right now. They both come from the Dong Xing state farm near Lian Yun Gang city in Ziang Su province.

I want to say that the relationships between Canada and China have been much enhanced by the regular exchange of farm people from China, from the People's Republic of China to Saskatchewan, and the experience that many of us have had visiting your country. Welcome to the legislature. Welcome to Canada.

Hon. Members: Hear, hear!

(1600)

ADJOURNED DEBATES

SECOND READINGS

Bill No. 67

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Penner that Bill No. 67 -- An Act to amend The Crown Corporations Act, 1993 be now read a second time.

Mr. Martens: -- Thank you, Mr. Speaker. We're going to allow this Bill to move to committee. I'm just going to make some observations, however.

The Bill deals basically with changing and adding on some opportunities to be made available to Crown Investments Corporation so that they can use indemnities as an additional tool for negotiating with some acquisitions in Crown corporations, I assume.

The minister made an observation about a definition of indemnity as: a person or entity providing the indemnity commits to make good on the losses that might be suffered by another person or entity as a result of participating in a business deal or transaction. And he also makes an indication that this is a technical amendment.

And we will be asking a number of questions in relation to that, Mr. Minister, and it deals with two specific items. I guess one question that I would have is the definition of indemnity has a number of definitions, Mr. Speaker, and so I'm going to be asking questions about the specifics of the definition of the word "indemnity" because it means, not conflicting things, but it has different meanings. And I'm going to be asking the minister those questions.

With that, we will allow this to go to committee.

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

COMMITTEE OF FINANCE

General Revenue Fund Education, Training and Employment Vote 5

The Chair: -- As the last time that this department's estimates was before the committee was March 28, I will ask that the minister reintroduce her officials to the members of the committee and then we'll proceed from there.

Hon. Ms. Atkinson: -- Beside me is our deputy minister, Arleen Hynd; directly behind me is the assistant deputy minister, Ken Horsman; beside Mr. Horsman is Michael Littlewood; and beside Michael Littlewood is Gerry Sing Chin.

Item 1

Mr. D'Autremont: -- Thank you, Mr. Deputy Chairman. Madam Minister, and officials, welcome today. Madam Minister, in the **Estimates** book it shows that teachers' pensions and benefits increased from 119 million in '93-94 to a projected 145 million in 1994-95. Would you mind explaining why such a dramatic increase? It was one of the few areas in the Education budget that did receive an increase.

Hon. Ms. Atkinson: -- The major reason for that increase is because the new collective agreement requires that all interest earnings remain in the fund as of July 1 of last year. And as you may know, past administrations had the habit of taking interest out of the fund and using it in general revenues, and we put an end to that.

Mr. D'Autremont: -- Thank you, Madam Minister. One of the other ministers was wanting to take credit for that increase, in claiming that his teachers' pension had gone up by that amount.

Madam Minister, when you say that other administrations had not provided that interest to remain in the pension plan, I think if you look back over the history of the teachers' pension plan that governments, from its inception in about 1935, have not placed the money at all in the teachers' pension plan, but rather it went into the Consolidated Fund and then money was allocated again from taxes at a later date to pay those pension plans.

And it was the previous administration that changed that so that the funds from the teachers' pension plan did indeed stay in the teachers' pension plan. So the major change in this actually occurred in the previous administration's time in office rather than simply in your time of office, Madam Minister.

Madam Minister, in the **Estimates** under item no. 2, it shows accommodation and central services will be allocated \$3.7 million. Could you explain what those are for? It simply seems here that it's a transfer of funds from the Education department to other departments in government. It's simply a paper transfer of money from one pile in government to another pile in

government and, at the end of the day, government still has the same amount of money but Education is billed for it.

Hon. Ms. Atkinson: -- This provides for payments to SPMC, or Sask Property Management Corporation.

You're accurate. Saskatchewan Property Management Corporation is a Crown corporation that was set up under your administration. They charged back accommodations and repairs, maintenance, those kinds of things to various government departments. There's no change there.

Mr. D'Autremont: -- Thank you, Madam Minister. So while it shows up as an expense to Education, it's simply a transfer, an internal transfer within government and therefore it doesn't necessarily give an accurate account of the expenses to Education.

We see that also happening in another area of the budget where Saskatchewan Institute of Applied Science and Technology is paying Sask Property Management Corporation \$14 million-plus. What are those for, Madam Minister?

Hon. Ms. Atkinson: -- It's the same thing. It's for accommodation. It's space rental. It also would include mail services, that kind of thing. This is not new.

In terms of . . . just going back to your first question on SPMC, the accommodation is provided to the department for the department, including the Book Bureau, the correspondence school, the Teachers' Superannuation Commission, NORTEP (northern teacher education program), northern division, and all regional offices. There are mail services provided. There is a records management services provided.

So I guess the point I'm trying to make is that SPMC provides accommodation or space rental as well as services to various agencies like SIAST (Saskatchewan Institute of Applied Science and Technology) and to the department.

Mr. D'Autremont: -- Thank you, Madam Minister. I notice in this particular item that the cost to the Department of Education has gone up by better than \$800,000. Is there any particular reason why that has increased, or is that simply funnelling Department of Education money over to SPMC so that SPMC can make a better profit and then turn around and provide that back to the government to make the government's balance sheet look slightly better at the expense of education?

Hon. Ms. Atkinson: -- Our acting executive director of finance is on leave right now and we don't have that particular answer to that question in our book. And I assure you, member, we will get the rationale and reason for your question.

Mr. D'Autremont: -- Thank you, Madam Minister. It's a concern of ours that SPMC is one of the avenues by which the government can take monies out of

departments, turn around and put it into CIC (Crown Investments Corporation) into the Crown corporations through dividends paid by SPMC, and then turn around and that money is funnelled back into the government as a dividend to try and make the government's books look better.

But all it is is taking, as an example was given to us, grain out of one bin and put it into another to make one bin look full. You end up at the end of the day with the same amount of grain, but it makes it look like you've done a good job in one particular area because your bin is full, but the grain has just been simply transferred from one bin to another.

So, Madam Minister, I think it's very important that the public sees that they're actually receiving a value for their dollars when funds are transferred from one government department to another government department, and it's simply not a matter of shuffling money to make CIC look like it's making a profit that can then in turn pay a dividend to the province.

Madam Minister, capital operations, capital grants to the schools, school spending on construction, we talked about earlier, and you gave me a sheet that explained the criteria of this. But when a capital project is developed, when a capital project is approved in a school division, do the other school divisions that may have applied for a capital grant receive an indication as to why school A received approval and school B did not?

Hon. Ms. Atkinson: -- No. We have a prioritized list, which I understand people would have access to. And it would be based on the factors that I gave you. We have changed the process so that it is seen, and is, a fair process, and it's not subject to some MLA wanting to get a repair or capital construction done in their constituency when there may be pressing needs elsewhere. So we'll continue to follow that procedure.

Mr. D'Autremont: -- Thank you, Madam Minister. Could you provide us with that prioritized list?

Hon. Ms. Atkinson: -- I can't provide it to you yet because they're still working on it, but I will provide it to you.

Mr. D'Autremont: -- Thank you, Madam Minister. Since I have never seen one of these prioritized lists, I'm not sure what to expect on it. Now will it have the name of the school, etc.? And because you're prioritizing it and because you have a set of criteria set out here, how do you measure that? Do you give it a rating, a score of one to ten in certain areas, so that you can add it up at the end of the day and say, this school has a higher priority than the other school has? Is there a rating system such as that, and will it be on this list?

Hon. Ms. Atkinson: -- The way the process works is that each year, after cabinet finalization and after the budget is presented in the legislature, there's so many dollars that are given to, quote, capital construction.

There are two schools that are being built in this

province, one in Saskatoon and one in Regina; two high schools, St. Joseph's in Saskatoon and the north-west high school in Regina. There aren't plans for, quote, new school construction. And because we have very little money because of our deficit reduction plan, in the area of capital, really the only projects that are going to be funded are those that have occupational health and safety issues associated with them, and they will be funded on a priority basis. I've given you the criteria and I will give you the list once we have completed that list.

Mr. D'Autremont: -- Thank you, Madam Minister. You see, the problem that arises here and your examples of the two high schools that are about to be built are Regina and Saskatoon, the two major cities of which most of the MLAs from those two areas come from are all in the government side, other than one MLA. And so people in the rest of the province say, well how come Regina and Saskatoon got their school capital projects approved and nobody else did?

I think it's very important that the public, that the people at large have the opportunity to see this list and to understand how the prioritization is made. Why did school A have, say, 89 points, and school B only had 70; and therefore school B is lower on the list than school A?

Is there an appeal mechanism in place that schools can find out, well we didn't get our capital project approved because of this reason? And perhaps the people who are judging this -- because it says department officials will review -- perhaps there is some particular reason that the department officials may not have known about or may not have placed enough priority on, that their school did not receive approval.

So people need to know how that approval mechanism works and how the points, if there is a point system, how they're awarded to a particular item as opposed to not being awarded.

Hon. Ms. Atkinson: -- You may know that Saskatoon and Regina school populations are growing, whereas in other areas school populations are declining. So that's one issue. Secondly, those schools were given their approval last year. The department has developed new criteria for this year.

And in terms of the appeal process, obviously if the department isn't aware of certain factors, then those school divisions need to have those factors let known to the people in the facilities branch of the Department of Education, and certainly we would look into any errors we might have made.

Mr. D'Autremont: -- Okay, thank you, Madam Minister. I also notice that there's capital construction programs available for the regional colleges and post-secondary education. Do they have to meet the same sort of criteria as the K to 12 system?

Hon. Ms. Atkinson: -- Once again those, the capital projects that are being funded are for health and safety

issues. We're not talking about a new College of Agriculture. We're not doing that. We're just talking about repairing buildings that are ageing and that are having difficulty meeting health and safety standards.

Mr. Boyd: -- Thank you, Mr. Chairman, Madam Minister. As you're aware, there's concern in the Kindersley School Division with respect to the changes in the school division boundaries there. And I'm wondering if you could provide me with some update from your department with respect to that. There's a lot of concern about the representation of the rural areas compared to the town of Kindersley, and I wonder if you have some information on it.

Hon. Ms. Atkinson: -- We've had the regional director in the area talking to people. The concerns have been noted and there will be a decision, I understand, made shortly.

Mr. Boyd: -- Madam Minister, at the annual meeting held on March 28 in Marengo, a chairman was appointed from the floor, however a recording secretary was not appointed. The secretary-treasurer of the Kindersley School Division volunteered to take notes of the meeting. Throughout the course of the evening . . . throughout the course of the meeting several motions were put forth and passed. The day after the meeting, however, the people in the area out there were informed that the motions made were not valid because there was no recording secretary and no minutes.

The taxpayers feel that they were not informed properly of governmental procedures. And why, if this was the case, were they not allowed to carry on and make resolutions? It obviously will have no bearing on future decisions made by the division board. In the eyes of the Department of Education, did they indeed conduct an annual meeting, or didn't they?

Hon. Ms. Atkinson: -- The Education Act doesn't set out in legislation how local school divisions run their meetings. So I'm not in a position to I suppose respond in any kind of authoritative way to your question. But certainly our regional director has been out to the Kindersley School Division. We are aware of the circumstances surrounding that meeting and obviously we will be weighing all of the factors in arriving at what will eventually be my decision.

Mr. Boyd: -- Thank you, Madam Minister. At what point does the financial information within a school division become unavailable to the public? They have recently had two inquiries to the unit office requesting a salary breakdown for the director of Education -- one request from a taxpayer, the second from a local school board, of which both were refused. Is there a reason why this information should be withheld from the public? And if so, what is that reason?

Hon. Ms. Atkinson: -- School divisions are required to report their minutes of meetings. They're required to issue annually a public account of how they spend their funds. And once their budget is set, they're required to have that available to the public as well.

Mr. Boyd: -- Does that include a breakdown of salaries of all people, or just a global figure?

Hon. Ms. Atkinson: -- Presently they're not required to provide a breakdown of individual salaries. But that will happen under the local authority freedom of information Act. And we anticipate that that Act will be proclaimed later this year, and all school divisions will have to make public the same kind of information that our legislature requires be made public when it comes to public accounts.

Mr. Boyd: -- Thank you, Madam Minister. Would it be considered ethical for certain members of the division board to meet with individuals or a group of people regarding school division issues without notifying some of the board members of the meeting?

Hon. Ms. Atkinson: -- Once again I'm not in a position in any authoritative way to have an opinion on this, because it's up to local decision makers how they choose to organize their meetings and conduct their meetings.

Mr. Boyd: -- Well, Madam Minister, I remind you, you are the final authority in these things. You're the Minister of Education for the province of Saskatchewan, at least for the time being. And for that reason, it seems to me that you should be able to address these people's concerns.

To just say that you're not in an authoritative position I don't think is good enough. Because I think they believe you are in an authoritative position to make the decision and so does the member from Rosthern -- agrees with me when I say that -- that he thinks you're in that position to make those kinds of decisions, Madam Minister.

Madam Minister, what is the process to be followed in revealing to the Minister of Education that the school division is operating with a dysfunctional board and that we no longer have any confidence in our director of education and are requesting that the minister appoint a person or persons to carry out an internal inquiry into the operations and decisions made within this unit at the board level?

Hon. Ms. Atkinson: -- Just for clarification, what I mean by any authoritative way is I don't have the legislative authority that you want me to have; The Education Act does not give me that authority. The Education Act certainly gives me authority to deal with the issue of subdivisions and of trustees coming from a particular subdivision. I do have authority there, but I don't have any legislative authority to address the issue that you previously referred to.

Mr. Boyd: -- Madam Minister, what advice then would you give to these people that seem to have an obvious concern with respect to changes in the division board boundaries out there?

I've attended a couple of meetings out there. There's great concern about it, Madam Minister. I'm sure you

and your department officials are aware of it. What advice would you give these people to deal with this situation?

Hon. Ms. Atkinson: -- I think you're reading from the contents of a letter that I received as well. When people are unhappy with their local trustees, they will have an opportunity in October of this fall, or October 1994, to change the division board. I mean that is the democratic process.

And obviously the people in the Eatonia area have a difference of opinion with some members on the Kindersley School Division board. The issue is now in my office, or is coming to my office, and I will have ultimately the authority to make a decision based on the weighing of all of the factors. And I've had a number of letters from people living in the Eatonia area. As well, I've had many letters from people living in the Kindersley town, town of Kindersley, who have a different view on the issue.

So it's a matter of in the most logical, fair, and rational way that I can muster, I have to make a decision. And while I know it's important to you, sir, there are some things that have gone on that I have no authority in legislation to even respond to. The issue of how many people will represent . . . how many trustees will be represented in the area of Eatonia I do have some authority to respond to, and I will be responding in due course.

Mr. Boyd: -- Well what criteria will you be using in your decision making, Madam Minister? You know, I don't know what the proposal is. I guess there's some indication of how they wanted . . . the Kindersley school board wants to change it. Are you going to be using strictly taxpayer numbers, voters, general population, or what kind of criteria will you use to make that decision with?

Hon. Ms. Atkinson: -- Well your colleague and I had an earlier discussion about . . . we were talking about amalgamation of school divisions, the voluntary amalgamation, and how we arrive at the number of trustees that would represent a rural area and an urban area. And he was concerned about the possibility of school divisions being heavily weighted when it comes to elections, in terms of urban Saskatchewan and not rural Saskatchewan.

As someone who comes from rural Saskatchewan, I understand what the people in Eatonia are struggling with. On the other hand, historically we have not had in this province, representation based on wealth. We have tried to do a balancing . . . (inaudible interjection) . . . wealth. What we've tried to do is have a balancing act so that we recognize that there are population shifts, but we also recognize that there are people who pay a great deal of taxes that need to be represented as well.

(1630)

So I'm going to try, in the fairest way I can muster, to balance the need to be represented, not necessarily

based on wealth, but based on the need to be represented and some of the issues, you know, that the people in Kindersley have about population. So I'm going to try and balance those two competing factors in the fairest way that I know how.

Hon. Mr. Lingenfelter: -- I think they have more, though. Mr. Chairman, I move the Committee of Finance move to consideration of the estimates for Highways.

**General Revenue Fund
Highways and Transportation
Vote 16**

The Chair: -- The last time that the Department of Highways and Transportation was before the committee was March 21, and I'll ask the Minister of Highways and Transportation to reintroduce his officials to members of the committee.

Hon. Mr. Renaud: -- Thank you, Mr. Chairman. Sitting to my immediate left is Mr. Clare Kirkland, deputy minister of Highways; Mr. Don Metz, assistant deputy minister of Highways; and Mr. Don Zerr, director of human resources, sitting back here; and Mr. Brian Woods, also of the Department of Highways.

Item 1

Mr. Goohsen: -- Thank you, Mr. Chairman. Before we get into the process of allowing all of this money to be spent for the Department of Highways, we have a few questions. And I want to welcome you, Minister, and your assistants and helpers there. Good to see you all again in the process of discussing our provincial highways.

Since we've met last, we've had some happenings in the province that I think we need to talk about. No question, Minister, you are aware of the fact that the mayor of Regina has joined with his colleagues along No. 1 Highway in a call to you and your government and anybody else that needs to be called upon, to do something about improving the conditions of No. 1 Highway through our province.

There are of course vested economic interests that are at stake for these folks, but we're happy to have them onside with those of us who have been asking for these things to be done for a long time.

I want to just refresh your memory and reiterate for the folks back home that we have been calling for the double-laning and fixing up of No. 1 Highway for a very long time. There are a lot of really good reasons why the highway should be double-laned and improved. We've got a terrible accident rate on some of those roads. We now have bumps on the roads so bad that in fact when the trucks drive down the roads, if things aren't tied down they bounce off.

I can attest to this having happened to myself here just two weeks ago, coming into the city. A piece of iron laying on the highway had jumped off of a truck on a

very bumpy stretch of road. I was unable to miss it, hit it with my car; blew the front tire off my car. I could very easily probably have been killed, but the guy behind was kind enough to slow down and not run over me. It's not the fault of the drivers though and I don't really blame the truckers that are losing this stuff on the road. We just simply have got too many bumps on our roads and we've got to start improving some of them.

So we want you to know that we join with the mayors who are asking for these improvements along our No. 1 Highway. We definitely need to have some concentrated effort in that area. Some of us staked our political careers on getting some improvements to our highway system, at least in some small measure, because one of the things that I campaigned on when I was elected was the fact that I would work very hard and very diligently -- in fact I made the statement to some people that I would not rest until we got some improvements to No. 1 Highway and got some double-laning done.

Now we have Alberta having finished the road up to the border, and we certainly need now to continue that program. I am not getting very much rest, having made that statement almost three years ago now that I wouldn't rest until you folks or the government in power at least improved the highway.

So we want you to know how dedicated and committed we are to this process and to this program. So, Minister, having said those things and reminded you about the problems, have you any consideration now to spend some money and to start working on No. 1 Highway?

Hon. Mr. Renaud: -- Thank you, through Mr. Chairman to the member from Maple Creek. No. 1 Highway of course -- and I've told you this before -- is a priority with this government. We understand the concerns you have and we understand the concerns that the mayors along No. 1 have.

And it's good to see that the mayors have joined together because I think now they will join with us in talking to the federal government about the need for a national highways program. The reason of course No. 16 or the Yellowhead has preceded No. 1 in twinning is, of course you will realize, it has more traffic at this point in time. No. 16 has an average daily traffic count of over 3,500 vehicles per day while No. 1 has an average daily traffic count of 2,400.

There have been 12 fatalities, 1988 to 1991, on that section that we're twinning on No. 16, and there were 4 fatalities on No. 1. The cost of this twinning program, as you will realize, is \$32 million for the 108 kilometres that remain from Gull Lake to the Alberta border. So it's a considerable amount of money and we would certainly enjoy to have federal support under a national highways program.

In Canada, as you might be aware, the federal government contributes only approximately 6 per cent to the national highway system or network.

That's the lowest in all the industrial countries. The United States is next lowest at 38 per cent. So I welcome the news of the mayors getting together and forming an association or group. They will be able to help us in talking with the federal government and lobbying the federal government for more help on our national highways network.

Mr. Britton: -- Thank you, Mr. Chairman. Mr. Minister, I too would like to welcome you here with your officials. I have the pleasure of knowing one of your officials on a quite long-term basis.

Mr. Minister, I talked about these problems with your predecessor and what I'm talking about is Highway 31, which runs between Kerrobert and Macklin. What has happened there, your people have started that highway and your predecessor, who is now the Minister of Agriculture, told us that they weren't going to do anything on that highway.

Now that highway has got a lot of the surface exposed -- there's some of it not even finished -- and the program that we had in place when you took over, when your government took over, was to do a portion each year until it was finished. And that was acceptable to the people in the area and it was acceptable to my government because we understand that you can't do everything for everyone all at once.

What I'm saying to you, Mr. Minister, is if you don't fix that, finish that portion of the highway that is exposed, you will run the risk of doing exactly what you did, or one of your governments did, on Highway 14. When the Liberal government was in power, they built about 18 miles of highway out west of Unity on Highway 14. When your government came to power, they wouldn't finish it. When the PCs (Progressive Conservatives) came back in power, they finished that, but they had to do the whole subgrade again because it was destroyed never having been finished.

And I suggest to you, Mr. Minister, with all respect that you are making a mistake if you don't finish that road. Not because it's in my constituency so much as it don't make good economic sense to let that road that you've partially built go to ruin.

I also suggest that you should talk to your deputy minister, who is familiar with that area, and he will tell you that that road is a very, very necessary piece of highway. It opens up some area that if you was to drive through that, Mr. Minister, for the same reason that I'm asking you to take a look at 317, which runs south from Highway 31 and it goes down to Highway 51. That goes through an area, Mr. Minister, that if you haven't been through it you would not believe the conditions that those roads are in. Highway 317 is not even as good a road as the grid roads that are in the area. And your deputy minister was on it on a trip with the previous minister, and he will attest to that.

When we asked for some help, your predecessor said there was no money, which is, I believe, becoming your battle cry. But not too long after, there was a fuss up around Prince Albert about some bus routes and

you found a whole bunch of money to do a bunch of gravelling up there after telling us there was no money. So I think your argument rings hollow sometimes.

Mr. Minister, I would like to ask you today if you and your deputy minister, if nothing else, send someone out to view the conditions that I'm speaking about and verify for yourself that 317 is a disgrace and No. 31 is going to cost you a lot more money or some government a lot more money to fix it up if you allow that to disintegrate. And I ask you in all sincerity, sir, please go and do that.

Hon. Mr. Renaud: -- Thank you to the member for his question. I'm sure the member from Wilkie, if he'd just talk to his colleagues, knows that this same problem exists in many areas of the province. This year, or last fall we had a lot of moisture, unusual amounts of moisture. We had a very cold winter, and we have some highway problems this year on roads that never had a problem before.

So there are highways all over the province that have similar situations, and we're well aware of them, to the member from Wilkie.

I guess the member also must realize that in this year's budget we have \$62 million in reconstruction for highways. This is probably less than has been there in other years primarily because we have to pay interest on the debt. And it would have been nice if your government, the previous administration, would have thought of that when they were spending a lot of money, more money than what they were taking in, in fact. Now we have an \$855 million interest bill each year. I could twin the highways from Gull Lake to the Alberta border 25 times if I had that \$855 million. So it certainly would be handy, especially on a year like this, where we could put more money into reconstruction.

But it's no use to cry over spilled milk, Mr. Member from Wilkie. So we carry on. We do little by little, as much as we can, and we primarily concern . . . concentrate on repairing of the roads. And so this will take time, and we will do the best we can with the resources that we have.

And so I guess I just ask all members to be patient. I want to commend the department staff for the excellent job they have been doing in repairing the highways of Saskatchewan. Because of the conditions, we've also hired private contractors to help us in this area, and we will continue to do that as much as we can, with the resources that we have.

(1645)

Mr. Britton: -- Thank you, Mr. Chairman. Mr. Minister, I can't say that I'm surprised when you talk about the debt. Now in the first place you don't recognize the fact that you had \$8 billion -- your government had \$8 billion when we took over. And that is easy to show; I showed you that many times. The debt now is 22 billion according to the auditor,

and so you tell us that you took over 14 from us.

And you talk about wasting the money. Well you ask those farmers that we help if they feel that that was badly spent. You ask those young people; ask those many young people that would have lost their houses if we hadn't have brought the twenty-two and a half per cent interest down to thirteen and a half per cent. You talk to them and ask them if they aren't prepared to pay the interest on the debt.

Mr. Minister, you accuse us of wasting money, of spending money badly. Well I'm suggesting to you, sir, that if you don't finish Highway 31, the portion that is partially done, at least put a surface on it, you're doing the same thing. You're going to come back and it's going to cost much more money. It won't be your government, I don't suppose, but the next government will have to spend much more money to do it again.

So your own argument I think is in favour of what I'm suggesting to you. I'm not asking you for new highway and more highway. I'm not even asking you for a percentage share of the \$61 million.

I know what happened two years ago. You threw a bunch of money into repairing Highway 14. You let the contract stagger out until the following year. And then you went and you fixed the road. And you tried to leave the impression with the people out there that you had put in some new money. And all you did was put the money in that should have been spent the year before. So we know the kind of games you can play. And you're not fooling anyone. But we're not getting the roads built.

And I sincerely suggest, sir, that you look at that Highway 31 or you're going to lose a bunch of money, and the next time somebody has to come along and fix it.

Hon. Mr. Renaud: -- Thank you, through the Chairman to the member from Wilkie. Certainly as I said earlier, we have a lot of roads; some of your colleagues will have roads in the same situation. And we are aware of the problem and we will continue to repair and to reconstruct as monies are available. It certainly would be nice to do more, but we will do the best we can with the resources that we have available.

Mr. Neudorf: -- Thank you very much, Mr. Chairman. Mr. Minister, there's a saying -- it's either my way or the highway. And a couple of your previous ministers have taken the highway, and I'm now finding myself taking a look at a third minister.

Now I'm going to be talking for the next few moments precisely in my constituency and the highway situation in my constituency. And a lot of the questions that I will be asking you will be more or less a reaffirmation that you are still on the same track as the previous ministers indicated to me in previous estimates.

So the first set of questions are going to be relevant to Highway No. 11, north of Saskatoon, and specifically

to the town of Rosthern -- that stretch of road. Now I know that even when we were in government, that stretch of road to the people seemed to be an inherently dangerous road with a fair number of accidents happening.

And there were town hall meetings where the various authorities within those villages and towns along that stretch of highway met to discuss the situation. And certain commitments were made by your previous ministers in terms of making sure that the highway was indeed as safe as possible.

So I would like you to comment on the current situation, what actions have been taken pursuant to those meetings, and what you are contemplating in the near future.

Hon. Mr. Renaud: -- Thank you, Mr. Chairman. To the member from Rosthern, I do agree that No. 11, the highway from Saskatoon through Rosthern, has had a lot of accidents and is a very busy piece of road. And we are certainly looking at that piece of road and it's under consideration. And that's about all I can tell you at this time. But it's certainly under consideration for improvements.

Mr. Neudorf: -- Well that kind of leaves it wide open with no time element attached to it and no indication what those improvements are that you're contemplating. Let's take it then from the bare bone necessity that you may be contemplating. I'd like you to be a little bit more specific -- which area, what you're planning on. And I recognize that that stretch is a very busy stretch.

And I know that the Cadillac operation, the ultimate solution would be to twin the entire highway, and that probably will not be in the cards. I know that it has been contemplated and there's been a lot of surveying done, and in fact a number of businesses have been bought up as long as about eight or nine years ago; the businesses were purchased already in anticipation of twinning of the highway.

So could you bring us up to date, what you and your department have in mind in so far as the twinning of the highway, and then we'll discuss some of the other measures that may be a possibility.

Hon. Mr. Renaud: -- Thank you, Mr. Chairman. To the member from Rosthern, I think the colleague from Wilkie put it best, is that we can't expect to do everything at once, and I'm sure you're aware of that. So we're contemplating a beginning, I guess. We do realize the concerns there, and hopefully within the next year or two that beginning will begin. And certainly No. 11 is under consideration. And I guess little by little, is what I'm telling you.

Mr. Neudorf: -- So what you're saying is that the beginning will begin in a couple of years. I know, Mr. Minister, everything cannot be done all at one fell swoop, but this twinning of that highway has been in the department's drawing-board or on the department's drawing-board, I would say, for the last

10 years minimum. So it's not doing everything in one fell swoop or doing it without having a good, rational approach to it that's well planned and well thought out.

So with that comment, I'd like you to be a little bit more specific. Because, Mr. Minister, part of that stretch that we have been talking about is already being twinned. So the beginning has begun, in spite of what you just said that it's still two years down the road. And we'll be talking about that in a few moments.

First of all, I would like to concentrate on that stretch of road north of Warman to Rosthern where the various authorities within the towns and RMs wanted to get some kind of response and some kind of commitment from the Department of Highways that in fact and indeed, they would do these little things that would make it safer, like acceleration lanes and these types of things. Not that I'm advocating more caution lights and going down to 80 kilometres an hour -- I don't think that's necessarily the solution -- but a combination of things.

So what are you prepared to do in the short haul from that point of view?

Hon. Mr. Renaud: -- Thank you. Through the chairman to the member from Rosthern, I guess if you listen to the member from Wilkie, he has some concerns with highways. If you ask the rest of your colleagues, they have some concerns with highways within their constituency. If you ask every member of our caucus, they have some concerns with highways; of the Liberal caucus, they have some concerns with highways.

We have only so much money, so we only can do what we can do. We try and prioritize it as best we can, based on traffic counts, based on fatalities, based on accident rates, looking at the economic development, looking at grain movements, looking at tourism. So we have to take all these things into consideration. So I guess what I'm telling you, sir, is that we will do the best we can with the resources that we have.

Mr. Neudorf: -- So because of all of these other priorities and all of these other commitments and all of these other concerns by your colleagues across the way, what you're telling me is that there will be nothing happening north of Warman to Rosthern over the next two years.

Now your answer is the worst answer I've received from any minister of Highways, and some of the others weren't all that good. They made specific commitments and they said, this is what we propose to do. And of course it wasn't enough, and I'm not blaming you for that. I don't expect that highway to be twinned.

But I do expect you to have a handle on the situation where you can tell me precisely what your plans in your department are; and not this wishy-washy, well by golly, we'll see what the finances are like and then

we'll kind of spread it around on a piecemeal basis.

Surely you have a game plan. And that's all I'm asking you; on behalf of the citizens in that area, what are your plans?

Hon. Mr. Renaud: -- Thank you for the question. Mr. Chairman, to the member from Rosthern, again I want to say we have considerable amount of highways. We have 25 per cent of all the highways in Canada located right here in Saskatchewan, and we only have so many dollars to work with. And so we continue to do the best we can, prioritizing the roads based on average daily traffic counts, based on accident rates, based on fatalities, based on economic development activities. And certainly No. 11 is part of our consideration, as all highways are.

And we know that you're concerned very well. We are looking . . . right now in fact we have a study on intersections along that highway between Warman and Rosthern, for safety reasons. Now once that study is completed we will be able to determine what improvements should take place. And then we have to look at whether we can afford, and when we can afford those changes.

So we continue to work with all the highways in the province based on that set of rules. And that's all I can say to you at this time.

Mr. Neudorf: -- Well now you're starting to get me upset -- I thought we were doing quite well here -- because you're playing wishy-washy with me. And that's not good enough.

Of course there's a finite budget, I know that. And I know that you can only do so, so, and so much in a certain area, and the citizens of that area know that. What they're asking is what are your plans? And don't talk to me about a study that might be completed some time in the future. That study is finished and you've got that information in front of you. And I know you've got a limited amount of money.

Now show me that you've got a grip of your department and tell me what your plans are. What are you going to be doing with that limited amount of money . . . (inaudible interjection) . . . I know that. So that the people know what to anticipate, so they know where they're at -- that's all I'm asking. So don't give me a bunch of hogwash here.

Hon. Mr. Lingenfelter: -- Mr. Chairman, I move the committee rise and report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 5 p.m.