

EVENING SITTING

COMMITTEE OF FINANCE

General Revenue Fund  
Health  
Vote 32

**The Chair:** — I would ask the minister to introduce his officials, please.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. With me, to my immediate left, is Duane Adams, the deputy minister of Health, and beside him is Barry Lacey, who works in the finance branch of the department. Glenda Yeates is behind me. She is the senior associate deputy minister of Health. And Lois Borden, who is the district support branch head of the department.

And we will be joined shortly, I believe, by Carol Klassen, so I'll mention that. And she is the executive director of the acute and emergency services branch. Thank you, Mr. Chair.

**Item 1**

**Mr. McPherson:** — Thank you, Mr. Chair. Mr. Minister, I want to welcome your staff here this evening for another round of entertainment, I'm sure, that we'll get into throughout the evening.

Mr. Minister, I guess when you were up in estimates last, we were dealing with acute care. I think we'll get back to that, but first I just want to ask a few questions on capital spending. If I look on page 68, long-term care services, \$248 million. Is there any capital spending in this amount?

**Hon. Mr. Cline:** — No. The \$268 million identified for long-term care would not include capital spending.

**Mr. McPherson:** — Mr. Minister, can you give me a breakdown, exactly what that \$248 million would all include then?

**Hon. Mr. Cline:** — I think I had said \$268 million a few minutes ago but I meant 248 million.

I'm advised the \$248 million is given to the districts to support long-term care in the districts, based upon population.

**Mr. McPherson:** — Mr. Minister, then if it's given to the districts, that full amount is just for operating salaries and such?

**Hon. Mr. Cline:** — Yes, that would be correct, but I could expand that a bit to say it's everything other than capital that would go into long-term care would be included in the 248 million.

**Mr. McPherson:** — Mr. Minister, so then on page 70 with the Health capital spending, some forty-one and a half million dollars, do you have a breakdown as to what that spending will be for the year, on what projects and where?

**Hon. Mr. Cline:** — Yes. Of the forty-one and a half million dollars the member refers to, thirty-six and a half million dollars has been announced, and \$5 million has not yet been announced. The capital plan for this year hasn't been fully approved. What the thirty-six and a half million dollars is: Prince Albert acute rationalization, 1.7 million; Prince Albert long-term care at Mont St. Joseph Home, \$5 million; Regina acute care rationalization, \$27 million; Regina Allan Blair cancer clinic, \$2 million; health centres — these are projects not identified, pending joint infrastructure program announcement with the federal government — of \$.8 million; for a total of thirty-six and a half.

And then you would have another \$5 million to be allocated to various projects but we have not yet told the districts or publicly announced which projects are getting capital funding yet. But it is thought that another \$5 million will be approved quite shortly and I would hope to be in a position to tell the member, you know, in the near future what other capital projects would be approved.

**Mr. McPherson:** — Mr. Minister, are you able to table that list from the document that you are quoting from?

**Hon. Mr. Cline:** — The document I'm reading from, no, I can't table that because it's got some information we haven't announced yet. But the thirty six and a half million dollars that has been publicly announced, we could provide that to you tomorrow if that would be satisfactory.

**Mr. McPherson:** — Mr. Minister, of this amount — forty one and a half million — do you have . . . can you tell me also when you provide this information, I guess tomorrow, is it broken down as to how much came from the federal government, I guess by way of infrastructure or whatever other programs are out there; how much they matched; or in fact how much money went into these projects from a community or local government level?

**Hon. Mr. Cline:** — Any community or local contributions would be on top of the figures we're talking about so they wouldn't be included. There is, I'm told, a quite small amount in this figure that would be infrastructure money. And we will give you the exact figure tomorrow, if that's satisfactory.

**Mr. McPherson:** — Mr. Minister, then can you tell me what the process would be for a community that's in need of a nursing home from the Department of Health's perspective or from your perspective?

**Hon. Mr. Cline:** — Yes, Mr. Chair, the district would prepare a capital management plan which it would submit to the department. So the local community wanting the facility would ask the district board to include its facility as part of the capital management plan and the district . . . If the local community convinced the district to include its facility as part of the district's capital management plan, then the district would submit that plan to the Department of Health, and the Department of Health would then go through a whole list of

requests from all the districts and would try to prioritize those on the basis of need.

And you probably, as with . . . there's a similar process in the education area, I believe. Sometimes you have pressing needs for school construction or hospital or a nursing home. You don't always meet all of them because of course it depends how much capital is available. But you'd try to get the information from the districts and then prioritize them on the basis of which is the most pressing need.

**Mr. McPherson:** — Mr. Minister, what I'll . . . but I'll get right to the point then. The community of Shaunavon, where I live, has for many years been asking and fighting for a new nursing home, a level 3 to level 4 care home, and the need is great. And I'm sure . . . well the former Health minister agreed . . . I guess they still have four beds in some of the rooms.

So clearly they've established a need and I know that the district board and other community associations have been lobbying you and your department and the Premier. So are you able to tell me where that project is in the stream of things?

**Hon. Mr. Cline:** — Yes, I did see your correspondence, and I did follow it up in the sense of informing myself what was happening with the request. And I'm not in a position this evening to give you an answer, definitively, as to whether it will be approved, simply because we haven't advised the district or the community.

But I will tell the member that I would expect very shortly to make an announcement in that regard. And I would simply say that this project is one that actually is a high priority. And while we're not announcing what projects were approved this evening, there is room for optimism with respect to this project.

(1915)

**Mr. McPherson:** — All right. And I'll take that in a very optimistic way, Mr. Minister. How long then does it take for the actual . . . if a project like this was approved and the funding is in this budget year, how long until construction or the project itself would get under way and when would you see completion dates?

**Hon. Mr. Cline:** — If it was approved at this stage, very shortly. We would anticipate that the next six to eight months would be the planning stage and that construction would commence and perhaps be completed in 1997.

**Mr. McPherson:** — All right, Mr. Minister, I won't follow down that course then. I'll wait for the announcement, and with a lot of optimism. And I thank you for your answer, too.

Mr. Minister, on page 68, getting back to the long-term care services, I noticed from last year we've dropped \$2 million. But if I recall from . . . with my figures here, '93-94, '94-95, there hasn't been much of a change. In fact it's been rather flat — 239 million in '93-94; 243 in '94-95, and the other figures you have in front of you.

What I'm wondering, Mr. Minister, because level 1 and level 2 care funding would have come out of this pool also, and I'm

just wondering as you're, I guess, weeding out the level 1, level 2's out of the system, I think people would have expected more of a dramatic decrease in the funds. And you could you tell me why this is remaining flat?

**Hon. Mr. Cline:** — I would say to the member that, if you look at the Health budget generally, the Health budget generally has been fairly level in the sense that we're spending about the same today, I think slightly more, than we did in '91-92. Acute care has been reduced, as the member will know, by 40-some million dollars and that money has been put into community care. It's not surprising that long-term care is . . . the funding is somewhat flat.

But I'm advised that the other aspect to it is that there are increases that the districts would receive by way of fees when the nursing home fees that the residents pay go up as their pensions are adjusted. Those increases accrue to the districts directly so that the budget funding from the Department of Health may be somewhat flat, but the districts may actually be getting increases, or would be getting increases for long-term care as the resident charges are increased on a quarterly basis.

**Mr. McPherson:** — Mr. Minister, then so I guess what you're saying is because of income testing the seniors, that's taking care of all the increases, but you've done away with two levels of care that you don't fund any longer. And in fact not only are you not funding them but those people that were in nursing home beds — level 1, level 2 beds — they're not having their portions brought into the health district budgets. So it shouldn't have remained flat. Otherwise, I'd like to know how much was being spent on level 1, level 2 care in previous years, and at what point will we see this drop off?

**Hon. Mr. Cline:** — Yes. The explanation would be that the level 1 care was never funded; the resident paid the charges. The level 2 care, the level of care was funded. But when level 1 and 2 care was phased out, the commitment was made that level 2 care people would not be removed from the institutions they were in. So that the funding would continue because the people would continue to reside in the centres that they resided in.

And moreover, because they are ageing, the level of care that they require is also going up. So that you don't have any saving there because you're still funding the people that were level 2; and the people that were level 1, we never were funding.

**Mr. McPherson:** — Mr. Minister, are you able to provide us with a list of the number of people in long-term beds at the level 2, 3, and 4? Do you have those lists and in what facilities?

**Hon. Mr. Cline:** — We could provide you with a list of levels of care per district, but not at the present time. But we could get you that information.

**Ms. Draude:** — Thank you, Mr. Chairman, and welcome to the officials. I have just a few questions that are more local, for my own constituency. And one of the first ones I guess maybe is province-wide. I'm wondering if all the patients that were covered under the grandfathering clause, if they remain in that category now that the district health boards are in place.

**Hon. Mr. Cline:** — Yes, they were all grandfathered.

**Ms. Draude:** — Thank you. For the two hospitals — or used-to-be hospitals in my area that are no longer considered given that status — can you tell me if there's future plans through your department for the Leroy lodge or if there's any consideration given by the department to that facility.

**Hon. Mr. Cline:** — With respect to the LeRose Lodge at Leroy, that facility I understand was an army barracks from the 1940s. And the Fire Commissioner had serious concerns about the facility and it really is not up to code. Nor was it considered to be suitable for its use. The department has no plans for the use of that facility and indeed that would be a decision made at the district level.

And then the other facility that you're referring to would be which facility?

**Ms. Draude:** — Rose Valley . . . former Rose Valley hospital

**Hon. Mr. Cline:** — My understanding is that the Pasquia Health District has converted the Rose Valley integrated facility to a health centre. So they plan to use the facility for a health centre.

**Ms. Draude:** — After the initial downgrading of the Spalding hospital to an emergency centre, later on this year it was also — I guess I could call it downsized again — so that it's only used during the day for more of a treatment centre. Does the department look at it in a different light or is it definitely just up to the district health board with what happens to it?

**Hon. Mr. Cline:** — It is up to the district to decide what their needs are, and then to decide which facilities they want to use and the extent to which they will use those individual facilities.

**Ms. Draude:** — If there was a suggestion or a plan put forward to use it as a study centre for any type of . . . for disease study, would it have to be considered by the Health department first of all before it went to the district health board?

**Hon. Mr. Cline:** — No, it would be considered by the district in the first instance. Of course, if the district felt that there should be additional funding for that purpose, they might consult with the province or the federal government or someone else. But the district would have the authority to give the approval to use that facility for another purpose, or to have another purpose in the facility along with whatever they were using that facility for.

**Ms. Draude:** — Going back to the Rose Valley hospital, because there is an Indian reservation nearby and it was used considerably by the native population, was there any additional funding that came directly from the federal government for the natives using that hospital?

**Hon. Mr. Cline:** — No, there was not.

**Ms. Draude:** — One of the main concerns that we have in our area now is the lack of doctors that are available to come out to rural Saskatchewan. I'm wondering if there's any . . . if the

department has any help or if they're offering any help to the district boards to find doctors to fill these positions?

(1930)

**Hon. Mr. Cline:** — We're attempting to do several things. One that has been in the news is we've been working with SAHO, the Saskatchewan Association of Health Organizations, to place a recruitment officer in the College of Medicine at the University of Saskatchewan to try to encourage students there to locate in rural Saskatchewan. And that program has not actually started yet, but we're working on that.

We also have allocated an additional amount of money this year to the Saskatchewan Medical Association for rural and remote incentives to recruit and retain physicians. And in particular, \$1.14 million is to be allocated to the SMA (Saskatchewan Medical Association) to do that, but I can't give you the details of how it's going to be done because that remains to be worked out with the SMA.

Also we provide bursaries that just started a few years ago, I believe, in the College of Medicine where Saskatchewan Health will pay the tuition and living expenses of medical students on the understanding that upon graduation they will spend a certain amount of time practising in rural Saskatchewan.

And the college of physicians and surgeons recently, with our approval, changed the rules with respect to locums to make it more possible to get overseas physicians into rural Saskatchewan for a longer period of time. I don't have the by-law change in front of me, but it's something that some of the districts have been asking for for some time.

There's undoubtedly more that could be done, and one thing . . . I've spoken to the dean of medicine a few times to discuss with him the possibility of maybe taking medical students out to rural Saskatchewan as part of their training. And that's actually a decision for the College of Medicine to make, but it would seem to me that that might be a good idea because there's so many places in rural Saskatchewan where I'm surprised that there aren't people that want to go out and practise there, because there are so many beautiful places, places that would be very nice to work in and to earn a living in.

I can tell the member as well that the number of rural physicians in Saskatchewan in the last four or five years has been relatively stable, as has the number of physicians generally. We haven't had a major exodus of physicians overall. It's true that you'll get approximately I think 100, let's say, physicians leaving the province each year; but at the same time you have some graduates who stay and some who move in. And overall, the numbers have been fairly stable. You do get some problem areas, however, throughout the province, where there seems to be a challenge in keeping physicians. And this is not an entirely new problem, but nevertheless it is a challenge and we're concerned about it as well.

**Ms. Draude:** — Thank you, Mr. Minister. I'm interested to know how many of the rural districts do have problems with either keeping or trying to entice doctors out to their area. I know that my constituency has . . . there's two areas where we're looking for doctors and I'm just wondering how many

more there are.

**Hon. Mr. Cline:** — I think it would be fair to say — I don't have an exact number of districts — but I think it would be fair to say it is a common problem and it's a problem that goes back many years and in fact several decades.

And it's one of the reasons why Mr. Douglas, when he was premier, wanted to start a medical school at the University of Saskatchewan to try to resolve that problem. And of course we know it hasn't entirely resolved the problem. And obviously there are some other steps that maybe we and the educational system should be taking. But it's a common and long-standing problem.

**Ms. Draude:** — In the recent budget, can you tell me how many of the rural health districts received cut-backs?

**Hon. Mr. Cline:** — Yes, I can tell the member that 11 of the 30 districts received an increase and 19 received a decrease. I think the member knows that, of the 30, they received overall the same global sum. And the ones that received a decrease I will report to the member.

The Assiniboine health district received a .4 per cent decrease; the Central Plains, 1.2; Greenhead, .2; Living Sky, 1.1; Midwest, 1.5; North Central, 3.3; North Valley, 1.9; North-East, 1.2; Parkland, 2.1; Pasquia, .6; Pipestone, 1.3; Prairie West, 1.8; Rolling Hills, 1.4; South Central, 2.7; South Country, 2.0; Southeast, .5; Southwest, .6; Twin Rivers, 1.8. So that would be 18 rural health districts received a decrease.

**Ms. Draude:** — Thank you, Mr. Minister. Rather than waiting to read it in *Hansard*, could I get a copy of that?

And can you tell me what your department feels is the main reason for the cut-backs. Is it the migratory reason?

**Hon. Mr. Cline:** — Yes, it is migration. I would say that from our point of view, and I think everybody's point of view, we would prefer it not be that way in the sense that many people access physician's services or acute care services, hospitalization, in one of the seven larger districts when they really could have the procedure done at home, in their home community.

And so you get the seven largest districts have 61 per cent of the population but they're doing 94 per cent of the surgeries and 79 per cent of the births. And some of those surgeries and some of those births could be done in the local area. And it's something that I've been talking to people about a great deal, including some of the health boards, the SMA, SAHO, when I recently spoke to them. Because there are things that we should be thinking about.

For example, when the Moose Jaw/Thunder Creek Health District is talking about doing an informational campaign to say to people that there are things that they could have done in Moose Jaw that they're having done in Regina, I think that's a positive thing. And I said to the SMA, we should be talking to people about the fact that when they leave their district to get care that they could get in the district — I'm not talking about

something that they've traditionally got done in a larger centre — it also means that dollars go out of the district.

The other thing I'd like to encourage is more itinerant surgery — that is, some of the surgeons from the city going out to some of the centres, as they do now but doing it more so, to do some of the operations in the centres. Because it would be good for the person who lives in that community.

It may also be better in terms of a waiting-list and getting an operating room because perhaps a surgery could be done quicker in the rural areas. And I've asked the department as well as the SMA to try to put together some information about how perhaps we could reverse some of this. But it is very much simply a factor of migration into these larger centres.

**Ms. Draude:** — Thank you again, Mr. Minister. I'm wondering if you have arranged conferences or conventions that provide an opportunity for the CEOs (chief executive officer) of all the district health boards to get together so that they can discuss these common concerns. Have they been all together at a meeting since we started this?

**Hon. Mr. Cline:** — I should have said, in answer to the last question, that there's migration factor; also the fact that there's a movement toward population-based funding. And if the population of the district has gone down, that will affect their funding as well. So it's the second aspect to the change in funding.

In so far as getting the CEOs together, SAHO has quarterly meetings which are all the CEOs of the 30 districts plus the Chairs of the boards plus the Vice-Chairs. They get together . . . well quarterly meetings so presumably four times a year. At those meetings they spend a day or two talking about various issues including the one we just spoke about. The Minister of Health customarily would attend the meeting, speak to the group, and then answer questions.

In addition, there is an advisory group, made up of representatives of the health districts, with respect to the funding question. And also a Health Districts Advisory Committee with which the Minister of Health would meet every six weeks or so to discuss the concerns of the health districts. And of course the member will appreciate that there's not necessarily any unanimity of view with respect to any of these issues. You usually end up reaching some kind of compromise, not necessarily a formula that everybody will be entirely happy with.

**Ms. Draude:** — Thank you again. I'm wondering if I can get that tabled so I can take a look at it. The list that we were discussing, could we get a photocopy of it?

**Hon. Mr. Cline:** — Yes, I'll provide that to the member, you know, during the next session. I don't have a list that's unmarked available for the member at the moment.

**Ms. Draude:** — Thank you. I'd asked if the CEOs had got together. At the same time, are the chairmen of all the district boards together at the meetings?

**Hon. Mr. Cline:** — Yes, they have quarterly meetings where they're together four times a year. The Chairs, the Vice-Chairs and the CEOs, yes. And I attend those meetings as well as other representatives of the Department of Health.

**Mr. Bjornerud:** — Thank you, Mr. Chairman. Mr. Minister, before I start I'd also like to welcome your officials tonight.

You'd made a comment on one of your answers a few minutes ago about level 1 and level 2, Mr. Minister, and if I understood you right did I hear you say that you would not turn out, now that the funding has been dropped for 1 and 2 care, you would not turn away any people that are already in homes of level 2 quality . . . would not be turned out? Is that what I understood the answer to be?

**Hon. Mr. Cline:** — The answer is that they have been grandfathered a few years ago when the policy changed and they have not been turned out of long-term care.

(1945)

**Mr. Bjornerud:** — Thank you, Mr. Minister. I'd like to go now to Eaglestone Lodge which I'm sure you're aware of. There's quite a fear up there right now over level 1 and level 2 part of the Eaglestone Lodge closing. And at a meeting the other night the Assiniboine Valley Health District really didn't give us that impression. They tried to answer the questions that were asked, but when it came down to assurances of where these people would be going, they said well, they hoped that they could be taken to other areas and fill in the most needy. But when it came right down to where they were going, they couldn't really answer.

And I think that was the question these people were asking, is where would these level 2's especially end up. So can you give me an idea of where you think they might end up or what will be done with these people in that facility?

**Hon. Mr. Cline:** — Well the member will appreciate that when I say that the people that are level 1 and 2 have been grandfathered for the last few years, that doesn't mean that they have necessarily stayed in the same place that they have been.

In some cases, such as the member from Kelvington-Wadena raised the issue of the LeRose Lodge in Leroy, that place has been shut down and the people have been moved to, I believe it's Watson, where incidentally I think it actually is a better facility for them in terms of the facility itself.

And this has happened in several instances around the province. In each case the district has been responsible to ensure that there is appropriate accommodation for the residents, and they have worked this out on an individual basis. And that would be the responsibility of the district health board. And I'm sure — I know — that they would take that responsibility very seriously.

I also know that with respect to the Eaglestone Lodge, there are other discussions taking place and other options being considered. And I know that the district and the local community and others are anxious to see the new personal care home regulations which may impact on what the solution is

there.

And so the member knows that the situation may in fact work itself out in a satisfactory way right in that location. And if it does not, then I'm sure the district will take its responsibility very seriously to find appropriate accommodation for each of the, I believe it's 18, individuals in that category.

I don't believe the other parts of Eaglestone Lodge — I believe there are 25 more independent living units, if I can use that term — would be affected adversely one way or the other. And indeed with respect to the 18, if something satisfactory happens as a result of the personal care home regulations and other negotiations that are going on, the situation may work itself out quite nicely.

**Mr. Bjornerud:** — Thank you, Mr. Minister. But I think that's part of the problem you just touched on a minute ago, was the other 25 beds that are there. And they are actually very independent, but on the other hand they rely on the 25 beds of level 1 and 2. With the staff there to help them, it makes them independent.

I think Kamsack is a unique area because of possibly of the descendants of the Russian and Ukrainian descent, but a lot of their families have moved away and a lot of these people that are actually going to be turned out now have absolutely no one left in that community to look after them. And I think for them to be moved 100 miles, possibly — and that's a big health district — is completely scary for these people. And a lot of these people are 80 and 90 years old, as I'm sure you're well aware of, Mr. Minister. So this is a very serious issue out there.

You touched on the regulations and I was very glad to hear you give the answer today that within two weeks we should hear the regulations, and I hope they're the way we want to see these regulations come out.

Martin Luther, as you know, has made an offer to the Assiniboine Valley Health District but I believe the community of Kamsack is also looking at other options from other people. I think time is of the essence here, the problem being that May 1 . . . or May 17, I believe was the closure date, and the final closure date was August 30. I'm not sure if the community has the time, Mr. Minister.

Would you at this time be willing to, if time alone ended up being the problem, would you become involved and possibly see an extension to this — talk to the Assiniboine Valley Health District and possibly have an extension of time? Because it would be a shame to see this building closed for a matter of maybe a month or two.

**Hon. Mr. Cline:** — I would say to the member, Mr. Chair, that we will be talking to the district to ensure what I am sure is the case, and that is that, whatever happens, they will be consulting with the families of the people involved to make sure that anyone who has to be moved is appropriately placed. But it may well be the case that it will not be necessary to move anyone, because in a very short time we'll see the personal care home regulations and we will see whether the interest of the Martin Luther group or some other group comes to fruition and the

matter is handled that way.

And I think I would say that there is room for optimism that a very reasonable solution will be worked out here. And I realize that the uncertainty is very upsetting to the residents of the home and also to the residents of Kamsack, and I understand that. But it's my hope and the department's hope that this matter will be resolved to everyone's satisfaction. And certainly we'll be talking to the district to ensure that the residents are properly dealt with. And I know that that is the intention of the district in any event.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I think we're actually hoping for the same resolve here, but I think the point I was trying to make is that Martin Luther was one offer. The community of Kamsack is a very buoyant and lively community and they really look out for each other. And I think today . . . I talked to them this afternoon and they're also looking into other, you know, not just Martin Luther but other . . . and they're checking out Martin Luther and these other options they have.

And I think where my worry comes in, and I believe the town of Kamsack is the same, is because when the Assiniboine Valley Health Board the other night had made a comment there — and I gather, you know, these people are in a tough spot too — and they made a decision that these were the dates. And I think they're scared if they back off then it opens it all up again. And I think where we're caught now is possibly I see where maybe the health board itself doesn't really want to back down on these dates and the town and the community may not have time to work a resolve out.

And I think that's where you come in, Mr. Minister. I would hope you would anyway. What I'm saying is that I hope for the sake of two or three months here that we don't come to the wrong solution, that's good for the community and the people especially the residents. So I guess what I'm asking, if we got to that point and we were close to a resolve, would you step in and give this thing an extension?

**Hon. Mr. Cline:** — I have to say to the member that no, it would not be my intention to step in and tell the district that they should pick a different date. That date came about as a result of their assessment and their planning. We will monitor the situation to ensure that everything which might possibly be done is done; and that everything that is done is done in a proper fashion in so far as the residents go. And it's my hope that there's a very satisfactory solution.

**Mr. Bjornerud:** — Well I know where your coming from, Mr. Minister, but I think at some point then you are the overseer as the minister. And I believe the health board feels they're caught in the middle here and if they start to bend their own rules then they have no . . . they just can't stop doing it all over no matter what decisions they make.

I would suggest, Mr. Minister, that's where you really do come into play because you can see there could be a resolve within a short period of time. The health board itself is scared to start bending their own rules and I would think that's where your responsibility would come in and say, let's take a second look

at this; let's extend it for a couple of months. So I would hope that was done if it comes that close.

**Hon. Mr. Cline:** — Well I must say, Mr. Chair, the member and I have a different view of this. I understand where the member's coming from too. But it is my view that the health districts and their boards, like school boards or municipalities, should be allowed to make the best decisions that they can fashion within their jurisdiction.

And as the member knows, two-thirds of the members of the local boards are elected, one-third are appointed, except in Regina and Saskatoon, where there's two extra appointed. And it is my view that the Minister of Health ought not to case-manage what is going on in the districts. The districts, to be strong and independent, should be left to make the decisions that are decided by the local community to be the best decisions. And I would prefer community decision-making and input to constant intervention from the Minister of Health.

And I make this point because I'm sure this question will arise again and again, in the sense that the member's concerned, and I think he's right to be concerned, about a situation in Kamsack, and I'm concerned about it as well.

There are many, many other situations that will arise, or even exist now and are in the news, where the districts are making decisions, and those may be contentious within the districts. People may have disputes, quite often about the level of funding, just as we do here. I will not be intervening in those situations, even though I know it will be the job of the opposition to say I should. I will be trying to respect the local decision-making authority of the elected district boards.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I'd just like to quote you from *A Framework of Accountability*, and I quote:

The Minister has the highest authority and responsibility for the Province's health system. As the only level of authority which has a provincial mandate and perspective, the Minister (and the department which acts as the Minister's agent) has a clear role in setting provincial health objectives, program and service standards, and ensuring that they are achieved and maintained.

And, Mr. Minister, I agree with you; no one out there wants you to intervene, or your department to intervene, every time health boards make decisions. But I would suggest in this instance that this is a very big issue out in that community, and that's a large community. And it's not just the 20 or 25 people in level 1 or 2 care, but this actually affects 50 people and a lot of families out there. And I would hope possibly there's exceptions, when you yourself or your department could come in — and I'm not saying overrule the health board; I think what I'm asking you is to maybe at that point talk with them and see if a compromise couldn't come to extend it.

Hopefully this never comes to pass. Maybe we'll never need that to happen. I think what I'm asking, in the case it did, I would hope that you or someone from your department could step in and make common sense actually work out there.

**Hon. Mr. Cline:** — Well I understand the point that the member is making, Mr. Chair, but I won't repeat the answer I gave earlier. But it is the same answer and it is that we will monitor what is happening in the districts. We will be in communication with the districts. We'll talk to them about these problems. We'll satisfy ourselves that people are properly treated.

But we won't interfere in the day-to-day decision making of the districts. And if we do so in this case, it's very difficult to draw the line in terms of what case you don't intervene. And if we go to that kind of system, then basically we should go back to the old system where we interrelate with the 400 boards we used to have as opposed to the 30 district boards we have now.

And so I won't repeat my answer, but it is not my intention to intervene in that fashion.

(2000)

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Chair, I notice that in this document entitled, *A Framework of Accountability*, on page 7 there's also a statement that says:

The district health boards have a corresponding responsibility to establish certain expectations and to ensure that those expectations are achievable and are communicated effectively.

So my question is, you know, with taking into consideration that the Minister of Health is responsible to the people of Saskatchewan for the performance of the reformed health system, as such the minister must be accountable to the communities throughout Saskatchewan who are concerned about the direction and process of health reform. Would the minister please tell me how these communities can express their concerns directly to him so that the minister will clearly understand what is happening?

**Hon. Mr. Cline:** — Well of course we receive correspondence, telephone calls, on a daily basis from people around the province to express any concerns they might have about what is happening in their district. But with respect to most of the issues, we do refer people back to their local district board because most of the time the matter they're talking about is within the jurisdiction of the district board.

But I should say to the member that in terms of the accountability of the district health boards to the minister, they have . . . they're required by the district health Act to provide the minister with regular forecasts on financial and program status; a detailed, audited set of annual financial statements including an audited schedule of investments; a report on the health status of the residents of the health district and the effectiveness of the district health board's programs; and any other report that the minister requests.

So that on an ongoing basis, the Minister of Health is responsible to receive information from the districts with respect to their programs and with respect to the health status of the people in their communities, and we're responsible to monitor that. The districts are responsible to administer it. And

ultimately of course the minister, as a member of the provincial government, is accountable to the people of the province. And I'm accountable to yourself and the other members of the opposition to answer questions about the health system, accountable to present a budget, and ultimately accountable to the electorate.

So there are various ways in which the minister is accountable, the district health boards are accountable. Ultimately, I believe that one very good way to keep the health system accountable is to participate in the district health board elections and elect people in local communities to the district health boards so that there are people accountable to local residents. That's something we never have had in the province up until the last few years. I think ultimately elections — both locally and provincially — are the best system of accountability.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, in the case of a district health board having some trouble, I guess you could say, in putting forth various goals from various communities of what they need in their community and not maybe coming to a consensus on how this should be done within the district health board, is there someone within the board or what is the mechanism that people can in fact ensure that their plan, should they have one, if they come to a plan for the whole district, how can that plan be relayed to you? To ensure that if in fact it is a plan that meets all expectations within the mandate and that's financially effective, and within the boundaries of the budget, how is that relayed to you?

**Hon. Mr. Cline:** — The districts are required to develop a plan on an annual basis and they are required to engage in a process of public consultation with respect to their plan — lay out their plan, lay out their financial plan, and then on the basis of that plan that they approve, then proceed.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, I take it that you would be informed of these plans?

**Hon. Mr. Cline:** — Yes.

**Ms. Julé:** — Well, Mr. Minister, I want to ask you a very direct question and it is: does the minister accept his direct responsibility to the people and communities of Saskatchewan?

**Hon. Mr. Cline:** — Well I wonder if the member might indicate what she means, Mr. Chair, when she says, direct responsibility.

**Ms. Julé:** — Well it's stated in your framework for accountability that you have a direct responsibility to the people of Saskatchewan in regards to health. I'll rephrase the question in this way: is the minister ultimately responsible for the performance of our publicly funded health system?

**Hon. Mr. Cline:** — The minister is ultimately accountable for the performance of the health system and ultimately will be judged by the electorate every four years.

**Ms. Julé:** — I would repeat my original question then. Would the minister please tell me how these communities can

communicate with him and receive satisfaction that their concerns are understood by the minister and taken seriously by the government.

**Hon. Mr. Cline:** — Concerns are expressed in a variety of ways. They can be expressed through correspondence. They can be expressed through members of the legislature — both in the opposition and on the government side.

And normally with respect to the role of the provincial government and the Minister of Health, individuals who have concerns will express those concerns to their elected representatives, their MLAs (Member of the Legislative Assembly), as they should. And their MLA, such as yourself, will bring these concerns to me directly or raise them in the legislature, meet me, or provide me with correspondence. And both opposition members and government members do so.

They also will talk to their district health board elected members which is an equally appropriate course of action.

**Mr. Toth:** — Thank you, Mr. Chairman. Mr. Minister, I've been listening with great interest as you've been discussing this topic of level 4 care and funding . . . or heavy care in our province. And I've listened to the way you have basically beat around the bush and laid a lot of the blame on the local district health boards.

When the fact is, Mr. Minister, the reasons district health boards have had to make some of the choices, some of the decisions — many of the decisions — comes right down to your office and the department surrounding you and funding cuts that your government is levelling at.

And if those funding cuts were not laid on their doorstep, they would not be forced to make those type of cut-backs. They would be able to offer the level of support. Then even if you held it at zero, they'd have to make some choices. But as you cut them back, they have no other choice. Mr. Minister, it's not fair that you can come back and lay the blame at the feet of district health boards, when that first decision should be at your doorstep.

You made the choice. Your government made the choice to cut the funding to these health districts and you're laying . . . Where's all the funding going in this province? Where are all the expenditures going? It seems to me we're losing it in the very basic services that the people of this province and even Mr. Douglas fought for. Mr. Douglas fought for a good, solid, sound health care. And what we're seeing around us today, other than in the large urban centres, we're seeing it being torn apart on a daily basis, Mr. Minister.

So I don't know how you can say, Mr. Minister, that's it's the responsibility of the district board when they have no other alternative because you have cut their funding. So how do they provide care for that heavy-level care in their district?

And the reason I ask that is, you just were mentioning . . . mentioned to the member from Saltcoats that well, the board may be able to find another bed outside or at another location in the district. Maybe it's a hundred miles away, maybe it's 150,

maybe it's 50. I've dealt with individuals who had their parents moved from a local community to within a hundred miles or better. And while that person was at the local level, they had family who could visit them and they were in a much healthier state. As soon as they were moved further and it was more difficult for family members to go visit, then their health deteriorated and that's got to be a cost to the province as well.

So, Mr. Minister, I challenge you on the facts, the fact that it's not fair and not right for you to lay the blame at the feet of district health boards when you yourself made the initial cuts.

**Hon. Mr. Cline:** — Mr. Chair, it was not my intent to lay blame at anyone's feet. I hadn't considered anything that I had to say an exercise in blame-laying, although I think the member is trying to lay blame at our feet over here.

But I want to say to the member that what we have done in our budget this year in health care is really quite remarkable. And I say it for this reason, Mr. Chair. What we have done in health care in Saskatchewan this year is maintained our level of health care spending. We are spending the same amount on health care as we did last year, which is quite remarkable considering — and I know that the member doesn't like to hear it, or especially the members of the Liberal Party — we have had significant cut-backs from Ottawa in terms of health care dollars.

And I want to say to the member that I agree with the member that budgets are tight and people have to make tough decisions for which I don't want to blame anybody. That's just the way it is. But it's a simple fact of life and reality that we all have to live within a certain budget — the government does, individuals do, school boards do, universities, and health boards. There's no question about that. And our approach has been to keep the level of health care spending level. There have been some quite small reductions really to districts, not that far off zero, but it's still tight money.

But I would remind the member that if you looked at Conservative Alberta for example, the overall level of health care spending there in the last few years has been reduced by about 15 per cent. And per capita, their spending, which used to be similar to ours, has gone down quite a bit. In Conservative Manitoba, their most recent budget, their health care budget was cut back by \$37 million. There's a lot of pressure in Manitoba, a lot of problems. I'm not saying that we don't have a tight situation here, but I'm just saying to the member, Mr. Chair, that our approach, unlike Conservative governments, has been that we have maintained health care funding. Our approach, unlike the Conservative government with which the member was associated, has been that we do ask people to actually have financial plans, budgets, and to live within those budgets.

Because I think we've all seen, as a result of the experience we had in the '80s, that if we don't make those decisions which sometimes are tough to live with, and we don't think about tomorrow, ultimately the situation just gets worse for all of us. So we're trying to sustain our health care system but also do so in a very fiscally responsible manner.

And the member mentions Mr. Douglas. I would say to the



member that if you look at the level of health care funding under Mr. Douglas, you will see that one thing that Mr. Douglas and his government always did was balance the budget and maintain a fiscally responsible health care system. Because they knew that if you bankrupted the province and you became beholden to the bankers and the international financiers, ultimately you would have no health care system.

That of course was the direction our province was headed in when we replaced the administration with which you were associated, and we really don't want to go back to those days, Mr. Chairman. That's why sometimes it's tight to stay within budgets but that's what we want to do.

(2015)

**Mr. Toth:** — Well I thank you, Mr. Minister. We still haven't addressed that fact of the number of beds, the level of service. You can talk all you want.

Number one, what was the actual expenditure for last year? What I've got in front of me is the estimates; the estimated expenditure of 1,560,252 for '95-96 and that's the same as '96-97. Well let's see the actual. I would think we're years or months past the year-end date. There must be at least a fair number or dollar value of what the actual expenditure was last year.

And also, Mr. Minister, you talk about maintaining that level of service. Well I would suggest to you that people throughout this province, the major centres included, people working at the Plains Health Centre tonight, people working in many of the communities where they lost hospitals and lost beds, and people like Kamsack community that are looking at losing level 4 funding, would have a different idea of whether or not we've maintained that service.

And on top of it, Mr. Minister, I find it very interesting that you talk about balancing budgets. It's easy to balance budgets when you can always put the debt behind you in another location. Take a look at the Crowns. The former treasury minister, the member from Regina East and actually the current member from Regina Centre, I believe, was talking . . . when we were talking about Crown debt back in 1991 and the debt that was there in 1982, the unfunded pension liability, which it's interesting to note when you look at the auditor's fund, that unfunded pension liability has grown by \$600 million in the last five years — five years of an NDP (New Democratic Party) government.

And you talk about the debt. Who bought all the land-bank land? Who spent the money on potash mines? Buying up holes in the ground that were already producing, and raising taxes for the province and the people of Saskatchewan? And you talk about the level of service that you're offering. Must be hitting a nerve, but I'm enjoying it.

Mr. Minister, Mr. Minister, go and talk to people on the street and ask them if they feel that they are achieving that level of service. And, Mr. Minister, if you're talking about total accountability, I would suggest to you, Mr. Minister, it's time that you had totally elected health boards. We have eight

elected members. You were just telling the one member from Humboldt that members have an opportunity, or people have an opportunity, to get involved by electing their health district. Well let them elect all 12 of them.

And then on top of that, give them a global sum; that global funding. We're talking to the Pipestone Health District — the Minister of the Environment was with me the other day — and the one thing the Pipestone Health District said . . . and other health districts said the same thing: give us a global fund. Don't tell us that so much has to be spent here and it can't be moved from this pot; came to this pot. We may be short here, but we've got a surplus here and we can't move it.

Mr. Minister, if you're talking about the level of service, if you're talking about giving people that opportunity to provide the service, then give them that global funding that you're talking about right there, in a pool. Elect all your health district board members and allow them to provide the service that they feel . . . and put the funding towards the services that they feel are essential.

And I would go one step further. Give them a little bit of an ability to be creative. And if a district finds a way to provide an extra service in their district, give them that opportunity. Or are we going to get back to this argument that we're just creating another two-tier system?

Well I'll tell you, Mr. Minister, there are a lot of people around this province that would be willing to put something into their health care system if they knew it was coming to meet their needs and to provide the services in their community. But they're not willing to put it into your pocket so it just sits in the capital city of Regina, and sits in Saskatoon, while you knock down walls of two hospitals because it's the best thing to do.

And I was just visiting in the Plains Health Centre — I've done a fair bit of that in the last little while — and it's interesting chatting to the personnel that work there, Mr. Minister.

So, Mr. Minister, what I would suggest to you, Mr. Minister, if we're talking about accountability: number one, get out of the way of district boards and elect all board members. When you're appointing four board members, you're channelling the direction of that district health board. Elect them all; give them autonomy to decide how to spend their funding, of where to place it. And then I'm sure, Mr. Minister, you wouldn't have communities like Kamsack wondering how they're going to continue to provide for the needs of those heavy-care patients rather than shipping them off to another community.

**Hon. Mr. Cline:** — Well the member was saying he maybe touched a nerve over here with some of his lengthy dissertation. But I want to say, I think I may have struck a nerve when I was talking about the record of the Conservatives in office here in the '80s and their record of financial management. And I want to say, I did not mean to embarrass the member if I embarrassed the member by talking about that.

But I want to say to the member, he talks about a debate that he had with the member from Regina Dewdney about whether Allan Blakeney ran up a debt and so on. I guess I would just say

to the member, I will take my cue from the organizations like the Investment Dealers Association of Canada and the Royal Bank of Canada that have looked at the financial management of this government and have given us very high marks — I think about the highest in the country in terms of the way we have managed the financial situation that we inherited from your administration. But I don't want to go on about that because I really don't want to embarrass you or indeed go on and maybe even humiliate you by talking about your record in office.

But I want to say also that I realize that it is the job of the opposition to complain about the health care system. And they complain and they complain and they complain. But I talk to people as well. I talk to people in my community and other communities across the province and I very, very often get the comment from people that say, you know, I had a problem, I fell down, I broke my hip; I broke my shoulder, whatever, I had a heart attack. I went into the health care system and I was well taken care of. I have no complaints about the health system. And I'm not saying that people don't occasionally have problems in the health care system. What I am saying is, what you in the opposition concentrate on are the small percentage — and it is a small percentage because 90 per cent of the people are very, very satisfied with the treatment they get by our wonderful health care system. And it is a wonderful health care system. Sometimes it doesn't work the way it should. That's always been the case. No system is perfect. But it is a good health care system of which we should be proud.

And not only do I communicate with people in this province about our health care system; I communicate with people in other countries. And I want to say to the member, and I think the member may know this, that when people in other countries, whether you're talking about Taiwan, Israel, some of the South American countries, South Africa that was here recently, when they want to look at a health care system and how to run it, and they come to Canada, they occasionally go to Ottawa and Regina, but usually they just come to Regina. Because people around the world model their health care system on the way we organize our system here and they consider our system to be the best health care system in the world.

Now does the health care system meet everybody's wants? No, it doesn't. Does it meet their basic needs in a reasonable way? Yes, it does. And when I talk to people from the United States, and I correspond with them . . . Quite recently I was quoting a veterans' organization the other day. Last week I got a letter from a physician in the United States talking about our system compared to the American system. I'm very proud of the system we have, that we invented right here in Saskatchewan.

The member talks about, why don't we elect all the health board members. Well I would remind the member that his party was in office in this province, but during the tenure of his party we did not have elected health boards. It was only when the New Democratic Party came to office that any members of the health boards were elected. When the member was in office, zero members of the health boards were elected. It took the NDP to put the district health boards in place and to come up with a system where two-thirds of the people are elected. Now the member may say, well they should all be elected. But I'm

simply making the point that, well I understand what the member is saying, but when his party was in office, none of them were elected.

Now why would you have some appointed members, Mr. Chair? The reason is that there are groups that you may want to have represented in the district health boards that are not represented as a result of the electoral process. There may be seniors' organizations, there may be aboriginal people, there may be handicapped people who should be represented, and those people are not always represented. Sometimes through appointments you can round out the board to make sure that you represent every group.

And I want to say it saddens me when I hear the member say that the solution to the health care problems — and I've heard the member say this before — is creativity. Well I think there's a lot of creativity in Saskatchewan, a lot of creativity at the local health board level. But then he goes on to say that his idea of creativity is that we would allow people — allow people — to start paying for their health care services. That's his idea of creativity.

And I say the real creativity, Mr. Chair, is to find a way to improve the public system so that people don't have to pay for their health care services, so that we meet health care needs collectively through the tax system.

And I want to use an example for the member. And that example is cataract surgery. And the member and the Liberals can talk about people having to go to Alberta to get their cataracts done or waiting. But I want to say to the member that since this government came to office the number of cataract procedures that we perform in our public system in Saskatchewan has gone up quite dramatically. And the number of people that have to go out of province and pay thousands of dollars to get their cataracts done has gone down dramatically, to the point where today I believe it's less than a hundred; whereas when the Conservatives were in office it was in the hundreds, and I think more than a thousand.

And that is no accident, Mr. Chair, because the party with which the member is associated — and they're on record in this regard — does not believe in the public system and does not believe in a single-tiered system where everybody's treated the same. They believe that you should be able to get better health care, depending upon how much wealth you have and how much money you have. And the Liberal Party has refused to come onside with us in saying that's not the kind of system we want.

And I say to the people of Saskatchewan that the member can get up and he can talk about this and that, and we haven't got everybody elected, and how they would do better. But when he talks about creativity and wanting to allow people to have the privilege to pay for their health care, what he's talking about is setting up an American style of health care.

A system where 35 million people have no health care coverage. Where health care costs are the leading cause of personal bankruptcy in the United States. Where people don't understand the coverage they have. They pay \$9,000 per year

U.S. for insurance coverage to get their medicare and if a woman has a baby, \$9,000 more extra; caesarean section, \$16,000.

Where you have people like Dr. Kevorkian, who counsel people and assist people to commit suicide. Why? Because they don't want to bankrupt themselves and leave their families penniless by using their entire estate for health care costs. And that's not the kind of system we should have.

But make no mistake about it. When they talk about allowing people to pay, that's exactly the kind of system they're talking about and it's the kind of system we don't need here in Saskatchewan.

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

**Mr. Toth:** — Well, Mr. Chairman, I find that very interesting. I find the scenarios that the minister draws upon to be . . . I'm not exactly sure what word I guess I should use to describe it, but I won't get into that comment.

But, Mr. Minister . . . (inaudible interjection) . . . And we've got the little member from Regina South chirping from his seat. He wants to get into the debate.

Mr. Minister, you talk about elective; you talk about appointed boards prior to 1991. Who appointed the boards? Who are the boards accountable to? Government didn't appoint the boards. It was local governments electing people and then asking people to sit on the different boards.

Those boards were accountable to their ratepayers, at that time, by the local governments. And, Mr. Minister, it was interesting the way people kept track of what was happening and asked their local board members what was going on. It was also interesting, Mr. Minister, to . . . I'd like you to check and see how much a board member made in those days versus where we are today.

(2030)

What were the administrative costs in the districts? Take any district and pick out all the boards that were involved and what a board would have achieved for a per diem and their minimum travel — I happened to be on one so I have a pretty good idea of what the numbers are — and check out where the administration is today and how many meetings that a board member attends; how many committees they're on. What is the total expenditures? And, Mr. Minister, we had hospitals around this province providing services — and good services — to the people of Saskatchewan.

Now, Mr. Minister, if you're suggesting that people shouldn't have some say and involvement, then you're belittling the number of people . . . including people at Yorkton. Individuals who stood up at the public meeting in Yorkton, and the minister from Social Services was at that meeting, and he heard people suggesting that there be a health premium that they could put into providing the service.

Now obviously, Mr. Minister, you're not listening to very many

of the people of Saskatchewan. You're just listening to your appointed body around you that gives . . . would give you the information that you're looking for so you can stand up in this House all grandiose and tell us how good it is out there.

Mr. Minister, it isn't as good as it is. Mr. Minister, let me give you an example — and it's one that hits close to home because it happens to be a constituent who doesn't live that far from me — over a very minor operation, Mr. Minister. This individual was discharged shortly after the operation. This individual ended up in the hospital on two different occasions for a month at a time for a very major and a serious infection. Mr. Minister, instead of making sure that that person was well on the way to recovery, we ship them out because we're going to cut down the days.

Now it would seem to me that our hospitals, there's pressure being put on to them to discharge people because of funding. And they're discharging people in many — in some — cases too quickly. As a result we have people then tying up hospital beds, and in this one particular occasion — and this is just one of the number I've heard of — where people have then tied up another hospital bed for a month at a time afterwards. What kind of cost did that incur to the tax people of Saskatchewan? What kind of costs were added to the health system when we're trying to provide this basic service that you're talking of, Mr. Minister?

Mr. Minister, there are many examples around this province of these types of circumstances where we're short-circuiting the system to try and achieve what you suggest are savings, so that the investment dealers will look at this province in a positive situation.

Well, Mr. Minister, where were your colleagues back in the '80s, mid-80s, '86, even early '80s, when there was talks of cuts? They weren't there. They could care less about the investment dealers. They were only interested in bringing personal situations into this House time and time and time again of individuals, and many times it was false. It was worse than what the Liberals are bringing in today, Mr. Minister.

Mr. Minister, I think before you start talking about what the investment dealers have done you should be asking your colleagues where they were. Where was the Minister of Social Services when he was demanding more for Social Services, when he was demanding more in the area of health care spending? Where is he today when his own community of Moose Jaw is losing beds and jobs, Mr. Minister?

Or some of the other members, where were they when the opportunities . . . And that would have been the time to really put the brakes on, but because of an opposition that wasn't responsible, and unfortunately a government that in some cases caved in, the brakes should have been held on. There's no doubt of it and I don't disagree with you on that matter, Mr. Minister.

But don't tell me and don't tell people across this province that this is a much better health system. There is a lot to be desired. We have offered alternatives. The Liberal opposition have offered up alternatives to you. Unfortunately they seem to be falling on you like water falling on a duck; they're just running

right off. You're not interested in listening. Maybe you'd like to respond to some of those, Mr. Minister.

**Hon. Mr. Cline:** — Well I want to assure the member, Mr. Chair, that his suggestions and the suggestions of the Liberals don't fall off me like water off the back of a duck. I take them very seriously. And they certainly don't fall quite as fast and as far as the Liberals seem to be falling in the polls these days.

But I want to say to the member that I think it's a mistake — and I know the member doesn't mean to do this — to denigrate the contribution that people make on the health boards of the 30 districts. Those people on those 30 boards are people from all walks of life, as the member knows — and I'm sure the member knows some of them in his own community, as do the other members — and they are people from all political persuasions who have been elected to those boards.

Well unless the members are saying that all the people elected are New Democrats. I don't believe that, and if they are, well they are. But those people were elected by their communities and I think there are people that represent all political parties on those boards.

And those people on those boards work very hard. And one thing that I will never do is apologize for the payment that is made to the people that are on those boards. Because as far as I'm concerned, they are really doing a labour of love. They are doing a very good job. They work very hard, long hours on behalf of their communities. Nobody's in that for either the money or the glory because there is no money and there is no glory in it.

But the member talks about administrative costs and the old system that he would want to bring back versus the new system. There used to be 400 boards, each of them meeting. Now there are 30 district boards. So obviously 30 boards versus 400 boards, your cost, the number of meetings, is not nearly as great.

And by the way, the people on those 400 boards, as the member said and I agree with him, were also very fine, community-minded people who worked very hard. Nothing wrong with them. But we've moved to a new system because we want to coordinate things in each district, and we want to have some elected people having some say at the local level in the health system.

The member talks about administrative costs in the health boards. I want to say to the member that, because there is a smaller number of boards, there being 30 district boards versus the 400 — we don't have 400 separate administrations — the number of administrators in the health system across the province has been reduced by about 15 to 23 per cent in each of the districts, the number of people that are employed in administration. Much bigger cuts in administration and management than have occurred with respect to the people delivering the service.

The member mentions health premiums and says why don't we charge a health premium. And I would put it to the member this way. That you could have a health premium as they do in the

province of Alberta, and it's about \$900 per family per year now. Many people in Saskatchewan, when they talk about having a health premium, say that they're prepared to pay \$100 per year for their health care. They used to pay \$72. So they say, pay \$100 and I don't mind.

But if you have a premium today, the premium would probably be more like \$1,000. It's \$900 in Alberta. And then the question becomes, do you want to tack on what is, in essence, another tax on top of the income taxes people pay? Now we all know that income taxes are higher in Saskatchewan than in Alberta but in Alberta you also pay a health care premium which in effect bumps up your taxes.

But the difference is that in Saskatchewan if you fund the health system through the income tax system and have higher income taxes, it's a progressive system in the sense that if I make \$70,000 a year, I pay a certain amount of income tax. If I make \$20,000 a year, I pay a much smaller amount, maybe no income tax, depending upon my circumstances and the size of the family.

If I live in Alberta and I make \$70,000, I pay \$900 per year premium for my health care. If I make \$20,000 a year, I pay the same \$900. And we say that's not a fair system because it's not progressive in the sense that it doesn't take your income into account. But even with the premiums they have in Alberta at \$900 per year per family for health care, I would still say that even in Alberta where they've cut health care spending by 15 per cent, which we haven't done, they at least have a better system still than they have in the United States where you'd probably pay \$9,000 per year for your family for health care coverage — and of course, many Americans don't have it — because we have a fairly fine system.

In terms of the member's comments about what happened in the 1980s . . . and it was actually refreshing, Mr. Chair, to hear the member say that what the government did in the 1980s was not responsible. I think that's what the member said. And then he blamed it on the opposition. He said, well that's because the member from Moose Jaw complained so much about everything, and everybody complained, and we really didn't do a very good job, and things got out of hand.

And I'd like to say to the member, who I have a great deal of respect for, that we have been waiting for five years for the members of your party to apologize and take responsibility for the events of the 1980s. And it is refreshing to hear you do so tonight and I commend you for that. And with that I'll take my place and let the member get on with his next question.

**Mr. Toth:** — Thank you, Mr. Minister. Mr. Minister, it's unfortunate that you feel you've been waiting for quite a while. I think the leader of our party has certainly indicated as much as two or three years ago, and certainly the former leader indicated, there were some mistakes made. And I'll bet any money . . .

**An Hon. Member:** — I'll say \$14 billion worth.

**Mr. Toth:** — Fourteen billion dollars the member from Regina South says; \$14 billion of which — if you take the time and if

the man had any intelligence and any economic intelligence, to go back and look at, including everything the way the auditor is telling us to do it today — the fact that you leave out the Crowns and you leave out the unfunded liabilities, it's certainly easy to come up with some easy numbers.

It's all of a sudden interesting to note that we've got some assets that have some value so the total debt that has grown to over 20 billion from 14. Who is responsible for that extra \$6.5 billion? The members on this side of the House? And the \$8 billion that was there before? Mr. Minister . . .

**The Chair:** — Order, order. I appreciate that questions under item 1 of Health will generate a great deal of discussion and interest in all members of the Chamber and that's very good.

Order, order. I remind . . . Order. I remind hon. members of the committee that the item before us is item 1, administration, of the Department of Health. And I invite the hon. member for Moosomin to address the issue of Health. Order.

**Mr. Toth:** — Mr. Chairman, as we're discussing Health, economics comes into play here when we look at the figures and the expenditures in the area of Health. And that's just one of the small points of the total economic picture in the province of Saskatchewan.

Mr. Minister, when we get back to and we start discussing the responsibilities, we can stand here and we can argue back and forth as to who is responsible. I'm waiting for the day, Mr. Minister, when you'll accept some of the responsibility for your actions. I think I've indicated that yes, there was some responsibility on our part but I don't believe it was all the responsibility that should be laid here or laid with the official opposition, and certainly with the government. But we're all, as elected members, we're all working for the people of Saskatchewan, for the province of Saskatchewan. I happen to represent a rural riding, a rural constituency that feels — and I hear it every day, on the coffee shop, in my office, on the phone — where people feel, that the rural communities are being targeted. They feel that they're being hit.

You made the comment recently about the fact that the funding is going to follow the services. Well if we discontinue services in a district, then yes, Mr. Minister, people will go to the area or to the district or to the community that provides that service. Now I think you and I will agree that not every district in the province of Saskatchewan can provide a large . . . or access to a fairly large amount of surgery, which means that most people have to leave the district. But just because they have to leave the district because they can't get it locally, does that mean that all the funding should follow them to the other districts?

And therefore they find themselves with lower budgets to work with and as a result, they've got to make the cuts in the services that they're providing, whether it's bed closures or whether it's nursing positions, Mr. Minister. So how do we address this shortfall that you're talking of? How do we address the shortfall? I don't think you should be just lumping all the services where people must leave a district unless you have already come up with an idea or criteria.

And maybe, maybe just maybe, part of that could be answered in this report that you just released the other day about midwifery. That might meet some of the criteria if that is approved and it goes ahead. And some of these communities that do not have obstetrical care or birthing available to them, through midwifery, might have it at home, or might have it in the local area which then means the funding stays there.

(2045)

Mr. Minister, that's what people are asking of me and that's what I'm trying to get through to you, that it's easy to say the funding's going to follow, but if the service isn't there, yes, people will move over here and then they lose their funding.

And you just made the comment, we have to educate people to get the services at home. Well it was interesting to note at the budget speech, a couple of people that happened to be in at the speech come from out in my area, and I was chatting with them afterwards. And I was quite surprised to see them and I was asking them about their retirement. And I had thought they had just moved into the local community. I find that they moved into Regina. You know why they moved here? Because they didn't feel comfortable that the health services will continue to be available in their local community. So when they left that district, Mr. Minister, that district lost the funding to Regina.

And those are some of the problems we're facing and we need to find ways of addressing it, not that I'm saying we don't acknowledge the services, but we need to find ways of making sure we can provide an equal access to services. And coming back to a couple of these couples I guess . . . and I look at it from another heartening comfort — in both cases they never voted for me so I don't have to worry about those four votes counting against me next time around. But, Mr. Minister, those are real, legitimate concerns out there.

And I have one other question, Mr. Minister. You made a comment today about the regulations. You commented that within two weeks you will be releasing regulations about personal care homes. Mr. Minister, if you can assure us today you will be releasing them in two weeks it would seem to me that they are already in your possession. What are you waiting for? Are you waiting for the Victoria Day long weekend so that if they come out and they're not quite what everybody was looking for, that they'll be lost in the shuffle as everybody runs off to get their round of golf in?

Or, Mr. Minister, why not make the commitment to announce them tomorrow so that people can get on with their lives and start putting into practice and into play . . . even the folks in Kamsack can address the concern that they're having regarding the care home there. I'll leave that with you for a minute, Mr. Minister.

**Hon. Mr. Cline:** — Well in answer to the last part of the question about the regulations, the reason is simply that, as the member knows, the regulations have to be approved by cabinet and then they are published, but I can't publish the regulations before they're approved by cabinet. They have to go through that process and at the present time I'm waiting for cabinet approval of the regulations. Once that occurs I'm sure that the

regulations are published immediately thereafter and they become public.

That's the only reason I'm waiting. I'm waiting for approval of the regulations, proper procedure to take place, and that's all there is to it. There's no hidden agenda as the member fears might be the case, that for some reason I just don't want to publish them. I'm as anxious as the member in fact to have them published.

I understand what the member is saying about the couple from his area that moved into Regina because they were concerned about health care. I would suggest that the idea of people retiring to Regina or Saskatoon or Moose Jaw or Swift Current from a smaller centre is not entirely new. This has been the history of the province for many years if not decades. This is a choice that people make and it's true that when that happens it affects the funding of the various health districts because the funding is based upon population.

But I want to say to the member that actually I am very much in sympathy with what the member is saying about trying to see what can appropriately be done in areas other than the larger centres, and also having a good and secure health system for people in the rural areas.

And the member says that I said that funding follows services. That is not what I said. I said funding follows people, so that if a person from your area comes into Regina for, let us say, neurosurgery — which is something that obviously could not be done in Moosomin but could be done in Regina — where they might have their brain operated on, that is something that has to be available to people from all across the province on an equal basis. And that is something that when the person comes in from a rural area to a larger centre to have that surgery done, the surgery should not only be available to them but it should be paid for.

And the fact is, as I said before, the seven largest districts have 61 per cent of the population but they do 94 per cent of the surgeries. And I say to the member that the people that live in every part of the province, including his riding, have to have the right to choose where they're going to get their health care. And if they choose to get some surgery or some service in a larger centre, we have to respect that choice and we have to pay for that to be done. And if we don't pay for that to be done, then I think, Mr. Chair, the member would have a much larger complaint than the complaint he's making, because in essence what he's saying is when people go in from the smaller centres to the larger centres, you're paying for the services that they receive. And I say to the member, well yes, that's true, of course that's true.

But the reverse would be that we would say if you don't live in the city and you come in for some kind of treatment, we ain't going to pay for it, and that would be totally unacceptable to the member and it should be unacceptable.

But what I say to the member is two things. Some of the things that people come into the city for to have done could be done in the local area where they live. Some of them are fairly straightforward, simple matters that could be done in some of

the smaller centres. We don't make the choice as government and the health districts don't make the choice that people should choose to come into the city to have something done. And we, like you, Mr. Member, say to people, look, let's have a look at this and see if there are some things that you have done in the city that you could have done at home because that might be better for you, better for your family, and better for your district because the funding would stay there.

And I'd like nothing better than for us to look into that and try to do that and maybe reverse some of this trend that is happening where people make this choice. And I might say to the member that this is not something that happened in 1991 or 1992. This is something that I think rapidly expanded in the 1980s. Even though we were building more hospitals in rural areas, the trend was for people to want to go to larger hospitals.

But I say to the member, I appreciate what you're saying but I very sincerely would like the health districts to examine what services are being provided outside their district that could be provided within the district which would improve their funding situation; and also, to what extent could we take some surgical procedures from the larger centres out to the rural areas.

And I think I've said in the House before that I was quite impressed when I was out at Tisdale a few weeks ago meeting with the local health board. And I was in the hospital in Tisdale and I ran into a surgeon from Saskatoon. And I was quite surprised to see him there and I asked him what he was doing and he explained that he did itinerant surgery, i.e., he went out from Saskatoon to Tisdale and he did some surgery there. And there were other surgeons that went through the Tisdale hospital because the local doctor there has done a fairly good job in arranging that. And they explained it's better for the people; good in terms of getting operating room time. Apparently some of the same at Nipawin. And I was surprised too to learn that they do laparoscopic surgery at Tisdale and Nipawin because I didn't know that.

But my point is, I came back and I said to the Department of Health, we should do a review of the surgeries and services that are being done throughout the province in rural areas, using the operating rooms in some of the smaller centres, and whether we can work with the doctors to get them going out to the smaller centres on a regular basis to do some surgeries. Now we know that there is some things you're not going to do in Moosomin or elsewhere, like the neurosurgery and so on, but there are other things that you could do.

So notwithstanding the fact the member and I have disagreements over who's better at balancing the books and so on and so on, I do agree with the member that this is something that we should seriously look at and actually I want to look at it. I'd like to work with the district health boards, the physicians and surgeons, and anybody else who has an interest, to see how indeed we might come up with a slightly different plan that would change the way people are migrating for services. And I think we should pay some attention to that and if we did, it would go part of the way to relieving the feeling that the member says some of the people in his area have. Because it is not the intent of myself or the government that people have that feeling. It would be our desire that if we can enhance services

in the rural areas, that we do so.

I would just like to end by saying that in fact if you examined the range of services available to people in all districts in the province, including the rural districts, you would see that in fact there has been an expansion in many areas of services available to people such as home care services, respite-care services, and many other health care services.

Where there has been a contraction has been in the area of acute care services, i.e., hospital beds. That's the point the member's making. That has gone down in some areas. It's also gone down in the cities because the way we do hospital care has changed. As the member says, people are in hospitals for shorter periods of time. But many other services have in fact been enhanced in the rural areas in a very worthwhile way.

I want to say that for rural residents, the proportion of day surgeries increased from 40 per cent of all surgeries to 50 per cent over the last number of years. So the people are being served by the hospital system. I think the number of surgeries has certainly not gone down. It is a different system. In many ways I think it's a better system.

But the member certainly has some legitimate concerns, and I say, well let's try to work on those concerns, and maybe we can actually change some of this migration and if we can, we should try to do that.

**Mr. Toth:** — Mr. Minister, I don't disagree with you at all, what you've just said, because I know that even out in my area that there, a while back, there were some surgeons coming and providing surgery. I know that the Kipling Hospital has actually expanded. The obstetrical services, and birthings, in that hospital have certainly increased.

And I firmly believe as well that there are methods and ways. And I don't think just the Tisdale's, or the Moose Jaw's, or the North Battleford's, but I think places like Kipling have the opportunities, if given, and working relationship with the specialists in our centres here. And I'm not talking of major, major surgeries. I think we agree on that.

I do know that the couple of surgeries that we did have that came across my desk recently, had they been done locally, the individuals may have spent that extra day or so in the hospital under a little better constant observation — may not have ended up with a major staph infection and tying up a hospital bed for a month or so trying to recover from that.

And in one case an individual was close to having a limb amputated. And that made the local doctor somewhat irate at what happened, Mr. Minister. And those are some of the things that I think we need to work on. I agree with you.

I would suggest that one thing we should maybe get a commitment from, and I'm not sure if it's the House Leader or the cabinet planning committee, but I believe cabinet meets on Tuesdays. And if I could be of any assistance in getting the regulations, giving you the opportunity to be able to present your regulations tomorrow, I would ask the House Leader or any minister sitting in the Assembly tonight, to make sure that

that is on the agenda so that it gives you the ability to present those regulations to the province a little more forthcoming. And I would just take note of that.

And one other question before — if you don't have it tonight . . . I would like to know what the actual expenditures for the year '95-96 were. If they're not available tonight, maybe you can bring them next time we're here in estimates, Health estimates.

(2100)

**Hon. Mr. Cline:** — As is, I think, normal practice, the exact figure spending for '95-96 is not available. It normally, I think, is available 90 days after the end of the fiscal year. So I don't have that figure and nor would I have it tomorrow. But certainly I would undertake to give that to the member as soon as it is available.

And just one other observation. I do appreciate the member's offer of assistance to advocate in cabinet with respect to the regulations but I'm going to decline the member's kind offer unless the member agrees to cross the floor and the Premier appoints the member to Executive Council. And I do hope that the member will seriously consider that because after this last exchange, I think the member and I could work quite effectively together, and I look forward to the member joining our party over here, Mr. Chair.

**Mr. Toth:** — Thank you, Mr. Chairman. I think I would have to decline on that. I'm not sure if that's a form of blackmail or not; or if that's the same threat the district health boards are living under. I don't really know, Mr. Minister. But, Mr. Minister, one further question. I believe we sent your department a global set of questions and I'm wondering if I could just remind you of that, if you could have that for us the next time that Health estimates meet, or even prior to so we can review them before we get into the ongoing, day-to-day debate regarding health expenditures in the province. Thank you.

**Hon. Mr. Cline:** — I'm advised, Mr. Chair, that the staff is working virtually full time trying to come up with the answers, that some of the answers to some of the questions are fairly complicated, but they will prepare the answers of course for the member just as soon as possible. And of course I don't know if those answers will be available the next time we're in estimates, but certainly they have to be made available to the member just as soon as we possibly can and we'll endeavour to do so and have been endeavouring to do so.

Mr. Chair, I'd just like to thank the officials from the Department of Health for their assistance tonight. Thank you.

**Mr. McPherson:** — Thank you, Mr. Chair. I'd also like to thank the officials and look forward to having them back on several occasions.

**Hon. Mr. Shillington:** — I move we report progress.

**The Chair:** — Mr. Minister, will you please introduce your staff.

**Hon. Mr. Lingenfelter:** — Mr. Chairman, I'm pleased to introduce my staff. First of all, Clare Kirkland, who is the new deputy minister of Economic Development. And this is his first go in the House as deputy of Economic Development, but certainly not as deputy. As well, Bob Perrin, who's sitting behind me and to my right. Directly behind me, Peter Phillips. Tom Douglas to my left. And sitting somewhere behind us is Neil Brotheridge and Donna Johnson.

#### Item 1

**Ms. Draude:** — I welcome the minister and the officials. Thank you very much for being here this evening.

Last time we discussed Economic Development in estimates we spoke mostly on the *Partnership for Growth*. And tonight I'd like to get into the Department of Economic Development and ask some specific questions on the department.

And to begin this evening, I'd like to ask you about the budget from last year. There was actually an overexpenditure of about \$2 million. Is there a specific area where the overspending was mainly done?

**Hon. Mr. Lingenfelter:** — Mr. Chairperson, I think I'm clear on the question that you're asking: on the total budget last year, how much was over and above what we had budgeted? Is that the question? It was \$2 million. And I'll get you a breakdown here in a minute, if you wanted to ask another question.

**Ms. Draude:** — Thank you, Mr. Minister. When the Minister of Finance was here the other day, she was advising us that when there was an overexpenditure you had to go to cabinet to get approval for it. With this overexpenditure, did you have to do that?

**Hon. Mr. Lingenfelter:** — The process of course is, to the member opposite, that when extra monies are needed usually there's a Treasury Board submission, and then an order in council or a special warrant would be issued for that amount of money.

**Ms. Draude:** — Thank you. I notice the staff complement will actually be down by 15 this year. Can you tell me what areas or where you'll see cut-backs . . . or we will?

**Hon. Mr. Lingenfelter:** — To the member opposite, I mentioned 2 million. It's a number that's more than that. But I'll get you the list here just as soon as we can put it together.

**Ms. Draude:** — We had sent over a list of questions for each department. I'm wondering if those questions have been answered for your department.

**Hon. Mr. Lingenfelter:** — We're just working on that, and again, I will get that to you. But on the issue of the number of positions, there were eight fewer in the area of policy, support

staff in the area of business and co-ops; there was one fewer in policy and coordination; 14 fewer in diversification; and nine more in northern affairs. And the number I have here is a net reduction of 13.5 positions.

**Ms. Draude:** — Thank you again, Mr. Minister. I'd appreciate it if you would table the list.

Mr. Minister, maybe we could discuss REDAs (regional economic development authority) for a few minutes. It's one of the initiatives that I appreciate in rural Saskatchewan and I'm sure that you are in agreement with that. Can you tell me how many are established as of today?

**Hon. Mr. Lingenfelter:** — Yes, the member will know that we've been announcing formation of REDAs now for some period of time. And there are 15 up and operating, 2 that are ready to be announced, like the opening dates have been set, and then 9 others that are at some stage of formation that we expect to be completed sometime during this calendar year.

**Ms. Draude:** — So that's a total of . . . I guess I missed some of it. It's about 24 then, 26? Okay. What is the total dollar amount spent so far to set up these REDAs and get them running?

(2115)

**Hon. Mr. Lingenfelter:** — Yes, the formula for funding is a \$25,000 initial start-up grant. So while they're working their way through the process of starting up a regional economic development authority, we allow for \$25,000 grant. Once they've reached the end of their first full year of operation, then they're eligible for \$60,000 per year. But this is a matched grant — the local REDA raising a maximum of 60 matched by the provincial government, 60. So some of these aren't at the maximum in their first year.

So this is how the formula works. And I'll get you the actual amounts spent last year, if I can get it out of the document here, that will tell you how much we had last year and what we're planning to spend this year. But these are rough numbers because they're based on anticipated numbers of REDAs coming on stream during the year.

**Ms. Draude:** — Have any of the REDAs overspent? Are they allowed more funding than the original 25 or \$60,000 dollars?

**Hon. Mr. Lingenfelter:** — The position of all the REDAs at the current time is that they have no debt and so they manage within the grant that they get from the provincial government and money that they raise locally.

**Ms. Draude:** — Is the vision or the mission statement of each of the REDAs somewhat similar? Is there a basic ground rule, sort of principles, that they have to start with? And in different areas do they have different goals set for accomplishing their needs in their area?

**Hon. Mr. Lingenfelter:** — The member raises an interesting point, because while all the general philosophy of economic



development at the regional level is very similar, and that is that . . . I think all REDAs believe that the concept of economic development really has to start at the local level. And the idea that was prevalent during the 1980s and before that, that somehow governments in Regina or Ottawa were planning an economic development strategy for their area, I think there's now a great realization that that isn't the way to do economic development, and that if economic development is going to be done, it has to start at home; the people have to sit around and develop their own strategy and their own vision.

So there is a common thrust or intent to that end, but that's really where it ends. Then you have the overlaying with what are the natural strengths in each of the regions. And you might have a lot of similarities, but you'd also have disparities, depending on whether you're in northern Saskatchewan or the South, the amount of tourism that you might have in your area, the strength and ability of the local people to do processing and manufacturing, whether you have a large centre in your REDA, such as Saskatoon would be considerably a different REDA than a Rosetown, given the fact that you have a major city with a major airport in one and not in the other.

So while the vision, I think I would say, is very common to all of them, that is, that the economic development planning should happen at the local level, there's a lot of room for imagination and change resulting from the local needs and ideas.

**Ms. Draude:** — Thank you, Mr. Minister. Do any of the REDAs contain representatives from the tourism authorities in their area?

**Hon. Mr. Lingenfelter:** — Yes, I think your question, to the member opposite is, are there actual people who sit on both boards, the tourism authority boards and the regional economic development authorities. I can't say for sure. I can find out for you. It would surprise me a little bit if there wasn't some overlap of membership, and they certainly aren't exclusive where people are excluded from sitting on both.

But what I can tell you is that tourism is one of the major strengths on each of the REDA boards. That is, if you were to look at the structure of the board, you would find that in almost all cases, if not in all cases, you would have individuals who were very much involved in delivery and building of the tourism industry in their area.

I think it's fair to say that tourism, when you look out into the future, in fact for all of Canada but for Saskatchewan as well, when it comes to job creation, is one of the fastest areas of job creation. And when you look at the graphing that has been done by people who do this kind of planning, actually tourism is a curve that continues to grow in numbers of people working in it to an extent that is much greater percentage of numbers than any other industry in Canada. So when we look at job creation — and the predictions are by some that it will grow by 10 per cent between now and the year 2000. We have about 42,000 people working in the industry at the present time. If you believe these projections of a 10 per cent increase, then you're looking at something in excess of 4,000 people, 4,000 new jobs in that one segment of the economy. So I think all of the REDAs are looking at that as one of the engines of growth but

to different extents.

**Ms. Draude:** — Thank you, Mr. Minister. I definitely agree that tourism has one of the greatest potentials and I'm wondering if there should be some initiative put forward so that the tourism authorities are represented fully on REDA boards. And I'm also wondering if there's been any chance or any opportunity to have the same boundary lines between tourism authorities as REDAs because of their similar needs.

**Hon. Mr. Lingenfelter:** — The number of tourism regions in the province is nine and this is a number that has been arrived at after a number of years of discussion. And at the present time we're having a very difficult time trying to carve out a minimum of 25 REDAs. So you may see a vision some day of them moving to coterminous boundaries, but at the present time the REDAs believe that they need a smaller area in order to have more involvement in the communities that are represented than the tourism regions do.

And so I think I was in some ways of the same opinion as the member opposite when I started out in this. I thought it might be a great idea to have coterminous boundaries between regional economic development authorities and tourism authorities. But at this point, and at least until we get them up and operating, and I would assume for the foreseeable future, you will have involvement between tourism authorities and REDAs but at an integrated, partnership level as opposed to an integrated program.

Now if at some point in time, after some years of working together, they come to the conclusion that it's in their best interest to amalgamate or join together, we certainly wouldn't stand in their way. But I think at this point in time it's important that they would make that decision.

**Ms. Draude:** — Thank you. Is there any federal money put into the set-up of REDAs?

**Hon. Mr. Lingenfelter:** — Yes, the federal government's program, as you know, is community futures, and they have regional structures. Not all the province . . . I don't think all the province is covered by community futures. But where they do, there's quite a good working relationship between the REDAs at the provincial level and the community futures program.

But as far as funding for the operation of REDAs, there's no federal dollars that go into the administration or the management of REDAs. But where you may see some overlap or actual partnering is on projects that exist in a community that the REDA may sponsor. At that level, the federal government could come in and joint venture on a project.

And of course the PARD (Partnership Agreement on Rural Development) and PAWBED (Partnership Agreement on Water Based Economic Development) are an example of project dollars that may go into a project that's managed by a REDA where there would be federal and provincial dollars in. But into the management of REDAs, there is no federal money.

**Ms. Julé:** — Thank you, Mr. Chair. I just wanted to pose a question to the Minister of Economic Development. In speaking

of PAWBED, it is my understanding from the papers that you have sent forward to inform us of the money spent on PAWBED, that Cargill in fact has obtained a loan.

Now my understanding of the qualifications to receive that money from PAWBED is that it is for rural communities and small business. And I'm wondering exactly how Cargill falls into that category. And why in fact they were funded through this.

**Hon. Mr. Lingenfelter:** — The member may know that there's a joint management board for PAWBED made up of federal people from, I believe PFRA (Prairie Farm Rehabilitation Administration) and Sask Water, and projects that are proposed are reviewed by this joint board, and decisions made.

In the case of Cargill, there was no application from Cargill or grants made to Cargill. But the RM (rural municipality) of Blucher, in which the project is located, has and had made an application for a water project for industrial development in their area. And so this project is constructed in such a way that it is not limited to . . . In fact others, I'm not sure if they are, but certainly will be using this water project when it comes into place.

So it was a proposal put forward by the municipality to the jointly managed board of PAWBED and then a decision made. And so Cargill wasn't a direct recipient of it and met the criteria to use the system now that . . . once it's in place and operating.

**Ms. Julé:** — My understanding, Mr. Minister, was that Cargill in fact got the loan, a 20-year loan, that they would pay back eventually?

(2130)

**Hon. Mr. Lingenfelter:** — The reason it's taking me a little longer than I would normally is because this really is a Sask Water project and we don't manage Sask Water, but I'll try to explain it as best I can.

There's really two parts to the project. There's the water source coming into the plant and the effluent management leaving the plant, both of which are water projects that PAWBED was involved in. And so you have a joint agreement between the federal and provincial government through PAWBED and then you have also involvement from Sask Water in the project.

But what my officials tell me — and I would urge you, the member from Humboldt, to follow this up with the minister in charge of Sask Water if I'm missing any detail — but the project is being done so that Cargill is not being subsidized in this process and Sask Water is breaking even on the project. So there's no loan as such for any length of time and it might be the agreement, it might be a 20-year agreement, that you're talking about with Sask Water to provide the water system. But I'd really urge you to follow this up with Sask Water when they appear before the committee.

**Ms. Julé:** — Thank you, Mr. Minister. In fact I have followed it up a little and I'm just going to pass the questioning over to my colleague while I run and get the paper so that we can clarify

that here tonight because I do have questions about that from some of my constituents. Thank you. Thank you very much.

**Ms. Draude:** — Thank you, Mr. Chairman. At one time we discussed the small business loans association and the possibility that they could be handled under REDAs. Is it still something that is in the consideration stage?

**Hon. Mr. Lingenfelter:** — Yes, we are actively considering the review of the program to see whether or not there is a willingness by the REDAs to administer the small business loans program. So I can't announce anything tonight but I can tell you it's under very active consideration.

**Ms. Draude:** — Thank you, Mr. Minister. I hope that when you're considering it, you also consider raising the limit from \$5,000 to perhaps 10 because it would be . . . would make it a lot more attractive to some of the small businesses.

I'm also wondering if the interest that's earned from the small business loans program, given to the towns, can that money be used by the town towards purchasing their membership or towards being part of the REDA?

**Hon. Mr. Lingenfelter:** — This is a little hypothetical but the SBLAs (small business loans association) of course have access to that interest that you speak of. And if the SBLA were a town of the same administration, they would be eligible to use that money to support their membership in a REDA. But remember in most cases, the SBLA is not a town and therefore that connection doesn't logically follow.

**Ms. Draude:** — Thank you, Mr. Minister. In our previous discussions we've talked about the *Partnership For Growth* document and the vision that was a part of that document. I'm wondering if this is the overall vision that I'm seeing in the Department of Economic Development.

**Hon. Mr. Lingenfelter:** — Yes, and I'll just try to capsulize what I think the question was. But basically whether or not *Partnership For Growth* is the sort of complete vision of Economic Development.

I just want to go back to the start of the process in 1992 when we developed *Partnership for Renewal* — and I've mentioned this in the House several times — that this was really a blueprint that was developed by a large number of people. And certainly was not a political document because there were many people from business who had absolutely no ties to the NDP — in fact quite the opposite — were involved in other political parties. There were people like Paul Hill, and Jim Yuel from Saskatoon, and Harold MacKay, and many people with varied backgrounds. Don Ching was involved in it with a very strong view that supported public involvement in the economy.

And the initial meetings we had were quite interesting, as you might imagine, because you had all of these flow of thoughts coming forward, all the way from getting rid of totally of government involvement in the economy, that was strongly felt by some members who were discussing economic development, and others who thought we should have more involvement.

And sometimes in that first weekend when we were discussing economic development, it wasn't clear that we were going to ever come to a consensus. But what developed out of that was a belief and a mission statement that said Saskatchewan, basically by the year 2000, that working together in cooperation, we could build a province that was a good, solid, safe place for people to work and live.

And from that mission statement flowed the 31 initiatives that dealt with trade and biotechnology and all of the concepts that have been put into place, including the regional economic development authorities. This is where we're at on the conclusion of the election in 1995.

But in the document *Partnership for Renewal* we had talked about it being a living document, that we wouldn't wait till the year 2000 to update it, that it would be updated on a regular basis; reports given on progress. And after the election in 1995, we believed it was an opportune time to get back together with the same stakeholders and devise a continuation of that plan, is how I like to see it.

So I think there's a continuum here. And I would really like to think that if we were not around after the next election — I really believe this — that this document that has been developed, not by partisans in some political party but by a broad-based coalition of economic developers across the province, would actually form the initial basis for a new administration to pick it up and say to themselves that there is plenty of threads here that we can continue this stream on.

Of course we'll bring in new ideas that we believe in, but I'd like to think that there needs to be in a province, just as there is in a corporation, a main stream of thought that meets the general needs of all the public and not just of certain political interests.

So this is the theory of *Partnership for Renewal*, *Partnership for Growth*. That this is a living document that was developed by the community, not a political party, that could be used in a general way by any political party that came to power. That they would feel comfortable picking it up, modifying it, but using it as a major document as opposed to throwing it out and starting from scratch. That's basically what we believe in the department and I certainly believe as a minister.

**Ms. Draude:** — Thank you, Mr. Minister. I'd just like to pick up on a statement that you made. And when you mentioned there is members that wanted to get rid of some government involvement or your initial group of people that you got together, what members would this be?

**Hon. Mr. Lingenfelter:** — Well I really don't want to get into names of who believes what because I think that wouldn't be proper, but I can tell you there were people of that point of view, who held them strongly, that there's too much government involvement in the economy.

And I think if you listen carefully now that we are doing the Crown review, and that public meetings are being planned for the province, if you are to come to those meetings you'll hear all of these views being put. And some very strongly held views

that we should privatize all the Crowns, use the money to pay down the debt, and as a result of less interest being paid, then cut taxes.

And that's an option obviously that some support and some believe is the way to go. Others say no, what you should with the Crown corporations is keep them, nurture them, maybe do joint ventures with other companies, and build the Crowns to be twice or three times the asset value in the number of employees that work in them.

And I think this is the beauty of politics and beauty of economic development, is that the system in Canada, and in Saskatchewan certainly, is open enough to allow all those points of view to come to the front and to the fore. And the interesting thing about being in government is trying to balance all of these interests that are reasonably held.

I'm not making an argument that there is an economic development right and wrong. Only time ever proves whether you're right and wrong at that given time. And I believe that even more than that, that certain beliefs work in one era and wouldn't work in another. I think those who believe they have the perfect idea for economic development, I think all that tells you about them is that they've probably never been in a position to exercise that authority because economic development is very much a matter of grey areas as opposed to black and white in my mind.

**Mr. Belanger:** — Thank you, Mr. Chairman. First of all, I'd like to welcome the minister and his officials. And my basic questions, Mr. Minister, will be in northern Saskatchewan.

Just a few points before I begin to question. Obviously there has to be a different strategy in northern Saskatchewan. There are so many different things that face northern people. We're talking about the distances involved; we're talking about the different economies that could be developed; we're talking about the traditional versus the modern economies when you talk about mining versus fishing, for example.

So in reference to some of these points, I want to point out that in northern Saskatchewan we have roughly a population of 25,000 people. And of course you have the North divided into four . . . or three specific regions — the far northern region, the east-side region, and the west-side region. And the big thing here again, going back to the point of having 25,000 people, let's assume for now that of the 25,000 people in the North, 8,000 possibly could be employed, 8,000 could be young people that aren't ready for employment yet, and the other 8,000 could be unemployed.

The first question I have for you when it comes to northern Saskatchewan, again taking into account the small population base, the fact that it has half of the land mass of Saskatchewan, what specific job targets do you have in terms of numbers and industries that you want to support?

(2145)

**Hon. Mr. Lingenfelter:** — Mr. Chairman, as you know, we have a minister in charge of northern Saskatchewan and I'm

going to let him respond to the questions.

But I would ask the member opposite, if we could indicate in terms of the working of the committee, are you going to be asking the balance of questions for tonight or are we going to be going back and forth? Okay, we'll just both stay here and try to keep up with it.

**Hon. Mr. Goulet:** — Yes, in relation to the questions on employment, I'll first deal with probably the major one in regards to employment and that's in the area of mining. And I'll take a broad, historical overview.

Initially when mining development took place in the North in the 1920s, you know, on to the '50s, most of the development, you know, occurred in such a way that northern people's involvement was through the developmental construction phase, you know, of the mining industry. It also occurred in that sense with major projects in hydro, etc. Our employment rates were around 5 per cent, you know, sometimes higher. And as development went into operational phases, then we were excluded from the development. As things went on in the '60s, it remained much the same when the Thatcher government came in. And then in the '70s with the Blakeney government, we started doing the affirmative action strategy and came up with the affirmative action lease agreements in mining.

And I would say that during that period, during the debates in the mid-'70s, we had evolved from the 5 to 10 per cent level of employment to now it was hovering, by the end of the NDP Blakeney era, about 40 to 50 per cent of the employment in the mines were Northerners. And a lot of them of course, being Indian and Metis background, were Indian and Metis people from northern Saskatchewan as well.

During the next period of time, during the Devine government years, for the nine-year period the employment levels, interestingly enough, on one of the mines, in regards to Cluff Lake, was not bad. It hovered relatively around 40 to 50 per cent. But in that one other mine where there were some changes taking place at the leadership level, I noticed that the mine employment had dropped from around 40 or 50 per cent down to about 15 per cent. And it hovered that way for some time. And I remember my friend who was a former MLA of Athabasca at that time, Lawrence Yew, was bringing this question up in the House, you know, quite often. And I remember that the employment rates went up to about the 20 per cent figure by the end of that point.

When we came into government, one of our major goals was to move into that area and re-examine our partnership with the mining community as well as the input of northern people and northern communities. So we set up an agenda. And I must say the idea has been fairly successful. I would think that in international terms it must rank as one of the major success stories, because this year we now have reached 50 per cent this past month, the 50 per cent amount in regards to employment at the mines.

And even in the area of training at the mines, with the multi-party training program that makes the linkage between education and employment, we now have about 400 people that

have been trained through that program. And most of the people were trained to get your basic upgrading so that they get into the apprenticeship trades, and also to get into the apprenticeship trades themselves.

It used to be that, in the early parts, we were very good in the area of the labourers, the mill operators, and the heavy equipment operators. And we were hovering around 40, 50 per cent in that area. But in the apprenticeable trades we were down at 15, 10 per cent. What we have done is that we have moved these areas in the apprenticeable trades now to about 25, 30 per cent. And we've now moved about 50 per cent on average, which means that in some of the areas like the heavy equipment operators and the labourers, we're at about 60 per cent. Our new target in this area is 60 per cent employment, and we should be reaching that in the next few years.

But I think that this is an example of tremendous partnership and cooperation with the mining companies as well as the community people. I know that you yourself used to raise questions through the committee, the liaison committee, that was there in regards to the key issues relating to employment, in relation to how much went to the . . . how much contracts went to the northern contractors. Also you used to raise questions about environmental and workers' health and safety.

And through this process of community involvement, that has also been a success story because a lot of those questions that local community people have raised were the same things that the partnership between industry and government has really managed to come to the fore in the past few years.

So I think overall we're doing relatively well in the mining industry. I think it's . . . the multi-party training package has won a national award, you know, in regards to training, linkages. And so we're highly successful there and we're now moving into the apprenticeable trades, moving into the area of supervision.

In forestry I would say that an initial success story is in relation to the west side in regards to the treaty Indian population and the hiring also of a certain degree of Metis people. But in the main it was ownership of Indian in the industry. So they partook and along with worker ownership and through that process along with industry there was a partnership and a lot of the new ideas of co-management were born in regards to that experience in forestry.

We learned that during initial phases, that you can make mistakes in the process of development and you can build on the success stories and you move on with it. Because I know when I met with the mayors they were saying that it was a lot more successful, you know, with a certain group of people and not with another. And it was . . . that issue was raised with me when I met with the mayors last month.

So I think what we did do was come out, and I suggested to them it was to make use of the new programs like the northern development fund, the \$4 million fund that is there. All together \$2.6 million was available for use by northern businesses and I reminded them, I said, look in mining when we first come into government, there was about \$12 million worth of contracts for

northern contractors. This year alone we had \$47 million worth of contracts.

So what we were trying to do was move the same type of principles and same types of practices in the forestry area. So we're dealing with that on the west side and I'm trying to do developmental concerns that were raised by the municipalities as well trying to move in on the east side with the evolution of the forest management agreement that is done in coordination with Hudson Bay, you know, moving into Cumberland, Carrot River, and as well as Shoal Lake, Red Earth, and the areas. And also the people north of there in regards to Creighton and Pelican Narrows and also Deschambault area.

So we're trying to get that same model of making sure that the benefits are there for people in regards to the training aspect, in regards to the aspect of making sure that we have the people in the workforce and also at the business end, while at the same time we work under the principle of sustainable development in both forestry and in mining.

We've also done wild rice development. We've put in about, approximately 4 to \$5 million worth of help since 1979 to the industry in regards to wild rice. This past while, even on the west side, we did two projects recently with one at Buffalo Narrows and another one at Beauval on harvesting of wild rice, because a lot of the people wanted to see the evolution and the development of the industry on the machinery that they were using. And they wanted skill training in those areas and as such we have done that type of development in regards to the whole area of wild rice development.

So you're seeing the wild rice people now moving internationally and trying to sell, you know, a lot of their products in that sense. When I was there I had a meeting with the wild rice people just recently and while there's still room to try and develop markets, etc., it's been a tremendous change. It's about 60 times, you know, the production of what it was in 1979 to what it is today. So there's been a tremendous production capacity in regards to wild rice in northern Saskatchewan. And I think that in that sense therefore we're trying to move on in the different areas of tourism as well and our partnership in that area.

So I'll maybe take my seat and see what the other question is.

**Mr. Belanger:** — Thank you. And I go back to the earlier point made by the Minister of Economic Development, saying that it's important that we take this type of process out of the government's hand — or out of government hands — because the stats you mentioned under the Tory rule in the '80s, when it comes to Key Lake and other areas where we've seen the employment rate drop and plummet down to practically nothing under the Tory rule, that's the reason why northern Saskatchewan can never really forget about that.

But the point of the matter is, is that of course as a Liberal member from the Athabasca area, I support fully every effort to employ people. But the key thing here is we have to look at the people themselves developing that capacity. And you talk about 25,000 people in northern Saskatchewan. You look at the \$4 million price tag you talk about in northern development. That

works out to be roughly, what, \$60 per capita. And really I think there is some question as to whether the \$4 million is enough.

And the second point, with the CREDOs (community regional economic development organization), do you feel that CREDOs will be ineffective with the insufficient funding, plus as well the fact that they don't have any influence over land? They're not the owners of the industry operating in northern Saskatchewan.

And I say this again from a personal perspective. We've tried a number of areas in northern Saskatchewan to try and stimulate the economy — myself as a former mayor and also as a member of the Ile-a-la-Crosse Economic Development Board. Out of the 10 projects we had, maybe we had 2 or 3 successful ones. But really the whole issue was developing capacity. There was some distinct problems there in terms of how do we go about identifying projects; how do we go about identifying sources of funding for these projects.

So really the whole situation goes back to the earlier questions I talk about, is the specific job targets that you have for northern Saskatchewan as a government. What things are you going to do to assist communities in developing their capacity to properly manage and assess businesses? The \$4 million I feel is not enough money to develop an economy. And you look at the whole emphasis of being on mining. I think we have to turn the ... shift the tables around. Start looking at community development.

So all these questions come up, Mr. Minister. And I would ask: when are we going to take the next level when it comes to economic development, look at all the scenarios — community based, renewable resource industries, as well as a large, multi-national development of our non-renewable resource sector.

(2200)

**Hon. Mr. Goulet:** — First of all I would like to say that in regards to development in northern Saskatchewan, and development in the province as a whole, I knew that during the Tory times a lot of money was put into the area of economic development. I think there was about, at the height, about \$300 million. We looked at the amount that we spent in the province as a whole on economic development in this province and the 3 to \$400 million that the Tories used to spend. We were now spending about \$36 million for the whole province in last year's budget. And when you look at \$36 million, we spent \$4 million in northern Saskatchewan, one-tenth, you know, of the budget, for 3 per cent of the population.

And I think it was an important factor in regards to, you know, looking at the North and trying to put some money in that area. We knew that we couldn't do it the same way that the Tories did. Maybe the Liberals want to do exactly the same as the Tories did and throw in \$300 million here and \$400 million there. Our position was, we simply didn't have the money to be able to do it; that economic development, according to the Tories themselves, was supposed to be done by the private sector. And according to the Liberals it was supposed to be done by the private sector. And in many cases, you know, the

reality was that wasn't how the Tories operated. You know, they kept, you know, pouring all kinds of money, the GigaText schemes of the world, etc., and that type of thing — Supercart and all those types of projects.

And we decided to take an approach where we would, you know, limit and try and generate, you know, a certain type of positive psychology and support for the private sector as well as the co-ops and as well as the public sector. And I think that we have been fairly successful, you know, in that situation. And we know that we had the lowest unemployment rates. Although they're still relatively high in the North, the fact is that we have put, you know, more money percentage-wise per capita into northern Saskatchewan in economic development than we did in the province as a whole.

And the other fact is this, that indeed in regards to the North we had to look at the total amount of money that we take out from the North and how much we put back in. And if you look at the total amount and the total figures this past year, we put in \$156 million in regards to the North, in education, health, social services, in regards to economic development. You've got to remember that economic development doesn't only include the northern development fund. There is also on the west side, in Beauval in your own constituency, the Sask enterprise fund is managed and operated from there, and that's also about a million dollars a year. And that is also under northern control in regards to the dissemination of the dollars as the same way that the Northern Review Board is made up of Northerners — half, you know, from the west side and half from the east side. And in that sense therefore we're seeing, you know, some changes and developments.

Definitely your point is well taken on the renewable resource sector, and that's why I mentioned the forestry sector at the beginning. I thought that in this regard we needed to get at the, you know, forest management agreements and make sure that those ideas that we've learned from mining, wherein sustainable development has to be a principle as well as a practice . . . And also to try and make sure that the communities benefited, you know, from their . . . in regards to training, employment, and contracts.

Those are the same principles we'll operate on there. And we're moving the same way. I mentioned wild rice, and I think the same thing has to happen in tourism. And I definitely agree with you that it's the people from northern Saskatchewan who have to take the initiative and move forward with a certain degree of support, you know, from government.

But I think that, in the main, that it's a community-based approach through CREDOs that is going to work. And I think that we can never forget also that there is individual entrepreneurs in northern Saskatchewan that continue to do things without government support and do an excellent job in regards to providing services and businesses at the community level.

**Mr. Belanger:** — Thank you, Mr. Minister. A couple of other points, you know, that I wish to raise. That for every failure in northern Saskatchewan, there is always a success story. And northern Saskatchewan people, as you're probably aware, do

have a lot of spirit and they do want to have the same kind of opportunity and services as the rest of the world and the rest of Saskatchewan.

So I take it . . . I appreciate some of the comments that you're making. And I go back to the point again of the land mass situation. Again I go back to . . . Just before that, I go back to the point when I sat as an economic development person. The difficult part that we had, Mr. Minister, was really accessing dollars for local economic development strategies.

The point that the Minister of Economic Development made was key — is the communities themselves have the answers. They have the solutions. And for many years we talked about accessing some of the royalties; revenue sharing for communities. And as you and I know, I certainly don't have all the answers for northern Saskatchewan and neither does any member of this House. The people of the North have the answers.

So going back to my point. In our community, we tried an idea, a project if you will. At that first year that we come into office as mayor, we found out that there was no new revenues that we could use for economic or social development. We tried to access the money from various sources. There was no money from various sources. We looked far and wide, both provincial and federal governments, and also some Metis and Indian governments as well, but there was none available.

So what we decided to embark on at that time was kind of an ambitious plan. We decided that as a community all we had to do was create a target for a number of jobs that we wanted to create locally. And we also wanted to create X amount of profits each year from this corporation and again going after all kinds of planning from different sources.

And the plan that we had is, if we could create \$3.6 million of economic activity based on a 10 per cent, you know, return on investment, we'd become a self-sufficient community and at the same time we'd create jobs, all the development happening in the North.

It was a fairly ambitious project, Mr. Minister, and we wanted to do it because it was our community, it was our effort, and we wanted to make sure that, you know, we controlled the process. Every single community in northern Saskatchewan had the same aspiration, but in order for us to begin that work, Mr. Minister, we had to fund-raise through the means of bingo because there was no direct funding for our local economic development association.

So as a result, after a couple of years of hard work and planning — and I owe a lot of support to the people that were there — we eventually got involved with a motel. We eventually got involved with the NRT (Northern Resource Trucking) deal. We eventually landed a security and custodial contract at Cluff Lake, and of course all that certainly had a, you know, positive impact on our community.

But the point there is we still looked at the fact that these communities have to generate more wealth, and the only way that they're able to generate more wealth is they become

economically developed. And again the plan there again was to get as much as we can so we can start sinking that into social development, start coming up with our own solutions.

And all this thinking and talking and brainstorming really, really had a challenging task in front of us. But I was surprised and amazed at the amount of resilience and the amount of commitment people had. So the point that I raise is, I am aware of some of the grants that the government awards to northern businesses, large northern businesses.

And I just want to ask the opinion of the Minister of Northern Affairs here, if he feels that there is any possibility of two things happening. Number one, we start using revenues from the northern resource sector to direct-finance local economic development corporations so they can work hand in hand with what they want to do. And the second thing is if there's any grand strategy for northern Saskatchewan communities. And I'm talking the communities of Beauval. I'm talking the communities of Pinehouse, Descharme Lake, Deschambault Lake, Creighton, and so on and so forth.

**Hon. Mr. Goulet:** — In regards to the question on revenue sharing throughout northern Saskatchewan, I will make the point again. If we took all the mining dollars that we're getting — it fluctuates in between 25 and \$40 million, depending on the level of production — and if we put that back into northern Saskatchewan, it wouldn't even pay for the amount of money we spend on education, and education is key in linkage to employment in the long run. We need to spend money there so that our children are able to then move into the employment field in the future.

So what I'm saying is that just in . . . if we took that money from the mines and we said let's use them, it wouldn't even pay for the education system as a whole. And when you look at the health . . . I'm not even talking about health costs or social services costs. What I'm saying is that we spent \$156 million in northern Saskatchewan last year — \$156 million in all areas. What we took out, not only from the mines, but in forestry, in leases — in everything — we took out about \$90 million. In other words, in regards to northern Saskatchewan, there was a \$66 million-plus for the North in regards to what we take out to what we put in.

So we put in \$66 million more than we took out in regards to resources. So the resources never pay for the total costs of the help people get into health, education, social services, and economic development and the whole thing. So I think that in that sense, you know, our government is on good, solid ground in regards to benefits, you know, to the North.

On some key ideas that you mention at the community-based approach, I definitely agree with you that it has to evolve from the community. One of the key things that was raised with me by the mayors this past while was this whole issue of housing. And they knew that the federal government was getting out of housing, social housing, and we looked at the historical record of housing and the developments, even in your own community, on the companies and they're hooking into the mines, etc.

And the carpentry skills and the business skills that evolved

from Ile-a-la-Crosse alone, and many other northern communities, is that in many cases the housing dollars are going to be leaving us on the social housing side. And the federal government and its different policy on, for example, on treaty Indians living off reserve; they don't pay for that any more. The costs increase therefore for the province. In that sense even on social services, when they offloaded on that term, it was \$40 million a year in regards to costs for the province.

So what I'm saying is that if indeed we could form a partnership like we did in the '70s with the federal government in regards to doubling the dollars in economic development, on housing, and other areas, we would definitely form a core basis for the communities to be able to even double that which is already produced. And I think I would agree with you that it indeed takes a community approach.

Also too I like the initiative of people when they get together and work at the community whether it's to do a raffle, whether it's to do a bingo, whether it's to raise money in the many different forms. My experience has been that people, when they do that, when they take the initiative, have a tremendous sense of ownership when something is actually done. They feel good about it. And I just had that experience in many of the communities as I go around, when I see that happen.

Even in this hospital, the province puts in over \$9 million and the federal government puts in \$3 million. But I'll tell you, the \$1.4 million that the community raised through bingos, through all kinds of fund-raising activities, that felt really strong for the people. They felt a lot of pride in seeing their health centre grow, etc.

And they're suggesting the same idea in regards to housing. And that's the point that you make, that indeed this is the way to go in regards to the future.

And some of the things that you mentioned that were very good — NRT, which is in the majority owned by Lac La Ronge Indian Band, did form a partnership with the communities, including Ile-a-la-Crosse and others in regards to, you know, the sharing of the ownership of the largest uranium mining trucking company in the world.

And that indeed this is the type of activity where a local community go into something not only as managers or as workers but as owners, as part owners of the system. And I was very glad to see that you yourself was a leader in that capacity in regards to the evolution of development in northern Saskatchewan.

So I think your points were well taken. I'm going to give a little point on your trying to raise dollars for a hotel. Recently on our northern fund we have provided a loan on development of a motel in Ile-a-la-Crosse.

(2215)

**Mr. Belanger:** — Just a final comment, Mr. Minister. I think the point that I wish to make tonight to yourself and to the Minister of Economic Development and his officials is that in northern Saskatchewan the evolution of thinking in terms of

community development, in terms of social development, and economic development, kind of demands that we get in sync with what they want, what their aspirations are. The traditional approach is no longer going to work.

I think these comments that we make is that I urge you all to consider these points that I'm raising, to talk to the people in these various communities, on the west side, in the far North, as to how we can stimulate the local economy. And I'm prepared to work with yourself, with the Minister of Economic Development, with every member of this House, if it means true economic development that will sustain jobs and people at the local level for now and until time ends. So thank you very much.

The committee reported progress.

The Assembly adjourned at 10:17 p.m.