

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 9, 1995

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goohsen: — Thank you, Mr. Speaker. I'm happy today to present petitions on behalf of the people from the Gull Lake and Maple Creek areas. And I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding dedicated towards the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure programs towards double-laning Highway No. 1, rather than allocating these funds towards capital construction projections in the province.

And as in duty bound, your petitioners will ever pray.

And I'm happy to table these today, Mr. Speaker.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petition has been reviewed, and pursuant to rule 12(7) is hereby read and received:

Of citizens of the province of Saskatchewan humbly praying that your Hon. Assembly may be pleased to allocate adequate funding dedicated toward double-laning of Highway No. 1.

INTRODUCTION OF GUESTS

Mr. Van Mulligen: — Thank you, Mr. Speaker. Mr. Speaker, I want to draw your attention and that of the members to a group that is seated in your gallery. It's a group of 28 grade 11 students in the native studies exchange program. They're at Balfour Collegiate, but I think all or most are from Sandy Bay School. And I think that the member for Cumberland may also want to add some words to this later.

They're accompanied by their teachers, Ruth Robillard, Ina Fietz Ray, and chaperons Paul Walker, Brenda and Michelle Bear.

I know that I and certainly the member for Cumberland look forward to meeting with this group later on. And we ask all the members to make them feel very welcome here today.

Hon. Members: Hear, hear!

Hon. Mr. Goulet: — Mr. Speaker, along with my colleague, I'd like to express words of welcome to the students from both Balfour Collegiate and Sandy Bay. I know last year, Mr.

Speaker, the students from Balfour took a trip to Sandy Bay and they had an extensive coverage on the *Leader-Post*. I think it was a tremendous experience. And now the exchange, you know, has come back to Regina. And I think it is going to be not only a success, I think it'll be a tremendous building of relationships.

So, Mr. Speaker, I'd like to say this in Cree. I would like to say that the word for welcome in Cree is Tawow. And so to the students, I would like to say Tawow, and hopefully I'll be meeting with them later for a discussion. Thank you.

Hon. Members: Hear, hear!

Mr. Hagel: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly, 85 grade 11 and 12 students from Vanier Collegiate in Moose Jaw, who are seated in the west gallery. That's the gallery closest to Moose Jaw, Mr. Speaker.

Of interest too, members may recall that when Vanier Collegiate students have visited us in the past, I pointed out that they've had a very nice practice over the years, that several of the grade 12 classes, as part of their social studies curriculum, have had a citizenship reaffirmation, and one of the things that's always been a special pleasure to attend.

These students are accompanied today by teachers Ruth Schneider, and Nicole Cross, Janie Fries, and Lynn Andreoni. And we will be meeting at about 2:15 for a visit, refreshments, and photos to follow.

Mr. Speaker, I ask all members to join me in welcoming them here and wishing them all a most enjoyable summer after the school year has come to an end.

Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you and to all members of the Assembly, Ben Bonsan, the student union president at SIAST (Saskatchewan Institute of Applied Science and Technology) Woodland Institute in Prince Albert.

Mr. Bonsan was recently selected 1995 winner of the prestigious national student leadership award. As winner of this association of community colleges award, his effective leadership at Woodland Institute has now been recognized all across Canada.

Mr. Speaker, I know that all members will want to welcome Mr. Bonsan here today, and I understand that he is joined by Rob Crittenden and John Jordan. So I'd ask everyone to acknowledge and congratulate him on this notable Saskatchewan achievement.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

SIAST Awards

Mr. Van Mulligen: — Mr. Speaker, the Minister of Education spoke of Mr. Ben Bonsan from SIAST, Prince Albert, and mentioned his prestigious award. In addition to joining her in congratulating him, I want to announce to members that SIAST has received another award, this one for the Wascana Institute in Regina. Wascana Institute is the 1995 winner of the Program Excellence Award for its advanced clinical nursing program.

Both awards are given by the Association of Canadian Community Colleges to recognize outstanding achievement. This national recognition speaks very well for the excellence of SIAST staff and programs.

Mr. Speaker, the award for program excellence is especially gratifying because it recognizes the advanced clinical nursing program as an innovative distance education program that equips registered nurses with additional skills needed to meet the changing health concerns of Saskatchewan communities.

Mr. Speaker, the linchpin of economic development, of artistic creation, and of modern health care, is education. In Saskatchewan we have a proud tradition of innovative teaching, and I'm proud to see this tradition continue in my city and in my constituency. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

**Western Development Museum and
New Careers Partnership**

Hon. Mr. Anguish: — Mr. Speaker, I'm pleased to rise today to give another example of how government and non-profit organizations are working together in a sincere effort to create jobs. It involves a partnership between the New Careers Corporation and the Western Development Museum in North Battleford which will create on-the-job training opportunities for people on social assistance. The new employees at the museum began their first project just over a week ago. They are rebuilding a visitor train that will be used to transport people around the museum grounds throughout the summer.

The Western Development Museum is an important tourist attraction in the city of North Battleford, and this project will not only benefit the employees but will benefit the museum and the community.

The support of New Careers employment programs over the past 10 years has played an important part in the operation and expansion of the museum. New Careers recently approved the community employment project which will train 15 people over 20 weeks in clerical work, housekeeping, construction, and maintenance.

This year an agreement between the museum, New Careers, and Prairie Employment, includes job search skills training to help

people find permanent jobs. The museum will work with local businesses and community organizations to find employment opportunities. Mr. Speaker, I'd like to congratulate all the people involved in this program. Thank you.

Some Hon. Members: Hear, hear!

CP Rail Yards Expansion

Mr. Hagel: — Mr. Speaker, it was my pleasure yesterday morning to be riding a train with the member from Moose Jaw Wakamow and the Minister of Economic Development for the announcement of some very good news for Moose Jaw and for Saskatchewan.

CP (Canadian Pacific) Rail Systems announced it'll be double-tracking its main line from Pasqua into Moose Jaw and also expanding its diesel locomotive maintenance program in Moose Jaw. The double-tracking project, costing \$3.7 million, will create 30,000 person-days of employment in addition to increasing demand for construction materials which means more jobs.

The project, Mr. Speaker, will result in operating efficiencies which will reduce travel time for freight trains and speed the movement of Saskatchewan grain, potash, coal, and other products to markets in central Canada and the U.S. (United States).

And, Mr. Speaker, because much of CP's traffic is in the west and because Moose Jaw is a key centre, it makes sense that the expanded locomotive maintenance program be located there. Fifty new jobs will result in the next five years with perhaps 50 more over the next decade.

Mr. Speaker, among its many other fine attributes, Moose Jaw has always been a railroad town. We have a long and proud association with this vital part of Saskatchewan life. We're delighted with this announcement and the promise of the economic activity it brings to our city and to our province. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Environmental Technology Commercialization

Mr. Whitmore: — Thank you, Mr. Speaker. Mr. Speaker, more good news about jobs. This time, it's also positively enhancing the environment. Last week our government announced funding of \$75,000 for the Canadian Environmental Technology Advancement Corporation, or CETAC.

CETAC, Mr. Speaker, is the industry non-profit corporation designed to deliver services and programs to develop western Canada's environmental industry. It specifically focuses on helping firms to finance, develop, and commercialize environmental technologies.

Currently in Saskatchewan, there are 72 companies with

environmental expertise that could benefit from CETAC. Like many government projects, Mr. Speaker, this one is a result of cooperation. The four western governments worked together to produce a study that showed how the environmental industry is one of the fastest growing sectors in the western Canadian economy.

In Saskatchewan alone, it is estimated that the industry could potentially generate \$175 million and employ 2,000 workers. This makes a small investment of \$75,000 extremely worthwhile. I want to congratulate CETAC and wish them the best of luck. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Yorkton Macs Compete in Canadian Volleyball Championship

Mr. Serby: — Thank you very much, Mr. Speaker. Today I want to mention an exciting example of cross-border and cross-town teamwork that is taking place in Yorkton and area.

The Yorkton Macs, a junior boys' volleyball team of 12 players of grade 11 and 12, are off to Charlottetown, Prince Edward Island, this weekend. And there they will be competing with 12 other teams for the national championship of the Canadian Volleyball Association. They are one of two teams from Saskatchewan that will be there.

As I mentioned, the team is a cross-border one because 10 of the players are from Yorkton, one is from Canora, and one is from Roblin, Manitoba, as well as two of the coaches — Mr. Tom Gulak is from Roblin; and from Yorkton, Mr. Dave Baron, who is a teacher and a long-time coach at the Yorkton high school.

Mr. Speaker, I know that the Yorkton Macs will be representing our province well and I am pleased that they are getting to show their talents in a part of the country that many of us don't often get a chance to visit.

So with that, I wish them well. May they leap high, spike hard, and defend vigorously our championship. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Chelation Therapy

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, as you are aware, we've been raising questions to the Premier from constituents across the province for the past number of weeks, and again we'd like to raise a number of questions that were brought to our attention and sent to our office.

And I'd like to begin by asking this question. It comes from Doreen Roberts from Govan: Mr. Premier, I want to know why

I have to travel to another province or state to receive chelation therapy. I spent quite a lot of money outside this province and I know several others who have done the same. It seems the doctors in Saskatchewan do not want us to try to bypass the bypass.

Hon. Mr. Calvert: — Mr. Speaker, to the member and to the question. I have received a great deal of correspondence on this and have had discussion with many MLAs (Member of the Legislative Assembly) and many individuals across the province on the subject of chelation.

As the member does know, chelation is not approved by the medical community in Saskatchewan. Nor is the drug therapy approved nationally. However, Mr. Speaker, we are working with those who have experienced the chelation therapy in the province. We are now in discussions, with a study that's being held in Calgary, to see if we might participate in that study to bring some validity to the procedure, and so we're proceeding on a careful but a considered path.

Some Hon. Members: Hear, hear!

Provincial 90th Anniversary

Mr. Toth: — This question, Mr. Speaker, comes from Alvey Clark from Moosomin. Mr. Premier, I want to know why you are spending a million dollars on 90th anniversary celebrations. This million dollars should have been spent to keep more rural hospitals open.

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to make it clear to the member opposite, and through him to the individual who wrote the letter, that the monies being put forward to celebrate Saskatchewan's 90th celebration is basically being used to help municipalities and organizations and other groups who are endeavouring to sponsor events. And so common stationery is being provided and services like that. So there is no huge birthday party that members of the opposition might want to try to promote.

This is a cause for celebration, the 90th birthday of a province. I think it's important for the people of Saskatchewan, in terms of setting the psychology, for many, many reasons. But I can tell you very clearly that the money is being used very, very appropriately by organizations and groups who want to support their communities during this period of celebration.

Some Hon. Members: Hear, hear!

Provincial Sales Tax

Mr. Martens: — Thank you, Mr. Speaker. This question comes from John Yanchuk from Arran. Mr. Premier, I want to know how you could possibly justify charging the Saskatchewan residents 9 per cent sales tax when to the east of us Manitoba residents pay 7 per cent; and to the west of us, Alberta residents pay no sales tax. This sure is good for the retail business in Saskatchewan, isn't it?

Hon. Mr. Romanow: — Mr. Speaker, what the member knows, the member from Morse knows, I'm sure — perhaps the writer does not, but in any event it should be said — in Manitoba the percentage of the sales tax covers a lot more items than in Saskatchewan, therefore the sums of money which are taken in from Manitoba and the tax base is much more broad. In the Alberta situation, of course, this has been a long-standing problem. It was when you were in government and remains the situation currently with us.

We are committed to lowering taxes in a way which is sustainable. That is to say, when and if we announce a tax reduction, it will be here not only for the election period, but it will be here for the election period and after the election period and for the people of Saskatchewan. We are, after all, just turning the corner and getting ourselves out of the mess of the huge debt and deficit which was left behind after nine years of the Tory administration.

GRIP Premiums

Mr. Swenson: — Thank you, Mr. Speaker. My question today comes from Kelly Mrack from Delisle. Mr. Premier, I want to know where is my money from GRIP (gross revenue insurance program). The money I paid into this program should be refunded, not used for the deficit. To pay out 26 or \$27 million is a far cry from the total amount you have of this program's money. Mr. Mrack then ends up his question with an unparliamentary phrase that means you have undermined the farmer again, just like always.

Hon. Mr. Cunningham: — Mr. Speaker, I welcome the chance to one more time explain the GRIP surplus situation. While the writer may not know, certainly the members opposite have heard this explanation several times. The GRIP surplus was divided up on the same basis that all tripartite programs are divided up. The farmers get back their full \$253 million, which was their share of the GRIP surplus, based on their contribution to the surplus.

The provincial government takes back their share, of which we spent over 70 per cent, over \$130 million, that went back into agricultural programing. I think the members opposite need to remember that we got that premium by borrowing the money in New York, and to put some small portion of it back to pay down the debt because grain prices went up seems to me to be a fair way to deal with farmers.

Some Hon. Members: Hear, hear!

Post-secondary Education Funding

Mr. Britton: — Thank you, Mr. Speaker. I too have a question for the Premier. This question comes from Mr. Russ Jackson from Plato. Mr. Premier, I want to know if the province will help university students more if federal funding is cut and tuition fees double, or worse. Student loans already take 15 to 30 years to pay off without more being heaped on.

Hon. Mr. Romanow: — Mr. Speaker, I think Mr. Jackson has put his finger on a very important issue — and that is the proposed dramatic and negative change in funding for post-secondary education proposed by the federal Liberals and presumably supported by the provincial Liberals.

This program will cost Saskatchewan people something in the order of \$100 million and it'll mean that for an average student going to, say, a four-year course at the University of Saskatchewan, that student is likely to end up with a debt of \$60,000, meaning that the first big mortgage is on education and not on the house. This is a very bad principle, because in Canada we have built this nation on the principle of intergenerational transfers and community sharing.

If we force the young people to accept the principle that they must pay as they go for their university education, then we ought not to be surprised if the young people turn around when they get the job market and say to the seniors: ah hah, I had to pay as I went; now you pay as you go. And this is the Americanization of the education system and the health care system and I totally object to this Liberal initiative. I hope the member opposite does too.

Some Hon. Members: Hear, hear!

Benefits for Part-time Employees

Mr. Goohsen: — Thank you, Mr. Speaker. This question comes from Dana Ewashko from Prince Albert.

Mr. Premier, I want to know how you expect the small-business man to provide health and dental benefits to the part-time employees of Saskatchewan. This sounds great in theory; however many full-time staff will lose their benefits because the employers feel that the costs are just too high to continue the group benefits package.

Hon. Mr. Anguish: — I'd like to thank the member for writing in the question that's in place by the member from Maple Creek.

It certainly is a great deal of misinformation there about benefits to part-time workers. Saskatchewan is the only jurisdiction in Canada that's made some progress in working towards a system whereby part-time workers can attain benefits from their employer.

We do not believe that the cost is unaffordable. There are not very many people who will qualify for the benefit, but it is a start. We think that if the members opposite will give the chance to let the system work, that all people who work and do good diligence for their employers will in fact be able to receive benefits for the employment.

We think it's a benefit not only to the employees but to the employers of the province, and I think that the fruit will be borne out if you let the system develop. We intend as a government to work with employers to ensure that it's not an

unrealistic burden on them. That work is started and we'll continue that work.

Some Hon. Members: Hear, hear!

Gaming Expansion

Mr. Neudorf: — Thank you very much, Mr. Speaker. I also have a question for the Premier. And I trust that your selectivity in choosing as to which questions to answer will extend to this one as well.

The Speaker: — Order, order, order. The member knows that comment is out of order and I wish he'd just put his question . . . (inaudible interjection) . . . If the member doesn't want to ask a question, I'll call on another member.

Mr. Neudorf: — Mr. Premier, this letter . . . or this question comes from Adolph Nelson from Weyburn: Mr. Premier, I want to know why you are so intent on ruining this once beautiful province of Saskatchewan by allowing casinos and video lottery terminals to invade our province. Is there nothing more important to you than money? Does it not bother you that countless lives are ruined, homes are broken, and hundreds of children are suffering because of your wanton actions?

Mr. Premier, will you select to answer this question? Thank you.

Hon. Mr. Romanow: — Mr. Speaker, I think most members of the Assembly, if they had the full option available to them, would not accept the notion that gambling is a cause or purpose that we would want to advance. That's my position. That's the position, I'm sure, of many people.

But the reality is that in Conservative Manitoba, in Conservative Alberta, in the United States immediately south of us, all of the hoteliers in the areas of the South, the reality is it's here. The question therefore comes, what do we do?

And what we have to do is we have to make sure that it's open, accountable, honest, limited — limited — regulated; that the revenues are dispersed back to the communities, that there are education programs and prevention programs — by the way, our \$1.5 million on the gambling addictions is the best of any province in Canada to regulate this circumstance. The truth of the matter is, if you were in government you would have been forced in the same situation. The Liberals would have been. And we are, I think, doing the very best that can be done. The people would trust us in this circumstance sooner than they would you.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I have a few more questions for the minister of gambling. Madam Minister, a few weeks ago we heard that the mayor of La Ronge was thinking of holding a plebiscite to ban your VLTs (video lottery terminal) in that community. You said at that time that

the mayor was acting on his own and didn't speak for the whole community.

Last night, Madam Minister, the community held a public meeting on this issue. And as it turned out the majority favoured holding a vote to send your government the message they don't want VLTs in their town.

Madam Minister, the mayor of La Ronge will be making a decision on this vote by the end of the week. Will you honour the results of the vote?

Hon. Mr. Lingenfelter: — Mr. Speaker, I understand there was a meeting in La Ronge last night and some debate on the issue of VLTs. The member will well know that the whole issue of VLTs and the placement in communities around the province came as a result of the influx of VLTs on the border communities of Manitoba, south of us in North Dakota, also in Alberta.

And there is a great deal of pressure obviously to have gaming policies in western Canada that conform to a certain standard or level. And the members opposite will know — particularly the members of the Liberal caucus, some of them more involved in gaming and attending casinos more than others — will know that in order to keep people coming to our province to gamble, because there is a big demand . . . And I say this as Minister of Tourism: when we look at bus tours of seniors going across Canada, across western United States, those communities that don't offer a gaming venue are missed by those bus tours.

So it's not only allowing people who want to game in our province to have that option, just as people who want to are allowed to buy alcohol or cigarettes. Our job here is not to exclude that option but to regulate, control, and license.

Now you people opposite may say, if we're elected, we're going to involve ourselves in everyone's life, we're going to go in and check their liquor cabinet, we're going to do this and we're going to do that. That is not our approach.

Some Hon. Members: Hear, hear!

Mr. Toth: — Mr. Minister, you may have made the choice to introduce VLTs. People want to have the choice as to whether they introduce them to their community.

Now, Madam Minister, or, Mr. Minister, whoever wants to answer the question, one of the people who spoke in favour of a vote is a worker at the family crisis centre. She said she gets a lot of calls from people with gambling addictions and that it's easy to become addicted to the machines.

Mr. Minister, the people of La Ronge know the damage your expanded gambling policies are causing their community and they are asking for the right to make a decision regarding their own town. In fact, Mr. Minister, that's what most Saskatchewan people want: the right to pass judgement on your gambling expansion policies.

Madam Minister, or, Mr. Minister, or, Mr. Premier, will you give them that right? Will you hold a vote on your gambling policies in conjunction with the upcoming provincial election?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, what the members are offering here to the public of Saskatchewan is absolutely ludicrous. This has been tried in days gone by with local options for liquor sales. And the reason it was turfed out, because it doesn't work.

In the community area of La Ronge you have two other communities. If they choose the option of having liquor in one town and not in the other, it doesn't stop or hinder people who want to go out and use that venue of entertainment. They simply go to another community.

This approach has been tried in the past, as it would relate to liquor and the sale of liquor in the community of Saskatchewan. It doesn't work. So why go back and try to repeat something that has already been tried and proven to be a faulty, administrative nightmare?

I say to the members opposite that if you're saying to the government, that if you were the government again, that you would try to control those issues by excluding them from their lives so they didn't have the opportunity to make choices, I say to you that especially the Leader of the Liberal Party could learn by setting an example in what she does.

There are many people who appreciate the opportunity to game and gamble. But the idea of today, standing and saying for political reasons, that if only we were back in government we would do something different than what you did while you were in government in expanding bingos, is not believable. Nor is it believable by the Leader of the Liberal Party, who lives quite a different standard, as it would come to gaming, as she preaches for other people.

Some Hon. Members: Hear, hear!

Health Newsletter

Mrs. Bergman: — Thank you, Mr. Speaker. The priorities being demonstrated by the Department of Health are appalling. At a time when funds are stretched to the limit just to provide basic health services and district health deficits keep growing, we see that health update newspapers are being sent out across the province.

Like the brochure of two weeks ago, this eight-page newspaper which is showing up on people's doorsteps around the province . . . And this just a short month after Yorkton had 28 hospital beds closed and 10 health care positions eliminated. I'd like to table this newsletter, Mr. Speaker.

My question to the Minister of Health. Why would you spend valuable health care dollars on an extravagant, two-colour

newspaper just weeks after your department blanketed the province with another pre-election pamphlet?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, across the province district health boards have conducted needs assessments. On the highest level identified in my own district, for instance, of Moose Jaw-Thunder Creek, was the need for information about the health care services available to the people of Saskatchewan.

Mr. Speaker, in this most recent budget we have dramatically improved the range of services on community- and home-based services for the people of Saskatchewan. The information that is being provided to people at a very, very low cost is to provide that information that people desire and deserve.

Now the question ought to be . . . the question ought to perhaps come from that member from Shaunavon. That's where the . . .

The Speaker: — Order, order. I have listened to the member from Shaunavon through this whole question period, and numerous times today you've been interfering. And I ask the member to please refrain from doing so.

Order. Will the Government House Leader now please come to order.

Hon. Mr. Calvert: — Mr. Speaker, one of the reasons we need to do this kind of information provision is because members of this legislature, particularly the member from Shaunavon, who are on the public purse, provides to at least his constituency a whole set of misinformation through his MLA newsletter. That's one of the reasons we have to do it.

And point number two, Mr. Speaker, if that member and other members of the Liberal caucus want to communicate, they should communicate their position. Their position being the importation of a Texas-style audit — a Texas-style efficiency audit on health care services in Saskatchewan. That's what they should be communicating, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Mr. Speaker, I think we now know how the government has managed, on one hand, to close 52 hospitals, close beds all across the province, and lay off hundreds of health care workers, while on the other hand they are spending more overall on health care reform than before the reforms.

Apparently, Mr. Speaker, it is this type of expenditure that demonstrates where this government's priorities on health care lie, and that is giving the good news about health care reform instead of delivering a good health care system.

To the minister: given that you have an advertising budget of 200,000-plus for this year, and we have now seen a newspaper and a brochure delivered across the province, can you tell us

how much the production and distribution of this newspaper cost taxpayers, and how much of the advertising budget has been used up in the first six weeks of the fiscal year?

Hon. Mr. Calvert: — Perhaps, Mr. Speaker, the member raises an important question. This publication has a total expense of about \$86,000 — approximately \$86,000 to provide information to every household in Saskatchewan.

Now maybe she can answer on behalf of her colleague who's sitting beside her, how much of the public tax dollar has he spent on this MLA communication which is full of misinformation — full of misinformation.

Now again I say, if the Liberal caucus and members thereof wish to communicate to the . . . Mr. Speaker, perhaps the member from Shaunavon could listen for a moment; he may learn something.

Now perhaps, Mr. Speaker, perhaps, Mr. Speaker, if the Liberal caucus wants to communicate, they should communicate more fully around their plan, identified now in their platform document, that they are going to impose their efficiency standards. Not talking about care or quality of care, not compassion, but efficiency. They're going to bring into this province an army of auditors on a Texas model to reform our health care process.

Mr. Speaker, I tell you every time — every time — the people of Saskatchewan will choose the Saskatchewan-made health care opposed to Liberal-American-made health care.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Apparently, Mr. Speaker, six pages of the newspaper was produced centrally with only the cover page made to look like it came from each local district. And it's promotional, Mr. Speaker. It's all promotional.

We hear that the government has told their own experts that the opposition will accuse them of producing political propaganda at the expense of the taxpayer. And they're right. It's pretty blatant, Mr. Speaker. But apparently the government is willing to take the hit because they know that health care reform is a disaster in Saskatchewan, and they are desperate to do whatever they can to change the people's perception before the election.

So they have taken the unprecedented step of delivering two major health care promotion pamphlets to people's doors just before an election. To the minister: how can you justify spending \$122,000 to pay for political propaganda this close to an election, instead of putting that money to patient care and keeping health care workers employed?

Hon. Mr. Calvert: — Mr. Speaker, the member talks about disaster. I'll tell you what's a disaster, and that's the fortunes of the Liberal Party. That's the coming disaster.

Mr. Speaker, when that member from Shaunavon, member of

that caucus representing the Liberal Party, takes tax dollars, puts it into his MLA report which is nothing but Liberal propaganda — not information — nothing but Liberal propaganda, and if they're going to do this, Mr. Speaker, then they should start telling the truth about what these folks are really about.

Here's the headline in today's press, talking about their cousins in Alberta. What's the headline say? "Alberta Grits favour health cuts." Talking about Mr. Klein's style.

On this bit of information that the member sent all over the constituency of Shaunavon, what do we see on the back page here? A nice picture of the member from Shaunavon seated with the Minister of Agriculture, federal. Oh, he's whispering in his ear. Now what's he whispering in the ear of the Minister of Agriculture, federal? Is he saying, carry on, cut the Crow? Is that what he's saying?

Is he saying, Mr. Speaker, carry on, cut the payments to health and education across Canada? Is he saying, go to this social transfer concept that's going to threaten the very foundations of the Canada Health Act? Or is he saying, look, we've got a better idea; we're going to bring in the experts from Texas?

Some Hon. Members: Hear, hear!

Changes to Labour Standards

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Labour. Mr. Minister, your government has done irreparable harm to the small-business environment throughout this province as a result of your high taxation, repressive labour laws, and the union preference tendering, and job creation is suffering in this province because of it.

My questions to you today, Mr. Minister, centre on your government's unwillingness to inform small businesses of your ill-advised changes to The Labour Standards Act. Businesses have been contacting our office, scrambling for information on the changes that you have made, because you have left them in the dark.

Mr. Minister, it's been several months since you forced this Bill through this very House. Why have you not sent out information to the thousands of Saskatchewan businesses that are affected by these regulations? Mr. Minister, could you answer that question for the business people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: — In regard to the member's question about the . . .

The Speaker: — Order. Order. The member is getting too much competition from his colleague on the other side of the House, and I wish she would quit interfering with the minister.

Hon. Mr. Anguish: — Well competition is not necessarily always a bad thing, Mr. Speaker.

I'd like to answer the member's question this way. The legislation . . . because of some of the misperceptions created by your particular party and by the Liberal Party in this House, caused this legislation to be controversial as it went through the legislature. The legislation finally passed. We had regulations that were developed. Those regulations, you continued to spread misinformation about some of those regulations.

What we want to do is we want to ensure that there's a consultation process that continues with the employers of this province to make sure that they are able to in fact work in good faith and comply with the labour legislation that exists in Saskatchewan. Some of those consultations, Mr. Speaker, are taking place at the current time.

In concert with this, the officials within the Department of Labour are drafting interpretive bulletins so both labour and business can understand exactly how the new legislation regulations will work, so that they can go together in harmony — employees and employer — to work to create jobs where the best place is, is within the private sector, to create jobs in working with their employees under the guidance of this government. We've done quite well. Thank you very much.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Student Summer Employment Program

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. Mr. Speaker, today I am pleased to inform the House that we have enhanced the funding for Partnerships '95, the Saskatchewan student summer employment program, by \$1 million.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, this allows us to extend the application date for employers and students to May 24, 1995. Response to the program has been absolutely overwhelming and tremendous. Employer interest has remained constant throughout the application period. We have applications on hand to create over 3,700 jobs. This is 1,700 jobs over our original target of 2,000 and the enhanced funding will allow us to fund the eligible applications on hand.

But we're also receiving inquiries from employers who wish to take advantage of the program, and given the popularity and the benefits of Partnership '95, we are strengthening our commitment to enable us to realize its full potential.

Partnership jobs, Mr. Speaker, enable our students to earn money to pay for their education while they gain work experience and training — skills that will give them a leg up in the working world. And employers get the help that they need

during the busy summer season.

Mr. Speaker, our government prides itself on creating jobs for youth. This is demonstrated not only through the enhanced funding for Partnerships '95, but also through JobStart, our youth training initiative, which helps Saskatchewan young people between the ages of 17 and 25 get jobs right here, at home, in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, both Partnerships '95 and JobStart give our youth the opportunity they need to gain work experience and skills training — experience which will benefit them throughout their working lives.

The response to these programs is extremely gratifying to the Government of Saskatchewan, Mr. Speaker. The people of our province can be proud to know that these fine programs give our Saskatchewan young people the opportunity to live, work, and build their futures, right here at home in Saskatchewan. Thank you.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it appears that again we have another announcement — either an announcement a day or an announcement a minute. But while we can certainly compliment the government for the fact that they've maintained this program, I find it also interesting, Mr. Speaker, that all of a sudden we have an extension of the program.

Now one would ask why the government didn't foresee that in the past, last year about this time when there were so many more applications than there were opportunities available and yet they didn't extend the program. They didn't extend it to more businesses. And the fact that they've done it at this time seems to be almost a little suspicious.

Does it mean that there's another call, another announcement, going to come around the corner? Is it just to make sure that there are more people, enough people, that will get out there and support the government and vote for them in the next provincial election, Mr. Speaker?

I think it's important that we keep this in perspective, and if the minister wanted to raise this issue, it would have been appropriate if the minister would've mentioned this even a month ago and said that the . . . or even when they brought it forward the first time, indicate that due to our past experience, as we announced this program, we are going to expand it to maybe be 3,700 or 4,000 versus announcing 2,000, saving 1,700 more positions for just prior to an election.

So, Mr. Speaker, it's important that people have the opportunity for job employment. I just find it a little interesting that it's announced just prior to what may be an imminent election call. Thank you.

Mrs. Bergman: — Thank you, Mr. Speaker. I join with my colleague in some of his concern about the timing of this announcement.

And I agree with the government — it's critically important that funding for summer jobs be part of government budgeting. And this is . . . they are finally raising their summer training budget to 1991 levels. And it would have been more appropriate to have announced it as the program was announced earlier this spring.

Thank you, Mr. Speaker.

(1415)

ORDERS OF THE DAY

SEVENTY-FIVE MINUTE DEBATE

Health Care Reform in Saskatchewan

Mr. Upshall: — Thank you, Mr. Speaker. Well, Mr. Speaker, it gives me great pleasure to begin this debate today with regard to basically the Americanization of our health care system. I'll move the motion at the end of my remarks.

But I think it's very fitting that I can just hear the new Liberal theme song for the campaign. It goes something like this: all my experts live in Texas. With the Texas . . . putting the Texas test to Saskatchewan. I think the Liberal leader might want to do a Saskatchewan reality test instead of the Texas performance audit.

Well I can see her going around the province singing that song. I hope she doesn't make any . . .

An Hon. Member: — In her limousine.

Mr. Upshall: — In her limousine, as the member says.

Mr. Speaker, I want to do a little chronology. I want to do a little chronology, Mr. Speaker, of the build-up to the proposal by the Liberal leader on the Texas performance audit. And I want to start in 1991.

In 1991, Mr. Speaker, the Liberal leader said, according to the *Leader-Post*: Haverstock said — and I'm quoting — a Liberal government would halt hospital construction projects and new small town hospitals for basic emergency treatment and recuperative and palliative care centres.

Now that's what she said because that's the way health care was going, and that's what this government implemented in health reform. In 1991 the Leader of the Liberal Party also said, she suggested, hospitals should be run like charities. Now I'm not sure what that means, Mr. Speaker, running a hospital like a charity.

And then we move along to October 1991, and the *Star-Phoenix* and I quote: that part of the party's policy — this

is referring to the Leader of the Third Party — is to develop a network of health care and social services that is community and regionally based. Each community should have services tailored to meet its specific needs and capacities.

Well if you review what health reform has done in Saskatchewan, Mr. Speaker, it has not only done that, it has gone further than that. It's with independent health needs study of each district.

Then, Mr. Speaker, we flip over to March 1993 in the Moose Jaw *Times-Herald*. The Leader of the Third Party said health reform does have a potential. Now after she said a number of things that we've implemented and gone beyond what she said, she says, health reform does have a potential for a much larger bureaucracy and for a greater intrusion of politics into the system. Well now we see a little bit of a difference in the Liberal leader's opinions.

But let's continue. A headline in the *Star-Phoenix* in 1992, Mr. Speaker: Prairie provinces should join forces. This is the Leader of the Third Party talking about the prairie provinces should be prepared to embark on economic joint ventures, Liberal leader urges.

And I go on to quote: The economic integration of the prairie provinces is a concept whose time has come, says Liberal leader Lynda Haverstock. He, referring to Liberal MP (Member of Parliament) Lloyd Axworthy, is calling for a western consortium of health care that would pool resources for medical education, clinical programs, health relations.

Now listen to this, Mr. Speaker. This is where you get a little hint of what's starting to happen. Haverstock said Manitoba and Minnesota have made some progress on this idea by agreeing to share research and development and — get this — harmonizing education standards.

Well the question is, Mr. Speaker, whose standards are they going to harmonize them to? But we see a little bit of what's happening with the attitude, not only I use the education example, but what's happening now in health care and the Liberal approach to health care.

In September 1994, Mr. Speaker, CKCK radio news quotes: Haverstock says socialist policies are preventing the province from reaching financial strengths like Alberta — like Alberta. Mr. Speaker, we know what's happened in health care of Alberta, and that's what the motion refers to, the Americanization of our health care system.

So we see a little bit of a switch from in 1991 the Liberal leader is talking about how she thinks health care should be run. We see the implementation along those lines by our government and beyond that. And then all of a sudden we see a little bit of a swing away from that line by the Liberal leader when she talks about Minnesota in education, when she talks about Alberta and the reforms that are going on in Alberta.

I want to add to that, Mr. Speaker, by giving you a quote from February 22, 1995, *Hansard*, page 361. The Liberal leader is speaking to this House, and she says:

The incentives held out in this budget are done in desperation — desperation of a government that has failed to create the climate being created in Manitoba, in New Brunswick, and in Alberta.

So again we see the Liberal leader moving away from the way things are done, and always have been done in Saskatchewan, to referring to an Alberta system — and I assume that includes health care — in where the health care system in Alberta is being Americanized.

And if you don't think it's being Americanized, Mr. Speaker, I have a headline here. It says, "Medicare as a plain pine box and not much else." This is Mr. Klein. I quote:

Mr. Klein is pushing for a two-tiered health care system. He has already closed rural hospitals and wants to promote the idea of resort hospitals for the rich.

Resort hospitals for the rich, Mr. Speaker. This is a government in Alberta that is supported, evidenced by the quotes that I have given you, by the Liberal leader in Saskatchewan.

And then it goes on to say:

Prime Minister Jean Chrétien has said that two-tiered medicine will not be allowed.

So Mr. Chrétien stands up and says, I don't think so, Mr. Klein. But what does Mr. Chrétien do, Mr. Speaker? — and not a word from the Liberal leader in Saskatchewan — he is cutting the health transfer payments. He is throwing out national standards.

And let's take that idea of standards again back to what the Liberal leader said about the education standards in Alberta and Manitoba and Minnesota. We can see the trend developing, Mr. Speaker. Despite what the Prime Minister says about a two-tiered health care system, the trend to reducing and removing standards across this province has been accelerated by the Prime Minister; not a word from the third party leader.

I go on to say, Mr. Speaker, and I'm quoting . . . not quoting now, but the first thing that we have to do, and if Mr. Chrétien and Ms. Haverstock want to stop this Americanization . . .

The Speaker: — Order, order. The member I think full knows he can't use the name of the individual in the House. Use her constituency, please.

Mr. Upshall: — I'm sorry, Mr. Speaker. I know that, yes, and I apologize for doing that.

What I was saying is that if Mr. Chrétien and the Leader of the Liberal Party in Saskatchewan wanted to put their heads

together and try to cut some costs in the health care system, they could do it by rescinding the federal patent drug legislation that keeps the drugs artificially high.

But this differs very sharply, Mr. Speaker, from the Liberal leader's promotion of Alberta and their health care system, where Mr. Klein . . . Mr. Klein's idea of health care is theme park hospitals. Now a theme park hospital comes complete with a casino and an added surcharge for a Rocky Mountain view rooms.

Well this is a wonderful health care system that Mr. Klein's going to put forward. I don't understand why the Leader of the Third Party is trying to advocate that.

And I go on, Mr. Speaker, to say that Alberta supports, and this is in *The Globe and Mail*, April 11, 1995, Alberta supports for-profit clinics that charge for services because it believes that no other approach is viable.

The *Leader-Post*, April 21, 1995. There's even been talk of selling off surplus hospitals and letting those who can pay jump the public queue and seek private care. This is the system that the Liberal leader in Saskatchewan is promoting.

Alberta has talked about selling surplus hospitals to the private sector (with the private sector) wanting to offer for-profit health care.

Leader-Post, April 15, '95.

. . . Premier Ralph Klein says he sees nothing wrong with private facilities offering essential health care services to Canadians willing to pay.

Leader-Post, April 15, 1995.

And finally, Mr. Speaker, it says, a headline in the *Star-Phoenix* of April 5, 1995: "Some Alta. hospitals offer U.S. customers deals."

"We thought there would be an opportunity, it says, to bring cash-paying American patients in given that we have surplus capacity in the hospital . . .

This has been a very deliberate effort to go into the American marketplace and go head-to-head with Americans providing similar services.

This is a quote from Roger Walker of Cardston, Alberta, a hospital executive director.

Mr. Speaker, I want to point out one other thing that's happening in Alberta, as supported by the Leader of the Third Party in this province. In Alberta, effective July 1, 1995, Albertans family will be paying \$816 a year for health care — \$816 premium. Single people will pay a \$408 premium. And, Mr. Speaker, the rates have gone up from 1990 to 1996 from \$552 for a family to \$864. It's a 72 per cent increase, and

they've been moving up every year. For a single person from \$276 to \$432, Mr. Speaker.

But, Mr. Speaker, despite the fact that I can prove by the quotes that the Liberal leader in this province is strongly supporting the Alberta health care system, I think the most diabolical thing that I have seen is the approach she is now taking — the approach she is now taking with a pamphlet what's called, Saskatchewan's Next Step.

This is a Liberal pamphlet, and I've been through this pamphlet, Mr. Speaker — It's very recent; I don't know what the date is, but it just came out in the last few days, I understand it — and it talks about a number of issues: taxation, Saskatchewan's biggest problem; tax per capita; it talks about balanced budgets, windfall profits, patronage, Saskatchewan not an island; robbing communities through VLTs, and government still keeps too many secrets from taxpayers.

It goes through a number of issues, Mr. Speaker. And oddly enough, there are only two references to health care. In this whole Liberal document talking about cutting, it's talking about cutting spending right across the board.

There's two references — one to the New Democrats saying that we're not saving any money through health care. Which as we all know is not true. Had we not done what we did in health reform, we would have been spending \$2 billion in our budget today, not \$1.5 billion.

Another reference to the fact that . . . And I want to quote from it here. It says: the NDP tells us to ask the district health boards because the minister will not answer the questions.

Well I ask the Liberal leader, Mr. Speaker: does this mean a Liberal minister would speak for the district health boards? Take away that autonomy that they've been given? It's a question that remains unanswered.

But, Mr. Speaker, let me get to my point. Not a Liberal idea on health care in this province. I don't think the Liberals can say health and budget in the same breath. Because they talk about cut, cut, cut, cutting budgets right across the board, but that they won't talk about health care.

They talk about a sunset clause, Mr. Speaker, in this program for all government programs. And every five years or less, the government programs would be ended and reviewed and started again or maybe not started again. Can you imagine the continuity we would have, Mr. Speaker, in that type of a program as opposed to continual scrutinizing of the departments and programs by the people who are running them to try to make them more efficient? I don't think you get much continuance there.

Mr. Speaker, the point I'm getting to here is the point that the Minister of Health made today in question period. This document talks about efficiency audits. It's on the second last page of the document. And I want to quote. This is the Liberal

leader's document, saying:

Efficiency audits have been used in the U.S. at the state level with great success. For instance, Texas was facing a \$4.6 billion deficit over their two year budget cycle of 1992 and 1993. To tackle this problem, the state created the Texas Performance Review, a team of 102 auditors who scrupulously examined and re-examined 195 state programs and agencies.

The result was a \$4 billion cut.

Mr. Speaker, we can see the Texas test, the Texas audit. The Texas audit, Mr. Speaker, is the Liberal program for health care. I say to the Liberal leader, let's do a Saskatchewan test. And I want to move this motion, Mr. Speaker, that says:

That this Assembly reject all initiatives to Americanize the Saskatchewan health care system, such as Texas-style audits, which would violate the four principles of medicare — accessibility, comprehensiveness, public administration, and universality; and which would lead to the destruction of Saskatchewan medicare and result in a system which is based on providing health care only to those who can afford it.

I so move, seconded by, Mr. Speaker, by the member for Canora . . . Pelly, sorry.

(1430)

Mr. Harper: — Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to second the motion from my colleague from Humboldt. But at the same time, Mr. Speaker, it saddens me that we have to once again have this debate in these chambers.

It saddens me, Mr. Speaker, because it's been over 30 years now since the introduction of medicare to Saskatchewan; it's been over 30 years, Mr. Speaker, of offering to Saskatchewan people the latest and most up-to-date medical procedures and techniques; it's been 30 years of putting Saskatchewan people on the leading edge of health care; and, Mr. Speaker, it's been 30 years and the members of the Liberal Party haven't learned anything yet.

It saddens me, Mr. Speaker, that in 30 years the Liberals haven't been able to develop their attitude towards medicare beyond the level of destroy. It's ultimately clear, Mr. Speaker, that the object of the Liberal Party, whether it be here in Saskatchewan or whether it be federally, is to destroy the fundamental pillars that support the medicare system.

We've seen that quite evident, Mr. Speaker, recently, with the federal government's initiative in their announcements of reducing transfer payments for the purposes of supporting medicare to the provinces across the piece. As we know, Mr. Speaker, they are no longer going to retain the principle of

universality by allotting block funding for medicare to the provinces, which, as you and I both know, Mr. Speaker, will develop into a system of a patchwork health care system across Canada, which will then eliminate the national standards that have been so prominent to maintaining a proper level of health care for all Canadians, which in turn, Mr. Speaker, will weaken medicare and eventually cause it to be lost to the people of this great country.

It saddens me, Mr. Speaker, that a leader of a political party, the Leader of the Liberals here in Saskatchewan, after 30 years of medicare in this province, is still bound and bent on Americanizing Saskatchewan medicare. It saddens me, Mr. Speaker, that the Liberals would be so bold as to come out with part of their party platform for the next election campaign, clearly stating that their intentions are to Americanize the Saskatchewan medical system.

And I guess, Mr. Speaker, to pick up on a comment made by the member from Humboldt as to what possibly could be the theme for the Liberals' election campaign about all their experts being in Texas, perhaps, Mr. Speaker, another theme would be that all the ex-Liberal MLAs will end up in Texas after the next election.

Well, Mr. Speaker, an example of what Americanization of the Saskatchewan health care system could mean I think can be best exemplified by neighbours of mine, Mr. and Mrs. Dwayne Johnson. Mr. Johnson and his wife come from Norquay; they farm, retired now, but still live on the farm just south of Norquay. And they're I guess what you would call our local snowbirds. They manage to be able to spend two or three or sometimes four months in the U.S. during the winter period here and enjoying the warmer weather. And as Dwayne likes to say, he goes south where the weather matches his clothes.

But a very unfortunate incident happened to them while in Arizona last year. His wife — and I believe that she's about 69 years of age — was joined with some other ladies and they were making their way down to the swimming pool to rest and relax and take in some of the sun alongside the pool there. And while walking down a series of steps, she misjudged the bottom step, slipped, fell, and broke her arm.

Well her husband Dwayne picked her up immediately and rushed her to the local hospital in Arizona. And there, Mr. Speaker, she was treated for her broken arm. She was in that hospital, Mr. Speaker, for less than an hour, according to Dwayne, and in the process she had an X-ray taken, a cast put on, and all the rest of that stuff.

And some 50 minutes from the time they entered the hospital, they were on their way out. And as he passed the admittance desk, Mr. Speaker, he was called over by the clerk there and asked to settle up his account which came to some \$1,400.

Fourteen hundred dollars, Mr. Speaker, for a broken arm. Fourteen hundred dollars for treating a broken arm in a hospital for 50 minutes. Mr. Speaker, that is what the Liberals'

intentions are for Saskatchewan's medicare.

And it saddens me, Mr. Speaker, that the . . . after 30 years having medicare in this province, that Liberals still seem to have a desire to look elsewhere for expertise in this field. Mr. Speaker, they suggested that Alberta is doing the right thing in its cutting and slashing and hacking systems.

An Hon. Member: — Texas of the North.

Mr. Harper: — Well, Mr. Speaker, as my colleague is so ably assisting me in suggesting that Alberta is the Liberal's example of the Texas of the North.

Well, Mr. Speaker, that is the fundamental difference between New Democrats and Liberals. Mr. Speaker, Liberals believe that Saskatchewan people haven't got the ability — though we've demonstrated in the past — still believe that we haven't got the ability to be masters of our own destiny.

That's the difference, Mr. Speaker, between Liberals and New Democrats, is that we, Mr. Speaker, believe that Saskatchewan people have the ability to be masters of their own destiny. We believe, Mr. Speaker, that Saskatchewan people will be able to find the ways to meet the challenges that come forward. We don't have to go to Alberta; we don't have to go to New Brunswick, and we certainly don't have to go to Texas.

Mr. Speaker, because my time is soon winding down here, I just want to concur with the member from Humboldt in support of his motion.

And, Mr. Speaker, I'm proud to say that we as a New Democratic government have held Saskatchewan on a leading edge of health care services in the past and, Mr. Speaker, I know that we as a government will make that commitment to Saskatchewan people for the future — that we will always be on a leading edge of the latest technology, latest service, and the latest health care for the people of this great province. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure to take a few moments to enter the debate regarding the motion that is before this Assembly:

That this Assembly reject all initiatives to Americanize the Saskatchewan health care system, such as Texas-style audits, which would violate the four principles of medicare — accessibility, comprehensiveness, public administration, and universality; and which would lead to the destruction of Saskatchewan medicare and result in a system which is based on providing health care only to those who can afford it.

Mr. Speaker, there's been a lot of talk over the past few weeks about Texas-style audits. And maybe we should take a minute

to review what we're basically talking about, or what . . . maybe the reality of this Texas-style audit.

It seems the Texas controller of public accounts, Mr. John Sharp, came across some startling findings while pouring over the state budget one day. And, Mr. Speaker, Mr. Sharp found that officials at the superconducting supercollider in Waxahachie planned to buy longhorned cattle and put them in a nearby pasture as part of a state-financed plan to create Texas ambience at the high-energy research centre. Of course Mr. Sharp raised enough awareness that this initiative was kiboshed.

Further, we find that Mr. Sharp got the State Department to stop taking care of the plants on government employees' desks, figuring it would be good therapy for the people actually at the desks to care for the greenery themselves. And this move saved the state of Texas \$630,000 a year.

Mr. Speaker, Mr. Sharp conducted an exhaustive review three years ago of the Texas state government in order to streamline services and cut government waste, which is an indication that the reduction of government expenditures, trying to streamline government, is something that is very popular around the world, and certainly Texas was looking for a way to streamline their government as well.

More recently we find President Clinton and Vice-President Al Gore citing the Texas model for their plan to streamline the federal government.

What is that streamlining? What does it mean? What took place in Texas? We find that Mr. Sharp's three-year helmsmanship of what he calls the Texas Performance Review has unveiled many areas that has saved Texas taxpayers quite a sum of money. In fact, Mr. Speaker, one year Mr. Sharp's package was an accounting shift, an accounting shift that managed to save Texas taxpayers \$1 billion by transferring certain Medicaid costs to federal taxpayers.

How ironic that we find the state of Texas found it convenient just to shift the load from the state taxpayer to the federal taxpayer, and the reality is, Mr. Speaker, that taxpayer is no different, whether it's the state or the federal taxpayer. In fact it sounds a lot, Mr. Speaker, like what we've seen in Saskatchewan over the past two or three years, and now the federal Liberal Party is talking of doing. While the Saskatchewan government has offloaded its responsibilities and services and forced other groups and third parties to make decisions regarding the reduction in services in health care or at the municipal level, we now see the federal government following that example.

So the example that Mr. Sharp found and then Mr. Sharp used in Texas seems to be an example that was quite well accepted even here in Canada. And I don't believe, Mr. Speaker, that the taxpayer for one minute is going to see that there is any major change because that tax dollar, whether it comes by the federal or the provincial, comes out of the same pocket.

Mr. Speaker, it is important to note that hundreds of millions of dollars in what Mr. Sharp trumpeted as cost-cutting have come from a new state lottery or from reductions in pension payments that some public employees say will have to be made up later on.

Here again, Mr. Speaker, it appears that this province is already into the Texas-style audit with the expansion of gambling in this province and the fact that they're using it . . . the reasons, the arguments are, that it will help us to pay for the health and educational needs that people are demanding across this province.

And I also note, Mr. Speaker, just from the auditor's statements, that the unfunded pension plan is now even more . . . has a higher unfunded pension liability than it did three years ago; another means where the government is using other people to pay for their changes, for their reductions, while at the same time making it appear that they are doing so much to assist us.

Richard Murray, a political scientist at the University of Houston, said:

Sharp did a lot of financial maneuvering that clearly, in the short run, avoided an income tax. This draws great acclaim because voters are bottom-line orientated, and the bottom line is they have no income tax. But whether he's really been able to reinvent government or set a plan for it, since Texas has a remarkably decentralized system, that's much more arguable.

Further, the leader in the Texas House of Representatives, Tom Craddick of Midland, states that there's a lot of smoke and mirrors, shifts, robbing Peter to pay Paul. Sound familiar? It seems, Mr. Speaker, that before any such plan is undertaken in this province, much more research must be done.

Some initiatives taken by Mr. Sharp include privatization and cutting the state workforce. He also implemented the silver snout award for government workers or lobbyists found with their noses buried deep in the public trough, and other measures.

Mr. Speaker, as far as implementing the Texas-style audit in Saskatchewan, any proposal or idea that cuts costs yet not services is welcomed by Saskatchewan people. The problem is that we have experienced just the opposite over the past few years in health care reform in the province of Saskatchewan. Saskatchewan families have had health services, prescription drug coverage, optometric and chiropractic services, slashed, while the savings have not been passed on to the taxpayers.

(1445)

Mr. Speaker, I don't believe that is what the people want. And that's not what we need. Mr. Speaker, we need to stretch our tax dollars as far as we can without deteriorating health care in this province, and so far that hasn't taken place. Mr. Speaker, people in Saskatchewan continue to call for a common sense approach

to health care services and delivery while reducing government spending and inefficiencies.

I therefore would like to move an amendment, seconded by the member from Maple Creek:

That all the words following the word "reject" be deleted and the following substituted:

The Texas Performance Review style of reducing government waste, based on its inability to realize significant savings for the taxpayer; and further, that this government instead endorse a common sense approach to reducing government spending inefficiencies.

I so move.

Ms. Stanger: — Thank you, Mr. Speaker. I'm very pleased to enter this debate, and I will be speaking against the amendment and supporting the original motion of the member from Humboldt.

I think that we have to realize this is not a bunch of facts and figures, which all of us could quote. In fact I had some lined up today. We could stand here in this legislature, all of us, quoting facts and figures, when I think what we have to do is look back at the facts and the history of how medicare came into being.

Mr. Speaker, people in this province aren't a bunch of facts and figures. We can argue till doomsday in this House whether this system or that system or this system or that system will be better. What we have to do is look at the proof is in the pudding. It always has been.

It took us from 1944 to 1962 — 18 years — to implement medicare. Why was medicare implemented in this province in the first place? It was because people saw in this province that you should be able to have affordable, accessible medicare no matter what your financial status was. The people of this province laid that foundation for the rest of Canada. This is one of the things that makes us very much different than the Americans.

We implemented it in 1962 and we financed it alone as a government for five years till the federal government was — in a minority government — was coaxed to come in with us. We financed a system that was accessible and affordable and it reached everyone.

I can't tell you, Mr. Speaker, what it's like when you have a friend, like I do, that lives in the city of New York, a woman who is a legal secretary and struggles with four small children daily to make ends meet. She works on contracts for lawyers all over Manhattan. She gets a fairly decent wage, but the cost of medicare for her is extensive.

These are the kind of people that we are thinking of in Saskatchewan — people, ordinary people. We felt that one of

the basic principles of life is that everyone should be able to afford a system, a health system. This is the kind of background that we came from, Mr. Speaker. This is why we as a province and people from many political parties supported medicare to being with.

Now the thing that we have to do today, Mr. Speaker, is take some of the politics and rhetoric out of this discussion. The thing is that we found when we came into power in 1991 we could not sustain the system the way it was.

Now if anybody out there — I don't care if they use a Texas audit, if they use any kind of an audit — if anybody could say that we could sustain the system that we had in 1991, we could not do it, Mr. Speaker. We had to save medicare because that is a fundamental belief that all of us in our party have. I am 54-years-old, Mr. Speaker. I have always believed in the principles of medicare, and I always will, and I will do anything that I can to sustain and to fight for medicare.

I mean why would you come up with a silly suggestion — because to me that's all it is, is silly — of bringing in here 102 auditors from Texas on the eve of an election. Haverstock has adopted as part of her platform a program that comes from, of all places, Texas. I mean that country cannot even get its act together to get a feasible medical system. For Heaven's sake, they spend more of their gross domestic product on medicare — that's taxpayers' dollars, Mr. Speaker — and 40 million of their people still aren't covered.

And we are going to get advice from people that live in that country who cannot even get basic medical coverage to all of their citizens in some kind of a constructive way? We are going to take advice from people in that country?

The Liberal leader on the eve of an election, as I was saying, has adopted as part of her platform a program that comes from, of all places, Texas. This document proposes that the government hire 102 accountants to audit all departments for efficiency. What the Leader of the Third Party and the members from the opposition ignore completely is that our government has already conducted efficiency audits using a handful of people, such as the Gass Commission or the Provincial Auditor, not 102 American accountants.

I'll tell you, we've got talented people right here in this province. We have made it in this province through thick and thin. We do not have to take advice from anybody else in any other part of the world. We can do it here. The people of this province can do it . . .

An Hon. Member: — Tommy Douglas built the first medicare system with American professionals.

Ms. Stanger: — I'll tell you one thing . . .

An Hon. Member: — You don't even know your own party.

Ms. Stanger: — The member from Shaunavon is chirping from

his seat. Don't tell me what I know or don't know, Mr. Member . . . (inaudible interjection) . . . That's right. Okay.

As I was saying, audits and programs reviews are conducted each year as part of the budget process. I have to say really and in truth that we have come from the weakest auditing system to one of the best in Canada. That isn't my words — those are recognized all over this country.

We already have done, we have already done this. Why do need 102 auditors from Texas? We don't need a 102 auditors from Texas to come to do that. Our result has been a balanced budget — the first balanced budget in Canada. A plan for four more balanced budgets . . .

The Speaker: — Order, order. Order, order. Order. I would like to again call the member from Shaunavon and the member from Pelly to order, please. Simply, this yelling across the floor, first of all it's very discourteous to other members who are speaking; and secondly, it's simply not parliamentary.

Ms. Stanger: — Thank you, Mr. Speaker. As I was saying, we have done an audit; we've used Saskatchewan people; we've balanced the budget first of any government in the country; we've had a balanced budget; we have a plan for four more balanced budgets and a long-term strategy to pay off the debt. All this will come at the same time as the government applies one-third of all budgetary surpluses to tax reduction.

We don't need 102 auditors from Texas to tell us how to do this. I can tell you that medicare will be maintained in this province, it will be the best care that we can give to anyone in North America, and we will be looked on . . . upon after this reform as one of the leaders in medicare. Thank you very much.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Thank you, Mr. Speaker. Mr. Speaker, the Liberals are not talking about spending less on health care. We are talking about the same thing we have been talking about since the last election — spending precious dollars more wisely to get quality health care.

The member from Humboldt scoffs at this approach because he does not want to dig up the truth about the NDP (New Democratic Party) chaotic approach to health reform. The truth is their greatest enemy and they do not want to hear it. But people want the truth — they deserve the truth and we will give them the truth — about the Department of Health and every other department in this government.

We have no fear of finding out that there is overspending on communications or travel or administration and bureaucracy. We did not create the monster so we have no reason to keep it alive.

Mr. Speaker, the NDP has destroyed health care in this province by closing 52 hospitals and it's time someone produced the plan to rebuild our NDP-devastated system. The

productivity-efficiency audits, which are part of the process, would encourage efficiency, not waste, and productivity.

Actions like mailing out of brochures would be analysed to see if this money could be in fact spent more efficiently. An audit would seek out administrative duplication and excess, redistributing these funds to more integral care requirements. It would seek out the oak tables and lavish board rooms. They are not a prerequisite for quality health care.

In Texas, three sets of audits have been completed since 1991. In contrast to the NDP, the first audit made recommendations to increase services by increasing the number of health-related positions by more than 300.

The Speaker: — Why is the member on her feet?

Ms. Stanger: — To introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Ms. Stanger: — Thank you, Mr. Speaker. I am very pleased to introduce Michael Cohen, our trade officer from our New York trade office. He is likely here on some very important business. It's nice to see Michael here, and he does a good job for us in New York. Thank you very much, Michael.

Hon. Members: Hear, hear!

SEVENTY-FIVE MINUTE DEBATE

Health Care Reform in Saskatchewan (continued)

Mrs. Bergman: — Mr. Speaker, the first audit made recommendations to increase services by increasing the number of health-related positions. They did not attempt to destroy health care; they built it up.

One key recommendation of the auditors in the productivity-efficiency audits focuses on an area that the NDP have all but eliminated. The auditors believe that a drug plan is needed to supplement the high cost of prescription drugs, especially for seniors.

Some of the other original recommendations by the auditing team were to improve interagency cooperation for program improvements, to expand Medicaid eligibility to cover infants and pregnant women, to further expand the use of the Medicaid program, to maximize child-protective services.

And the most recent set of audits made recommendations that hit even closer to home. Mr. Speaker, I would like to tell members some of the recommendations from the audit, and I would ask member to decide whether these are negative outcomes of this audit.

Recommendation No. 9: "Use Neural Networks to Detect and Reduce Fraud in the State Medicaid Program."

No. 14: "Develop a Prevention Approach to Child Welfare in Texas."

No. 20: "Use Automated Systems to Reduce Caseworker Time in Health and Human Services Agencies."

No. 23: "Improve Texas Immunization System for Children."

No. 25: "Increase Funding for AIDS/HIV Services."

No. 27: "Develop a Pharmaceutical Program for Texans Over Age 65."

In health and human services:

No. 1: "Improve Management of State Health (Financing and Purchasing)."

No. 2: "Establish a Health Care Information Office."

No. 4: "Increase Local Flexibility in the Delivery of Health and Human Services."

No. 5: "Expand Use of the 'One Stop' Concept in Health and Human Services Programs."

No. 6: "Improve Coordination of Health and Human Services Caseload Estimator."

No. 11: "Improve Mental Health and Mental Retardation Services and Reduce Costs."

No. 12: "Increase Funding for Mental Health Care for Children."

No. 19: "Reduce Public Assistance Fraud in Texas."

And I ask the members, do you agree or do you not agree that these are good outcomes of an audit?

And yet the member for Cut Knife-Lloydminster cannot see the value in this type of productivity-efficiency audit. After all, why would the NDP want to give up the opportunity to build a bigger bureaucracy filled with party faithful? Why would they want to be held accountable for all of the appointments and positions that serve no real purpose to the people of Saskatchewan? Why would they want to explain why government departments compete with private companies in printing and communications, or why every department needs its own communications department?

Those are the questions that efficiency audits will ask. And the answers will pinpoint where the savings can be had without adversely affecting the quality of service people get for their tax dollars. This is the '90s answer. It is the answer being employed by the private sector and it is the answer being employed by

forward-thinking governments. It is not to be feared, it is to be welcomed, and the only people who will resist are those who want big government, high taxes, and inefficiency, to be preserved.

Mr. Speaker, I do not support the motion.

(1500)

Mr. McPherson: — Well thank you, Mr. Speaker. I'm anxious to get into this debate today. However I think I could probably use about three or four hours debating such a topic, given the fact that it was that government opposite that absolutely decimated the health care in south-west Saskatchewan — not only south-west Saskatchewan but in rural Saskatchewan. But they really did a number on the people that are from the south-west, Mr. Speaker.

One has to wonder though why it is that this particular government would bring in a motion today that is so opposed to having anyone take a look at things that they've done or they've been involved in; in fact they would rather cover things up.

If the system was working correct, if it was working good, and if it was supplying all the services and everything for, you know, affordable costs and if people had no complaints and they don't believe it can be improved, then well fine, so be it.

But one has to wonder why it is that they're afraid to even have a system checked over, to have it looked at. Because surely they must realize some of the mistakes they've made, given the fact that the Department of Health . . . not the Department of Health but the minister's office, I think in a few months, received something like 10,000 letters a month when they were doing the health care reform because people could actually see what kind of decimation that they were going to bring upon rural Saskatchewan.

Now it was rather interesting when I was listening to some of these members speak, and especially rural members, members that I'm sure if I asked the question to some of these people, how many hospitals were closed down in your areas and how many nurses lost their jobs and how many doctors have left, you can't even answer those questions of your own constituencies. And you're letting on that you somehow understand health care in Saskatchewan and in rural Saskatchewan.

Well you don't like audits, but you know, we don't even have to talk about the Texas audit. Let's take a look at what the report of the Provincial Auditor has to say and see if there isn't something that we could pull out of here that in fact is relevant to today's motion.

In the Provincial Auditor's report, the spring report, page 15, the Provincial Auditor, he's got a number of recommendations and what he sees as several problems that are happening out in the district health boards, Mr. Speaker. Financial statements, comparison of plan to actual results. And I'm only going to pick

out the odd one.

Point no. .11, page 15:

The . . . (district health boards') annual financial statements issued to the Minister and the public do not include a comparison of planned to actual results.

So to begin with, what he's saying is that your financial statements alone are hard for anyone to even get a grasp of where you plan to go from one year to the next.

The next statement, financial statements, expenses by programs, no. .15:

The . . . (district health boards') annual financial statements do not show expenses by program (e.g., acute care and home based care). They show expenses by object only (e.g., salaries, utilities, and supplies).

Internal financial reports:

Four of the six . . . (district health boards) we audited have not formally defined and documented their internal financial reporting needs.

And this is on . . . And this is pages of what your Provincial Auditor is saying just in the district health boards. And you people said, oh no, don't take a look at us; there's nothing wrong with the way we're doing things. And yet the Provincial Auditor is saying, somebody better take a look at you guys because you're out of control.

You just can't go out into rural Saskatchewan . . .

The Speaker: — Order, order. Will the member from Biggar please come to order.

Mr. McPherson: — Thank you, Mr. Speaker. You people just can't go out into rural Saskatchewan, shut down without any thought of the people that you're affecting in the rural communities; without any consideration for the distance that some people have to travel, for the geography, the demographics, the age of the population in some of those communities, that you've shut down the nursing homes and the hospitals and made sure that they don't even have active ambulance service.

You just go ahead and shut it down because, you know what, somebody told you, one of your bean counters, someone in your financial department says no, the people won't mind; they'll be so impressed that we can actually balance the books of the province that they're going to say, well we can do without services in rural Saskatchewan. Well it's not working. You didn't even . . . you had no thought of a plan let alone a plan in place before you attacked the rural areas.

Accounting records. No. .22 on page 16:

One of the DHBs we audited used inaccurate accounting records to prepare financial reports.

And further, in point .23:

Staff did not maintain the serial continuity of cheques issued. For manual cheques, staff sometimes use the same cheque number more than once. For computer generated cheques, which are pre-numbered, staff did not always use them in the proper sequence. As a result, it was difficult to reconcile bank account balances to the accounting records.

Staff wrote off accounts receivable identified as uncollectible during the year. However, there is no process to ensure senior management or the directors are informed and approve the write-offs.

Job descriptions and training plan, .25, page 17:

One of the DHBs we audited did not have specific criteria for hiring financial management and administrative staff. As a result, (he goes on to say) staff . . . (were hired that probably don't have qualifications for the job).

In fact in his recommendations he goes on to talk about that the district health boards should be establishing some kind of criteria for hiring staff and especially the chief financial officers. He has concerns that they're not right up to snuff.

And here we go into system development controls:

Two of the DHBs we audited have not approved information . . . development controls.

It goes on to talk about what the minister gets. External reporting requirements:

The six DHBs we audited did not submit to the Minister some of the information required by The Health Districts Act.

To control health care costs, and to be accountable for these costs to the Minister and the public, DHBs need to know the cost of their services and activities, and be able to report publicly on these costs. For example, DHBs need to be able to report on the cost of emergency services, home care services, . . . research . . .

I could go on and on, Mr. Speaker. They got pages and pages. There must be 10 or 11 pages of recommendations from the Provincial Auditor on improving district health boards. In one of the sections he talks about how could you actually come up with a system and have a system that's working well if in fact you don't even know what the cost to run some of your components of that system are. And you have no way of monitoring.

And all we're saying, you don't have to call it a Texas audit. What's wrong with listening to your own Provincial Auditor? He's saying, listen guys, you better shape up. You've really messed up a health care system and I think it's time you put some kind of control in place to make sure that at least the government that's going to replace you soon can in fact repair some of the damage that you've already done.

You know I can't for the life of me see what's the problem with having someone take a look, you know, to see whether or not what you've done to the people of Saskatchewan is fair or not. In fact I have the document, *Breaking the Mold* — it is the Texas document that they are so concerned about . . . (inaudible interjection) . . . Well let's take a look at some of these things.

Here's one of the points: improved interagency cooperation needed for program improvements — I don't know what you have wrong with that — maximize child-protective services related to federal funding; expand Medicaid eligibility to cover infants and pregnant women. These are some of the recommendations that these people have.

And you know what was interesting? When you look at all these recommendations, what they came up with in the end was a requirement, or recommendation, that there be another 331 medical professional people in the state of Texas — 331. We're not talking about letting nurses go in rural Saskatchewan. Adding 331 people, and what was the cost? They saved \$4 billion. Four billion dollars, Mr. Speaker, is what they've saved.

But yet these people say no, no we don't want to save money. We're far better off just firing people, firing some of these nurses that in fact bring home some of the pay to keep our farmers viable after the Minister of Agriculture decimated the agricultural programs. But, Mr. Speaker, this is some of the stuff that they're so opposed to.

Improving child welfare systems. What on earth would you have against that . . . (inaudible interjection) . . . The member from Biggar's chirping from his seat. I wish you could just maybe get into the debate and tell us what you're opposed to here.

Use neutral networks to detect and reduce fraud in the state Medicaid program. They want to do an audit so they can check into fraud. Well you're opposed to that, and perhaps the reason being, maybe some of the patronage is going to start to show that that government is so good at handing out.

Develop a prevention approach to child welfare in Texas. I can see why you guys are opposed to it. But we're not, you see. That's why we're saying, well let's take a look here and see if we can't make this system a little bit better, after it was somewhat decimated, and do a few . . .

The Speaker: — Order. The member's time has elapsed.

Ms. Bradley: — Thank you, Mr. Speaker. I am pleased today to stand and support the motion made by the member from

Humboldt and oppose the Americanization of our health care system.

The thing that I would like to challenge the opposition, I think to take to the Saskatchewan public, which is I think key to the debate that we're in this afternoon, it's just one question. Would they prefer the Saskatchewan health care or a Texas health care?

If Texas had the answer, why is the American system still not universal, accessible, or affordable? Why are Americans still paying more of their gross domestic product on health care with still 40 million people not covered? In the United States they haven't still been able to implement a universal vaccination system or an immunization system. These are just some of the kinds of questions that you have to ask if this is the kind of system that's supposed to be better than what we have here in Saskatchewan.

When we took government in 1991, we opened the books. The Gass Commission did a study, an audit of right through all of the government departments. We have now, in health care, set up a community-based health care system moving from 400 boards down to 30 health care districts that have been done through a cooperative, community-based way, the Saskatchewan way. We're making our changes the Saskatchewan way, and it's the way that's going to take us into the 21st century with a sustainable, affordable, and universal health care system.

And if we look at the Liberal way as seen in the Maritimes, they imposed health care districts — but notice the word imposed — from the top down onto communities. Or we can look at the Conservative way as in Alberta. Their reform of health care is by massive cuts, privatization of health care whereby you move to the front of the line for treatment if you have enough money in your pocket.

An Hon. Member: — And health care premiums.

(1515)

Ms. Bradley: — And health care premiums, you're right — after the last budget, over \$800 for a family for health-care premiums in Alberta.

No, we did it the Saskatchewan way. We had communities, people, working together across this province to form districts on their own. And many said it couldn't be done, but it was done, and we're now seeing the second phase of health care reform where in these districts they're doing their audits. They're doing their needs-based assessment, and they're putting the programs in that will be best for the people in their health care districts.

The Saskatchewan people know what kind of health care they need, and it's Saskatchewan people that will make the recommendations and will use the common sense that will provide the real health care services that we need in our

communities and right across this province.

In just reviewing with the health care district in my own area of the province, which is a rural area, I can just say some of highlights of just what's been happening in the South Central Health District. We still have acute care services in two facilities in our district. We still have long-term care services and we still have emergency services.

There's been no cuts to our ambulance service, but it's been enhanced. We still have the same number of ambulances that we had before and it's been enhanced with first responders being trained in a number of our small towns.

We have seniors using a communications system that they can live at home, called the Lifeline. There's 130 people in our district that have signed up for that service.

We have a home care office that's just being opened in Radville. There's home care services being enhanced right throughout our whole district.

We have home intravenous therapy, peritoneal dialysis in the home for people with kidney problems, nursing and support services in the home, expanded 24-hour palliative and respite palliative care in our homes, in our district.

We have wellness clinics that are going to towns where they have never had any health services before. People have said to me in Avonlea, we have never, ever had people come out. We have foot care happening. We have diabetic clinics. This is good services in our communities.

We also have health professionals hitting the road. They're coming out. We've got diabetic educators, psychiatric nurses, occupational therapists, visiting our rural communities.

In Bengough the new health care centre is going to be ready for operation sometime in June. They're planning their second phase so that they can also have some palliative and respite care.

The communities are working together and starting to see the fruits of those labours. And they're also going out. What I see in health care reform is the board going out, meeting with communities, and addressing the real needs.

This is the system that we need in Saskatchewan, the Saskatchewan-based system. And there's no one out there saying, we want an American two-tiered system. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — I see no further speakers on the 65-minute limit. There are still two minutes and forty-five seconds remaining. That means that there will be a vote on the issue, unless there is a further speaker.

If not, we will now then turn to the question and comment period. And it's a maximum of up to 10 minutes, if there are any questions or comments.

Mr. McPherson: — Thank you, Mr. Speaker. I actually do have a question which I find is . . . it's going to be interesting. And I'll pose it to the member from Cut Knife-Lloyd because she was into the debate, and perhaps if she can't answer that . . .

The Speaker: — Order, order. I think that is simply unfair of the member. Order, order. If the member wishes to direct a question to a member that is in the House, I think that's a fair question to ask. Order.

Mr. McPherson: — Thank you, Mr. Speaker. I will direct a question then to the member from Bengough-Milestone because I just heard that member speak about the great, cooperative, community-based approach that they had to the wellness plan.

And it's interesting because the chairperson of the rural health care coalition was from her riding. And a lot of the angry activity opposed to that style of health reform, which was really decimating health care in rural Saskatchewan, initiated in her riding. And yet she goes on to talk about the great home services that are actually initiated in . . . or going on today in her riding . . . tells me that she's maybe not right up to speed on what the people are thinking in her riding, Mr. Speaker.

And I'll get to my question. I would like to ask the member from Bengough Milestone that if in fact she is so supportive of this health care system that is now in place, can she tell me how many health care professionals have lost their jobs since health care reform in her riding?

Ms. Bradley: — Thank you, Mr. Speaker. First comment that I want to make on this question is the comment about the chairperson of the Radville local hospital board. That person . . . we've just had an agreement signed, an affiliation agreement signed with Radville. A number of issues have been worked out. And like I said earlier, is that there's actually a new office for home care actually being opened also in Radville.

The answer as far as also on the employment of people in our area, a number of people have had to change physicians and so on, but we're really seeing right now . . . actually in Bengough just the other day there was more nurses actually being hired again.

And I think if the one thing that we could . . . I'd like to admit in this answer is that if you could go out and ask anybody in our health care district, and even the person that you posed in this question . . . is that they want to have local input. And that's what they're appreciating right now, and they like the community-based, local input.

And people are even saying now that they can see the advantage of these 30 districts. They do not want a Texas audit. They do not want an imposed solution from the top down. They want to be part of the solution. And the people in my area are

part of the solution.

Some Hon. Members: Hear, hear!

Mr. Cline: — Yes. Thank you, Mr. Speaker. I listened carefully to the member from Shaunavon, and the member from Shaunavon left the New Democratic Party because the member from Shaunavon had problems with the policies of our party and our government in terms of health care. Now the member from Shaunavon is a member of the Liberal Party and a supporter of the federal Liberal government.

And what I'd like to know from the member from Shaunavon is how he justifies his support for the Liberal Party when the federal Liberal government proposes to gut the medicare system next year by cutting about \$100 million or more out of the medicare budget for Saskatchewan and millions of dollars and hundreds of millions of dollars and billions of dollars out of the health care system in . . .

The Speaker: — Order, order, order. I think the member's question is out of order although I will allow the member from Shaunavon, if he wishes, to make a comment on it. The member should know that the question must be directed on the debate that is before us, not on any topic that you wish. And I just don't know whether the federal government is cutting health care or not; it doesn't make any difference. It has nothing to do with the debate that is before the House here today, which is on the Texas style audits.

Mr. Trew: — I thank you, Mr. Speaker. I direct my question, I believe to the member for Regina North West who entered the debate and talked about the Texas efficiency audits. I believe it was the member from North West. And I understood you to say they've completed three rounds. I may be wrong, and it may be the member for Shaunavon, so I'll allow either of you to answer.

They've completed three rounds of efficiency audits in Texas. How is it after turning loose 102 auditors through the grand state of Texas and saving billions of dollars — to hear you describe it — how is it that Texans just the other day cancelled their kindergarten program, have committed to building several more state prisons, and how is it that they continue to run a massive state deficit after all of this efficiency audit? I'd just like to know how you square that round circle.

Mr. McPherson: — Well I think that's a . . . where's he from? Regina Albert North. No, I think that's a fair question, but you know it's dealing with such a mixed bag here if in fact you're saying that the problems they're having in Texas are all because in fact they've done some audit. Perhaps what this shows is that they should do an audit of their educational system because they brought up the number of health care workers by 331 in the state of Texas, and they had a savings of \$4 billion. So obviously in their justice system that they have a problem and they must have some sort of a problem in their education system if in fact they're making these kind of cuts.

But the real question here I think is why are you guys so opposed to anyone taking a look at the books to see if we can't just do it a little bit better. That's what everyone's sitting back saying: there is something really strange going on here with why you people are always wanting to cover up the books of something.

Just let people go in — let professionals go in. Don't do anything because your ideology . . . or you're dogmatic in some areas. Let people go in that are professional and see if they can't improve a system so that in fact in the end you don't have to build more prisons. And you don't have to cancel kindergarten programs as in fact Mr. Klein did in Alberta. And I think he'll be replacing that program; I suspect he will.

But if in fact a state or a province can improve what they're doing, why are you opposed to it? Because this is one province, I'm telling you right here, where the people are saying we could do this a lot better. And you know that yourself by the amount of angry people that are contacting your caucus on a regular basis on the health care questions alone.

I know that the Premier . . .

The Speaker: — I think the member's time has elapsed.

Mr. Upshall: — Thank you, Mr. Speaker. I'd like to ask a question to the member for Regina Albert North. With the Texas audit and it's effects on the Texas health care system, I'd like to know, first of all, can you use your Visa card, Mastercard, and American Express card to pay for your health care or any combination of the three? And indeed does the quality of your health care in Texas still depend on the thickness of your wallet?

Mr. McPherson: — Well thank you, thank you, Mr. Speaker. This is a very good question I think because he refers to medicare being bought with Visa, Mastercard, whatever. Because I recall back in 1991 it was that government who said we are going to bring back a prescription drug program which is second to none.

And in fact I got pills — I had to get some pills a couple of days ago — 94 bucks a month is what I'm paying, and I paid with my Visa card. So you tell me where the difference is between the state of Texas if you have to pay for something in medicare with Visa, compared to where I bought my prescription drugs — which you guys promised to return to that program — in fact right on Albert Street in Regina. Is there a difference? Well I don't think there is, I really and truly don't.

I think that you guys have made some serious mistakes. You've brought in a two-tiered level of health care, especially between urban and rural Saskatchewan, but also this drug program which you're going to bring back is not working out. We got a number of people who are not being covered . . .

The Speaker: — Okay, the member's time . . .

Ms. Stanger: — Thank you, Mr. Speaker. I'd like to ask the member from Shaunavon . . . He said, why are we so opposed to having 102 auditors come in from Texas? Well the thing is that mostly people that come from another area really can't tell us how to do things our way.

So I want to ask, what has he got against using Saskatchewan people to do Saskatchewan audits?

Mr. McPherson: — Thank you, Mr. Speaker. And I appreciate the question from the member from Cut Knife-Lloydminster. And it really shows just how out of touch the member really is. Because what we're saying is perhaps a dozen auditors could come in and improve our system. I don't know where the 102 comes.

But I think it really shows perhaps why she was so mistaken on some of their campaign programs back in 1991, their promises, and why they broke them to the extent that they did break them. The facts and the figures just don't jibe as much as they possibly, or probably, should.

Amendment negatived.

The division bells rang from 3:31 p.m. until 3:57 p.m.

Motion agreed to on the following recorded division.

Yeas

Romanow	Van Mulligen	MacKinnon
Lingenfelter	Shillington	Anguish
Johnson	Trew	Goulet
Lautermilch	Calvert	Carson
Penner	Hagel	Bradley
Koenker	Teichrob	Pringle
Cline	Murray	Hamilton
Serby	Harper	Whitmore
Flavel	Stanger	Keeping
Jess	Swenson	Neudorf
Martens	Goohsen	Toth
Britton		

— 34

Nays

— Nil

The Speaker: — Order, order.

Hon. Mr. Lingenfelter: — On a point of order. Could we have the record show that there was one abstention on the part of the Liberals.

The Speaker: — The vote and the debate has been dealt with by the House.

PRIVATE MEMBERS' MOTIONS

Motion No. 8 — Support for Economic Diversification

Ms. Hamilton: — Thank you, Mr. Speaker. I would like to

place in motion before the Assembly:

That this Assembly support the modernization and diversification of the Saskatchewan economy, as demonstrated by the development of Saskatoon as a major biotechnology centre, the development of Regina as an information technology centre, and by the creation of high-tech, value-added industries throughout the province.

Mr. Speaker, it's my pleasure to stand before you and speak to this motion because of the number of years of experience that I've had in fostering economic growth and opportunity as a member of city council, and now as a member of a New Democrat team that believes the principles of community, cooperation, and fairness will build a strong foundation for economic development in our province, embodied in the *Partnership for Renewal* strategy.

The motion before us speaks to those principles in action. And why? Well let's look at our sister cities of Regina and Saskatoon. Both have experiences with the costs of the boom-bust economics of the members of the Tory Party from the past, the economics that says big from somewhere else will somehow provide sustainable growth.

And we both know that that economics of the past is no longer appropriate for Saskatchewan's future. They both know that the cost per job created in that kind of a scenario is no longer available to governments at any level, be they the municipal level or the provincial level. Both have had economic development departments settled within a bureaucratic structure, and most often a structure that either placed them in an adversarial position with their communities or just in a position where they were not able to react quickly enough to seize the opportunity — to seize an opportunity to be the benefit to the community who's vying for the business initiatives in a fast-paced, modern world.

This is where I will share with you at this point most of the Regina experience because I'm most familiar with it. And at a time when I was a member of Regina City Council, we were launching our strategy and our new Regina Economic Development Authority.

To cooperation, Mr. Speaker, REDA (Regina Economic Development Authority) represents the first real coming together of governments and the business community — coming together around common goals and purposes. It's now recognized as Regina's business umbrella. It began taking its best from the other models across Canada and looking at what we could develop that would suit the community of Regina within a Saskatchewan context. It surpassed that now, Mr. Speaker, and has grown into a leadership role where others are now patterning on the Regina Economic Development Authority model.

Well what does this model do? We've heard earlier from a speaker that says we're doing it the Saskatchewan way. This is

exactly what this model does. It brings together in community a model of cooperation between all players in the Regina scene — business, labour, community leaders, aboriginal leaders — to take a close look at their own communities, the strengths and weaknesses and what their infrastructure can maintain and then plots out an aggressive strategy to seek out opportunities that match with their own goals and objectives, the goals and objectives they've set for themselves, similar to what we're talking about in health care where communities empower their own players and empower themselves to set the goal, set the strategy, and go after it together in an aggressive way together in cooperation and community.

So in Regina, it's called *Future Regina*. *Future Regina* brought together the players and developed a strategy that says here are the things that Regina can sustain. Regina's a Queen City. It's a shopping destination. We're known across this country as being warm people and hosting fantastic conventions that not only have opportunities for the people who are in attendance at the conventions but their spouses and partners as well. We have cultural opportunities, and we have arts opportunities. We're seeing growth now through the expansion of the film industry. We now know we can market throughout our communities the opportunities we have through our museums and our mosaics and our structures in place in arts and culture.

Regina saw opportunities to be a western region for economics in banking and worked with the OWEC, an Organization for Western Economic Cooperation, to see that Regina would be the centre for that cooperative network and to further our goals of being a centre of economic development for our western region. They came together to speak of the opportunities in the aboriginal community and see the possibilities of working in partnership to expand the possibilities to have people in our communities actively involved in the economy and not taking a back seat to anyone. And we're seeing growth in small-business industries and opportunities for the aboriginal community as well.

But it's in the area of the information technologies that I want to highlight and emphasize Regina's opportunities and the way that their *Future Regina* strategy and the *Partnership for Renewal* have worked so well for them.

We see a critical mass in Regina, a critical mass provided by organizations such as ISM (Information Systems Management Corporation) and CDSL (Co-operators Data Services Limited), through our own Crowns in the SaskTel network — a critical mass that can vie for call centres, a critical mass that works with the University of Regina to vie for a software technology centre, the STC. It's helped us to be able to go after opportunities like the Sears call centre, the CIBC (Canadian Imperial Bank of Commerce) call centre announcements, cancer society, and other major advances in information technologies and capabilities within the Regina community.

The *Future Regina* document recognizes the shifts in Regina's economic base very quickly, identifies new economic engines or drivers for future growth, details strategies to realize growth

in new and emerging sectors. It's created a major positive improvement in how Reginans view and see their community.

We were at the brink of having people who were pitting themselves against each other in a tax revolt in the city of Regina. That was a catalyst to see the economic development authority come together and generate the power that is present when you can bring people together and create a positive view of not only themselves but their community and be able to take that positive exchange to external markets and have other people view Regina with the same eyes that we see Regina as a city that's one of the best cities in Canada in which to live and do business.

REDA promotes harmony amongst all levels of government and discourages public discord for the benefits of the media that could otherwise be resolved by discussion between the effective partners. Most recently some of the things that they've come together to talk to us about are their resources and the relevant statistical data that they're able to collect, the information sources that are pertinent to Regina economic development opportunities. They've developed a computer-based bid book and data base capability and have been able to then very quickly come together with Regina caucus and the caucus as a whole and seize the opportunities that are being presented in the areas of information technologies and the other areas identified within the future Regina strategy.

But how does this change the economic outlook across the province? Well soon after Regina developed its economic development authority, Saskatoon developed theirs. Their strategy is a statement of their potential in biotechnologies, in the new agricultural technologies.

There is an impressive list, Mr. Speaker, that I know the member who is seconding the motion from Regina Sutherland-University will put forward in his discussion. It's an impressive list, and it's not in opposition to the Regina strategy, but a compliment to its sister city — once again a cooperative model and a cooperative mode.

Across this province people are demonstrating the powerful force that the principles of community and cooperation and fairness can achieve. Once again the people of Saskatchewan are demonstrating economic development the Saskatchewan way. Communities are coming together to form their own REDAs (regional economic development authorities). There's 10 at present, and 11 shortly going to be announced, and they can vocalize to government what opportunities we need to facilitate, what areas that we can assist them with our initiatives such as those announced in the latest budget speech presented by the hon. minister, our minister who says that we will continue to implement our economic development plan, the *Partnership for Renewal* which involves working in partnership with others in the community to build on our strengths.

This budget provides financial support for regional economic development authorities which promote partnerships — a key part of our job's plan. This budget provides support for

Saskatchewan Research Council to help companies in developing and marketing their new ideas and technologies. We've changed our approach to agriculture to encourage diversification and more value added production.

We've provided targeted tax reductions to business to encourage investment. Over the last four years, our government has reduced by 20 per cent the corporation income tax rate for Saskatchewan. Small businesses which create . . . The tax rate for Saskatchewan small businesses . . . that will create most of the jobs in Saskatchewan because we know that jobs are created by the small businesses who have chosen to come here, to live here, to support their families here, and return to the community some of the benefits of job creation. So we see the small business rate is now 8 per cent which is the second lowest provincial rate west of Quebec.

Mr. Speaker, we're committed to processing and manufacturing our resources within Saskatchewan rather than exporting the processing jobs. An example of the benefits of value added processing is Canamino, and I know that the member from Saskatoon Sutherland-University will also tell you more about that. By promoting value added processing, we're finding new uses for our agriculture products, and at the same time we are creating good, long-term jobs for Saskatchewan people.

We have eliminated the PST (provincial sales tax) on the 1-800 numbers and have actively supported SaskTel's involvement in international projects like the Chunnel that will help us to protect that critical mass of information technology and the infrastructure that's needed to further the role of SaskTel and the information based technologies in our community.

The strategy is paying dividends. It's paying dividends of opportunities for our youth, jobs for Saskatchewan people, and a hope for the future. Mr. Speaker, it's paying dividends because it's being done the Saskatchewan way, and we're providing leadership across this country on the ways that we can produce economic growth and jobs for our communities.

Examples of this recent success would be, in Regina alone, the announcement of a Sears call centre and the subsequent expansion, about 800-plus full-time equivalent jobs; the Royal Bank call centre with about 60 jobs; the CIBC call centre with close to 500 full-time equivalent jobs; the cancer society call centre with about 220 full-time equivalent jobs; and most recently the SaskTel partnership with Octel that says this service and launch of TalkMail in Saskatchewan is a major step toward the availability of universal voice mail services throughout the province.

Mr. Speaker, as I said, the strategy is paying dividends. The most recently announced monthly employment indicators that were released for April 1995 by StatsCanada again indicate positive progress related to our economic efforts. Total employment is up 6,000 over April last year and an average 9,000 so far this year. On top of the 7,000 increase between 1992 and '94, this indicates that goals in the *Partnership for Renewal* strategy are attainable, that goals through regional

economic development authorities are attainable.

At 7.4 per cent, Saskatchewan continues to have the lowest unemployment rate in the country; 7.4 per cent is the lowest April rate since 1982. That alone is a statement on what our economic development strategy based on our principles can do for the province of Saskatchewan. And hope, Mr. Speaker . . . Youth employment, ages 15 to 24, posted a 5,000 person increase over the same period one year ago.

There's strong construction, manufacturing and transport, communications, utility employment. This all reflects the widespread strength in the economy. And there's gains in wholesale and retail trade employment, and that reflects a strong retail sector and wholesale trade data centre. Consumer confidence has returned in those areas.

Employment is well ahead of the budget forecast of .9 per cent employment growth for 1995 which would mark the third consecutive year of increase in the province of Saskatchewan.

Mr. Speaker, as I said and as you will see . . . and be supported . . . the discussion will be supported by my colleague and member from Saskatoon Sutherland-University. The strategy is paying dividends. The strategy is providing hope for our youth. The strategy is showing that the principles of community, cooperation, and fairness the Saskatchewan way are providing the way for economic growth and development in our province.

And therefore, I am pleased to move the motion:

That this Assembly support the modernization and diversification of the Saskatchewan economy as demonstrated by the development of Saskatoon as a major biotechnology centre, the development of Regina as an information technology centre, and by the creation of high-tech, value-added industries throughout this province.

Seconded by the member from Saskatoon Sutherland-University. Thank you, Mr. Speaker.

(1615)

Some Hon. Members: Hear, hear!

Mr. Koenker: — Thank you, Mr. Deputy Speaker. It's a pleasure to speak to this motion this afternoon although I suspect that time won't allow me to say everything that I have to say on this subject.

I think it's important for the people of Saskatoon and for the people of Saskatchewan to understand that the real impetus behind the ag biotech that's taken place in Saskatoon these last three or four years, that the key to that success doesn't just start with the last three or four years, but it goes back a decade or more to the government of Allan Blakeney who created Innovation Place through SEDCO (Saskatchewan Economic Development Corporation) at the University of Saskatchewan

campus. And it's because of that investment in technology and the infrastructure almost two decades ago that we are beginning to see the kinds of dividends and rewards in terms of jobs and economic development for Saskatchewan people right now.

I'd like to share some information that is actually quite stunning in terms of the development of ag biotech in Saskatoon. In Saskatoon, ag biotech is now the city's number one growth industry. And we need to know that of the province's 27 ag biotech companies, 24 are located in Saskatoon, and that makes Saskatoon now Canada's major ag biotech centre for ag biotech research — in all of Canada.

The cluster of biotech firms that's in Saskatoon is fully 30 per cent of the entire Canadian ag biotech industry. Almost a third of all biotech in the country is located in Saskatoon at Innovation Place and the University of Saskatchewan campus.

The Canadian ag biotech industry has triple the number of companies that existed in Saskatoon only four years ago in 1991. Many of these firms of course are located right in Innovation Place. And we now have 700 ag biotech researchers working in the public sector in Saskatchewan, spending about \$80 million annually — that's in the public sector — with another 300 people working in private sector ag biotech companies which achieve sales of 25 to \$30 million annually.

With these facts in mind, we can see that our government is well on the road to creating new jobs and new opportunities for Saskatchewan people. And a lot of it is through a renewal of our agricultural sector through ag biotech. Already we have seen an increase of 9,000 jobs over a year ago here in the province. As was said by my colleague from Regina Wascana Plains, Canada's lowest unemployment rate is now here in Saskatchewan, and the April rate of 7.4 per cent was the lowest rate since April of 1982.

Our government is on a roll, and we're on a roll creating jobs and economic opportunities for Saskatchewan people. And I want to tell the people of Saskatchewan that the same deliberateness and intensity and effort and determination that we put into balancing the province's books and dealing with the province's financial circumstances and debt, that same initiative and industry and drive is now going to be turned to creating more jobs and economic opportunities for Saskatchewan people.

We've delivered the goods in terms of financial management, now we're going to start to deliver the goods in terms of job creation.

But it's important to note here that this isn't going to be job creation done simply by government alone, and I've alluded to that in some of the statistics that I opened with in terms of ag biotech in Saskatoon.

This is economic development that follows a cooperative model, that follows the outline put forth by the government in 1982 — 1992, excuse me — the *Partnership for Progress*

model, which is a cooperative model with the private sector and the public sector working together in cooperative partnership to create jobs and economic activity for Saskatchewan people.

The public sector supports public institutions in Saskatoon such as the Plant Biotechnology Institute, the Ag Canada research station, the Saskatchewan Research Council, VIDO, the Veterinary Infectious Disease Organization, the Crop Development Centre at the U of S (University of Saskatchewan), the POS (protein/oil/starch) pilot plant, Innovation Place itself, the U of S itself.

And as a result of that, there are new companies coming to Saskatoon to the ag biotech cluster, and it's drawing companies literally from across the world, an international assortment of firms, including AgEvo from Germany, Monsanto from the United States, Limagrain genetics from France, and Plant Genetic Systems from Belgium. All within the last year or two have set up their operations in Saskatoon because of the world class, worldwide reputation that the province has for ag biotech. And the provincial government is committed to facilitating and sustaining that strong role of economic development for ag biotech in the province.

And I want to conclude by saying that in this sitting of the legislature, new legislation has been introduced provincially to establish a \$27 million ag food innovation fund so that we can continue the kind of economic activity and job creation measures, in partnership with the private sector, that has characterized the best of economic development here in Saskatchewan.

So I'll conclude by saying that we're on an exciting crossroads in terms of economic development in ag biotech. It's centred in Saskatoon.

It provides the province with real opportunities for an industrial base in a province that really has very little opportunity for an industrial base, using our historic strength in education and in agriculture to create opportunities for processing, for research and development, right here in Saskatchewan.

And that all translates into jobs for Saskatchewan people.

So with that, Mr. Deputy Speaker, I will adjourn the debate.

Debate adjourned.

Hon. Mr. Lingenfelter: — Mr. Speaker, by leave, I would move to Private Members' Bill No. 18.

The Speaker: — Would the member repeat that? I didn't hear the number of the Bill.

Hon. Mr. Lingenfelter: — I believe it's Bill No. 18, second reading.

Leave granted.

PRIVATE MEMBERS' PUBLIC BILLS AND ORDERS

SECOND READINGS

Bill No. 18 - An Act to amend The Health Districts Act

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it wouldn't have taken much for Saskatchewan's NDP government to hold health board elections last fall in conjunction with municipal elections. Mr. Speaker, our caucus believes they could have stood in their places in the Legislative Assembly and voted yes to the official opposition's Bill No. 53 last session. That Bill would have legislated health district board elections last fall as promised by the members opposite. One has to ask, why was it important to hold health board elections last fall?

First of all, Mr. Speaker, it would have saved over 700,000 of taxpayers' dollars wasted on studying these elections plus the cost of holding separate elections for health district boards.

Second, the NDP promised local autonomy and democratically elected board members to make vital decisions regarding health care in communities, but instead have chose 52 rural . . . closed 52 rural hospitals, drastically cut health services, and more, without the consent of local people elected. That's why it's imperative that we have elected boards.

Third, Mr. Speaker, the suggestion first came from Health minister Louise Simard's own department. But most importantly, Mr. Speaker, it's what Saskatchewan people want and what they deserve. Instead we find the NDP government refused to support Bill 53 and in doing so ignored the wishes of the Saskatchewan Urban Municipalities Association; the Saskatchewan Association of Rural Municipalities — SARM; the Saskatchewan Union of Nurses — SUN; and the general public of this province.

It seems nothing has changed since that time, Mr. Speaker. This government has ignored almost everyone on this issue except the health boards themselves.

Why didn't the NDP want health board elections held? Surely, Mr. Speaker, they realize that the majority of individuals on these hand-picked political boards will be replaced.

Such localized opposition, as the NDP saw it, was one of the things that would seriously damage the credibility of the NDP's so-called health reform. Newly elected health board members would make decisions based on what is best for their communities rather than what is best to re-elect an NDP government.

Apparently, Mr. Speaker, the members opposite aren't beyond playing a little politics to ensure that doesn't happen. Unfortunately all of us are paying for it, both in our pocketbooks and through further loss of health services.

Mr. Speaker, this government has imposed unilateral changes to health care services and facilities across the province without

public input. They replaced existing hospital boards with hand-picked political boards and then refused to allow elections.

As well, the NDP's proposal will only hold partial elections, so the Health minister is always assured presentation on each health district board . . . or representation, pardon me.

Mr. Speaker, the people have had no voice in this issue, no input. Well, Mr. Speaker, the members opposite have a chance to change that. They can support Bill No. 18, An Act to amend The Health Districts Act, a Bill which will bring about the necessary changes to make health district boards fair and equitable for the people of this province, a Bill which will hold this government true to its promises.

Presently, Mr. Speaker, there are long waiting-lists in hospitals because of added pressure from rural people whose hospitals have closed. And no matter what the Health minister says in this House, everyone knows that there are inadequate emergency health services in rural Saskatchewan, while many people have fallen between the cracks, namely Saskatchewan seniors.

The members opposite now have the opportunity to give Saskatchewan families the local representation they deserve. I strongly suggest that this Assembly support this legislation. And therefore, it's my pleasure to move An Act to amend the Health Districts Act.

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to enter this debate only to say that members of the government will want to review the Bill, and therefore I would beg leave to adjourn the debate.

Debate adjourned.

(1630)

Hon. Mr. Lingenfelter: — Mr. Speaker, by leave, I would move that the House move to Bill No. 59, second reading.

Leave granted.

Bill No. 59 — An Act to amend The Unsolicited Goods and Credit Cards Act (Negative-option strategies)

Mr. Goohsen: — Thank you, Mr. Speaker. It is my pleasure to move second reading of a Bill to amend The Unsolicited Goods and Credit Cards Act (Negative-option strategies). The purpose of this amendment is to expand the protection of consumers under the existing legislation. To be specific, the amendment will prohibit negative-option sales strategies within Saskatchewan, and in turn will protect the consumers from civil action suits derived from non-payment.

Changes to the existing legislation were motivated by the tactics employed by Rogers Cablesystem in British Columbia that aroused consumer outrage across the country and drew

media attention to the problems associated with this marketing method.

The fact that Saskatchewan consumers also needed protection from such marketing schemes became evident when cable consumers in Lumsden were forced to gather names on a petition to prevent their cable company from engaging in a similar tactic.

Consumers should not be obligated to pay for services that they have not explicitly ordered. This legislation would protect Saskatchewan residents from negative-option marketing. Quebec, Nova Scotia, and British Columbia, all have legislation in place to deal with negative-option marketing, and I believe that Manitoba is considering such a similar Bill.

I remind the Assembly that the negative-option marketing tactics are not an isolated case to the cable industry. Insurance companies have also been investigated, and in some instances charged, for engaging in this marketing method. Those charges added insurance coverages to home-owners' policies without the consumer's authorization and without providing details of the added coverage.

Some may argue that Saskatchewan doesn't need protection from negative-option marketing. The official opposition believes that this a proactive legislation and that the issue should be dealt with prior to problems springing up in our province.

I hope that the government will seriously consider the amendments and welcome their cooperation in seeing that this Bill passes. I'm happy to move an Act to amend the unsolicited goods and services Act, Mr. Speaker.

Hon. Mr. Lingenfelter: — Mr. Speaker, it's my pleasure at this time to inform the House and to explain that members of government will want to take a careful look at Bill No. 59 — An Act to amend the Unsolicited Goods and Credit Cards Act. And I therefore beg leave to adjourn the debate.

Debate adjourned.

Hon. Mr. Lingenfelter: — Mr. Speaker, at this point in time I would like to move, by leave of the Assembly, we move to consideration of estimates.

Leave granted.

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

The Chair: — I'll ask the minister to reintroduce his officials to members of the committee.

Hon. Mr. Lingenfelter: — Mr. Chairman, and members of the

committee, it's my pleasure to introduce to you the deputy minister of Economic Development, Pat Youzwa; the associate deputy minister, Mr. Bob Perrin, who is seated behind me and to my right. Mr. Perrin is the northern affairs and program director. And Peter Phillips, who is ADM (assistant deputy minister) of policy coordination.

Item 1

Mr. Swenson: — Thank you, Mr. Chairman. Welcome to the minister and his officials. It appears that we're not going to have a great deal of time today to deal with things, so I'll try and stay in some specific areas.

Minister, one of the areas that you have available to you to do economic development that is fairly substantial, but I think isn't well understood by taxpayers in the province of Saskatchewan, is an initiative that was begun under the previous administration. And it was called the Saskatchewan Growth Fund. And my familiarity with that particular fund ended in 1991.

I'm wondering if you could tell us today the size of that particular financial instrument and what it now has for a governing body, because I understand that it was removed from the auspices of SEDCO some time ago and now is under a different mandate.

Could you tell us how much money is currently available through the growth fund and how much of that particular fund has been disbursed over the last couple of years. And if you could give us numbers for 1993 and 1994.

Hon. Mr. Lingenfelter: — Just so the member knows that while we are responsible for immigrant investor funds in general, and there are a number of immigrant investor funds in the province of Saskatchewan, the Saskatchewan Government Growth Fund actually doesn't fall under the estimates of Economic Development. I mean I could try to answer whatever questions you have, but just so we know, Mr. Chairman, and make it clear that SGGF (Saskatchewan Government Growth Fund) is not part of Economic Development.

But in terms of the guidelines as they would apply in a general way to immigrant investor funds, I guess that is the responsibility of our department.

And I'm not sure how the member wants to handle this because I don't want to get outside of the estimates because I think that sets a bad precedent. But it's not that I'm trying to not to answer the questions, but I want to be careful not to go into an area that I'm not responsible for, at least within the confines of this committee.

So I wonder if the hon. member could just, for me, re-ask his question. If he's insistent that we deal with SGGF, I'll try to answer what I can. But I'm not here . . . I don't have officials for SGGF. As you know, Mr. Gary Benson is the administrator of that program, and it would fall under quite another part of our

process in government.

Mr. Swenson: — Okay. Perhaps I'll start this way, Mr. Chairman. Mr. Minister, do you have the authority and do you spend monies associated with the Saskatchewan Growth Fund?

Hon. Mr. Lingenfelter: — No, not within the Department of Economic Development or at the present time in SEDCO. SEDCO's relationship with the growth fund has been changed, and this is now administered through SGGF itself with a number of agents, one of them now not being SEDCO. SEDCO has been excluded from that role. And of course the fact that SEDCO has been wound down is one of the main reasons that it no longer acts as an agent for SGGF.

Mr. Swenson: — So the minister's telling the House that in his various capacities surrounding economic development in this province that he does not at any time access those monies, nor does he include them in any potential economic development initiatives that the province might undertake which he is the minister responsible for?

Hon. Mr. Lingenfelter: — Well I'm getting off into SGGF almost by accident. But the fact of the matter is, is that when it comes to the decision making for SGGF, it is a very, very independent process whereby a board of directors, of which I'm not a member nor do I have influence in terms of the day-to-day decision making . . . Or more appropriately I think what the member is asking about is decisions on where the loan money would actually go and investments would be made. He's absolutely right to assume and believe that we have no input.

Mr. Swenson: — I find that curious, Mr. Minister, having gone through the last few annual reports because there are obviously disbursements involving growth fund money that also are attached to agencies that businesses . . . people that have done business with the government, had loans with things directly under your responsibility. And if no government . . . no cabinet minister has any authority over these particular funds, are you telling me that they are entirely administered in a private way now, that government no longer has any ties whatsoever to that money?

Hon. Mr. Lingenfelter: — I say again, Mr. Chairman, my hesitation isn't to delay the committee, but just to say that the SGGF is in reality a Crown corporation that is managed in such a way that it acts on behalf of the government in terms of setting the parameters and the management of the corporation. But there's actually an administrative board that deals not with the government money, because SGGF does not deal with any government money; it's fully funded by the private sector, namely through immigrant investor funds.

And so I want to say again, and I want to be clear, that what I can deal with is the status of the whole immigrant investor fund in a general way in the province of Saskatchewan because that does fall under the auspices of our department and we deal with the federal government and the immigrant investor fund on a regular basis.

Also, you will know that the federal government has had some concerns about that fund and has put a process in place for a complete review. But at the present time I just don't want to get into the actual SGGF fund — Saskatchewan Government Growth Fund — because I say again, to the member opposite, I don't have officials here to advise. But secondly it simply doesn't fit within the realm of scrutiny of the committee we're now involved in.

(1645)

Mr. Swenson: — Perhaps the minister can answer this question then. How many projects undertaken by the SGGF overlap with SEDCO and SOCO (Saskatchewan Opportunities Corporation)? Those are under your purview. And are there any particular deals that there would be that overlap between them?

Hon. Mr. Lingenfelter: — There . . . just so the member knows, that under SGGF we have at the present time applied for and received approval for in total five different funds under SGGF. The monies that have been raised in Fund I and II have been received and invested. SEDCO has been involved in the administration of a portion of this money. I don't have the exact amounts or the funds that SEDCO would have administered with me, but I can get those for the member and at our next session I can share with you the actual role that SEDCO has played in those funds.

And the member, I believe at the time that he was minister, was in charge of SEDCO when this program was coming into place and he will know that in that period, since 1991, there have been some fundamental changes to the way the program has in fact operated, especially as it would relate to SEDCO, because SEDCO's mandate has not only been changed but SEDCO is being wound down, no longer has a board of directors.

The assets that were left in that organization have been transferred in part or in total to CIC (Crown Investments Corporation of Saskatchewan). Some of the assets in the process were moved to Saskatchewan Opportunities Corporation. But at the present time, SEDCO is not involved in any ongoing process with SGGF.

As it would relate to specific projects, let me go back and I will get for you what I can, in terms of detail and projects that SEDCO would have been involved in within the past.

Mr. Swenson: — Thank you, Minister, I appreciate the changing role of SEDCO. I also asked you about the new Opportunities Corporation. Does it have any current relationships with any of the five funds that are invested?

Hon. Mr. Lingenfelter: — Yes, I neglected to mention to the member that Saskatchewan Opportunities Corporation does not have any relationship with the Saskatchewan Government Growth Fund.

Saskatchewan Government Growth Fund is now being operated within the confines of its own administration, using several

private sector investment agencies to do investments for the entity.

Mr. Swenson: — Perhaps, Mr. Chairman, the minister then can point me in the right direction. I just noticed, going through the annual report, it says:

Users should refer to the audited financial statements of the Funds, for further information on their financial position and operating results (of the five funds that the minister mentioned).

And I'm not sure where I would look for those or which minister I would question. Is it the CIC minister then that should answer all of these questions dealing with the growth fund?

Hon. Mr. Lingenfelter: — I just ask for clarification. Which report are you referring to?

Mr. Swenson: — Mr. Chairman, this would be the 1994 annual report, year ended December 31, which I believe would be the most current report, of the Saskatchewan Government Growth Fund.

Hon. Mr. Lingenfelter: — The member will know that the SGGF is a CIC Crown and therefore it would fall under the review that would take place when CIC was being dealt with. Or on its own as a separate agency. You could ask questions on that, I suppose, under CIC because it falls in part under the auspices of CIC as a CIC Crown, or in its own right as a Crown corporation. And if the member harkens back, I believe actually we have appeared before the committee, the Crown Corporations Committee.

And I say again I'm not here trying to avoid the questions; in fact I would very much like to explain. But for two reasons, I am hesitant. And I'm not asking for a Chair's ruling on this, but just to say to you that I think it would be better served to deal with the issues surrounding SGGF in Crown Corporations Committee.

And secondly, if I was going to get into that, I would want to get staff here from Saskatchewan Government Growth Fund. And so for those two reasons I'm simply trying to move on to other items that would fall more clearly under the review of Economic Development.

Mr. Swenson: — I can appreciate, Mr. Chairman, the minister's hesitancy to deal with issues that he might not have the best and current information at hand, but I'll just give you a for-instance of my curiosity.

This particular fund was housed in the SEDCO building over on Winnipeg Street for some time, and it was then moved. That current building is basically half empty to my understanding. There's only about 30 to 35 staff still left there.

The growth fund, if you look at their expenses from '93 to '94,

have almost doubled the expenditures. They've gone from just a tad over a million dollars to just under \$2 million in expenses and obviously have been very active. I go through the lists of things here. For instance their legal fees have gone from \$86,000 to 485,000; wages from 227 to 365; general administration from 112 to 234. There's a whole bunch of things obviously going on. They've rented . . . I understand they have a lease, an 11-year lease, that they've signed that is far more expensive than the space they occupied before, which the taxpayer was already paying the lease at the old SEDCO building.

And it was while I was actually reviewing the move of the Saskatchewan Opportunities Corporation out of that building . . . And they also leased new space at considerable expense to the taxpayer of this province. And that's why I got curious, Mr. Chairman, because I know the relationship involving SEDCO, or the way it was in the past, and the fact that SEDCO had ongoing relationships with parts of these funds, and yet this organization has obviously gone on a spending spree when government generally has been trying to ratchet back.

And I guess I can take the minister at his word that he isn't involved in any of this at all, that these people are off on their own agenda. But I'm wondering why, when the administration was being provided at a substantially less cost, the housing of the unit was at a substantially less cost, and obviously all sorts of these other entities that are listed here were provided at substantially less cost, why the government would want to see this organization spending a million dollars a year more when that money probably could have been used by the Minister of Economic Development to further economic development or do something in the province, rather than spending it on all of these things.

And if they're spending all of this money, Mr. Chairman, they must be doing something in the way of disbursing funds around the province of Saskatchewan to various groups and individuals and entities, some of whom I think the Minister of Economic Development knows quite well, and I believe there is a relationship.

So I won't push it any more today, Mr. Chairman, but there's some unanswered questions here that I think it's appropriate that need to be answered. That is an incredible jump for an organization that was managing tens of millions of dollars previous to the minister changing the relationship. And he said he changed the relationship for the good of the province. So we've gone from low cost housing, low cost administration, and all sorts of things to obviously very high cost entities. And I'll let the minister think on that for a short while, and perhaps he can indicate to the committee how he thinks that that could be handled in the future.

Hon. Mr. Lingenfelter: — The member raises an interesting point because when we came to government in 1991, one of the headaches we had were the huge losses in SEDCO, which is a government agency, and the losses in SEDCO went directly to the bottom line of the taxpayers.

I think at the peak, SEDCO was losing \$47 million or lost \$47 million, and I want you and the committee to think about this. But a government agency losing \$47 million a year . . . we decided to wind it down and take those losses from 47 million down to zero as quickly as we could.

The Saskatchewan Government Growth Fund, you have to realize, there is not one penny of taxpayers' money in SGGF. This is a private income. These are investors from Hong Kong or around the world who, under a federal program, speed up their immigration to Canada by investing money in immigrant investor funds, one of those being the Saskatchewan Government Growth Fund.

So the money goes in. And I believe during the period you're talking about, some \$200 million were being administered by this organization — not \$200 million of taxpayers' money, but immigrant investor money. You can argue about legal fees or cost of rent, but the simple fact is that not a shred of that was taxpayers' money.

On the other hand, SEDCO, which was losing \$47 million . . . you will see the rapid decrease in that amount to where we will be able to announce in the very near future that that organization does no longer exist; then therefore is not losing any money — saving the taxpayers huge, huge amounts of money.

(1700)

In terms of the building that SEDCO has owned — I believe it's on Winnipeg Street — we are in the process of selling that building. And we would hope in the very near future to announce that the staff who are presently working . . . some 35 people, and that's down from over 100 people while that organization was losing \$47 million a year. And at the end of the day, the taxpayers of the province will end up being in a much, much better position, having wound down a corporation that was losing that much money and SGGF becoming even further removed from government, as I believe it should, because really the investors are private sector. And I think while government has a role in terms of regulating monitoring, I think these decisions are much better left to an agency at very long arm's length from government.

So two issues: one, the losses in SEDCO are going to be reduced to zero; and the management of SGGF, which is not taxpayers' money, better left to people within the private sector.

Mr. Swenson: — Minister, I appreciate the answer, and I understand all of those things. And we will get into, at another day, how well SEDCO and its successor are doing vis-a-vis the transfers of funds and different deals that they've been involved in, and we can sort that out another day.

But I was curious about this because I do remember the premiss of why the province of Saskatchewan got into the immigrant investor business in the first place, and that was competition with other provinces who were actively involved in federal

government.

And I would just want, I guess, some understanding of its mandate, I guess. If the mandate has absolutely nothing to do with government anymore, I guess they can spend their money how they see fit. But they have taken new leases, and they do seem to do things that involve government initiatives. And if that's not . . . any money that they would spend other than doing initiatives I guess would — you're right — come out of the pockets of immigrant investors. But they're still under the auspices of the Government of Saskatchewan. I mean the Government of Saskatchewan has some responsibility, I would think, to make sure that those funds do not give us a bad name.

If we were to squander the funds on silly projects or too much administration or legal fees or whatever, I would think that those investors would take a very dim view of the province of Saskatchewan. And I would think somebody in government would want to know and understand what those expenditures were around and why they have doubled in size and what the mandate, if you will, of the growth fund is in building the economy of our province.

And I would think the Economic Development minister would have a mission statement or a mandate clearly defined and understood for . . . And I believe the people running it are still paid for by the province of Saskatchewan. They're not provincial government employees any more. They've been removed from the civil service . . . (inaudible interjection) . . . Well I understand this.

But the Minister of Finance and I had a discussion about the casino operation downtown one day in here, Mr. Chairman. And the government seems quite prone to be spinning off all of these little entities, that when you ask questions about them . . . It's very difficult for a member of the legislature to get a question. Her answer to me on the casino was, well no, you shouldn't ask any questions because it's operating out of cash flow of the liquor and gaming corporation, and that's better left to another day.

And taxpayers ask questions about . . . My understanding is there's over \$100 million in immigrant investment money which has been directed toward the province of Saskatchewan. That's a lot of money. And as a politician and a lawmaker here, I would want to think that someone clearly was watching that 100 million-or-plus investment that people from outside had invested here in various things because we've read about the horror stories. There's a hotel in downtown Regina here that's in the news all the time.

And I'm . . . Maybe the minister can tell me what the mission statement is of this particular entity, if it has now been removed totally from government auspices, and then maybe I can direct questions somewhere else.

Hon. Mr. Lingenfelter: — Let me just give the member a brief run-down on the immigrant investor program because it has been and continues to be an important program but one that has

been, to say the least, controversial across Canada.

And I will bring for him and for the committee at the next sitting a report. And it slips my mind which investment magazine it was included in. But it clearly indicated that of all the immigrant investor programs across Canada, the Saskatchewan government program stood out as a shining example of how immigrant investor funds should work. It has a very, very high reputation. And far from being tens of millions of dollars that have been raised through that program, it's actually hundreds of millions of dollars. It has a high reputation in Asia Pacific and continues to sell very, very well. That's not to say that all the immigrant investor funds that have been involved across Canada have been successful.

The other thing I would remind the member, this is a federal program and one which presently has a moratorium on because some of the problems associated with immigrant investor funds that have not been successful like the Saskatchewan Government Growth Fund.

But the main purpose of the plan when it was brought in under the federal legislation was to allow immigrants coming to Canada to speed up the process of immigrating to the country. There were two tiers in the initial phase of how you paid for your immigration papers. To those more populated areas of Canada, the fee was \$250,000. And to those less populated, being Saskatchewan, Manitoba, and several of the Maritime provinces, the fee was \$150,000.

Of that money, Saskatchewan has fared far better than any other province on a per capita basis. In fact Saskatchewan is second highest of all the provinces in total amount of monies being raised, second only to Quebec. The total amount — the member will be interested of total funds subscribed to this point — is \$512 million. This is not only in SGGF but in the total program. The funds available to invest, as I've mentioned, \$512 million. The total number of jobs that have been created by the estimate is 3,432.

So the intent of the program was to get foreign capital to invest for a five-year period to try to return to the investor a reasonable return. This has worked in many cases; some it hasn't worked so well. And of course the province's role in this has been to monitor and supervise the program as instituted by the federal government.

But when the member says, what is the mission statement, basically it's to get money for investments in Canada, not only in the province of Saskatchewan because it's a federal program. In terms of investments in Saskatchewan, we have fared very well in terms of the total amount of money, and on a per capita basis we are far, far ahead of any other province. And we also have some of the best and most successful immigrant investor funds. And one of those — and I'll bring the article that has been written about SGGF — our own government growth fund is one of the best examples in Saskatchewan and in fact in Canada.

Mr. Swenson: — Thank you. Mr. Minister, see, I'm still not convinced of this total separation because in 1994 SEDCO was paid \$51,039 as an investment adviser by some of these funds. That's a lot of money. And if SEDCO was paid as an investment adviser, it must have been involving SEDCO undertakings, I would presume, who were involved with the funds.

Who would direct that? Was the minister directing that or the board of directors or the former president or who would be directing this investment adviser role with the growth fund?

Hon. Mr. Lingenfelter: — It would be management at that time, and I don't have the annual report. But at that time, it would have been the management at SEDCO. And when you talk about the cost, that is not a cost to the taxpayers but in fact income that would have come for services rendered.

Mr. Swenson: — I appreciate that, Minister, that this was a fee. But I'm wondering why they in the same year they had all of this other . . . their investment adviser fees in 1994 were \$675,818, and then on top of that they had another \$51,039 involvement with SEDCO. Was SEDCO providing that fee for service involving their own projects, or were these just any piece of property or something out there?

Hon. Mr. Lingenfelter: — As I mentioned in past years, SEDCO has been one of the agents that acted on behalf of SGGF. And the fees that were paid to SEDCO would have been for due diligence, investment advice to SGGF. And the reason being is that at that point in time historically and under your administration, the program was set up in such a way that SGGF which was set up at arm's length from the government . . . that when it came to investment advice and due diligence, SEDCO was called on to provide that service, and a fee for service was charged.

And there again this is not money, I remind the member, flowing from the taxpayers or from SEDCO to SGGF, but quite the reverse where a fee for services was being charged by a government agency of a private investment pool of capital, namely the Saskatchewan Government Growth Fund which is monies that came in from immigrants coming to Canada.

Mr. Swenson: — Mr. Chairman, it raises other questions in my mind because the separation, as I understand it, to its own entity took place at the beginning of 1993. In fact this entity has issued annual statements for '93 and '94 where it was entirely on its own.

And I've heard the minister many times talk about the poor performance of SEDCO and that it was not a good agency for sound fiscal advice. And yet this entity, which the minister tells me now is responsible for \$512 million and 3,432 jobs, obviously thought that SEDCO was good enough to advise them on investment opportunities and how to invest in the Saskatchewan economy to the tune of \$51,000 in fees. And it strikes me as a little strange that this much maligned organization, which the minister wanted to shut down because

May 9, 1995

of its reputation, would be hired by what he tells me is the most pre-eminent growth fund in the country to give them investment advice on how to invest their money in the province of Saskatchewan.

And it strikes me a little strange that we get these sort of conflicting arguments put forward by the minister. If they're good enough to advise the government growth fund on \$512 million and 3,432 jobs, why were they not good enough to advise the minister and his appointed people on certain things . . . but had to be wound down because they were such poor operators? And I just find it a little bit striking that that seems to be the fact. And I'm wondering if maybe there was . . . if the minister wasn't always giving us the straight goods on the ability of SEDCO to manage the province's money.

Hon. Mr. Lingenfelter: — Mr. Chairman, and to members of the committee, when I conclude the short remarks I'm going to make, I will intend to have the committee rise and report progress.

But I just want to say to the member opposite that I don't want to leave the impression with him . . . and I apologize if I left the impression with him that the \$512 million was Saskatchewan Government Growth Fund or that the 3,432 jobs came as a result of investments by SGGF. That's as a result of the eight syndicated funds in the province, SGGF being one of them. So I just want to clarify that point because I may have caused some confusion in my previous answer.

I want to say to the member opposite that this was a circumstance that we inherited when we came to office. And after the analysis that was done on SEDCO, this did not come as a result only of a decision being made by the government but major, major consultation with business people across the province. And I don't want to get into the big debate about SEDCO, whether it was good, bad, or indifferent. I think it's fairly obvious that it did many good things in the province and made some mistakes. But at any rate, the public and the business community at large indicated to us that they would prefer that SEDCO be wound down in part because of many of their investments and what was seen to be an appropriate competition on Main Street, Saskatchewan.

And that debate really — and the member opposite I'm sure realizes that — is behind us, and probably we should just leave it at that, not that I hesitate to get into the debate but just that that book is finally closed and probably for the better.

I do want to conclude by telling the member opposite that the immigrant investor fund has received very mixed reviews across Canada. There have been very good immigrant investor funds, and you'll read in the newspaper almost on a monthly basis here in the province of Saskatchewan of some of those that where the investors from Hong Kong or from Taiwan are concerned and feel that the investments that were made don't reflect a proper return.

So, Mr. Chairman, with that I just say to the members of the

committee I appreciate their patience, and also that the member opposite for his questions, and look forward to return sometime in the near future to complete the estimates of Economic Development.

But with those comments, I would move the committee rise and report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 5:18 p.m.