

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Eighteenth Legislature

May 11, 1978

The Assembly met at 2:00 o'clock p.m.
On the Orders of the Day

WELCOME TO STUDENTS

MR. R.L. COLLVER (Nipawin): — Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you to the members of the Assembly a group of students from Ridgedale, which is a long way from Regina. Mr. Speaker, they have had to get up this morning at 4:30 to arrive here and examine what is going on in the Legislature. I met with them earlier today. They are an enthusiastic group of students. I am sure that you will all welcome them from this far away point coming to Regina to examine our situation here. The teacher with them is Mr. Allan Brown and there is Alex Majewski, and Mrs. Beverley Morgan travelling with them. I am sure you will all join in in welcoming these students to the Assembly today.

HON. MEMBERS: — Hear, hear!

HON. N.E. BYERS (Kelvington-Wadena): — Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you to the members of the Legislature a group of 14 Grade Twelve students from the Foam Lake Composite School. These students are situated in the Speaker's Gallery. They are accompanied by their teacher, Mr. Wayne Schlosser, who is also acting as the bus driver today. They have planned a very vigorous schedule for their visit today. They have already visited the RCMP Barracks and the Museum of Natural History. They have had dinner in the Legislative cafeteria. Following their visit here they intend to tour the solar house before returning home. I ask all members to join with me in welcoming this group of students from the Foam Lake Composite School. I am particularly pleased to introduce this group because I spent some 10 years as a teacher in the Foam Lake Composite School. I am very pleased to have them here. I hope that their visit here will be very enjoyable and an educational one. I ask all members to join with me in welcoming this very fine group to the Legislature and express the hope that they will return at a future time and to wish them a safe trip home.

HON. MEMBERS: — Hear, hear!

MR. R.N. NELSON (Yorkton): — Mr. Speaker, I take great pride in introducing to you and through you to the House a group of 60 Grade Eight students from the Yorkton Composite Junior High School. They are, I believe, seated in the Speaker's Gallery, are they not back here? They are accompanied by their teacher, Mr. Dennis Pomeroy and three chaperones, Mrs. Merkley, Don Harris and Mrs. Procyshyn, as well as their bus driver Mr. Carl Wyntonik, who has been here several times before. They have been to the museum, I believe, and they are looking forward to going to visit the Telcom headquarters. I hope that you have a very interesting day here. I am looking forward to meeting with you and chatting with you a little later.

HON. MEMBERS: — Hear, hear!

QUESTIONS

SGIO Claim — Buildall Construction

MR. H.W. LANE (Saskatoon-Sutherland): — Mr. Speaker, yesterday in the Crown Corporations Committee in response to a question by myself as to whether the SGIO Buildall matter that was discussed in Cabinet, the minister responsible replied, no. Yesterday, Mr. Premier, you told the press corps that the matter had been discussed in Cabinet several months ago. These contradictory statements indicate that either you or your minister are being less than truthful with this Assembly. Have you requested the resignation of the minister responsible or told him that his resignation will be forthcoming or necessary?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, the answer to the hon. member's question is, no. I have, indeed, discussed this matter with the member and I am able to advise the House, I think, what the situation is. I think I can do no better than advise the House what I advised the press conference in the following way. We had a discussion in Cabinet on it and, as I recall, the Minister in charge of the SGIO reported some months ago that there was this bond claim, a fairly large bond claim, and it looked like SGIO would sustain a loss and that one of the guarantors was Mr. Collver and that we should know this because of its possible political consequences and allegations that somehow we were seeking political advantage from it. I went on to say, 'and we made a decision (I would rephrase that to say that we concurred in the minister's decision but I will state with precision what I said here) that we should proceed with it down the middle, as you might say, the same as we would have proceeded had Mr. Collver not been involved.' I think that we made the decision as they probably would have with a bond claim of this size anyway, that they should obtain outside counsel. . . . (interruptions) . . . Mr. Speaker, may I have the floor? Other than that we had not discussed it or discussed the strategy of it. Now, it is clear, therefore, that what happened was that the minister reported this bond claim, reported that Mr. Collver may be involved, reported that they proposed to proceed as if Mr. Collver were not a member of the Legislature. We in Cabinet concurred in that, suggested that outside counsel be obtained, as I say, I'm sure they would have done that anyway. The minister, in my discussions with him, advised that he understood the question in the Crown Corporations Committee to be, 'Were the facts of the case discussed in Cabinet.' The answer to that is, no. 'Was the existence of the case discussed in Cabinet?' The answer to that is, yes.

MR. LANE (Sa-Su): — Well, it seems to me, Mr. Premier, that what has happened is now while we have gained the admission from you that this matter was, in fact, discussed in Cabinet, now you are denying that there was any strategic planning. But the serious thing, Mr. Premier, is this, you have put the lie to your minister's statement, you have put the lie to it. Now, will you ask for his resignation?

MR. SPEAKER — Order! I'll take the next question.

SGIO — Buildall — Politically Motivated.

MR. S.J. CAMERON (Regina South): — I want to ask either the Premier or the Attorney General a series of questions. It seems to me that to get at the core or the heart of this question as to whether or not the action had a sound factual basis or whether it didn't, therein lies the question. The answer to the question whether or not it was politically motivated. Now, my questions are these. Firstly, was Mr. Collver at any time relieved of his obligations under the bond? Secondly, did SGIO sustain a loss of \$1.2 million which was guaranteed by Mr. Collver's indemnity? Thirdly, did SGIO formally demand

reimbursement from the defendants, including Mr. Collver, and fourthly . . .

MR. SPEAKER: — Order! I will ask the member to resume his seat.

HON. R.J. ROMANOW (Attorney General): — Mr. Speaker, just to be as brief as I can to the answers and there are many of them here that I did not — I may have misunderstood them. If I have I assume supplementaries will clarify them.

1. SGIO claims that Mr. Collver was not relieved of what we claim — what SGIO claims, is the legal obligation under the bond, the general blanket agreement.

2. Quite obviously the statement of claim alleges a loss of \$1.1 or \$1.2 million, whatever the figure is, on the part of SGIO, which is the basis of the lawsuit against the defendant in this matter.

The third question was, was there a demand made on the defendants, and the answer to that is the statement of claim. Paragraph 17 alleges that there was and I am advised that there was, in writing a letter of demand on or about January 3, 1978 to all of the defendants, setting out the request for payment.

MR. CAMERON: — Well, Mr. Speaker, by way of a supplementary. I understand the allegations. I am asking you, is it a fact or is it not a fact that SGIO sustained the loss, that demand was made of Mr. Collver and the other defendants, and that no reimbursement has been made?

HON. E. WHELAN (Minister of Consumer Affairs): — Yes, the statement of claim indicates the amount.

MR. J.G. LANE (Qu'Appelle): — A question to the Attorney General. The Attorney General said in this Assembly on May 8 in response to questioning that his knowledge of the Buildall case, and I quote, 'basically springs from the statement of claim'.

In the light of the Premier's admission yesterday that in fact the matter was discussed in Cabinet, will you not now admit that your knowledge comes not 'basically from the statement of claim', but from the Cabinet political discussions of the issue?

MR. ROMANOW: — Well, Mr. Speaker, that is a very easy question which can be answered very simply and easily, no. The information does not come from the Cabinet discussion. I believe the Premier's reconstruction of the discussion and the decision outlines the position. There were no details or strategy of the case discussed in Cabinet. The statement of claim sets out the basic claim. Quite obviously, since the statement of claim and as a result of the questions which all members from all sides of the House have been directing to me, I think initially in my capacity because the Premier was away, and then in my capacity as Attorney General, administration of justice, I have endeavored to get myself as reasonably informed as I can in order to answer the questions, and that is the answer to the question.

MR. LANE (Qu'Ap): — Supplementary. You also have indicated in this Assembly sincerely that you had no involvement in this matter whatsoever. However, Mr. Kirk Milne has indicated that, in fact, you were involved in the attempt to discuss this matter and you informed yourself basically from day one. Will you not now admit that this inconsistent position of yourself indicates further proof that this is really a political vendetta and the decision to go after Mr. Collver was a political one and not a legal one?

MR. ROMANOW: — Mr. Speaker, I think I have stated my version of the telephone conversations with Mr. Milne. He has stated his version of the telephone conversations. I don't believe that they are at variance in any substance and I will let the members draw their own conclusions with respect to the involvements. But again, the members opposite seek to make the position that this is a political lawsuit without any evidence, except these tenuous bows which they are stretching and drawing by very hard imagination. Now, what I would say to the hon. member is, if anybody is making it political it is the PC caucus themselves who are making it political. By the very fact of the PC leader's initial statement (which one perhaps could have overlooked) and by the continual day in day out questioning by yourselves, by your own people and yes, by the Liberals, that seize on by you people in that regard about the political allegations, making it political material. I don't want to muzzle you; you can ask any question you want but don't say that because we respond to your allegations that it is political, that indeed the situation is as you state. You would be far better off letting the leader have his day in court than pursuing this matter in the Legislature.

SOME HON. MEMBERS: — Hear, hear!

MR. LANE (Qu'Ap): — Can the Attorney General advise this Assembly why he is so embarrassed about the questioning that he was prepared to participate in last Friday, until this matter blew up in his face and became evident to the people of the province that this was a political persecution?

AN HON. MEMBER: — But the accused . . .

MR. ROMANOW: — Mr. Speaker, I for the life of me cannot understand why, as I say, the PC caucus is taking this position. I think every alley that they have pursued, from Si Halyk and Miksoo, from the Cabinet discussion, every alley by any reasonable yardstick of judgment would prove that there is not a scintilla of truth to this allegation. Mr. Speaker, why are they asking this? That is the question that has to be asked. I say that they are asking this because they are facing serious internal questioning by members of the PC party about their actions in this regard and that is the reason for it.

MR. SPEAKER: — Order, order, order. I will take the member for Indian Head-Wolseley.

SGIO Counsel

MR. C.P. MacDONALD (Indian Head-Wolseley): — Mr. Speaker, I would like to direct another question to the Attorney General about a slightly different matter.

Yesterday in the Assembly, there were some rather serious allegations made against Mr. Si Halyk, the counsel hired by SGIO, questioning his independence. Several members of the legal profession have called me expressing concern about a man who was president of the Law Society of Saskatchewan in 1976, a bencher in charge of their discipline committee for some eight years, that his integrity would be questioned. I think we have to clear this matter up very specifically and I have three specific questions for the minister. Would he answer?

The first one: Would the minister, either the Attorney General or the Minister in charge of SEDCO tell me, has Mr. Si Halyk any involvement or has SEDCO any involvement with Mr. Si Halyk for any company or any business that he is involved in, either in a loan or an equity position at any time in the past? Is SEDCO involved with Mr. Halyk in any

way?

MR. SPEAKER: — Order, order. I will take a new question.

Buildall matter discussed by Cabinet

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the Attorney General. Mr. Attorney General, the Minister in charge of SGIO very clearly in the Crown Corporations Committee yesterday indicated that the matter had not been discussed by Cabinet. He said that very clearly. Mr. Attorney General it has been rather conclusively established by the Premier that, in fact, it was discussed by the Cabinet. In fact, it was brought to Cabinet by the Minister in charge of SGIO in his capacity as minister, quite properly. Mr. Attorney General, would you not agree it is a fair conclusion for those of us on this side of the House to come to. Are we being fair on this side by being a trifle suspicious when the minister denies the matter being discussed in Cabinet when he himself reported it by the Premier's very own admission?

MR. ROMANOW: — Mr. Speaker, again I don't know whether the Premier or the Minister in charge — but the question is directed to me and I will endeavor to answer it.

I see no mystery that should exist in the mind of the member for Thunder Creek because, I believe, as I say again, anybody who would look at this matter in an objective way would see that the explanation, as the Premier said in the press conference yesterday and read here, is quite clearly the plausible and if I may say so, Mr. Premier, with respect to my recollection of the meeting, the correct one as well. How could that be viewed as being inconsistent with what I understand the minister's essential question to be, namely, the details of the lawsuit and, in effect, the implication that somehow legal decisions on this matter would be made around the Cabinet table? There is no qualification in the Cabinet to make those kinds of decisions and no authority to make those kinds of decisions and that was not discussed. As I say again, I just don't see any reason in the situation. The answer to the member for Indian Head is, no.

MR. THATCHER: — Mr. Attorney General, without having access to the Legislative record of today . . . would you care to listen to this Mr. Attorney General or are you going to answer the previous questions or have you got time to listen now? Very good.

Mr. Attorney General, the Premier indicated earlier in this question period that the matter was in fact not discussed by Cabinet and yet he used a very interesting terminology which I believe the record will show. The Premier indicated that the political consequences of such were discussed by the Cabinet. Mr. Attorney General, in light of the fact that either directly or indirectly, either deliberately or not deliberately, the Minister in charge of SGIO misled, deceived the Crown Corporation Committee yesterday. The Premier, in fact, today indicated that the political consequences were discussed and at this same Cabinet meeting, isn't it true, that the cold-blooded decision was made to vilify the member for Nipawin.

MR. SPEAKER: — Order!

MR. BLAKENEY: — Mr. Speaker, I want to reply to that because the member for Thunder Creek has just misled this House. I did not say that the political consequences were discussed. I will read this so that members who can listen will understand. I said that the minister reported that the SGIO would sustain a loss. One of the guarantors was Mr.

Collver and that we should know this because of its possible political consequences and allegations that somehow we were seeking political advantage. That is not a discussion. It is a report that Mr. Collver is involved and that we should know it because it has possible political consequences and because there would be allegations of impropriety. How right we were, how right we were that on any grounds there would be allegations of impropriety when there is not a shred of evidence, not a shred. How right we were! And I say to you, Mr. Whelan reported back, as was his duty. He did not discuss the details of the case. He reported back to the Crown Corporations Committee. I say, that his foreknowledge of what might happen in this House has proved to be 100 per cent accurate and it is a good thing that we retained Mr. Halyk whose reputation at the bar in this province is unsullied and remains unsullied, notwithstanding the dastardly comments by the member for Saskatoon-Sutherland.

SOME HON. MEMBERS: — Hear, hear!

SEDCO - Si Halyk

MR. MacDONALD: — Mr. Speaker, a question to the Attorney General. Would the Attorney General tell this House the involvement of Mr. Si Halyk with SEDCO as of one week ago and the substance of that involvement? What was his request of SEDCO as of one week ago?

MR. ROMANOW: — Mr. Speaker, I stand to be corrected by the minister but I have talked to him about this as a result of the series of questions asked of me yesterday. The information that I have been given is that Mr. Halyk has not been involved with SEDCO in any way, shape or form. With respect to Miksoo, Mr. Halyk is involved by his own statements on television in the purchase of Miksoo with the possible owners, not with respect to any financing or any other operations with respect to SEDCO. In fact those who heard the CBC television report the other night will indicate that Mr. Halyk, by his own words indicated words to the effect that the \$100,000 line of credit which had been advanced by SEDCO to Miksoo, some months before his even involvement in this matter, was something that he wanted cleared out of the way if that purchase with respect to Miksoo was to go.

That is the information that the minister has communicated to me. That I believe to be the situation and I believe the fact that nobody has dared, to this date, to directly make that allegation outside the House, proves the truth of what I am saying.

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — All right, Mr. Minister. Now, if that is the case then what the member for Saskatoon-Sutherland said 1. (As I understand it) — no involvement with SEDCO in the past. 2. The only involvement is to pay off the debt to SEDCO, as far as Miksoo was concerned. 3. Can you tell you me now when did SGIO hire Mr. Si Halyk as counsel in the Collver case and second, when did he recommend that court action be taken?

MR. ROMANOW: — Mr. Speaker, I answered that question yesterday or the day before yesterday. Mr. Halyk was engaged some time in October-November of 1977. I could find out the direct date. Perhaps the minister has it at his fingertips. That is when he was engaged. By all the evidence, by anybody, with respect to Mr. Halyk's interest in Miksoo, that did not arise until the last week in April or the first week of May of 1978.

The decisions, quite clearly, by the pure chronology of events, with respect to the launching of the lawsuit must have been made well in advance of that involvement.

I say to the member for Indian Head-Wolseley that if he is making an insinuation or anybody in this House is — just listen to me — if anybody is making an insinuation that Halyk has not acted independently, I repeat again, the proof of the pudding is to get outside this Chamber where Halyk can defend himself, where Halyk can defend himself.

I remind the members of this House, when you sully a man's reputation in the protection of this House, involving his bread and butter, you have an obligation to put it outside this Chamber.

MR. MacDONALD: — On the contrary, I am trying to get at the facts. I am trying to get at the facts because I say, Mr. Minister, just like you do, that it is time that the member for Saskatoon-Sutherland either put up or shut up.

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — I also want to ask the Attorney General, when a charge of that kind is made against the integrity of a member of the bench, in this province, is it the intention of the Attorney General to do anything about it, to bring that man back and have him tell the truth and apologize to Mr. Si Halyk and to members of the House, for that kind of an accusation?

MR. ROMANOW: — Mr. Speaker, I have no authority to take any action, obviously, against the member for Saskatoon-Sutherland. He is a member of the Legislative Assembly and has the right to say anything he wants to say. If he libels and slanders somebody, as I suggest by innuendo he has in this House. and why he has refused to repeat those remarks outside this House — if he does that outside this House the only recourse is by the person who is offended, if he wants to take that course of action, Halyk or somebody else. I can't believe that the state of Saskatchewan politics has sunk to the depths of trying to pull Halyk's name through the mud in this kind of an operation and I condemn the PC caucus for doing that!

Buildall Construction — Disciplinary action

MR. THATCHER: — Mr. Speaker, in light of the Attorney General's answer, might I perhaps expand on the member for Indian Head-Wolseley's question to ask him why you have considered whatever course of action you may eventually decide on for the member for Saskatoon-Sutherland? Might I also ask you what in your capacity as Attorney General might you decide on for a minister of the Crown who apparently and perhaps deliberately may very well have misled the Crown Corporations Committee yesterday? What course of action have you prepared for that one?

MR. SPEAKER: — Order, order! I will take a new question. The member for Kindersley.

Buildall Construction — SGIO Claim

MR. A.N. McMILLAN (Kindersley): — To the Minister responsible for SGIO or the Attorney General. I would like to know, Mr. Minister, when you first discovered that the bank which had extended the line of guarantee, the guarantee of credit to Buildall — when they first pulled that credit out, did SGIO then make any credit checks to try and determine if, in fact, they would be susceptible to loss through their bonding or, in fact,

did you let the issue ride and ride until it became evident that you were going to, in fact, have to act on the bond?

MR. WHELAN: — I think the answer to that question is obvious. As soon as the bank refused to extend the credit, the possibility of the contractors or subtrades not being paid became very real. We did everything we could, of course, to try to get the contracting company, Buildall, to pay these people. It became obvious to us that either one way or another, it wasn't going to happen.

MR. McMILLAN: — Mr. Speaker, Mr. Minister, did you in fact do any traces on Buildall's operations, once that became evident to you, to find out if in fact the money that was being paid to them for those construction projects was, in fact, being invested into Buildall's equity and assets or if that money was being bled off of Buildall to someone else? Did you in fact do any checks to find out where that money was going?

MR. WHELAN: — Well, I think the obvious answer to that is that the situation the bank found itself in was the same sort of situation that we found ourselves in. Whether the money was siphoned off (or whatever term you want to use) is something that will probably be decided in the courts. But certainly there wasn't any attempt by Buildall to satisfy the people whom it owed money to. That is why they called on us.

MR. MacDONALD: — Mr. Speaker, I would like to direct a question to the Minister responsible for SGIO. On October 1, 1975, Mr. Collver sold his shares in Buildall. October 2, Buildall made a contract with the Alberta Housing Corporation of which SGIO bonded. January 9, 1976 it entered a contract with Medicine Hat of which SGIO bonded. Yesterday the minister indicated that Richard L. Collver, the defendant, did not ask to be relieved of his bond obligations. Yet, Mr. Collver was not on the bond on the 9th of July, 1976. Can the minister tell me whether SGIO voluntarily relieved Mr. Collver of his bond between January 9 and July 9, or did Mr. Collver request that he be eliminated from the bond?

MR. WHELAN: — To my knowledge, to the best of my recollection, at no time did we relieve Mr. Collver of his responsibility as far as the bond was concerned. We have no record of a request being made.

I think the signature and the history of the bond goes back a long, long time. The signature, the promise, the guarantor or the guarantee or whatever you call it has been there all this time. It hasn't been released.

STATEMENT

Number of Level IV Care Beds Increased

HON. E.L. TCHORZEWSKI (Minister of Health): — Mr. Speaker, I want to announce to this House a major announcement with regard to level IV beds in the province of Saskatchewan.

Mr. Speaker, my colleague the Minister of Finance stated in his Budget speech that a number of steps would be taken by this government in the interests of our senior citizens. One of our priorities was to increase substantially the number of level IV extended care beds. Today, Mr. Speaker, I can tell you and this House, that we will be increasing the number of beds available by almost 30 per cent this year.

SOME HON. MEMBERS: — Hear, Hear!

MR. TCHORZEWSKI: — This province now has 1,092 level IV beds available in nine regional centres and another 32 beds are in the planning stages in North Battleford. This makes a total of 1,124 approved level IV beds. Three hundred and thirty new level IV beds will be added to the current total, bringing the supply up to roughly 14 beds for every 1,000 senior citizens in the province. This, Mr. Speaker, compares very favorably to our neighbors in Manitoba where only 9.6 extended treatment beds are available for every 1,000 senior citizens. We will not be limiting the addition of beds to urban centres. As part of this government's commitment to the continued support of rural hospitals, a significant portion of these beds will be allocated to rural communities.

Mr. Speaker, this major expansion of our extended care program will add beds to four urban centres where there is particular need. In addition, level IV beds will be made available in rural centres which do not have organized level IV services.

In deciding where these beds might be located, three main factors were considered. First, we wanted to make the best possible use of excess space in existing facilities. This government does not pursue a policy of unnecessary construction.

Second, Mr. Speaker, in some parts of the province we clearly have enough beds available for long-term care in total, but the beds are classified at a level of care which is no longer appropriate. In these instances, enough nursing home beds are available that some of them can be converted to level IV care beds.

The third concern is the need to improve the accessibility of our rural citizens to level IV care. If possible, our senior citizens should be able to obtain care in their own communities. Under this expansion, Mr. Speaker, 15 beds will be added in the city of Prince Albert and 10 beds will be added in Melville at St. Peter's Hospital. In the city of Saskatoon, 22 beds will be converted from level III to level IV. In the city of Regina, 51 level IV beds will be made available through either conversion of nursing home beds or the use of excess space in other facilities.

The Department of Health will be entering negotiations with a number of facilities in the near future. However, it is expected that all urban beds will be established in existing facilities. As for the rural areas, Mr. Speaker, each of the 116 hospitals located in centres without level IV facilities will be offered up to two level IV beds funded by the Saskatchewan Hospital Services Plan. This measure will improve accessibility of our rural residents to level IV care in their home communities, near their families and friends.

In addition, the present program that allows hospitals to exchange level VI beds for level IV beds will be continued. This will be of particular benefit to certain smaller rural hospitals with a diminishing need for acute care, level VI beds.

Further details on this new policy will be made available to all hospitals and other agencies involved within the next few years and I have sent as of today or tomorrow, a letter to all hospitals in the province giving them this information.

Mr. Speaker, the total cost of this increase in both urban and rural level IV beds will be approximately \$4.4 million. In 1971 when this government took office, there were 518 level IV beds. With these new additions, the number of level IV beds will increase to 1,454, nearly three times the supply available at that time.

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Mr. Speaker, it should be stressed that these current initiatives by the government are a part of the short term solution to provide for the institutional care needs of our senior citizens. A major review of the province's overall policy on institutional care will soon be under way and the people of Saskatchewan will be asked to express their views on the long-term solution. I am looking forward to working with the Saskatchewan Health Care Association in that study.

HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — Mr. Speaker, I want to say on behalf of, I am sure, the Liberal Opposition, that we welcome the announcement of the minister. There are one or two things that I am not quite clear on and I would appreciate it if the minister would send over a statement afterwards.

First of all, there is no question about, in Saskatchewan today that between 1964 and 1971, a fantastic number of level III beds, or level I, II and III beds were built. At that time they were filled up by senior citizens in Saskatchewan and their level of care has deteriorated, if you want to put it that way, until now there is a surplus of level IV patients in level III beds right across the province of Saskatchewan and nursing homes. It is becoming very, very costly to provide for increased or almost acute care, in level III facilities. As a result, I am sure that this will be welcomed by all areas of the province, particularly in those urban areas where a large number of level IV patients are residing in level III facilities, which I am sure the minister would agree with.

I am also pleased to see that there will be distribution in rural Saskatchewan. I am not sure I really understood if the minister was giving an absolute guarantee to rural Saskatchewan hospitals that there would be no diminishing of level VI acute beds with the offer of the two beds. If that is the case, I am pleased to hear that, that this is not a means of reducing once again the number of hospital beds in rural Saskatchewan. So I can say that we are pleased to see this new program. I am sure that it will provide a satisfactory level of service to senior citizens who have progressed beyond level III care in Saskatchewan. I am not sure what kind of a dint 300 beds will make but certainly it is a step in the right direction and I know that it will be welcomed particularly by those senior citizen facilities who have the responsibility of level III care and find nowhere to send patients who have graduated or progressed beyond level III.

MR. E.A. BERNTSON (Souris-Cannington): - Mr. Speaker, just to add a few brief remarks to what has already been said, on behalf of the Conservative caucus I commend the minister for the announcement. I can say only that, in our view, it is long overdue and \$4.4 million is by your standards, the way you throw money around, peanuts and I think it could go a lot farther. But aside from all that it is a step in the right direction and we commend you in your efforts.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Smishek that Bill No. 69 — An Act to amend The Department of Finance Act (No. 2) be now read a second time.

Motion agreed to and bill read a second time.

POINT OF ORDER — House Procedure

MR. R. KATZMAN (Rosthern): — Mr. Speaker, a few moments ago you called a question on, I believe it was Bill 46, and you were putting the question when you allowed a speaker to come back in after you had called the question. I think if you would check the record please, that in the past you have not allowed that to happen.

MR. SPEAKER: — With regard to the point of order raised by the member for Rosthern, I was on my feet and I was putting the question; unfortunately I didn't notice the member was on his feet. I believe the member was on his feet before I had actually got launched into putting the question.

COMMITTEE OF FINANCE — GOVERNMENT SERVICES — VOTE 13

MR. CHAIRMAN: — Before we start I will ask the minister to introduce his supporting staff, please.

HON. E.B. SHILLINGTON (Minister of Government Services):— Thank you, Mr. Chairman.

The members of the House will remember Dennis Foley, my Deputy Minister of Government Services. On his immediate right is Don Nevill, who is director of Property and Planning. On my left is Doug Archer, who is director of Administrative Services. Sitting immediately behind Doug is Jack Peterson, who is special assistant on Space Co-ordination. In front of me and to my left is Pat Brown, who is director of Public Works.

ITEM 1

MR. R. KATZMAN (Rosthern): — Before we get into your Estimates, if the minister can just — so that I make sure that I am not back into the Revenue Department, because so much of your department has moved over to Revenue in the last while, for example, Central Vehicles and so forth — if you would just take your feet and explain other than the Properties, what you have left, as your annual report indicates.

MR. SHILLINGTON: — The member is right. The department is now composed of the Department of Public Works and the Property and Planning Branch, which deals in leases and so on, and of course, administration.

MR. KATZMAN: — I thought we should square that off first because from your report you have totally changed just about the concept of your department. I am not sure because whether the Premier of the province has no faith in the minister and, therefore, he is giving it all to the minister for Saskatoon-Nutana or what the reason would be. But we will all just speculate a little on that one.

First of all, Mr. Minister, you do the buying through your department for supplies and things like that?

MR. SHILLINGTON: — No, the Purchasing Agency is part of Central Services and that whole branch went to Revenue.

MR. KATZMAN: — O.K. Then we can't get into that area and that is where half of my

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questions are.

How do you want to handle all these buildings you are building then? In each of the regions or do you want to handle them under item 1?

MR. SHILLINGTON: — It doesn't much matter. It might be more orderly if you handled them under the Capital section, but I don't think we really care much how you handle them, but it might be more organized if you handle them under Capital.

MR. KATZMAN: — Well, Mr. Minister, let us start with the Public Works. I believe, if you noticed in the newspaper the other day, there was an indication that when the government buildings that the government is building all over the place in both Regina and Saskatoon and so forth, the Leader Post referred especially to the city of Regina, the amount of space that will be free for commercial areas, because of the government moving in. How much space will you be moving into in the new government building and other buildings that you are building? How much space will you be releasing in the upcoming year?

MR. SHILLINGTON: — There will be 205,000 square feet in the new provincial office building in the Wascana area.

MR. KATZMAN: — What about other properties that are under construction? Not Saskatoon, Regina only.

MR. SHILLINGTON: — . . . in Regina.

MR. KATZMAN: — . . . the proposed date for the moving in to this footage. I assume you are moving in bits and pieces from the tour that I had, moving in certain floors at one time. The space that you have rented, how much time is left on those leases that you will have to pay for or sublet to somebody else?

MR. SHILLINGTON: — Sorry, but the hon. member for Rosthern is going to have to restate some of the questions as I missed some of them. I will give you the answer to your first question.

You asked, when we are going to be moving in? It will be during the fall. We hope to have the process completed by late fall.

MR. KATZMAN: — And the amount of square footage that you will be releasing from other areas, how much of it you have contracted, for example, maybe you have got the place rented until February and therefore, you are going to have to sublet it or is there a penalty clause for moving out early or how do you get out of your present leases?

MR. SHILLINGTON: — We don't anticipate that there will be any space which is leased and not used. There will be no significant amount of it. We have had a couple of years to plan it. It has been arranged such that the leases will be terminating about the time we will be moving out and moving into the building.

MR. KATZMAN: — So what you are saying is, the government won't be picking up another 205,000 feet of space in one building, continuing the lease in another — let's ask it a different way. How much space are you releasing in this upcoming year?

MR. SHILLINGTON: — O.K. You have asked for a glass of water, I may be giving you a

steak here. I may be giving you more than you wanted. As a direct result of the Wascana Provincial Office Building we will be moving out of Parliament Place, which has 6,100 square feet. We will be moving out of some space on 1102 8th Avenue, which has 11,792 square feet. We will be moving agencies from the Health Building into the Wascana Provincial Office Building. Then, we will be moving other agencies into the Health Building and in the process vacating some more buildings. By this process we will be vacating 3,500 square feet in the Toronto Dominion Bank Building, 15,000 square feet in the Sask Tel Exchange Building on 12th Avenue and Lorne St., another 16,865 square feet in the Co-op Block, another 9,284 square feet in the Workers' Compensation Board Building on 1840 Lorne St. There will be agencies moving out of the Sask Tel Exchange building and as a result of that and moving new agencies in, we will be vacating 1,000 square feet in the Scotia Place, another 6,355 square feet in the Financial Building and 6,750 feet on 12th Avenue and Angus.

MR. KATZMAN: — Of the buildings you listed, how many of them are government, for example, Sask Tel Building and so forth are government buildings. Now they are going to end up with space left and, therefore, one way or the other the government has vacant space that it's carrying. Is that being by you people subleased to somebody else or by Sask Tel?

MR. SHILLINGTON: — There are two. There is the Sask Tel Exchange building. I am informed that Sask Tel need the space and they will be moving into it. There is also the Workers' Compensation Board building and the same comment applies there; they need the space and they will be absorbing it. There are those two, really, that are part of the public area in Saskatchewan.

MR. KATZMAN: — O.K. Do you have a total or do I take a minute and add this up?

MR. SHILLINGTON: — I can save you some of that hard work. The total of those is 76,715 square feet.

MR. KATZMAN: — So you are acquiring 124,000 more square feet by your comments. The government is going to be using 124,000 more square feet tentatively.

MR. SHILLINGTON: — There's another chapter to this saga and that is that we are going to be renovating some of the other space which the government owns and some of it will be vacant. I can give you the renovation projects which tells you the rest of the story if you want it . . . estimate for you if you want it. (Inaudible interjection) 190,000 square feet that we have to renovate over the next two years.

MR. KATZMAN: — So basically what you are saying is, three years down the road we are going to pick up 124,000 square feet, but during the next two years, you are going to use that 124,000 square feet to cover you while you are doing repairs and renovations to 190,000 square feet. In bits and pieces.

MR. SHILLINGTON: — No, not in bits and pieces. As other leases run out, we will be terminating them. When . . . it is a fairly long process I say to the member for Rosthern. As we renovate the new space, then we will put agencies in and terminate yet more leases and we will be, over the next two years, terminating additional leased space of 190,000 square feet in various bits and pieces around the city and I can give you the list there, if you want them as well.

MR. KATZMAN: — Send it over later.

MR. SHILLINGTON: — Send it over later. O.K.

MR. E.C. MALONE (Leader of the Liberal Opposition):— Mr. Chairman, I would like to ask a series of questions to the minister on the practice of the Department of Government Services on tendering contracts. Do you have a policy in tendering contracts? If so, would you tell me what the policy is. Is it the policy of always taking the lowest bidder? Always taking the Saskatchewan bidder? A combination of both? Would you just outline what your procedure is, please.

MR. SHILLINGTON: — In tendering of public projects in Saskatchewan, we have no ‘Saskatchewan first’ policy. We always take the lowest tender, the lowest legitimate bid that is in accordance with specifications. There are many cases where you get low bids that don’t meet the tender, don’t meet the specifications and of course you reject them out of hand. But we always take the lowest bidder that meets the tender and meets the specifications without any ‘Saskatchewan first’ policy.

MR. MALONE: — Are you telling me you always take the lowest bid — always? I think you had better check that.

MR. SHILLINGTON: — Yes. As long as they meet the specifications of the plans, right.

MR. MALONE: — All right. As long as they meet the specs, you always take the lowest bid. Under your term of office, you have never taken anything but the lowest bid?

MR. SHILLINGTON: — The answer is, yes. There was one case which they were informing me about in which we rejected all the tenders, because we thought they were all a little rich — out of line, is the phrase that is being used. But I say to the member for Lakeview, we have no choice on this. Legislation requires that we take the lowest bidder, without any ‘Saskatchewan first’ policy. You can, with the approval of Cabinet, accept other than the lowest bidder. You have to get an order in council to do it. In my term of office, we have never gone to Cabinet with a request to take other than the lowest bidder. Certainly not in the year under review, at least.

MR. MALONE: — Well, we are not limiting the year under review in your Estimates. We can ask anything you want in your Estimates. I recall recently, an article in the Leader Post involving an electrical contract which I believe was awarded for the new SGIO building in Cornwall Place, or whatever it is called. I forget the name of the parties involved quite frankly, but I can distinctly recall reading in that article that the contract was awarded to a company that was not the lowest bidder. Is that not correct? Baker Electric I think it was, the successful . . .

MR. SHILLINGTON: — It was SGIO. Let me respond in this way by saying that we don’t have a government of Saskatchewan tendering policy. By that I mean, the Crown corporations by and large, make their own decisions, together with the GFO, (Government Finance Office) the umbrella organization. They don’t come to us with it. That might have been SGIO and I think I recall something about it, but I don’t have the details. I should also add, this is not by any means, the standard or the norm. Many provinces do have a process by which they take their own contractors first. That is not our policy and personally don’t have to believe in it. But I believe in taking the lowest bidder in all cases but I am not familiar with the circumstances of the SGIO bid. I heard about it but I am just not familiar with it.

MR. MALONE: — Well let me put this to you then. What construction does your department become involved in? Is it all government construction, be it Crown corporation, government department or just construction that is not involving Crown corporations but involving the government itself?

MR. SHILLINGTON: — Just for the line departments and not for the Crown corporations. It may be, on occasion, that a Crown corporation may want to lease space from us. Under those circumstances, we might be involved with them. But unless they come to us and want to lease space, they build their own buildings and we are not involved in it. We're just involved with the line departments that are government of Saskatchewan property.

MR. MALONE: — O.K., then within your field and jurisdiction, and you have told me that you always accept in Government Services, the lowest bidder, provided he meets the specifications. Now, do you have any rules as to subcontractors? Do you say to the contractor that the sub bids must be the lowest in all cases providing they meet specifications?

MR. SHILLINGTON: — No, that is their own business. We can't dictate how they handle their own business. That is their business.

MR. MALONE: — So what you are saying is that all you do is accept the main contractor's bid and you leave it up to him to follow the sub trades.

MR. SHILLINGTON: — That's right.

MR. MALONE: — Now, have you had any meetings with the Construction Association about your system of awarding contracts? I believe that they have made representations to you and made certain suggestions to you. Have you adopted those suggestions?

MR. SHILLINGTON: — Yes, we have. I try to meet on a regular basis, Mr. Chairman, with the Saskatchewan Construction Association. I find, and I might add, that I find them to be a very useful and a very constructive group to meet with.

The policy of the Saskatchewan Construction Association is that all tendering by all governments in Canada should be on the basis that we do it. That is, that all governments, provincial and federal, should give the tender to the lowest bidder. That is their official policy and I think most of the members as well, support it. In a sense, they lose if you balkanize the country. They lose as much as the taxpayer does if you balkanize the country, so their position is the same as ours.

MR. MALONE: — All right, let me just seek out more questions and I will be finished. You are now in the process of building three or four government buildings, one in Saskatoon, Cornwall Place here, the Kremlin over here on the Legislative grounds — all of these things are under way. Are they on schedule? Will you be taking possession of those buildings on the agreed upon contract date with the contractors?

MR. SHILLINGTON: — I'm being reminded that Cornwall Place is not a Government Services construction project. That is Sask Tel. The two projects that we are building, the Wascana Provincial Office building and the Saskatoon Provincial Office building, those are in general terms, on schedule. We didn't have a fixed, a sort of a precise date, August 4, that we are going to move in. We planned on moving in in 1978. A lot can

happen in 1978 and we are going to meet that. So within those very rough parameters, we are on time.

MR. MALONE: — Obviously certain government departments are going to be moved into those buildings from existing office space they now occupy. Some of that office space is owned by private sectors. It is not government office space. Somewhere along the way you are going to have to start breaking leases or I shouldn't say breaking leases but you are going to have to get out of existing leases. I am aware of one situation where somebody forgot to renew a lease and forced you to move and it cost you some extra money. What I am asking you now is, what is your position on your leases with the private sector as to getting out of them when you move into these buildings when they become available? Are you in a position where you do not have to pay a penalty? Are you in a position where, if there is a delay of some kind (there are rumors of a possible construction strike), if any delay comes along are you in a position whereby you are not going to be costing the people of Saskatchewan thousands of dollars to either pay a lease out early or have to re-negotiate a lease for a short period of time?

MR. SHILLINGTON: — If there were a strike of some length, that could create some problems. Some of the leases which I read off to the member for Rosthern, which will be terminating—we might have to try to negotiate a longer period for some of them. If there were a likely strike, that would create some problems.

MR. MALONE: — I'm not trying to suggest that there is going to be a strike but I do listen to the radio and read the newspaper and it is certainly being talked about. What are your contingency plans? What do you plan on doing should we find ourselves with some labor-management disruption?

MR. SHILLINGTON: — We would have to negotiate. If that became a reality we would have to negotiate a longer term. We don't anticipate having to do it. I am reminded that nine out of sixteen of these contracts have been settled so it isn't that likely. It would have to be a fairly long strike before we couldn't adjust to it but if it were a lengthy strike and if the worst came to the worst we might have to negotiate longer term leases. We don't anticipate any difficulty in doing it.

MR. KATZMAN: — Mr. Minister, I am not sure if your department handles this now or somebody else, but the furniture or the fixtures that are going into the new government office building here, are you looking after that?

MR. SHILLINGTON: — Yes.

MR. KATZMAN: — You are looking after it. Well I assume you were expecting a question on that just by the look on your face. You are telegraphing it. My understanding is that the purchase of the office furniture is coming basically from a US firm, Westinghouse, which is a modular type furniture. In my own opinion, personally, that style is a good idea for that kind of building because you are not building permanent walls and your cost down the road and your flexibility is there. I note that in the tenders, the bids, I understand that the prices quoted by some Saskatchewan agents for Canadian companies, the quotes were much less than the Westinghouse quote. Is that correct?

MR. SHILLINGTON: — I'm not, obviously, familiar with these figures personally but I am informed by my officials that that information is inaccurate. We took the lowest bidder in this. Westinghouse was the lowest bidder by a very substantial margin as a matter of fact.

MR. KATZMAN: — Well, somebody has given me some information that says differently but it maybe because of the quality of what you wanted and the flexibility that they were the only ones that qualified because their system, I would agree with the deputy minister, is a very excellent flexibility system. I am just wondering if there is nobody in Canada that produces that same flexibility and that's why you had to go to the American firm?

MR. SHILLINGTON: — Either the information the member got was inaccurate or he is comparing apples and oranges. He is comparing different things, that may be. He may have got the wrong information. I am informed that there was a Canadian company by the name of Croydon whose price was substantially higher and they negotiated with them in the hope that they could lower his price. He indicated that the only way he could lower his price, Mr. Chairman, was to reduce the quality of the furniture. We weren't prepared to accept this and negotiations eventually were terminated. We did take the lowest bidder.

MR. KATZMAN: — Could you tell me how much they were the lowest bidder by?

MR. SHILLINGTON: — It was about \$350,000 lower than the next bid.

MR. KATZMAN: — Somebody has put the figures down probably in the wrong places on mine. The other buildings that you are renovating, are you also considering using the concept as you have done in the new provincial mausoleum of the modular concept, the total flexibility concept?

MR. SHILLINGTON: — As the member might expect we will be watching — this is somewhat experimental — here in Saskatchewan, we haven't used it before — as the member would expect we will be watching it closely. We anticipate that there will be considerable savings in space and money and, of course, that comes about through flexibility. If it is as successful as we think it's going to be the answer is, yes, we will be using it in renovated buildings. There are obviously some limitations to that because to use it fully you have got to have a lot of open space. Some of the older buildings do not have a lot of open space and that's a limitation of its use. With that caveat attached, the answer to your question is generally, yes.

MR. KATZMAN: — The minister indicated earlier, that you will be moving into some of your space very shortly in the government buildings. I understand from the tour that I had and I thank you Deputy Minister for that tour and his people who were with him. It was very educational for my benefit today that you will be knocking down a building directly south of us and be moving that in. Will the construction strike hinder you there because of the crucial time element because of the new system that you have to put in?

MR. SHILLINGTON: — The work that is now in progress on the tunnel — the member refers to the area behind the Legislative Building, the tunnel — the work that is in progress we don't think involves the laborers and that will continue for two to three weeks. If the strike took place and it were a long one, then the demolition and removal of that building might be affected, that is right.

MR. KATZMAN: — If that is affected, it is my understanding that the heating system you

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are trying to put through the construction on the grounds right now would seriously hamper and give you problems, if you don't get that done this summer so that you can continue on your other part of the job.

MR. SHILLINGTON: — We have a temporary system in place which can be used to heat this building. Indeed, I am informed that the tunnel may not be completed until the middle of the next heating season in any event so we might well be relying on the temporary heating system even if the strikes doesn't come off as we expect it won't.

MR. KATZMAN: — Changing the topic, seeing as we are talking about this building here, is the minister responsible for the maintenance of this building, the Legislative Building? Are you also responsible for the occupational health improvements required for those who are in this building?

MR. SHILLINGTON: — Yes.

MR. KATZMAN: — The minister says, yes. Have you done the lighting studies in this building for employees as is being done on all other buildings around re the lighting for people?

MR. SHILLINGTON: — I am not sure what you asked. Let me respond in this fashion. Yes, we are responsible to the Occupational Health and Safety Committee. The only comments we have had from them — as you know they bring a complaint to you and then you act on it. The only complaint they have brought to us is a suggestion that there ought to be, in the building, emergency lighting. That is a fairly recent suggestion and we will probably be acting on it. That is the only complaint they have brought to our attention. They haven't brought to our attention, as I might anticipate, a complaint about the level of lighting and lack of candle power.

MR. KATZMAN: — Well, let me put a question to the minister that may not obviously come through your Occupational Health Committee because I doubt if anybody that sits in this Chamber is on an occupational health committee presently. I think if you bring your light metres into this Chamber you will discover it is below standard. Therefore, it leads me into my obvious question; in the renovations planned in this Chamber could you indicate what you are planning to do about what would not be allowed in any other building?

MR. SHILLINGTON: — Well, that has to be discussed with the Speaker. The Speaker is obviously involved with what goes on in this Chamber. I say to the member and I say to the Chamber, generally, that having had an opportunity to consider it, we are prepared to work with other members of other parties to renovate the Chamber as we can mutually agree upon. Certainly lighting will be part of that. I have asked Mr. Speaker to draw together the committee that worked on the renovations of this Chamber because we want to discuss with them the renovations and the lighting will be part of that. We will certainly see that there is adequate lighting in here after the renovations.

MR. KATZMAN: — Well, if I am not ruled out of order by Mr. Chairman, and I think I am proper — on the recommendations that once came before your department on the refurbishing of this Chamber or whatever you want to call it, last year in the House I remember there was some suggestion that the only thing that would be done would be bringing up the PA system. That would involve removing the carpet, laying a new PA system and putting the carpet back. Would you, in your department, know if that is feasible and if it will work?

MR. SHILLINGTON: — Again, we should be discussing this with the Speaker and in the presence of the committee before it is discussed here, but I don't mind discussing it fairly candidly.

I think our position, having had an opportunity to consider it, is that we may be penny wise and pound foolish to change the sound system and nothing else or to change the rug and nothing else. I think we are prepared to discuss with members of the opposition and with Mr. Speaker fairly extensive renovations to the Chamber. As I say, I want to discuss this with the other members before I make an announcement. Obviously, I haven't issued a press release on it because I want to discuss it with you people. It is your Chamber as much as it is ours and it is Mr. Speaker's and it is under his control directly. But I think we are prepared, if the Legislature agrees, to go through some fairly extensive renovations which will include more than just the sound system and the rug.

MR. KATZMAN: — My last comment on this one item. When you do your planning I would hope that your people would check with the Occupational Health standards, as required in places where people are required to work, on your air movement and so forth, so that whatever plan you recommend to the members of the committee will meet the Occupational Health standards.

MR. SHILLINGTON: — Yes, certainly we will and certainly we will be prepared to give assurance to the members of the committee that the renovations which are made in both lighting and air will meet the highest standards of Occupational Health.

MR. ANDERSON: — When is your completion date for the new building, the new Administration Building?

MR. SHILLINGTON: — It's the fall. We will be moving people in, starting in the fall. We hope to have it completed with everybody in the building by late fall.

MR. ANDERSON: — What do you figure your final cost to be?

MR. SHILLINGTON: — It will be \$1 million below our budget.

MR. ANDERSON: — What was your budget?

MR. SHILLINGTON: — The actual estimated cost was \$25 million; that's in very round figures you understand. We now estimate the building will cost \$24 million. I should add as well that there are other project costs, the landscaping, the street and so on and so forth, which will add about \$3.5 million to it. So those are the figures, \$24 million for the building — \$1 million under budget I repeat — and \$ 3.5 million for the sort of clean up costs.

MR. ANDERSON: — So you're \$1 million below a budget that's projected. This is your first, second, third or fourth budget that you are \$1 million below? As you recall, it has gone up since your first estimate, hasn't it?

MR. SHILLINGTON: — This was the first one; we only had one estimate. Our first estimate was \$25 million and we are \$1 million below it.

MR. ANDERSON: — You didn't estimate your landscaping costs in your original estimate then? So your original estimate was \$25 million including landscape and you

are now \$27.5 million including landscape?

MR. SHILLINGTON: — No, the question last year was on the building and I answered that, \$25 million. You asked the question about the project actually and that's what I gave you, the building plus the other project costs. The figure hasn't changed: the original estimate was \$25 million and that's \$1 million under budget. You can't take it away from us this time; we've saved the taxpayers a lot of money.

MR. ANDERSON: — So your original estimate included landscape; this estimate doesn't include landscape?

MR. SHILLINGTON: — The original estimate broke down the cost between the building and the others. If you are referring to a question that was asked last year, they asked about the building and you asked about the project and I gave it to you. You are comparing apples and oranges.

MR. ANDERSON: — How many civil servants do you feel, when your completion is done, will be working in the Wascana area, including the Legislative Building and the Administration Building?

MR. SHILLINGTON: — That will take a moment or two to dig out. I guess they weren't quite prepared for it. We'll certainly give it to you, probably in a few moments. Maybe we could go on to other questions and as soon as we have it I will give it to you.

MR. ANDERSON: — What I'm getting at is that I imagine it is not a responsibility of yours for the parking of the cars for these people but at this point in time we are facing a parking problem around here. In the winter months when the staff comes to work the plug-ins are at a premium. The area, as I say now is pretty well covered with parking. It is probably not your problem as the Minister in charge of building the building but how do you plan and where do you plan to park the excess in cars as we gather more of the downtown departments into the building as you stated you have been doing or are going to do?

MR. SHILLINGTON: — In the new Provincial Office Building there will be about 200 parking spots. There will be another 200 provided in the lots around the building. This won't provide a parking spot for every employee in the government. There is no way we can provide a parking spot for every employee in the government. I should add that it will provide a great deal more parking than those employees had downtown. Whatever arrangements they had downtown to get to and from work will have to be continued here for some of them, although, not as many of them.

MR. ANDERSON: — Has there been any consideration given to a parking area away from here and bringing the employees in by bus or something? Because I'm sure you are aware as well as I am it's a congested mess around here when we are trying to get in and out, and it's worse in the winter. You say you are going to be short of parking space which is not your department, but it's still going to end up being a problem. Even access and input is a problem out of here with the light system the way it is and it's not going to get any better.

MR. SHILLINGTON: — I don't know if it would work to have a parking spot located somewhere else and bus them in. I'm not sure where that large parking area would be in the city. We have discussed I should say, with the city, improved bus service which would encourage more employees to leave their cars at home, and this considered

different areas, it's in the highways actually but suffice to say it's not an easy proposition because employees live all over the city. They drive in and it's just not an easy proposition. We just have not been able to provide a kind of bus service that will encourage 95 per cent of the employees to leave their cars at home. It's really a question for highways, they deal with the city on buses.

MR. ANDERSON: — Has there been any thought of giving us as you increase the number of people congesting into the area you are obviously going to need a catch can-policy or you are going to have double parking, congestion and what not, that you have a system where you allocate parking space. If there is no parking space available if is not allocated any employee is then told he or she will have to come by public transportation. I mean you will have to, certainly I know it's a problem and I'm not trying to damn you for the problem you didn't create, but it's going to be a problem and there is got to be some way around it other than just hoping it's going to solve itself. As you know now, it's gets to be a mess. There is only one alternative, either more parking space, either the parking space allocated and when that is filled, no other cars are allowed in or we are going to have parking on the lawns. It's a fact.

MR. SHILLINGTON: — About all I can tell the member is that we by that I mean Government Services and the Department of Highways have been working with the city on bus transportation in an effort to say provide better bus transportation which encourages more employees to leave their cars at home. And suffice it to say that it's not an easy proposition for us as it isn't for every other employer in Canada. It's a problem which we are working on, that's about all I can say.

MR. ANDERSON: — Have you done any consultations with the Wascana Authority under whose area it falls, because I say it's getting to be a problem. As you open that building it's going to be a mad house around here, you can hardly get out of here at nights now. If you don't change the system it's going to be — it's not going to get better and obviously I say, you say the city is going to hopefully supply buses, but hoping is not going to solve the problem.

MR. SHILLINGTON: — A lot of the parking for the new employees is going to be in the south end and in a sense it will be away from this area, it will be in the new area and of course part of the \$3.5 million will provide for new roadways out, so we will be handling the traffic problems and I don't think that there will be any unbearable traffic problems created. The parking, as I say, we don't provide parking for every employee; we can't and we just have to encourage more of them to ride the bus. I can give the member the answer now to how many employees are in the Wascana area. There are 2,600 employees in the Wascana area and that includes the Wascana Hospital.

MR. ANDERSON: — Those are the ones that are here now.

MR. SHILLINGTON: — That includes the ones that will be in the Wascana field.

MR. ANDERSON: — So you don't have the 2,600 now but this would be your maximum that you feel is going to be in when the new facility opens.

MR. SHILLINGTON: — Right.

MR. KATZMAN: — Mr, Minister, I think part of your problem is parking. Will you be working out a flex system of hours that might help the problem the member was talking

about? Is that possibly what may happen there?

MR. SHILLINGTON: — That's been in place for over a year now. I am told that for at least two years we have had a flex system. It has helped, not so much with this area because heretofore we have not had any parking problems that couldn't be handled. It has really helped the downtown area. But we have had this for a couple of years.

MR. KATZMAN: — Is there some suggestion in the Wascana area that the hospital you referred to a few moments ago may be slowly changing its concept more to serving, maybe changing into offices or another type of use? The hospital that is over by the new building.

MR. SHILLINGTON: — You would really have to ask the Minister of Health about those estimates. That is really Health. I don't know; that is the short answer to that question because I don't know and there is no way of finding out.

MR. KATZMAN: — Mr. Minister, one of the systems that I happened to see in Ottawa while I was there and the massive complex they have, are these little buses that they run around with so that they can have government employees park their cars quite a distance away. They run around the grounds and government ministers aren't driving a car back and forth in between buildings causing that kind of problem. Is there that kind of consideration being considered here?

MR. SHILLINGTON: — No. There was at one point in time but there will be enough of the Regina employees who will now be in this Wascana area so you really couldn't use that kind of system. It is called the Bunny Bus system and I have seen it. But as more and more employees get into Wascana area, the system will be of less and less use. Even the Ottawa system, I have never been on the Bunny Bus when there were more than three other people on it with me, except at 5 o'clock or at 8 o'clock in the morning. But here, as we get more and more employees down here, it just wouldn't fly.

MR. KATZMAN: — Mr. Minister, re the government building. There has been some indication in this House that in the Saskatoon mausoleum or whatever you want to call it, there is possibly going to be a commercial space available for rent. On my tour of the building here I happened to see an excellent start on a good looking cafeteria set-up. Is that going to be commercially handled or is it going to be handled in the same method as the one in the Legislative building?

MR. SHILLINGTON: — To answer the member's question, no decision has been made. There are two options; it could be under the Cafeteria Board which now operates the cafeteria in this building, the Admin building and the Health building. I think there is one in each or it could be tendered out. We really haven't made a decision on it yet.

MR. KATZMAN: — Well, if you tender it out I assume that you would be building into your lease (or whatever the tender would call for) the cost of the refurbishings that have gone into the building of the cafeteria, all the equipment or on a lease arrangement (I gather the way it is in this building and others) we basically are subsidizing. Am I correct on those two statements?

MR. SHILLINGTON: — The existing cafeterias do, in a sense, contain a subsidy to the employees who eat in them. As the member will imagine, one of the considerations is whether or not we ought to treat people in the Wascana Office building any differently than the other three in the same area.

MR. KATZMAN: — There is no other commercial space, I believe, in the building in the Wascana. Is that correct?

MR. SHILLINGTON: — There is not.

MR. KATZMAN: — The Saskatoon building is a different concept. It is not in a park. It is within a main business section of the city of Saskatoon. Could you indicate at this time if any of the commercial placements that will be there, be the Saskatchewan Government Liquor Board store or be it a delicatessen or do you have any contracts lined up or people that you know are going into that space?

MR. SHILLINGTON: — Let me deal first with the retail Liquor Board store. This has been under consideration. As the member, I think knows, there is some opposition to it in the city of Saskatoon. It is under consideration. No final decision has been made to locate a Liquor Board store in the Provincial Office Building. A decision will finally be made, balancing the interests of the taxpayers against the wishes of the people of Saskatoon. We are not going to run roughshod over them in this matter.

The thing is under re-consideration. That is all I can tell you. I can tell you that that is the only government retail space. I can give you the list of space for the private sector if you are interested in it. We have the Book Store, and we have picked up 1,025 square feet . . . O.K., the Book Store picked up 1,025 square feet; Morris Shop Store has picked up 1,150 square feet; the Brass Shop has picked up 600 square feet; the Smoke Shop has picked up 525 . . . (inaudible interjection) The Brass, right. It was in the middle.

MR. KATZMAN: — How many?

MR. SHILLINGTON: — 600. The Smoke Shop has picked up 525 square feet; the Ladies Specialty Shop has picked up 750 square feet; the Barber Shop and Beauty Salon has picked 990 square feet. There is a restaurant that has picked up 3,000 square feet. Food Kiosk, a specialty food shop, has picked up 200 square feet, and a place called The Basket Shop has picked up 750 square feet. That is what has been committed. We are negotiating with a whole lot of others.

MR. KATZMAN: — How many square feet are there left?

MR. SHILLINGTON: — It is going to take the boys a moment to add and subtract here. I will give you the answer in a moment.

MR. KATZMAN: — The second portion, the Liquor Board store that is possibly going in there and possibly not going in there . . .

MR. PENNER: — It is going in there.

MR. KATZMAN: — He just a moment ago said that it may not be now. Is there any truth to the statements that have been made in the House (I believe there is) that the concept of this Liquor Board store was that they would be bringing big trucks in, unloading and going out the other way which of course will cause mass confusion in traffic. As it is, it is a very tough area for traffic right now. If you aren't going to go with the warehouse concept there, are you also not going to — you are considering not also going with a retail store, and third, — I notice a Smoke Shop indication and with the government's strong advocacy that we shouldn't smoke because it is not good for our health, why

are you considering one of those type of things going in as well?

MR. SHILLINGTON: — I should point out for the member's benefit that there has been no decision made on the retail Liquor Board store. There was never any intention to put a wholesale outlet in that store, just a retail outlet. That is being considered. As I say, there has been some opposition to it. No final decision has been made. We will be reviewing it, taking into account all of the comments that have been made by the various community leaders.

You also asked about the Smoke Shop. We don't pretend to dictate to people what they buy and what they don't buy when we lease them commercial space. It just doesn't make any sense to run an Aware program by refusing to lease people space in commercial outlets. There are far more effective ways than that of doing it. There haven't been any outrageous objections made to the Smoke Shop.

MR. KATZMAN: — Well, let's go into the parking problem that obviously is going to be much worse there than we would ever consider it is going to be at the Wascana building that you are building. How many parking spaces are being considered within the framework of this building. Have you made any arrangements, for example, with the Co-op who has a parking lot a block away, for additional space?

MR. SHILLINGTON: — The member will be happy to know that there is a lot of parking space. There are 450 stalls inside and another 35 outside. I should add as well that we, together with the city of Saskatoon, did a traffic study and a parking study, all of which indicated that this number of stalls would handle the problem and would not create any undue congestion in that area of the city. We have worked with the city of Saskatoon and they are satisfied with it. I am sure the member is as well.

MR. KATZMAN: — So what you are suggesting is that the 485 stalls that will be here will be sufficient to cover the parking, in the opinion of both your people and the city of Saskatoon. What about the restaurant which will be taking 3,000 square feet and I assume will probably be open in the evening. What parking will they have within the confines of the building, or will they be using city street parking?

MR. SHILLINGTON: — To answer the member's question about the restaurant remaining open in the evening, the parking will be available to the public of Saskatoon during the evening. All of the stalls will be available during the evening.

MR. KATZMAN: — How do you cover security of the building and so forth if you do that?

MR. SHILLINGTON: — There is a separate entrance for the parkade. You can lock the building without locking the parkade.

MR. KATZMAN: — With attendants and charging for parking and so forth?

MR. SHILLINGTON: — Yes, most likely we will charge for the parking.

MR. A.N. McMILLAN (Kindersley): — Mr. Chairman, I would like to ask the minister, with respect to some figures that he has in his annual report respecting revenues on page 13 — I see that under 'Property Building and Other Rentals', in the past the bulk of your revenue has, with respect to rental of property, come from your rentals to private agencies. I see that that trend has been completely reversed in the past three years.

In 1976-1977, of the total revenue generated for the rental of property building and other things, you received \$606,000 from private agencies and only \$62,000 from public agencies. This year you received \$85,000 from private agencies and \$302,000 from public agencies. I would like to ask you why there is a complete switch in three years.

MR. SHILLINGTON: — The information does not seem to be here. We will have to respond to the member in writing.

MR. McMILLAN: — Well I would assume that there should not be that much trouble finding out where your revenues come from in the department but if you cannot supply the information now I suppose I will have to wait until some other time.

I have another question to you. Are you still in the aircraft business? Do you still handle leases or has that all been transferred to another department as well? . . . It has all been transferred to Revenue? So you have completely disposed of any activity with respect to the leasing or handling of vehicles of any description. Government Services doesn't even have vehicles of their own. Do you rent from Revenue now?

MR. WIPF: — Mr. Chairman, Mr. Minister, you are in charge of building some of the buildings for the DNS in the Prince Alberta area, I believe. That will come up under the Prince Albert Region, is that right?

Item 1 agreed to.

ITEM 2

MR. KATZMAN: — Mr. Chairman, under Property Planning Branch you indicate that you have moved from 244 from 59 employees. Is that because of the transfer over to the Revenue Department, of the remaining portion?

MR. SHILLINGTON: — It was that, plus the reorganization. Part of the cost savings came about because of the transfer. Some of them came about because of the reorganization, simply doing more work with fewer people. It is again, the efficiency of Government Services.

MR. KATZMAN: — You know, Mr. Minister, if we were on debate on motions on private member's day, I would be expecting you to move a motion to congratulate your department at the amount of times that you have been busily patting your back. I think when praise is due to a department, they will get it and when they need, you know what, booted, they will get it too and the minister doesn't have to make sure that he does it himself.

Under the Property and Planning Branch you indicated the changing around of the department and the reorganization. Could you indicate what type of reorganization, where your changes have been made?

MR. SHILLINGTON: — Most of the positions that were deleted were from a section called Consulting Services. By and large these were architects and engineers. These positions were by and large eliminated. I should add, for the member's benefit, that while great strides have been taken in making sure this is the most efficient department possible I ought to point out in fairness, that some of the positions which were eliminated were vacant. They were just paper eliminations, really. I can give you the list

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of positions deleted, if you are interested in it.

An architect II; civil engineer III; a horticulturalist; an engineering assistant II; a construction inspector; a draftsman I; a clerk I; an information officer II; an architect II; and interior designer, a clerk typist III and a clerk typist II; one of the senior positions in the department, executive director of Public Works; senior engineer IV: civil engineer IV; civil engineer V and management series III, were eliminated.

MR. KATZMAN: — The interior designer and the construction inspection people, how many of those do you have left in the department?

MR. SHILLINGTON: — They are struggling with the precise figure. I am told there are around 16 of project co-ordinators and they, in effect, perform the service you refer to as construction inspection.

We eliminated the one position in Consulting Service that was by way of consultant, but we still have them around. We don't have any interior designers around now.

MR. KATZMAN: — So then when you go to change and remodel the present existing properties that you own, with 190,000 square feet, for example, in Regina, are you saying to me that you are going to hire an outside interior designer, or do you have people within your department that are qualified in other areas to make sure that is done?

MR. SHILLINGTON: — Either that or the work may simply be imposed on the existing staff who have picked up part of it.

MR. KATZMAN: — In your interior designing in your property and planning division, if I remember correctly, the Hughes report indicated that the MLAs and this particular building would soon possibly have private offices, not multi-offices as now. It is one of the suggestions he made and that the Cabinet ministers are basically now, except for yourself and one other, are all moved into the Legislative Buildings. How long do you think it will be till you complete that suggestion that has been made and what have you been authorized to do to this point?

MR. SHILLINGTON: — It will be a while. It will be a year or two, perhaps, before that is completed, maybe longer.

MR. KATZMAN: — For example, let's break it down then. The Minister of Agriculture just got moved in the last couple of days, into a new area they are opening up on the west side of the third floor. Is that the area that the plans call for yourself and I believe Mr. Rolfes is the other minister to move . . . are you in? Who is the other minister to . . .

MR. SHILLINGTON: — The answer to your question is, yes. That will be the area but it is Dr. Faris and myself who will be in there.

Item 2 agreed.

I

Item 3 and 4 agreed.

ITEM 5

MR. KATZMAN: — Could the minister send over a list of the properties which he is responsible for managing in the City of Regina? For instance, you indicated earlier that you are adding X amount of space, you are fixing up X amount of space; could you send over a list breaking all those down? In other words, a list of the properties that you manage within the Regina district?

MR. SHILLINGTON: — Yes, I am reminded that that information was tabled in Public Accounts. We can certainly do it again for the convenience of the members but it was tabled in Public Accounts but we can do it again, sure.

MR. KATZMAN: — Well, the only reason I ask if that it is Public Accounts, it will be quite awhile until we get it.

ITEM 6

MR. McMILLAN: — I have several questions of the minister with respect to new development that is going up in Weyburn; I'll get right to the point though. I'd like to ask you how you ended up with two architects for the same project, can you tell me that?

MR. SHILLINGTON: — The member's information is not accurate. We had commissioned in 1971 or so — the process in the department is that we often do the planning some time in advance of the construction. There are a number of reasons for this; one of which is if you have a downturn in the economy, you have your projects and you can pull them off the shelf to start them. That is one of the reasons why the planning often precedes the construction by some time. In the Weyburn project this was true. The BLM were commissioned back around 1971, I gather, in rough terms, and they did some work on it. As time went on and as the scope of the project changed, the member is aware of that, we were no longer bound to them, to continue them as architects. At this point in time we don't have an architect working on it. We have a consultant who is advising upon the development. At this point in time we don't have an architect; there were never two architects. There was one BLM who should no longer now be considered the architect but we don't have him replaced yet.

MR. McMILLAN: — Do you have a set of plans by which you are proceeding with?

MR. SHILLINGTON: — We don't have plans that an architect would consider plans that we could use as a basis for a tender call, no.

MR. McMILLAN: — Well, I understand that you may not have started construction yet but you must be at the stage that you have decided that there is going to be a project go ahead there. You must have a blueprint of some kind about what sort of facility.

MR. SHILLINGTON: — Yes, we have site plans but that's a far cry from being architect's plans. They are as different as an apple and a mountain.

MR. McMILLAN: — Well, can you tell me then how you got in a position where there has been apparently some threat of lawsuit over the development of this supposed piece of property and the involvement of one architect or more architects, etc?

MR. SHILLINGTON: — Well we have been acquiring the property of course, and that process is going on. That is obviously a process about which there may be some dispute as to what the value of the land is and that's a proper area for a court to settle. There has been some talk of lawsuits; I don't think one is in existence yet. But we have

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been acquiring the property.

MR. McMILLAN: — Well, what are your site plans? Have you decided what type of facility you would like to build there?

MR. SHILLINGTON: — In general terms, that's what a site plan does. In general terms a site plan gives you an overall idea of what the building will be and then it's up to the architects to provide the details, in a sense.

MR. McMILLAN: — Are your site plans currently based on any of the work that your BLM did for you in 1971 or anything?

MR. SHILLINGTON: — No.

MR. McMILLAN: — Did you pay them a fee with respect to any work they had done for you on that order?

MR. SHILLINGTON: — The answer is, no.

MR. McMILLAN: — Did you pay them a fee with respect to any work they have done for you on that order?

MR. SHILLINGTON: — No.

MR. McMILLAN: — Are they after you now to receive a fee for any work that they did with respect to that?

MR. SHILLINGTON: — The answer is, no.

MR. J.G. LANE (Qu'Appelle): — You've had that project since 1971 when it became a gleam in the government's eye. I notice that you can go through with the project in the government office building in the Wascana Centre, a considerably bigger project, and you can get that all done lickety-split, in two or three years built and all set to be opened. Obviously you have had a lot of problems with the Weyburn property. Certainly if you compare one as opposed to the other, you've had problems with the architect. Can you tell us why after all these years you were still unable to acquire the property needed by purchase as opposed to expropriation?

MR. SHILLINGTON: — We only decided to proceed with the project this year, I should add. We haven't been negotiating with the property purchases since 1971; we only decided to go ahead with it this year. We take the position that we will offer the businesses or the people involved a fair price, what we regard as a fair price. If they don't regard it as a fair price then the proper place to settle it is in court. We make no apology for being in court in property acquisition. That's a perfectly legitimate tribunal to determine the value of the property and sometimes the only one that can do it. We haven't been acquiring property for six years; we just decided to go ahead with the project this year.

MR. LANE (Qu'Ap): — Did the registered owners of land either purchased or the land in particular to be expropriated, did you attempt to acquire by purchase each of the owners and, if so, what efforts did you make? Secondly, and I think I have given an indication to your officials, I would like you to — if you have a manual on your procedures for expropriation which will be a public document on those expropriation matters anyway or do you have a set procedure that your officials are bound by and would you

table it please?

MR. SHILLINGTON: — Again, I am going to ask the member to refer to Public Accounts. We don't have a manual we can table as such. My deputy, I am informed, went through the procedure in detail in Public Accounts and it is there for you if you want it. Your question was, what efforts were made to reach an agreement? We did negotiate with them. I think we negotiated fairly and reasonably but there is a point in which we will not go beyond in offering a fair price and we reached that point and we are now in court to determine the price.

MR. LANE (Qu'Ap): — Well, I can't use what came out in Public Accounts until such time as the report, but I think your officials undertook then to supply that information, it wasn't tabled at the time and I said I would raise it during the estimates so that it could be supplied now. I think that's the way we left it then, So what I'm asking is I would like to have the departmental procedures so that what instructions your officials are given to expropriation — I'm sure that you don't want them just walking in and, you know, hi how are you, are you going to sell? No, O.K. expropriate, I'm sure —

MR. SHILLINGTON: — Mr. Chairman, the way to handle this is for me to undertake to convey by means of a letter to the member for Qu'Appelle, what our expropriation procedure is.

MR. McMILLAN: — Mr. Chairman, I would like to ask the minister a fairly simple question. Why are you proceeding with the development there at all; what has prompted you to get involved in this?

MR. SHILLINGTON: - A need for office space and as has been said before, a feeling that when we build offices, we should, if it can be done without any burden being borne by the taxpayer, we should attempt to do as much for the community as we can. We should not put our office buildings in the cheapest possible land without regard to what the needs of the community are. I guess a fair summary of what prompted us to get into it was a need for office space, but we tried to keep the interests of the community and the community development interests in our minds when we were developing the building.

MR. McMILLAN: — Well, you say there are two reasons. I would like to question you about the first one. You say there is need for office space. Why do you need office space now, has there been an increase in your staff?

MR. SHILLINGTON: — We are in leased space that we regard as unsatisfactory; it has fragmented all of us in the community. One of the things desirable for us to do in any community where we have a number of agencies, is to have them together. The average person who wants to deal with the government, very seldom has a clear idea of whom he should be dealing with. He knows he has a problem with something. He knows it's the province of Saskatchewan, he has maybe seen an emblem or something sitting around, but he doesn't know which department. It's confusing for the public if they have to rip and tear back and forth across town trying to find the right sort of agency to deal with. By far a more preferable method is to have all these agencies together and that's one of the reasons why the leased space that we had was regarded as unsatisfactory, it was badly fragmented.

MR. McMILLAN: — I would like to know two things. Firstly, what was the average cost of the leased space you were in and secondly, what was the amount of the available space

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per square foot per employee you had?

MR. SHILLINGTON:— We will get the information for you; it will take a moment or two to pull it together. We don't have it right now at our fingertips.

MR. McMILLAN: - My second approach to you would be, now you stated that you have decided to go ahead with this because it's no burden on the taxpayer and I assume the corollary to that is, 'but it is indeed a benefit to the taxpayer'.]

Can you tell me how you consider this to be no burden on the taxpayer. It's a fairly simple statement by you and I'd like a fairly simple explanation if you have one.

MR. SHILLINGTON: — The very simple explanation is that the commercial space will pay for itself.

MR. McMILLAN: — So you are convinced then that the office space you are building in combination with the lease space is going to pay for the cost of not just the lease space itself but also for your office space.

MR. SHILLINGTON: — That's right.

MR. McMILLAN: — You are upgrading your office space, you're consolidating and upgrading your facilities and you are convinced that as a result of the commercial lease space you are making available, it will pay not only for itself there but also for the consolidation and the upgrading of your facilities.

MR. SHILLINGTON: — No, I'm not sure the member intended to say what he did. The commercial space will not subsidize the office space. We having operating costs from that better office space. We are prepared to pay that to provide better service to the people of Yorkton. But the commercial space will pay for itself.

MR. McMILLAN: — Well, hopefully that's the case but then the remainder of the building that you are constructing to consolidate and improve the facilities you have so you can provide better service to the public, you can't assume that that's not a burden to the taxpayer.

MR. SHILLINGTON: — No I did not intend to imply that we got office space for free. I'm sorry if the member may have assumed that. Obviously we have to pay for the office space, and obviously better office space may cost us more than the old. It would be surprising if that were not the result. All I said to you was that the commercial space will not be a burden on the taxpayer and I stand by that.

MR. McMILLAN: — What percentage of this project do you expect in terms of square feet to be office space and what percentage do you expect to be commercial lease space?

MR. SHILLINGTON: — 35,000 square feet of office space, 135,000 feet in total.

MR. McMILLAN: — And 135,000 feet in total.

Item 6 agreed to.

ITEM 7

MR. WIPF: — Just one question on this Mr. Chairman. Last year regarding the fire in the Training School Centre are you rebuilding this year, or have you any plans to rebuild and what amount of money are you going to be spending to refurbish what was burnt?

MR. SHILLINGTON: — There has been no decision made yet as to what we are going to do with it.

Item 7 agreed to.

ITEM 8

MR. G. H. PENNER (Saskatoon Eastview): — Mr. Chairman, I have a couple of questions that I would like to ask the minister.

What is the total cost of that building in Saskatoon, the office building, to date?

MR. SHILLINGTON: — I am not sure if the member asked the total cost of the project to date; the total amount we have committed to date under contracts is \$16,600,000. I can give you the rest, of what we expect it to cost us between now and completion, if that is what you want.

O.K. The contract commitment, as I said, is \$16,600,000; the outstanding work total is \$1.38 million, for a total of \$18 million. There is an item called Construction Contingencies for \$298,000, leaving us with a total of \$18,300,000, but we have budgeted \$20 million, so we are about \$2 million under budget.

MR. PENNER: — I thought you might get to that bottom line. Do you have any land that has not yet been purchased? Are there any expropriation situations that are still in the works?

MR. SHILLINGTON: — No. Some of the properties which were expropriated have not been finalized yet.

MR. PENNER: — Have you any indication of the value of the land in question?

MR. SHILLINGTON: — The only thing that I can give the member is how much we offered, which was \$1.4 million and that amount has been paid and I can't speculate what the court might award.

MR. PENNER: — That figure is included in the \$ 18.3 that you mentioned, or is that in addition?

MR. SHILLINGTON: — No, it is not.

MR. PENNER — So that the total figure would be \$18.3 plus \$1.4 million, so \$19.7 million. Would the minister indicate when that office is expected to be available for occupancy and what current office space in the city of Saskatoon will not any longer be required, when that office is open?

MR. SHILLINGTON: — I can answer the first question fairly easily. We expect it to be filled up during the fall, the same comments as I made about Regina. We will start in the early fall and probably finish it by late fall. Properties which we will be moving out of are:

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Engelman's Building — 4200 a square feet. It is a long list. Do you want me to send it to you or read it to you? I will send this over. We will send you all a copy.

MR. WIPF: — Mr. Chairman, there have been some reports of one of Herman's recreational centres going up north of Saskatoon, we call them correctional centres in Prince Albert. Is there any plans now, what are your plans, where is it going to be located, how much money are you going to spend on the new 'rec' centre of Herman's out there?

MR. SHILLINGTON: — One of those is located six miles north. I'll give you a figure but I don't want to refer back to a subsequent year because it is just an estimate. It may change. It is \$9 million to \$10 million we estimate will be the cost of the correctional institution.

MR. WIPF: — When you are done this correctional institute, Mr. Minister, what is the accommodation? How many people do you plan to accommodate in there? What is it set up for?

MR. SHILLINGTON: — It will be constructed for, I gather, 142 inmates.

MR. KATZMAN: — Mr. Minister, now that we are talking about, as the member for Prince Albert called them, Herman's houses or whatever you want to call them along that line, it is interesting to note the first land location that the government decided to at, was along what's called the Warman Road, across from two chemical plants . . .

MR. SHILLINGTON: — I think I can save the member some time. Our department wasn't involved in the negotiations as to where it was to be. That was done by Social Services and the city together. I can't give you much help in the process leading up to the choosing of the site.

MR. KATZMAN: — Well, I will make my comments, Mr. Chairman, and Mr. Minister and I think you all will understand. Now, I understand the first site that was given to consider construction on was located on Warman Road, not too far away from the city of Saskatoon's system of water connections, sewage treatment plant, I believe it is called. Now I understand that the location is being moved again because even though it is safe for people who are not incarcerated to live close to these chemical plants and their crops to be killed by a combination of wind, air and rain, it wasn't safe for the people who may be incarcerated. Well, I would think that it wouldn't be safe for either but that is an argument we have with your Occupational Health people a little bit here and Safety and other branches are involved. Now, on the new location that the Social Services picked, the costs I understand, are very much higher because of further distances to water and sewage and I understand the figure is \$5 million the government of Saskatchewan is going to have to put up. Is that correct or not?

MR. SHILLINGTON: — The present location is closer to the city and therefore that ought to suggest to one that the cost would be less. I again suggest to the member that the Social Services Estimates are yet to come and I think the Minister of Social Services can give you a better idea of the location than we can. We were really just advisers to the Department of Social Services.

MR. KATZMAN: — You just suggested that the location is now closer. Would you like to give us the land location for this project?

MR. SHILLINGTON: — I can't do it. We just don't have it with us. I gather while the general area is six miles north, there is more than one location being considered.

MR. KATZMAN: — That's correct. That is why I was asking you when you said it was closer, where you got your information because the people of the area, including myself, have been trying to find out the exact location and we aren't being given this information. So how can you quote that it is closer. You know, there are three or four pieces of land that meet the requirements that the city of Saskatoon has access to that they could allow you to go on, but how can you quote that? The second part, what type of security the installations will be? Will it be double fenced? What qualifications for security? At least a double fence. These are anticipations, the member may not be aware that final arrangements for security have to be made with Ottawa. And since we haven't finalized it yet, I think in our own minds much less than finalizing with Ottawa. We anticipate it will be at least a double fence.

MR. KATZMAN: — When you talk nine to ten million, you are just throwing us a ball park figure?

MR. SHILLINGTON: — No, I made that clear when I gave the figures for the member for Prince Albert. Those are very, very ball parkish.

MR. KATZMAN: — We could be looking at \$20 million then for all you know because of security and so forth.

MR. SHILLINGTON: — No, I mean these are ball parkish but as I say they were just estimates at this point in time.

MR. WIPF: — Mr. Minister, one question here. What size of grounds are you talking about? Are you talking about a quarter section of land, 80 acres or what size of land is it?

MR. SHILLINGTON: — Oh, about a half a legal a subdivision, about 20 acres.

MR. KATZMAN: — Well, would one of the reasons for locating this particular location exactly where it is going would be because of a new golf course going up there and be very close for Herman's people?

MR. SHILLINGTON: — I don't think the member is serious.

Item 8 agreed.

ITEM 9

MR. McMILLAN: — I'd like to ask the minister if he has determined a final bill on the damage as a result of the riot at the correctional centre, if in fact they are responsible for that figure.

MR. SHILLINGTON: — No, the member should ask those of Social Services when the estimates come up.

MR. McMILLAN: — Is the facility not yours?

MR. SHILLINGTON: — This is kind of a hybrid. We construct them but that is the end of

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our responsibility, we don't maintain them once they are built. That is the responsibility of Social Services. Mr. Rolfes says he'll give you the answer, he'll be happy to.

MR. WIPF: — Now, Mr. Minister, I'd like to ask a series of questions here and to start with, how many buildings in the city of Prince Albert as you renting, what are the names of them and what square footage is in each one?

MR. SHILLINGTON: — Would you like that tabled?

MR. WIPF: — Yes, Mr. Minister, you could table that. I understand in some of these buildings you've rented the total square footage and I lose the name right now, but one, and when you are renting buildings for Government Services, is it your policy to rent hallways and furnace rooms when you are paying for square footage of office rent and how many buildings in Prince Albert are you in the square footage of that building included, how many buildings in Prince Albert are you paying for the furnace rooms in?

MR. SHILLINGTON: — Normally, we rent useful office space, we may have arrangements, however, with a landlord under which we rent the whole building for a certain cost. I suppose then that you could argue that we are renting furnace space as well but this varies but normally we rent usable office space.

MR. WIPF: — O.K. Mr. Minister, maybe I should get a few names from you on some of the office buildings they are renting. I think the one, the Courtenay Building, is one . . . oh, that's Ted's Palace. . .

MR. SHILLINGTON: — O.K. We rent the Courtenay Building.

MR. WIPF: — Would you also tell me which department they are in . . . Northern Saskatchewan, I guess . . .

MR. SHILLINGTON: — We rent the Courtenay Building to the Department of Northern Saskatchewan and the Department of Government Services gets a piece of it too. A New Trend warehouse is rented to the Department of Social Services and I gather the Department of Government Services have a piece of the action there as well. We lease the Highways Building, and obviously the client there is the Department of Highways. We rent some office space, I gather, in the Princess Cafe, above the Princess Cafe and that is rented to Industry and Commerce and Culture and Youth share that as you know, share that space. We rent some office space from Lee's Building Ltd. and that space is shared by Agriculture and Labour.

MR. WIPF: — Where is that located?

MR. SHILLINGTON: — 196 9th St. E. in Prince Albert. We then rent space from Northern Saskatchewan Co-operative Stockyards, obviously that is Agriculture. We rent a building from Glass Holdings; the client there is the Municipal Road Authority. We rent a hangar from the city to DNS, as you are aware. We rent the Phaneuf Building and that is to DNS.

MR. WIPF: — Where is the Phaneuf Building located?

MR. SHILLINGTON: — 950 6th Ave. E. in Prince Albert.

MR. WIPF: — Sorry. I missed whom it was rented to.

MR. SHILLINGTON: — The client is the Department of Northern Saskatchewan.

MR. WIPF: — Mr. Minister, do you have the square footage on that?

MR. SHILLINGTON: — The usable area is 2,940 square feet. We also rent a building called the Twelfth Building, from the Twelfth Building Ltd., appropriately enough, and the client there is the Department of Northern Saskatchewan and Corps Services. We rent the Community Training Residence and the client there is obviously Social Services. We rent the Valleyview Satellite Home and the client there is Social Services again.

MR. WIPF: — The Valleyview Satellite Home; where is that located?

MR. SHILLINGTON: — That is located at 13th Avenue West. We rent the City Court Building and obviously that is the Attorney General's Department.

MR. WIPF: — The City Court Building is the Attorney General's Department or DNS?

MR. SHILLINGTON: — It is not on my paper but I am told that DNS is there as well.

MR. WIPF: — O.K. Mr. Minister, could you give me the cost of rent per square foot in the Twelfth Building, the Phaneuf Building, the Codville Building and the New Trend Building, please?

MR. SHILLINGTON: — No; I can't give the member the cost per square foot of any of it. This is a longstanding practice of the Department which the House has usually respected. We don't give out these costs. It is information which we keep confidential because it helps those who are bidding on space. We just don't give it out.

MR. WIPF: — Is there a large discrepancy in the renting of these buildings per square foot?

MR. SHILLINGTON: — No.

MR. WIPF: — At the present time, the Courtney Building and the New Trend Warehouse Building are they up for re-tender now? Are you re-tendering office space in them at this time or have they asked you to open tenders again, and when are their contracts up?

MR. SHILLINGTON: — In another year.

MR. WIPF: — O.K. Mr. Minister, I'll tell you, the one building that I asked about, the renting of the furnace rooms, the hallways, in the Twelfth Building — I understand you don't rent the total building, you rent only office space. Could you check that out, maybe you don't have it here, but could you just check out the actual square footage of offices and see what you are paying for it?

MR. SHILLINGTON: — Yes, we will certainly do that.

MR. WIPF: — O.K. Mr. Minister, your department is also building a warehouse for the DNS north of Prince Albert, a garage in the north industrial centre?

MR. SHILLINGTON: — Yes we are, the DNS Repair Depot, I think it is called.

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MR. WIPF: — Now is there an extension going on to that? It just opened recently. Is there an extension going on to that at this time?

MR. SHILLINGTON: — No.

MR. WIPF: — O.K., the property purchased in Prince Albert in your capital program, the bus depot site; did you recently in the last year purchase new land for the bus depot site in Prince Albert?

MR. SHILLINGTON: — The answer is yes.

MR. WIPF: — Can you tell me how much you did purchase and what was the cost of that purchase and whom you dealt through?

MR. SHILLINGTON: — 350 feet of frontage on 13th Street East in Prince Albert; total estimated purchase cost is \$602,000.

MR. WIPF: — O.K., Mr. Minister, the Saskatchewan Forest Products Building. When are you starting it; what is your projected cost on it; when is your completion date set for that and what is it going to include? What is going to be included in it?

MR. SHILLINGTON: — Tender call is expected to be in July. — call for tenders on the building. I will give you the cost here if you like. The total estimated finished building cost is \$12.6 million; the parkade is an additional \$2.6 million which gives a total of \$15.4 million. Then there is the site cost of \$790,000 and a development cost of \$50,000 for a grand total of \$16,220,000.

MR. WIPF: — I understand that that is going to be an eight storey building. Is that right? And your parkade, is that an underground parkade you are talking about?

MR. SHILLINGTON: - It is 11 storeys and I believe the parkade is above ground.

MR. WIPF: — Whom do you expect to house in that building, Mr. Minister? What departments are you expecting to move into that 11 storey building?

MR. SHILLINGTON: — We expect the Department of Northern Saskatchewan, the Saskatchewan Forest Products, the Attorney General's Department, the Department of Agriculture, the Department of Labour, the Northern School Board and the miscellaneous, minor agencies will be in there.

MR. WIPF: — O.K., with this new office building you're building in Prince Albert, are you going to continue to renew these contracts with buildings where the DNS is now, and these other contracts that you have with private owners?

MR. SHILLINGTON: — I am sure that the member is aware, we are a ways away from the completion of the building. We will go through the same process. We will space the leases so that they will run out by the time the building is completed and hopefully, it will all dovetail as it has nicely dovetailed in Regina and Saskatoon.

MR. WIPF: — And in your Highways building, has that building changed hands in the last two or three months? Are you dealing with a new owner there?

MR. SHILLINGTON: — We think it has. We haven't been able to confirm that definitely but we believe it has changed hands. It doesn't affect our rights under the lease of course. We have a right to go on paying the rent for the old land if we so choose and, unless we receive a legal assignment, we have a year left to go and we intend to keep it, but we think it has.

MR. WIPF: — Mr. Minister, the new jail that is going in the Prince Albert area will be built I understand, if I am correct, south of the existing jail on the existing property there. Can you inform me today how many residents this has been built for and what is going to be the estimated cost?

MR. SHILLINGTON: — The number of inmates is roughly the same, about 142. The costs are roughly the same except there may be additional site costs. I will just get that in a second.

MR. WIPF: -0 In the same question, Mr. Minister, what will you be doing with the old building?

MR. SHILLINGTON: — The costs are about the same, \$9 million to \$10 million. There have been no definite plans made for the disposition of the old building. The city has indicated that they might want to use it. I am sure the member can envision that there are not an awful lot of uses you can put an old jail to but the city at least thinks there are some uses for it. We may sell it to them.

Item 9 agreed.

Item 10 agreed.

ITEM 11

MR. KATZMAN: — Mr. Chairman, last year in this House we heard a lot about the Swift Current district, the pouring of footings that had to be moved, and all those problems. Could you tell the House what that little episode cost the government of Saskatchewan or the contractor, or what happened?

MR. SHILLINGTON: — We paid Poole, who were the contractors, an additional \$270,000 on the basis that their piles which they had used were more complex than the tender had called for. So we paid an additional \$270,000. We have no idea of what it cost Poole Construction, but it was a lot. They claimed from us \$600,000 and what they claimed from us is thought to have been a fraction of what it was going to cost, because they obviously couldn't claim it all. But we don't know what it cost Poole, but it cost them a lot.

MR. KATZMAN: — So what you are saying is, that in this particular building, Poole was the general contractor who tried this other form of pilings. It didn't work and your additional billing was \$270,000 and the reason you agreed to pay that was because the footings that they supplied in the end are a better style footing than you originally called for?

MR. SHILLINGTON: — Yes.

MR. KATZMAN: — So are you suggesting that in any contract that you get involved in, if somebody has to bring something up to a higher standard you will pay the costs, or portion of?

MR. SHILLINGTON: — These things, happily, do not occur on very many occasions, so there isn't a manual on how you handle them, as I am sure the member can imagine. In this case the design which was called for proved to be, perhaps, not adequate, and we agreed to a different footing. And where the specifications which were initially called for in the tender aren't what we eventually agreed to or what we eventually requested, that's our responsibility and I don't mind paying it. Now, probably if the same situation arose again, if we changed the specifications in the tender, we would probably do the same thing again. These things are negotiated in each case and I'm sure the member imagines.

MR. KATZMAN: — Well, my concern is, wouldn't you when you hire an architect, to do the job with you — he designs and tells you what you need. Is he not responsible for his bungle? Who is responsible? I mean, you must have done some testing before or was your own department the architects and that's why you're picking up the costs.

MR. SHILLINGTON: — No, we're not convinced that there was any negligence on the part of the architects which could be the subject of a legal claim. It's just one of those things that you discover as you go along that eventually the owner has to pick up. Because, after all, he's paying the cost of the building. We don't pretend to pay for cost incurred by reason of negligence of architects but costs which are legitimate costs for building, which may not have been foreseen, we'll pick those up. As I say, it's a case of negotiation in each case.

MR. KATZMAN: — Well, you state legitimate costs. I would assume the total costs of pouring the new footings would be legitimate. Yet you say you only paid a portion, as far as you're concerned, of \$270,000. Are you saying it's not Poole's fault that the first idea didn't work? You say it's not the architect's fault. Therefore, you pay the bill. How much did Western Caissons absorb?

MR. SHILLINGTON: — We don't know that. We've got no way of knowing that, knowing

what they absorbed. What we're saying is that if we had initially included within the specifications in the tender, these footings, it would have cost us this much extra. O.K. we'll pick up that because that's an additional strength or that is something that's been added to the building. That's fair that we pay for that. That's all we paid for. I can't tell you what Caisson or Poole might have cost them. I know it was a lot. I don't know.

MR. KATZMAN: — What was the total cost of this particular E.I. Wood Building?

MR. SHILLINGTON: — The final project cost was \$6.1 million.

MR. KATZMAN: — Mr. Chairman, you just had an official opening several days ago. I was reading about it in the newspaper. Could you tell me what that type of thing — I'm only using this one because it's the last one I've heard about. What is the cost to the government for this type of function?

MR. SHILLINGTON: — We don't have the bills back yet but it would be under \$1,000.

MR. KATZMAN: — Well, O.K. you don't have the bills for that one. The last one that I remember then, that you should probably have the bills for, is a swimming pool in Saskatoon. That was last fall I think. Mr. Speaker, when he was Government Services Minister, started it. I know he was absent that day. I'm just trying to figure out what kinds of costs you get into and what items are paid for you in an official type of function of an opening of a building?

MR. SHILLINGTON: — I don't have the figure herewith me. I can supply it to the member for the opening of the Harry Bailey Swimming Pool, I think it was. Suffice it to say that normally we spend \$500 to \$1,000 on official openings and we were within the limits in this case.

MR. KATZMAN: — Well, can you supply me with this one too when you . . .

MR. SHILLINGTON: — I will.

MR. D.M. HAM (Swift Current): — Mr. Minister, with reference to the opening of the E.I. Wood building in Swift Current. Would you mind when you find out what the total cost was, when the information is available, giving it to us? At the same time, verifying whether or not, as I heard, the trees had been hauled in from somewhere. The pictures were hauled in from Moose Jaw and the chairs came from somewhere else. Verify that if you would please.

MR. SHILLINGTON: — We can certainly tell you what pictures and chairs were brought in for the opening. I am not aware of any trees hauled in from anywhere, not the trees around the building but I am not aware that we hauled in any specially for the opening.

Item 11 agreed.

ITEM 12

MR. KATZMAN: — On the payment to the Wascana Centre Authority, is this your portion of the cost for the grounds all around? What percentage is it? What percentage of the total cost?

MR. SHILLINGTON: — The maintenance is paid for by the user. Each user pays for its

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own. We pay for all the maintenance in the government share of the Wascana Centre; the University pays for its share; the Centre of the Arts pays for theirs and so on. The breakdown of the grant is, our grant composes 55 per cent of the total grants to the Wascana Centre Authority.

MR. KATZMAN: — We are talking the No. 12 vote, not the No. 13 vote.

MR. SHILLINGTON: — You are talking the No. 12 vote. The No. 12 vote is the cost of maintaining our portion of the grounds. That's what we spend for maintaining our portion of the grounds.

MR. KATZMAN: — You can give it to me later, what you call your portion of the grounds then. A list, you know, of what you call your portion, what you call the university portion, what you call the city of Regina's portion. I believe that's the other one that shares.

MR. SHILLINGTON: I'll have to give you a precise answer later. In rough terms the provincial government's portion is south of the creek and west of Broad but I will give you a precise answer later on. It is fairly complex actually, more complex than it seems.

MR. KATZMAN: - Well, I'm not sure if this is the right place. I understand when the Power Corporation closes down over here that the birds that we have, which are such an attraction, will not be kept in the winter. Are you responsible for that at all?

MR. SHILLINGTON: — No, we have no birds in our budget. Birds are in the budget of the Wascana Centre and that's T&RR, I guess. We pay a grant but we don't operate it and we can't tell you what we are going to do with the birds, that's really Tourism and Renewable Resources, they are the bird people or Wascana Centre.

MR. KATZMAN: — What you do is you pay the bill and whatever they do that's their business.

MR. SHILLINGTON: — From the point of view of this department that's right but from the point of view of the government that isn't right. The government obviously keeps track of what the Wascana Centre is doing.

Item 12 agreed.

ITEM 13

MR. KATZMAN: — Is this the Centre of the Arts?

MR. SHILLINGTON: — It's a subvote of Culture and Youth, it will be next.

Item 13 agreed.

Ordinary Expenditures — Vote 13 agreed.

CAPITAL EXPENDITURES — Vote 14

ITEM 1

MR. KATZMAN: — Can you give me a list of what this is going to be capital construction for, plus — all the way down the list is what I am asking, items 1-9?

MR. SHILLINGTON: — I think what the members asks for is in writing and we will give it to him in writing. It is a very long list to read out.

Items 1-7 agreed.

ITEM 8

MR. KATZMAN: — Could you give me an idea of what you are building for Herman?

MR. SHILLINGTON: — Perhaps it would be just as easy to table this but let me try to give it to you in round figures. There are the correctional centres and remand centres at Prince Albert and Saskatoon. There is renovation to Kilburn Hall, I guess that is a boys' school in Saskatoon. There are total repairs at Valleyview Centre and there are some planning dollars in for the Valleyview Centre at Moose Jaw to determine what we are going to do with it.

I can file this now if the members want me to.

MR. KATZMAN: — The only question I was wondering — is this the pre-planning cost for Saskatoon and Prince Albert correctional institutes, based on a portion of this?

MR. SHILLINGTON: — No, just the money for this year. No, it isn't.

Item 8 agreed.

ITEM 9

MR. WIPF: — A question on this, Mr. Minister. Why the cutback for Tourism and Renewable Resources? Was that extra money last year used for the greenhouse that was opened in Prince Albert or what is the reason for the cutback?

MR. SHILLINGTON: — Yes, the member is basically accurate. This just represents the cash flow. We finished one major project which was the greenhouse in Prince Albert, as the member I think, knows, and that accounts for the cost. It is just the cash flow. It doesn't represent any less activity. It is just really the cash flow.

MR. WIPF: — Can you give me the major construction cost, the total cost of that project?

Item 9 agreed.

Supplementaries — Ordinary Expenditures

ITEM 6

MR. SHILLINGTON: — No, there were a number of things including addition of repairs to the Legislative Building of \$79,000 something described as carry-over costs for moving of the Humford House. It also includes increased costs of natural gas, water, electricity, it also includes increased cost of rental space, miscellaneous things.

Item 6 agreed

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Supplementaries — Capital Expenditures

ITEM 7

MR. WIPF: — Mr. Minister, could you send me a list of that.

Item 7 agreed.

MR. ROMANOW: — Mr. Chairman, before I call it 5:00 o'clock, call it 5:00 o'clock now, I guess. The agenda is we'll call Culture and Youth, Public Service Commission and then hopefully, Social Services, we'll get started tonight, 9:00 o'clock, 9:15, I think it should be good enough, in fact there is no reason not to start it, that's entirely up to the House, but that is the agenda in any event. You can take up all your time on Culture and Youth if you want or Public Service, but we'll have those three departments ready to go and I call it 5:00.

MR. WIPF: — I'd like to thank the minister for his estimates and his co-operation in this.

The Assembly adjourned at 5:00 o'clock p.m.