

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Nineteenth Legislature**

**April 23, 1980.**

The Assembly met at 2 p.m.  
On the Orders of the Day.

**WELCOME TO STUDENTS**

**HON. W.E. SMISHEK (Regina North-East):** — Mr. Speaker, it gives me a great deal of pleasure to introduce to you and to the members of the legislature, two groups of students from the Regina North-East constituency. In the first group from St. Michael's School there are 22 Grade 8 students. They are accompanied by their teachers, Mr. Peter Brescieni and Mr. Adams. The second group is from St. Paul's School and there are 20 Grade 8 students. They are accompanied by their principal, Al Jurzyniec. I extend a warm welcome to these students. I hope their visit so far has been a good experience and that they will see the legislature in action during the question period. I am not sure I will be able to meet with the students. Immediately following question period we will have second readings and I have two bills under my name to which I will have to speak. Again, let me extend a warm welcome to the students and to the teachers. I hope their visit this afternoon is a rewarding experience.

**HON. MEMBERS:** Hear, hear!

**MR. R.H. PICKERING (Bengough-Milestone):** — Mr. Speaker, it is indeed a pleasure for me to introduce 11 Grade 8 students from Crane Valley School. They are accompanied here today by their teacher, Richard Strubel and their bus driver, Dale Adams. They are seated in the Speaker's gallery. I will be meeting with the group immediately following question period. I hope they find their visit to the legislature informative and perhaps educational. Since I have become an MLA this is the second time a group from Crane Valley has come a long way to visit with us. I would like all members to join me in wishing them an enjoyable stay in Regina and a safe trip home.

**HON. MEMBERS:** Hear, hear!

**QUESTIONS**

**SOLAR ENERGY STORAGE UNIT**

**MR. P. ROUSSEAU (Regina South):** — Mr. Speaker, in the absence of so many ministers from the House today, I would direct my question to the Minister of Municipal Affairs (Urban) and hopefully he will be able to give me some answers. This morning in Crown corporations committee the minister responsible for Saskatchewan Minerals admitted that a gift had been made to David Lange, former NDP member of this legislature, of a solar energy storage unit for a house on the south end of Pasqua Street. Mr. Minister, can you advise this Assembly if there are any further gifts made to Mr. Lange with respect to the construction of this house from any department of the government?

**HON. W.E. SMISHEK (Minister of Affairs (Urban)):** — Mr. Speaker, first of all I want to draw to the hon. member's attention that if he looked around he will find at least 12 cabinet ministers out of 19. Perhaps the hon. member should first of all . . .

**MR. SPEAKER:** — Order, order! I want the House to stay in order. If the House is quiet

when the member asks the question I expect the other members will reciprocate and keep the House quiet while the minister is giving the answer.

**MR. SMISHEK:** — Mr. Speaker, I was not in the House or in the committee when the matter was being dealt with. As usual I would doubt whether his conclusions are correct, and perhaps my colleague who is minister in charge of the mineral company might want to comment on that.

**MR. ROUSSEAU:** — Mr. Speaker, I'd rather not have the minister comment on that. I want a reply to my question. The minister responsible for Saskatchewan minerals admitted that his department, his Crown corporation, made a gift to Mr. Lange. This is nothing but political patronage.

**MR. SPEAKER:** — Order. Next question.

**MR. R.L. COLLVER (Nipawin):** — Mr. Speaker, I too, do not know to which minister to address this question since there are so many, including the Leader of the House missing from this . . .

**MR. SPEAKER:** — Order, order. The purpose of the question period is not to note what the attendance is in the House. I think the member should direct the question to where he wants it. And it's also not for the minister to respond that a certain number of cabinet ministers are here. So if the members can get away from that we can be in order and question period can continue.

**MR. COLLVER:** — In the absence of the Premier, in the absence of the Deputy Premier, in the absence of the Leader of the House.

**MR. SPEAKER:** — Next question.

### **DISPOSITION OF GOLDEN ACRES**

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, question to the minister in charge of SEDCO. Mr. Minister, in the session last year on numerous occasions which I won't elicit right now, you promised this Assembly a statement on the final disposition of Golden Acres. I would respectfully point out to the minister that pretty well 12 months have elapsed. I suppose 12 months have elapsed since the matter, in your terminology, has been disposed of; 12 months since you have been queried on it; so may I, therefore, ask the minister today when can we expect a full and complete revelation as promised by the minister on numerous previous occasions?

**HON. N. VICKAR (Minister of Industry and Commerce):** — Mr. Speaker, I thank the hon. member for that question because I've been expecting it now for quite some time. I might tell the member that, as he well knows, the development has been sold, all but 1.7 acres, and until such time as that is sold and until such time as the courts complete the action on the guarantors I cannot have a complete statement for you. All those are under proceedings at this time.

**MR. THATCHER:** — Supplementary question. Did I understand the minister correctly when he said, at this point in time there is action being taken in the courts against the guarantors of the original Fairview Developments, better known as Golden Acres. Did I understand you correctly to say that action has been commenced against the guarantors?

**MR. VICKAR:** — Mr. Speaker, yes it is correct. Action has been commenced. If I said courts I should correct that. It's not in the hands of the courts at this time, but action has been taken.

**MR. THATCHER:** — Supplementary question to the minister. I believe, Mr. Minister, you did say courts initially and therefore my supplementary question is to you. Would you be more specific. If this action has not been taken in the courts, would you mind spelling out precisely and exactly what sort of action is being taken by SEDCO against the guarantors of Golden Acres?

**MR. VICKAR:** — Mr. Speaker, I don't think at this point in time it would be necessary for me to reveal all the information. As I said in my original statement, we still own 1.7 acres of land at the site, and until that is completely sold so that we have a complete picture of the dollar income we cannot complete our investigations on the total subject.

**MR. THATCHER:** — Supplementary to the minister. Mr. Minister, approximately one year ago I accused you in the Assembly of using the 1.7 acres as a reason for not making public the final or complete picture on the Golden Acres. The record will show very clearly you denied it to be the case. My supplementary to you, Mr. Minister, is this: why when you denied a year ago (and we can dig this out of Hansard if you wish) that holding on to the 1.7 acres would merely be used as a future excuse for not revealing the true picture, the final disposition of Golden Acres, are you now using it in this Assembly today as an excuse for (a) refusing to give this Assembly, which has been promised on numerous occasions, a complete run down and a complete picture and a complete accounting as to what happened in Golden Acres?

**MR. VICKAR:** — Mr. Speaker, that may be the version of the hon. member. I don't accept that. I am saying we have begun action against the guarantors; we own 1.7 acres and until that 1.7 acres is completely sold we do not have an exact dollar picture. Therefore, how can you establish a figure to go after the guarantors?

**MR. J.G. LANE (Qu'Appelle):** — A new question to the minister. Would the minister kindly explain how on the one hand he says some action is being taken and on the other hand we can't take action because we own the 1.7 acres? Now which position are you taking? If you have taken action, would you explain in detail precisely what action has been taken. That action could run anywhere from a simple demand letter or a phone call — we may have to do something. If that's the only action (and you are nodding your head) that you are taking, you are deliberately misleading this House because you haven't taken anything. Now would you mind coming clean and telling us what action you have taken?

**MR. ROUSSEAU:** — Well I have a question for the minister in charge of SEDCO (Saskatchewan Economic Development Corporation) in conjunction with the same subject. Mr. Minister, first of all I would like to ask you how much you are asking for the 1.7 acres which you are trying to sell; where on that parcel of land is the 1.7 acres located (is it at the back end or is there accessibility to it); what attempts have you made in the last two, three or four years to sell that 1.7 acres; and what percentage of that parcel of land does that 1.7 acres constitute?

**MR. VICKAR:** — Mr. Speaker, I think there are about five different questions. I will try to answer them if I can.

I think the 1.7 acres is situated facing the highway, which is one of the prime areas on the lot. Secondly, we have advertised the 1.7 acres through real estate agents. Thirdly, we will accept fair market value for the property, whatever the fair market value is at that day — I don't have the figure.

### **BILINGUALISM AS A POLICY**

**MR. R.L. COLLVER (Nipawin):** — I direct my question to the former minister of agriculture and the member for Saltcoats.

Mr. Speaker, the member and the minister will be aware that in today's Leader-Post is an article (an item) by the Canadian languages commissioner, saying there is no hope for confederation unless entrenched French language rights in the constitution are instituted in the Canadian constitution. My question, quite simply is, in the light of the Premier's statements on Mr. Ryan's proposals for the future of Canada, is your government now unequivocally behind bilingualism as a policy in the province of Saskatchewan?

**HON. E.E. KAEDING (Minister of Municipal Affairs (Rural)):** — Mr. Speaker, I fail to see what that has to do with the Department of Agriculture and I will take notice of it and I will ask the minister to try to give you an answer. I am sure his department will not have a great deal to say about that subject.

**MR. COLLVER:** — Supplementary question, Mr. Speaker. While the minister is taking notice of that particular question would the minister also take notice of another.

**MR. SPEAKER:** — What is the member on his foot for?

**MR. COLLVER:** — I want to ask a supplementary of the minister.

**MR. SPEAKER:** — Supplementary.

**MR. COLLVER:** — Yet the Government of Saskatchewan has, as a result of these positions taken by the Premier (not only in the press releases issued by the government) but also at the premiers' conference which is concluding today. If that is true, what steps is the Government of Saskatchewan going to take to implement the bilingualism policy envisaged by Mr. Ryan and envisaged by the Canadian languages commissioner; what steps are they going to take in the province of Saskatchewan in that regard?

**MR. KAEDING:** — Well, Mr. Speaker, again I fail to see where that has anything to do with the Department of Agriculture to whom he addressed the question. And so I'll suggest to him that I'll take notice of the question and I'll have the appropriate minister answer it tomorrow.

### **ABOLISHMENT OF ASSISTANT REGIONAL DIRECTORS OF EDUCATION**

**MR. D.G. TAYLOR (Indian Head-Wolseley):** — Mr. Speaker, a question to the Minister of Education. Mr. Minister, you have indicated that you intend to abolish the six positions of assistant regional directors of education throughout the province. I understand that five of the people have over 30 years of educational experience and that they are within between three months and two years of full superannuation benefits. My question is,

what provisions have you made to transfer these senior persons to other portfolios in your department?

**HON. D.F. McARTHUR (Minister of Education):** — Mr. Speaker, the six positions referred to — it is true as positions they have been eliminated from the establishment of the Department of Education because of the emphasis in our department toward the decentralization of educational decision-making in the direction of local school boards, as the member for Rosetown has often indicated he supports and I think the member for Indian Head as well. We are at the present time engaging in developing a program towards placing the employees into positions within the educational community that will recognize their service and their experience. I don't believe that the hon. member is totally accurate in his presentation of the facts with respect to yours of service but I don't have the full details of that. I think there are a number who are further from retirement than the hon. member indicated. That does not, of course, change in any way the need to make sure that we do find placements for these people within the educational system and that is what we are working on at the present time.

**MR. TAYLOR:** — Supplementary, Mr. Speaker. I believe there's only one that isn't close to superannuation. But, Mr. Minister, your department has made a number of order in council appointments — your Department of Education and Continuing Education — at least six senior well-paid order in council appointments during the past year. I want to know, was consideration given to perhaps transferring these well-qualified and experienced regional superintendents into these positions?

**MR. McARTHUR:** — Mr. Speaker, I believe that there are appointments being made on a continuous basis within the department. I can't confirm the number of six appointments that the hon. member indicates but certainly in my time in the department there have been I know three or four appointments made. Most of those appointments were made before the final deliberations and considerations with respect to the reorganization of the regional offices within the department and so in a number of those cases it was not possible to consider the possibility of placements of these people into the positions in question. However, certainly any positions that do become open and vacant, the people involved will be given full consideration for placement into those positions.

**MR. TAYLOR:** — Final supplementary, Mr. Speaker. Mr. Minister, will you provide this House with the resumes of the six top order in council appointments made in your Department of Education and Continuing Education during the year 1979?

**MR. McARTHUR:** — Mr. Speaker, that seems to me to be a question that I'll have to look into further as far as providing detailed personnel files of employees. Certainly I'll take the matter under advisement and give the member an indication upon completion of that review.

### **SASK HOUSING RE BONDING COMPANY**

**MR. E.A. BERNTSON (Leader of the Opposition):** — A question to the minister responsible for Sask Housing. On November 10, 1978 construction was halted on an 18 unit project in Oxbow. This project was jointly funded by CMHC, Sask Housing and the town of Oxbow. Some time after that time, the contractor, Manor Homes or Manor Construction Limited, went insolvent and this has been hanging on even since. Apparently there is some problem with the bonding company. Now at the SUMA

(Saskatchewan Urban Municipalities Association) convention last fall you were questioned on this very thing and you responded that discussions and negotiations were going on and you expected a resolution to this problem within a matter of weeks. Can you tell us now whether this thing has been resolved, and if not, why not, and when will it be?

**MR. SMISHEK:** — Mr. Speaker, as I recall the question raised at the SUMA convention was in regard to 16 housing units in the town of Lampman, not in the town of Oxbow. I would like to pass that on to the hon. member. And for the hon. member's information, the Oxbow unit (I believe there are 18 units) is not the Saskatchewan Housing Corporation project. It is a CMHC project, not our project. They are responsible. We concede that we do provide in that project 25 per cent of the funding. It's part of the rural housing program. Manor Homes is a company that is in receivership, and I believe the bond is held by government insurance which has been working the problem out. I believe most of the details have been worked through. As I understand, in the case of Lampman, all the details have been worked through and the project, if not completed is virtually completed. I am sure the Oxbow project is going to be completed as soon as the final details have been worked out.

**MR. BERNTSON:** — A supplementary, Mr. Speaker. the people from the various town councils (and there are several so affected in Saskatchewan including Lampman, Oxbow, Wadena, among others) understood the comments you mad at SUMA to be general and relating to all of these projects. Would you not agree that November 10, 1978, is a long time to have this thing hung up and that the towns and villages in Saskatchewan, where these projects have been hung up, are suffering some considerable hardship by virtue of the fact their funds are tied up while these two bureaucracies, CMHC and SGI, are disputing who should be responsible for the projects?

**MR. SMISHEK:** — Mr. Speaker, first of all there are no town council moneys tied up, nor are there any funds of an individual tied up. The projects are funded 75 per cent through CMHC, 25 per cent by SHC. I think I know what I'm talking about, Mr. Speaker, whereas the hon. member may want to inform himself about how these projects are funded.

May I also tell the hon. member that these are some of the problems in doing business. Every once in a while a company goes bankrupt. Manor Homes is a company that went bankrupt. Based on the national experience, every year about 15 per cent of the subcontractors in the construction industry go out of business. Some of them go bankrupt. In Saskatchewan, in the last few years since we have been in office, fewer than 5 per cent of contractors ever go into bankruptcy, or go out of business. We have had an excellent record. May I also tell the hon. member that there were 80 . . .

**MR. SPEAKER:** — Order, order! I think we are off the subject.

**MR. BERNTSON:** — A final supplementary to the minister. The town of Oxbow is, in fact, at a 5 per cent partner in the funding of this particular project. The minister still did not answer my question. Would you not agree that two years is a long time to have this thing hung up? Secondly, will you encourage your colleague responsible for SGI to do what he can to see that this matter is brought to a conclusion quickly?

**MR. SMISHEK:** — Mr. Speaker, I will agree with the hon. member that two years is a long time and there are inconveniences. That I concede. I can also assure the hon. member

that SGI has been doing everything it can to have the project completed and work out the legal entanglements and problems. But when you go into receivership and the courts are involved, we can only move so fast because a lot of it is within the jurisdiction of the courts.

## REVENUE SHARING PROGRAM

**MR. H.J. SWAN (Rosetown-Elrose):** — A question to the Minister of Municipal Affairs (Rural). In light of an article in the Leader-Post entitled, Province not doing its bit to keep city taxes down, and keeping in mind the large number of towns, cities and rural municipalities which have had to increase their mill rates significantly, do you not agree that the revenue sharing program is falling short of meeting the financial needs of many of our rural and urban municipalities?

**MR. SMISHEK:** — Mr. Speaker, the revenue sharing largely is under the jurisdiction of urban affairs and I think the reference is in that respect.

I would have appreciated, Mr. Speaker, if the editorial writers had done a bit of research work. Since 1977 revenue sharing grants have increased. For example, their reference to the city of Regina — in the city of Regina, increased by 67 per cent; whereas mill rates in the city of Regina have gone up by only 11 per cent. Mr. Speaker, I think this government has done a remarkable job in terms of increasing revenues for local governments.

Mr. Speaker, may I also remind the hon. member opposite that since we took office the unconditional operating grants, the revenue sharing . . . When we took office local governments were receiving only \$900,000 in total, in assistance. This year they will receive \$95 million. I challenge any government in this country to produce a record anywhere equal . . .

**MR. SWAN:** — I didn't ask that minister a question. I'm going to ask a supplementary. I want to ask it of the Minister of Municipal Affairs (Rural) and I hope he has the courage to answer it. Many of the farmers and small businessmen in rural Saskatchewan are finding that the rising property tax is a real burden. They're finding the cost price squeeze in Saskatchewan is almost unbearable. And in view of the very high mill rate increases that we're experiencing all across this province, are you prepared to do something for the people cut there by inducing more money into your programs to provide some relief for rural Saskatchewan?

**MR. KAEDING:** — Mr. Speaker, I want to reply also that if you looked at the revenue sharing money which has gone to rural Saskatchewan under the revenue sharing program, you will find it went up from \$18 million to this year's figure of \$34.5 million, almost double what it was three years ago. If the member would check the record he would find that many municipalities have not raised their mill rates in the last two or three years. This year, because the escalator is cutting in and we don't have the large injection of money into the pool, some of them are finding that they are going to have to raise their rates.

I would like to point out that the amount of money in the last few years going to rural municipalities in terms of revenue sharing grants has almost doubled.

## OFFICIAL LANGUAGES ACT

**MR. COLLVER:** — I will address my question to the Minister of Health. Since the minister responsible for rural affairs is unable to assess the (I was going to say damage) impact of the Official Languages Act on Saskatchewan and also the Ryan proposals on the province of Saskatchewan, could the Minister of Health advise this Assembly whether he is aware that the Official Languages Act and the Ryan proposals would mean that all documents produced by the Department of Health in Saskatchewan would have to be in both French and English? Could the minister advise what cost that would be to the Department of Health? Has he done a study on that?

**HON. H.H. ROLFES (Minister of Health):** — No, Mr. Speaker.

**MR. COLLVER:** — Supplementary question, Mr. Speaker. Is the minister also aware for the information . . .

**MR. SPEAKER:** — Order. Before orders of the day, I would like to take this opportunity to lay on the Table the expenses with regard to the by-election in Regina North-West. It's incumbent upon me according to section 222(1) and 222(2) of The Election Act that this document be tabled at this time.

## WELCOME TO STUDENTS

**MR. L.W. BIRKBECK (Moosomin):** — Mr. Speaker, with leave I would ask the Assembly to allow me to at this time to introduce a group of students. Thank you, Mr. Speaker. I would like to introduce to you and of course through you to the members of the Assembly of the government side and of the opposition, a group of Grade 5 students from the Whitewood School, 37 in number. And I would like to inform the members at this time that this particular group of students, this Grade 5 class, is a perennial visitor to our legislature and it's very much appreciated. I might also inform members of the Assembly that while I took time to visit the schools in my constituency and distribute personally to the students the Celebrate Saskatchewan pins, I found the students of the Whitewood School were most responsive relative to a number of other schools I attended. So they are very keen students at Whitewood and I am sure the students of Grade 5 are as keen as the balance of the school. I would ask members, Mr. Speaker, to join with me in welcoming them and of course their bus driver, Mr. Ken White, and their teachers, Mrs. Santo and Miss Shewchuk.

I would just ask members to join with me and to wish them a good day here in the city of Regina and of course a safe trip home this afternoon. I'll be visiting with you later on this afternoon.

**HON. MEMBERS:** Hear, hear!

## SECOND READINGS

**HON. E. KRAMER (Minister of Highways and Transportation)** moved, second reading of Bill No. 68 — **An Act to amend The Vehicles Act (No. 2).**

He said: Mr. Speaker, it is with some pride and pleasure that I rise to move second reading of this vehicles act today. I have distributed a very simple sheet of paper providing statistics on injuries in Saskatchewan since 1975 and further back to 1970-1971.



It was at this time you will note, if you check the chart, that injuries were rising on a curve of approximately 90 per cent in this province as they were throughout Canada. Legislators at that time across Canada and members of parliament had decided that something had to be done.

Saskatchewan took the challenge seriously and began by doing a number of things. We appointed a legislative committee on traffic safety which was shared by Mr. Thibault, MLA for Melfort-Kinistino. This committee had a number of MLAs on it from both sides of the House. They studied the whole safety problem, not only in Canada, but the United States and some parts of the world. It was in 1975 that the Thibault report was tabled.

Even prior to that my department (deputy minister at that time) and the Saskatchewan Safety Council suggested to us that we ought to be hosting a Canadian traffic safety convention. Saskatchewan did that. We hosted the first traffic safety convention ever to be hosted in Canada here in Regina in 1972. We will be hosting the eighth one this year. As I said, we have a pretty impressive record of accomplishments. What has happened since that time is borne out by the statistics. We set up in my department as well, prior to the Thibault report, a traffic safety engineering branch which was one of the first in Canada. This branch is identifying accident prone areas, methods to improve the safety delineation and everything else on roads that can be done.

What has happened since that time is obvious. Getting back to just last year, we have not licked the problem by any means. Last year there were 47,510 accidents in this province. There were 9,081 injuries. Now if we had proceeded to do nothing, the accident line just going up modestly (and it is going up higher than that, far sharper than that in some other provinces), we would have anticipated 11,771 accidents in Saskatchewan — if no action had been taken by simply going along and letting things happen and just doing the normal things. Instead of that, last year there were only 9,081 accidents, far too many, but considerably fewer. The green area which is equal to the shaded area on your map shows that since 1975 there has been a reduction, Mr. Speaker, of 8,350 injuries in this province in spite of the fact that year by year there is more exposure.

Last year alone we travelled 200 million miles further (motorists, truckers and so on) and yet we reduced the fatality rate by 21 per cent and injuries by 26 per cent in the province of Saskatchewan. I think that is a credible performance. I think the people who are working in highways, the independent Saskatchewan Safety Council and the drivers of Saskatchewan deserve congratulations. What do 47,510 accidents mean? They mean 9,081 injuries and 191 deaths — incidentally, six less than last year. They relate in costs to \$62 million in property damage to say nothing of the loss of life and suffering. That is the problem we are still facing today. Most of them, unfortunately, are occurring in urban areas; 70.5 per cent of motor accidents in Saskatchewan occur in urban centres, approximately 11 per cent on the rural roads and 12.5 per cent on highways.

Urban accidents continue to go up. Last year alone, of that 47,000. 33,325 occurred in urban centers — an indication that more and more surveillance, more and more education, more and more safety consciousness has to be established. I think if everyone gets on stream we can do even better than we have been doing.

In 1977 we passed a law in Saskatchewan making seat belt use compulsory in the front seat. I think I must apologize today for the fact we went for front seats alone. Quebec, Ontario and British Columbia also have compulsory seat belt laws but they cover all

seats, all areas in vehicles where there are seat belts available, front and back. We did not proceed with that in Saskatchewan mainly because we thought we ought to be a little more cautious. There is no doubt that people are safer in the back than in the front seat, but they are not safe. Unfortunately, we also thought that the seat belt use in front seats would automatically encourage people to buckle up in the back. This hasn't happened, Mr. Speaker. Last year our survey showed that only 10 per cent of the people who are riding in the back seats of vehicles are buckling up.

The Saskatchewan Safety Council, safety conscious people throughout Canada and certainly the provinces which have the seat belt laws say to us, why are you allowing this to continue to happen? People are not buckling up in the back seat; quite often when they're asked they say it is because it is not the law so it is not necessary. They get the impression it is safe. They're wrong because we have had instances where people securely belted in their seats in front have been seriously injured by a person, who is not secured in the back seat, in a front-end collision. They would not have been hurt at all had they not been hit from behind by an unsecured person. Therefore it is almost incumbent on us to get in line with at least the other three provinces which have seen fit to take positive action to do something about it. Therefore we will proceed this year, hopefully, if the legislature agrees with legislation that will require passengers in rear seats to be secured unless they have a doctor's certificate saying they have physical difficulties which will not allow them to wear seat belts.

Now, people ask the question as well, what about children riding in the back of station wagons? We are still not in line and we're not going to be in line with other provinces. If the seat belts are not available, then those passengers in the back of station wagons, children sleeping in the back of wagons (and I would seriously advise parents not to allow their children to ride that way even though it may be more comfortable for them, less trouble to have them sleeping) . . . There have been serious accidents where there have been roll-overs and the children have been hurt. We have also, not by this act, passed some regulations which will make it incumbent, Mr. Speaker, to have children, babies born after July 1, placed in child seats. That is the regulation; that has nothing to do with this law.

Now, Mr. Speaker, there are so many things that one could say to the House. I wish that statistics we have would be read carefully by members of this House and the public.

Last week I had the privilege and the pleasure to present the first members of the Ottawa-Carlton Seat Belts Survivors' Club with honorary certificates from Saskatchewan, in front of the Peace Tower in Ottawa. I think most people here are aware in this House that we have established, as an educational measure, the seat belt survivors' club 3.5 years ago. Since that time we have enrolled 1,000 members who write in voluntarily after their accident with proof by the police or the traffic officers who have examined it, indicating the nature of their accident and the fact that they had their injuries reduced or their lives saved.

Last week when I was making the presentations in Ottawa, my seatmate who is not here today, presented the one-thousandth member to the Saskatchewan Seat Belt Survivors' Club with her seat belt survivors' certificate. It was a young woman and her daughter who were struck on an intersection of Broad and Hillside, and came out of it without a scratch. The child was in a child safety seat. The impact, Mr. Speaker, was hard enough and violent enough that the child's boots were found in the bottom of the car afterwards. The lady's glasses hit the windshield, and she walked away from that with only a bare shake up and a scare. So we have a tremendous record of people who

have determined that the condition of the people who drive automobiles and those who drive with them is certainly going to be safer than it was.

Pardon me for a moment, Mr. Speaker, I want to find my second reading. Mr. Speaker, I will not take up more time of the House in expounding all the things that could be done. I was saying we made the presentations. There were 16 members of the Ottawa-Carlton Seat Belt Survivors' Club on Parliament Hill last Thursday afternoon. They have copied our plan exactly. It might interest members of the House to know that among the people I presented the seat belt certificate to was the Hon. Flora McDonald who was in a serious accident about six weeks ago. She got the Ottawa-Carlton one as well. The Hon. Jean-Luc Pepin presented the Ottawa-Carlton Seat Belt Survivors' Club membership to her; and I also had the pleasure to present a Saskatchewan honorary seat belt survivors' membership to the Hon. Marc Lalonde, as well as 14 other Ottawa-Carlton citizens. They have reached through their efforts 75 per cent to 80 per cent usage in Ottawa-Carlton, which is way up above the average of the rest of Ontario.

There is evidence here, Mr. Speaker, that we have through positive action saved lives, reduced injuries. The number of people affected is not going to be as spectacular with the rear seat belt because only 15 per cent of our cars in Saskatchewan carry rear seat passengers. It is not going to be as spectacular as the first four years but it is estimated that 10 to 15 lives will be saved, and probably a few paraplegics will not be wheelchair cases by proceeding with this legislation today. So it's my pleasure to move second reading of An Act to amend The Vehicles Act.

**MR. G.M. McLEOD (Meadow Lake):** — Mr. Speaker, I listened with care to the remarks of the minister. For the most part I agree with what he says regarding the safety aspect of this and the statistics he was reading into the record. I would like to congratulate him on a couple of things. I agree with him that the safety engineering branch of his department is doing a good job. I have been looking into this myself and many of the studies and publications by the Saskatchewan Safety Council and others interested in this area will say that seat belt legislation, compulsory or not, or any kind of seat belt use in front seats without their use in back seats, doesn't make a great deal of sense because people in the back are thrown ahead and into the front seat occupants.

We can harken back to the other debate when seat belts were introduced for the first time, in '75 I believe it was — I wasn't here at the time — but I know that a great number of people in the province at that time were opposed to it. I know there will be a great number of people in the province at this time who will be opposed to the legislation, basically because of its compulsory nature. I am sure the minister will agree with that. I believe all the studies and the statistics are conclusive in this area. I can tell the minister today that we will not be opposing the bill.

The one thing the minister did mention and I would like him to draw this to the attention of his seatmate — I am interested in the statistic which shows that the accident rate is going down and relating that to seat belt use and so on. At the same time that the accident rate is going down, we are experiencing a 20 per cent increase in the SGI rates. I am just not so sure that that really should wash.

With that, Mr. Minister, I will tell you we won't be opposing the bill. I will leave it at that.

**SOME HON. MEMBERS:** Hear, hear!

April 23, 1980

Motion agreed to and bill read a second time.

HON. W.E. SMISHEK (Minister of Affairs (Urban)) moved second reading of Bill No. 66 — **An Act to amend The Planning and Development Act.**

He said: I rise to move second reading of Bill No. 66. The proposed amendments affect two areas of The Planning and Development Act, specifically those dealing with district planning as it relates to special planning areas and subdivision approvals.

Mr. Speaker, I will deal first with the district planning part of the proposed amendments. Planning in Saskatchewan has traditionally been the responsibility of the municipality undertaken in accordance with The Planning and Development Act. This government believes that planning is primarily a municipal function and that local autonomy and accountability should be strengthened in this area. To expand this municipal role in planning our government has established special planning areas to deal with issues which go beyond the boundaries of a single municipality. Members of the Legislative Assembly are no doubt aware that the special planning areas currently existing in the province consist of parts or all of both urban and rural municipalities. As members of the special planning area, these municipalities have worked jointly with the province to develop land use policies for these areas.

Mr. Speaker, the proposed amendment is designed to increase local autonomy in planning decisions, making it within the special planning areas at the option of local government. This is the objective of the first amendment.

Mr. Speaker, the second part of The Planning and development Act affected by the proposed amendments deals with the approval of subdivisions. More specifically it deals with the conditions which a municipality may attach to the approval of a subdivision. The quality and type of services demanded by the public in a subdivision have increased significantly in recent years and the servicing costs associated with such developments are substantial. The services normally provided fall into two categories, namely those which apply to development within the subdivision and those which are associated with development which is external to but which serves the subdivision. In order to clarify the municipality's right to enter into agreements which require each developer to pay a fair share of those costs as a condition of subdivision approval, the applicable section has been rewritten, Mr. Speaker.

The purpose of this rewording is really to clarify the intent of the legislation so as to eliminate any difficulty which could arise due to misunderstanding or misinterpretation.

Mr. Speaker, I am pleased to introduce these amendments to The Planning and Development Act, which will facilitate stronger local participation in intermunicipal planning and clarify the powers of municipalities with respect to subdivisions proposed within their jurisdiction.

Under this bill both the minister and the municipalities will retain their freedom to act in the best interests of the public they serve. At the same time more options will be available to them and their powers will be more clearly spelled out.

Mr. Speaker, I urge all members of the Assembly to support the bill. I hope the members of the opposition will have had the opportunity to examine the bill and will find it to be acceptable to them, since they will notice this isn't particularly the most controversial

legislation before us.

Mr. Speaker, with those few remarks I move second reading of this bill.

**MR. E.A. BERNTSON (Leader of the Opposition):** — Mr. Speaker, just a couple of remarks. I am sure the minister will understand and co-operate. We have in fact reviewed the bill and we do have a couple of comments on it. Unfortunately our critic for that particular department is unavoidably absent today and I would, therefore, beg leave to adjourn debate.

Debate adjourned.

**HON. W.E. SMISHEK (Minister of Affairs (Urban))** moved second reading of Bill No. 75 — **An Act to amend The Senior Citizens School Tax Rebate Act.**

He said: Mr. Speaker, I wish to move second reading of a bill to amend The Senior Citizens School Tax Rebate Act. The senior citizens school tax rebate program is one of three programs designed to rebate a portion of property taxes paid by Saskatchewan home-owners, farmers, businesses and renters. This program and two others, the renters property tax rebate program and the property improvement grant program, now reach virtually every household in the province. The senior citizens school tax rebate is for Saskatchewan people, Mr. Speaker, and is available only to permanent residents of the province.

Let me outline briefly for the House an administrative procedure which is used to identify residents of the province. Each family in the province, and every single person who is 18 years of age and over, is issued a Saskatchewan Health Services Plan card after fulfilling a minimum residential requirement. Once a family or individual has been issued a card that person becomes eligible for health benefits and other non-health benefits.

A requirement of the senior citizens school tax rebate program, Mr. Speaker, is that an applicant must have a Saskatchewan Health Services card. Possession of the health services card and proof that several other qualifications such as payment of taxes have been met are used by the department to establish that an applicant is a permanent resident of the province and thus eligible for a senior citizens school tax rebate.

This procedure works well in the vast majority of cases. However, Mr. Speaker, there are permanent residents of Saskatchewan who are exempt from the requirement of holding a Saskatchewan Health Services card. These are members of the armed forces and the Royal Canadian Mounted Police who own homes, live in Saskatchewan and contribute to the property tax and cost of municipal services in the same way you and I or another home-owner does. The purpose of similar amendments to The Renters Property Tax Rebate Act and The Property Improvement Grant Act, Mr. Speaker, is to allow these permanent residents of the province to receive a grant on their contribution to the cost of municipal services.

Here, Mr. Speaker, I merely want to draw to the attention of the House that today I served notice that those two bills will be amended to take care of the anomaly which exists in those two bills. They will come up for second reading in the next day or two. While it is unlikely that members of the RCMP or armed forces would be applying for the senior citizens school tax rebate, I urge members of the House to support this bill which is designed to make the senior citizens school tax rebate consistent with the other two

acts I have just mentioned in their treatment of permanent residents of the province.

In these days with the proposals for flexible retirement age, who knows whether or not we may have the question to deal with in a few years from now. So while we're amending this bill with respect to other provisions we thought it only fair and appropriate to make the change at this time.

I would also like to outline another amendment to The Senior Citizens School Tax Rebate Act which has to do with the maximum ceiling of the rebate amount. Let me explain.

The senior citizens school tax rebate was introduced by our government to provide property tax relief to senior citizen home-owners beyond what they would expect to receive under the property improvement grant. The effect of this program after one year of operation has been to rebate the school taxes on the principal residence, that is the home owned and lived in.

Experience shows that 96 per cent of our senior citizens have all of their school taxes rebated. This, Mr. Speaker, is an example of a commitment which has been kept to the people of Saskatchewan. The other 4 per cent of senior citizen home-owners, who did not receive a rebate of all school taxes on their principal residence, is a small proportion of the population who own larger than average homes. However, these property owners still have a significant portion of this school tax on their principal residence rebated. An important provision of the senior citizens school tax rebate, Mr. Speaker, is that every senior citizen who owns a principal residence receives at least \$50 more on the residence than he would have received under the property improvement grant.

In the vast majority of cases this provision has created no difficulty. However, in a few cases there is the problem that after calculating the rebate, the applicant receives a rebate which exceeds the total amount of the property tax paid. Mr. Speaker, it is important to provide rebates of the property or of a portion of, or even as happens in quite a number of cases, all of the property taxes paid by our senior citizen householders. However, it is certainly not our intention now, and never has been our intention to rebate more than the total amount of the property taxes paid by the homeowners.

The amendment, section 3, corrects this anomaly. I urge members to support this amendment which is designed to ensure that rebates do not exceed the total amount of the property taxes paid.

Mr. Speaker, again the members will have noticed that this is a bill which corrects some administrative problems for us, and is not major policy legislation. It is really in keeping with what was the intent of the legislation and removes some of the administrative hitches that have arisen.

With those few words, Mr. Speaker, I move second reading of Bill No. 75.

**MR. P. ROUSSEAU (Regina South):** — Mr. Deputy Speaker, the first comment I want to make is the fact that we did not receive, from the government and the minister, an explanatory note on this particular amendment. It is my understanding that all amendments to bills and to acts are to be accompanied by an explanatory note. You spoke at greater length on it, and until now I didn't know the reasons; in fact I still have to

go over the record. It is difficult for an opposition to properly assess a particular item if it doesn't have the reasons why you are making the change . . . (inaudible interjection) . . . I'm sorry, but I didn't hear the comments of the minister. The fact remains that they were not provided to the opposition, and to me this is nothing but a show of contempt on the part of the government.

**AN HON. MEMBER:** — Read the bill and you will understand it.

**MR. ROUSSEAU:** — I read the bill, and you spoke on it for at least 10 minutes explaining why you are submitting the bill, and it makes it much more difficult. However, it is fair for me to say, Mr. Deputy Speaker . . . (inaudible interjection) . . . I will also advise the minister I can get far more bitter than I have been, if that's the comment he wants to make.

The change indicated on the bill, as I understand it here, is that \$605 is the maximum you are going to rebate. I certainly think the minister is coming a long way in the recognition of the share of the taxes the senior citizens have already paid in this country, and the recognition that they should be given these benefits. I think it is high time we moved in that direction.

I'm not concerned, but perhaps just a question I would have concerns clause 9. It would seem to me from reading this that anyone who moves into the province within the year and purchases property within that year, would not be eligible for that rebate. Is that being fair to that person who is moving in and taking up residence in the province? If he moves in, for example, on July 1, why would he not be entitled to one-half of the tax rebate you are allowing under the bill? As I read it, I think it means for that year he wouldn't be entitled to anything.

I am tempted, Mr. Deputy Speaker, to adjourn debate on this; however, I don't think I will. I think I will let it go. We certainly agree with the bill. We will be supporting the bill. I would ask the minister to provide me with some of those questions, and perhaps a copy of your explanatory notes so that it makes a little more sense to us, and perhaps show that kind of co-operation to the opposition. It would certainly help a bit.

**MR. SMISHEK:** — Mr. Speaker, I'll be glad to provide the hon. member with a copy of my remarks and I think that the bill is fairly straightforward if you read it with the bill itself. Probably the problem is just reading the amendment. Perhaps some of the questions the hon. member has posed can be best dealt with in committee. I'd be glad to co-operate in providing any further information the hon. member would like to have. With that I move second reading of the bill.

Motion agreed to and bill read a second time.

## COMMITTEE OF FINANCE GOVERNMENT SERVICES VOTE 13

**HON. G.T. SNYDER (Minister of Labour):** — Mr. Chairman, I might begin by introducing members of my staff, the officials who are with me. On my left is Mr. Foley, the deputy minister of government services, and directly behind him, Doug Archer, the director of administration. On my right is Don Nevill, the director of property and planning. Joining us shortly will be the assistant deputy minister, Dwight Lacey, who is detained.

### Item 1

**MR. R. KATZMAN (Rosthern):** — Mr. Minister, before we get too far into this estimate, I think the first thing I would like to do is thank your deputy minister for the co-operation I have received from him while I've had this portfolio. I gave him some advance notice on one of the questions that I would be asking because it was complex and you would have to do some calculations ahead of time. It was re the calculations of the space and the cost of space per square metre. For example, the Department of Agriculture has a certain amount of space. You use a formula of \$82 per square metre for type 1 space; you use a formula of \$67 for type 2 space and a formula for storage space joint . . . (inaudible) . . . at \$32. For example, my calculations indicate to me that the Department of Agriculture spends \$1,132,645 in total. Just so we make sure we are on the same ground, that is from the computer sheets which I have tabulating with the three figures I used, am I basically correct?

**MR. CHAIRMAN:** — Order, just before we get into that, I notice some members are starting to peel their clothes off. We agreed the other day it was hot in here and we would allow people to remove their jackets. Is that agreed again today?

**HON. MEMBERS:** — Agreed.

**MR. R. KATZMAN:** — Mr. Minister, if it would help, normally it is me asking for your worksheets. I can send you a copy of what I have and give you an idea of how it is calculated.

**MR. SNYDER:** — There are just a few little problems because the space which you are attempting to attach a value to — some of it is leased space and some of it is rented space. I suppose it is a matter of interpretation in the use of the English language in determining the value of the space. We know what we attribute in the way of rental cost per square metre to rented space. I suppose a value is placed on space which is owned by the government. To tell you whether your figures are correct or not, I suppose we would have to establish the basis upon which you proceeded in order to draw certain conclusions. I really can't confirm or deny the figure you are suggesting. I am told the figure is in the general ball park, that your figures are relatively accurate as near as we are able to tell.

**MR. R. KATZMAN:** — Maybe to assist the minister (and I think you will probably take a few minutes or we can go to another area), I will send you a list of my calculations from each department and you can give it to one of your officials to maybe eyebrow and see if we are in the ball park. The total cost seems to be somewhere in the neighborhood of \$50 million for some of these services and so forth which you supply. I have a copy here. The first sheet is provincial government space rentals and the second is the same. The other list is the boards, commissions and others. If you can just have an eyeball at it, then we can get into the actual questioning on this particular item. As I realize, the print-out is missing some spots, so we are just talking ball-park figures.

**MR. SNYDER:** — I'm having some difficulty in determining where your grand total of some \$52 million occurs. Where do we find that in your . . .

**MR. R. KATZMAN:** — . . . \$30 million, the \$19 million, and the \$994,000; that's approximately \$50 million.

**MR. SNYDER:** — I'm told in this department we balance our accounts and we come up with \$42 million not . . . So give or take \$10 million, you're pretty accurate Ralph.



**MR. R. KATZMAN:** — I wish I were allowed to bring my assistant in who ran the adding machine, as you people are allowed to bring in your assistants.

**MR. SNYDER:** — The difference rests in the fact that you're supposed to be asking me questions and I'm supposed to be answering them. That's the distinction.

**MR. R. KATZMAN:** — I think we have a distinct difference here where the critic has some of the figures to start ahead of time. But going through the figures, Mr. Minister, as you are aware I now have two computer punch-outs of the space you sort of supervise. There is no adjustment in the 82 67 32. The two lists are not totally compatible. I understand why (because of changing systems) and that's no problem. What I have done is take the last computer punch-out, which I realize is not total inventory (there are a few minor spots missing), tabulated, using your three (type 1, type 2, and type 3), taking the total figure which is in the computer punch-out and just multiplying it across.

As you say, you have X amount of space of type 1 times \$82, X amount of space of type 2 times \$67, and X amount of space of type 3 times \$32. That's where my figure comes from. I have the type of space. The first sheet shows \$30,266,000. Now, that's space for government departments. For Crown corporations I have just below \$1 million. For provincial government space rentals, that would be boards, commissions, and so forth, we have nearly \$19 million.

I realize when you have a building that you build, let's say the T.C. Douglas Building or the Sturdy Stone building in Saskatoon, you charged those expenditures out in the year. So you really have no rental you are paying out because the building is paid out. Am I correct in that assumption?

**MR. SNYDER:** — Yes. I think in order to ensure we're on the same wave length, any of the departments or agencies of government for which we have direct responsibility, we don't charge a monthly or annual rental rate per se. But in the event we provide space, for example, for an agency or a Crown corporation, then a charge is levied by the Department of Government Services for accounting purposes and for realism to that Crown corporation.

**MR. R. KATZMAN:** — I will take one specific Crown corporation then to make sure that we're on the same ball-park figures.

The Crown corporation I will take is crop insurance which is on the top of my Crown corporation list. It shows type 1 at \$82 which is \$165,066 for the space you have leased to a Crown corporation. Type 2 at \$67 is \$2,840.80 and type 3 is \$1,859.20. This means that for the crop insurance corporation, you are supplying space which is valued at (by your formula) \$169,766. Perhaps your fellows could check that to make sure we are in the same ball park.

**MR. SNYDER:** — Your figures are \$169,000, our figures are \$171,000 approximately. You are in the ball park.

**MR. R. KATZMAN:** — I know there are a few pieces on this list and there is one that obviously would be missing. You would have a small place somewhere in other words. We're just looking for ball park closeness.

Mr. Minister, I will take one more just to make sure we are in the same ball park. For Sask

Tel, I have approximately \$10,537 of type 1 space. You manage the space and I assume they pay rent.

**MR. SNYDER:** — I am told that figure is accurate.

**MR. R. KATZMAN:** — O.K., that's fine. Let's handle the Crown corporations first, Mr. Minister. On my sheet which I have sent across to you, I show \$994,128.10 as the value of rented space or space on your computer list that you have on behalf of Crown corporations. How do you bill them for that space? How do you get the money returned to you?

**MR. SNYDER:** — Essentially the moneys received by the Department of Government Services from the Crown corporations are based upon a lease agreement we have with the various Crowns, where we provide them with space. They pay us on a monthly basis and following receipt of that money, that money finds its way back into the consolidated fund. That is sort of the triangle that happens with respect to lease space with Crowns.

**MR. R. KATZMAN:** — I would be correct in assuming, for the list I show of Crown corporations, \$1 million is the value of the rent and you receive that back into the general treasury of the government from these Crown corporations as it breaks out?

**MR. SNYDER:** — I am told that your figures will be something less than accurate because we do not charge FarmStart; we do not charge MCIC; we do not charge the housing corporation; we do not charge media. When you ask me why, I'll tell you in advance that it's a conscious decision by government and accordingly no rental charges or lease agreements are provided between these agencies or Crown corporations and the Department of Government Services. There is no rent paid by the ones which I drew attention to particularly.

**MR. R.A. LARTER (Estevan):** — Mr. Chairman, I am curious (even though these are separate from Crown corporations) that you wouldn't charge rent in order to really know what it was costing to run FarmStart. Why would they not, even in a book entry, take their responsibility for paying for a share of the room they are occupying? This is practised in city governments. It is practised in everything I have ever been taught about running a business. I wonder if you would comment on that?

**MR. SNYDER:** — I think in general terms the answer is fairly straightforward. Any of the commercial Crowns could conceivably be, I suppose, a private industry if they were in some other locale, i.e. Calgary Power vis-a-vis Saskatchewan Power Corporation. In the event that they are a commercial Crown corporation such as Sask Tel or Sask Minerals or the Saskatchewan Power Corporation, then rent is charged. In the other Crowns which are perhaps more in the order of a service agency or a service corporation, rent is not charged in those circumstances.

**MR. LARTER:** — Mr. Minister, I am not arguing the fact they don't pay rent. This doesn't bother me. I am arguing that a charge should be made to all these units like FarmStart in order that you really have the true cost in each department, whether it's in rented space from you, whether it's free or whether they pay rent. At least you know that the charge for their proportional share of the rent, the heat, the light and everything is all FarmStart off the hook. They are not being charged rent. They are running free. It doesn't paint a true picture.

**MR. SNYDER:** — I suppose I am not in a position where I am going to enter into any elongated arguments with the hon. member. In a very general way the operation as presently constituted has been the situation for a considerable period of time, a decision that was not made by the Department of Government Services or the Department of Public Works before it, but one which I expect has emerged over a number of years as a result of decisions made by Crown investments corporation more latterly, or in days gone by, made by treasury board.

You may have a valid point; perhaps there's a better way of doing things. But for purposes of the estimates which are before us today, those are the circumstances.

**MR. R. KATZMAN:** — Mr. Minister, since I don't have officials to dig through the pages for me, I will be slower going at times and I hope you will have patience with me while I dig up the things I am looking for.

The member for Estevan touched on a point and I am glad you gave me the answer prior to my asking the question. We agree with crop insurance. It's approximately right. As I said when I started, there are figures that won't jibe. I will assume you would receive approximately \$108,000 as the list indicates. I'm just touching up one or two from computer utilities, the second one on the list.

**MR. SNYDER:** — I am told the accompanying material provided to you along with the computer print-outs gave you an average figure. So accordingly, if I'm telling you it's accurate, it's accurate within given limits. It's in the ball park once again but not to be construed as a precise figure.

**MR. R. KATZMAN:** — Yes, Mr. Minister, I understand. I made those comments when we started, that figures within the ball park were never precisely right but always within 2 per cent or 3 per cent in the total picture — maybe even as far as 5 per cent. I don't argue that. When we say precise, we take that into 5 per cent. O.K.

Mr. Minister, my obvious question for the Crown corporations . . . The list you have in the computer indicates to me the space they lease which you manage or space you rent somewhere else and sublet to them. Does this include any Crown corporation owned buildings where they are the landlord and do not lease any of the space to you?

**MR. SNYDER:** — I'm not sure. We are having a little trouble following the line of questioning here. To make sure we are on the same wave length, the member should know that the only space shown here is the space we lease from the various Crowns. For example, until a short while ago, a number of months ago, the Department of Consumer Affairs was housed in the Saskatchewan Power Corporation. Building on Victoria and Scarth, Government services, on behalf of consumer affairs, leased a number of square feet of space to fill the needs of consumer affairs. Just so long as we are on the same wave length, I hope we're following your line of questioning just so we're clear on that.

**MR. R. KATZMAN:** — O.K., using that example, that's fine. You leased the space and consumer affairs leased it from you. Am I correct?

**MR. SNYDER:** — We don't charge consumer affairs. The bill is paid directly to the Saskatchewan Power Corporation by DGS (Department of Government Services).

**MR. R. KATZMAN:** — We've got the problem; there are two areas here which I'm working with. Crown corporations normally pay their way except for the ones you indicated. The government departments are a different bag of tricks altogether. I'm trying to handle one set before I get into the other. You've just crossed them both on me. Do you have a department where you could say you lease from somebody and rent to a Crown corporation. That's the kind of thing I'm suggesting. Therefore, the cost you say of \$1,000 for the rental of that area because you have maybe 4 or 5 tenants in there — some government departments and some small Crown corporations. You collect from them for their portion. It goes back into general revenue, but the consumer department comes out of your budget.

**MR. SNYDER:** — I'm told it would be an extremely unusual set of circumstances in the event that we, DGS, would on behalf of one Crown acquire space for a second Crown. Under most circumstances which we can conceive over here, the usual standard arrangement would be for that Crown corporation to contract directly with another Crown, rather than involve the Department of Government Services as a third arm, if you like. That is the usual. It would be a very unusual set of circumstances if it were not done that way.

**MR. R. KATZMAN:** — Well, then basically, Mr. Minister, the space which is shown here is in government owned buildings then, owned by government services, say the Tommy Douglas or the building in Saskatoon, or some other building which you own. Those are the ones shown here. Am I correct then?

**MR. SNYDER:** — Yes, I'm told that's right.

**MR. R. KATZMAN:** — So these are buildings owned by the government. Now if I remember correctly how your department works, these buildings are built, charged out at the time of building, and therefore there's no rent of course being paid or anything. You own them, you write them off as you build them from your capital expenditures. Am I correct?

**MR. SNYDER:** — Yes, that's essentially correct.

**MR. R. KATZMAN:** — So of capital expenditures which you have already spent you have a revenue coming in to the Government of Saskatchewan of almost \$ million dollars minus the four corporations which you indicated you don't collect rent from. Am I correct?

**MR. SNYDER:** — That's approximately a correct assumption.

**MR. R. KATZMAN:** — If FarmStart, Sask Housing, those four corporations . . . Approximately a third and you say you forgive the rent for them?

**MR. SNYDER:** — That's not the full list, just so there is no misunderstanding in the information I'm providing to you. I gave as examples only those four you drew attention to; there are others. I think you can say in general terms all of the departments of government are not charged, from the Department of Agriculture, Attorney General's department, Department of Consumer Affairs down to urban affairs.

**MR. R. KATZMAN:** — Different list, Mr. Minister. I'm just using the one list I have here which is entitled Crown corporations. I realize the other departments are different so I'm trying to handle them separately. The four on the list — you indicated earlier

government policy is not to collect rent from them or to charge them rent as you do other corporations. That's approximately one-third of the space you could receive rent from by this list. Am I correct?

**MR. SNYDER:** — I was attempting to convey to you earlier that that is not the full list. There are others which can be added in addition to the departments of government from agriculture in alphabetical order down to urban affairs but also a number of other boards and commissions: the Alcoholism Commission of Saskatchewan, the board of examiners, the board of revenue commissioners, Celebrate Saskatchewan, the municipal water assistance board, the provincial planning appeal board, the Saskatchewan Anti-Tuberculosis League, The Saskatchewan Assessment Commission, Saskatchewan Centre of the Arts, community legal services commission, the farm ownership board, the FarmStart corporation, the human rights commission, the housing corporation, the land bank, allocations appeal board, land bank commission, Saskatchewan Media Authority, the medical care insurance commission, the Saskatchewan Police Commission, senior citizens provincial council, surface rights arbitration board and teachers superannuation commission. Now that gives you the fairly complete list of those that rents are not charged directly to by the Department of Government Services.

**MR. R. KATZMAN:** — Mr. Minister, let me suggest you have four pieces of paper over there. One says Crowns, which we've discussed; one says boards, commissions and other rental space, which I assume most of the ones you were reading down the list seem to indicate. I note some are missing from my list. And then there's the third list which is government departments. So I actually have three lists going — two pieces of paper for the boards, commissions and I think most of the list you just read were of that calibre.

What I am trying to figure out, Mr. Minister, is you have approximately \$50 million worth of commercial space by the formula available. Your revenue is obviously not that because agriculture, attorney general's, consumer affairs, continuing education and so forth are built into your budget. You own the property and so forth. What I am trying to figure out is property that you really rent elsewhere and rent back to people who are supposed to be self-sufficient — Sask Tel, Sask Power, this type of thing — to see that you are not subsidizing them in this budget. I think that is correct.

**MR. SNYDER:** — I indicated earlier we don't go out and acquire space for one Crown corporation to occupy and acquire the space from another for that purpose. We don't act as a real estate agent for one Crown corporation vis-a-vis another. They are usually quite competent to take care of their own problems and to handle it by their own methods. No, we don't involve ourselves as a real estate agent.

**MR. R. KATZMAN:** — Let me put it to you just a little differently. We will take FarmStart for an example. The FarmStart annual report is in, saying such and such. What it should additionally say to the Government of Saskatchewan is, we were forgiven \$76,000 worth of rent, if you are doing honest accounting. I am not saying you have to charge it. I am just saying it should be noted that we were forgiven \$76,000 worth of rent. The computer utility should come in and say, we were forgiven \$108,000 worth of rent.

**MR. SNYDER:** — May I say, first of all, I think he chose a bad example perhaps because crop insurance and computer utility do pay economic rent to the Department of Government Services. Your argument is valid if you use the example of medical care

insurance commission or FarmStart or the housing corporation.

**MR. R. KATZMAN:** — O.K., fine. Let's use the FarmStart and stick strictly with that one. They have an annual report which we all get. Is there any reason it isn't just a bill-in and a bill-out saying forgiveness of loan so we get an honest accounting of a corporation in developing a balance sheet?

**MR. SNYDER:** — Well, I suppose the only thing I can say to the hon. member is somewhat similar to what I said initially. Over a number of years this is a set of circumstances that has evolved for right or wrong. The provincial auditor has not raised his eyebrows with respect to the manner in which this is done. I suppose in the event this were drawn to our attention, the attention of the government, there would be some reason to take it under advisement. A number of the Crowns, basically the ones which represent a service are not charged and those which are inclined to appear to be more of a commercial character are the ones that are charged. That is sort of a general rule of thumb. I expect there are a number of gray areas in-between. Somebody makes a judgment call; it may be appropriate, it may not be. But that is the answer as near as it can be defined.

**MR. R. KATZMAN:** — O.K., Mr. Minister, we are now down to the crunch as far as I am concerned on that particular point. The point is, there is documentation coming to Crown corporations that is incorrect in the true sense of business. In the true sense the FarmStart corporation brings in an annual report which says blank, blank, blank. We did such and such, and here's what happened at the end. But what it doesn't say is they were additionally forgiven \$76,000 worth of rent. It doesn't say it anywhere. So the financial picture of that corporation is not true because of this subsidy. That's what is bothering me and as we go through your department you will find many more places where that continues from what I can see. The true picture is not given to the people of Saskatchewan of the actual costs of programs because they are buried in your department.

We notice in other departments, Mr. Minister, some of the things they do are buried in another department. You have trouble finding exactly what it costs to give a service to the citizens of Saskatchewan. I am not arguing with the service, but at least we should know what it costs to give a service. I don't mind it being in the Crown corporation, as a forgivable rent, as long as it was noted that your budget is doing it, so when somebody looks at the balanced picture it is not tainted.

I would suggest the FarmStart one is tainted because it doesn't show the true picture. Your department is subsidizing it. I realize, in the opinion of your government, FarmStart is doing the job you want it to do and therefore you have made the decision in the cabinet that this is the way you will handle the rent; you won't charge it. That's a decision I understand you making. But shouldn't it be noted somewhere that this is happening? That is my concern. You make the point we should be bringing it to the auditor. I suggest the government, to get a true picture, should be looking at it and saying, FarmStart, your space is costing government services X amount of dollars if we were to charge you rent, but we forgive you. It's just an entry and it would give a true picture. That's what I am suggesting.

**MR. SNYDER:** — The argument, Mr. Chairman, of the member, I think is one which is not a new suggestion. The question has been raised on a number of other occasions as to whether the true costs in another department that I have some responsibility for are being truly reflected when we attempt to pick up by way of charges to users of electrical

inspection and other services. There is also the question of whether, because the rent we pay in building is not levied against the Department of Labour, we are not charging as much as we should to the consumers of that service.

A number of other instances can be noted. I recall the suggestion that the cost of the dental program would be more accurately reflected in the event all of the fixed charges were included.

But I think there are a number of arguments to be made which I think would preclude us from travelling in that direction for purposes of not only convenience but economy. I think in the event we put ourselves in a position of being obliged to provide that extra detail obviously that has a cost involved. Whether the costs of providing an additional bookkeeping entry are significant enough, or the virtue of that is significant enough to justify the additional costs, I think we concluded it is not.

While we acknowledge the fact there are some costs which may not be shown entirely against a program, we believe it is not being misrepresented in any way. I think it is clear there is no attempt by this agency or any other to disguise this fact about the costs of programs. Part of it is borne by the Department of Government Services and that's our mandate. That's what we are here for. That's what the Department of Government Services has a mandate to do, provide services in a centralized way between the Department of Government Services and the revenue and supply agency which also does the purchasing. It saves, I presume, many millions of dollars for the tax paying public by virtue of the fact that they have the mechanism and the expertise to do the central purchasing. That I suppose could also be considered to pursue your line of reasoning, to be part of the cost of other agencies in government to which that service is provided.

**MR. R. KATZMAN:** — Mr. Minister, the central purchasing thing will be — I have that down to get into later. But misrepresentation has happened, and I use the dental plan because you used it. Several years ago when I was in public accounts, we asked what the cost was. We discovered the school boards paid part of the cost when they fixed up a portion of a school to put a lab in and it wasn't the total represented to the government; so we weren't getting the true picture, and that's what I am referring to. The minister hit it on the nail when he said misrepresent. I don't know if it's intentional and I don't think it really was intentional in that case. But they have so many costs and this is what we paid for and that's what we budget. That's where we tell you the costs are. They didn't tell us about what it cost the Saskatoon School Board to put that clinic in their school. But they did tell us about P.A. where the government did it themselves, so we are never quite sure that we are getting the total picture.

Several years ago in DNS we had the same type of thing, different departments charging different things, and we were having trouble pinning down the actual cost for a project. Now, with the Tommy Douglas building and the Sturdy Stone building you did the project yourself and as I remember last year discussing them, they seem to have come in on budget and so forth and you have written the cost off. But I think that if we are ever to know the true cost of government . . . I think as the minister knows there is much talk about zero-based budgeting and that's what I'm basically starting to get to — so that we will know the cost of a department. Obviously government services would be absorbing a certain amount of administration cost which they may not pass on, the same as other departments are.

Let's be honest, Mr. Minister, government is business. It's the biggest business in this

country and spends the most dollars and causes the most income to flow. That's the way it is; also we should run government with a humanitarian heart but look at the costs. We are concerned with humanitarian things and we must remember that, but even with that in mind we must know what it costs us to do the humanitarian thing. I have no argument about doing it. My point is, let's at least know the true cost. And that's why I have spent my time working these figures out, for the one reason. I personally believe that the agriculture department has a budget of X amount of dollars. The Department of Government Services covers a certain amount of cost per year for them. The costs are not true and the reason they are not totally true is because under your capital system and your two systems of budgeting, you will never get a true cost until you put them together. And, Mr. Minister, you have two, ordinary expenses and capital expenses, and of course when you write a building off in the year you build it you don't have costs going from then on. My suggestion to you is even if it was an in and out entry — I don't know how much paper work it would cause. I assume once it's on the computer it will be easily punched out. It may take a day. It may take a couple of weeks to feed the formula in as you are going.

My concern is, I would like to know the true cost of say DNS, or the Department of Health. We may find, Mr. Minister, and I take as an example the Department of Health, almost \$5 million. Basically maybe we should be showing there is another \$5 million invested by this government into the concerns of the health of citizens. It would make that look a little better percentage wise. Mind you to compare province to province, you would all have to do the same. You fellows like to compare apples and oranges because every province seems to have a different accounting system so you can never really totally compare them.

Mr. Minister, we really don't know because here we find out that \$5 million (round numbers) is the cost that you subsidized the health department on. Am I correct in that statement?

**MR. SNYDER:** — I think it may be of some comfort to the hon. member for Rosthern in letting him know that some of the things he has suggested have been given more than a passing look. As a matter of fact, internally within the department, we are in the process of preparing at least a preliminary view of how we might accomplish at least some of the things that you are suggesting such as a charge back to each of the departments for services provided in order that it might perhaps more accurately reflect costs. This is far enough away that we expect somewhere around the end of April, the first week in May, that we may have something by way of a preliminary view of the process and be able to measure whether the economics and the convenience are outweighed by some other factors. Accordingly, we are having a close look at some of the things being suggested by the hon. member.

**MR. R. KATZMAN:** — Mr. Minister, I am pleased to hear that. My criticism is meant to be constructive and nothing but. As I said, my concern is the proper cost of government as it is a business. The minister read a list a little earlier. I did not have some of the departments on my list for some reason. I assume those were the 5 per cent that I am missing. I realize you are not totally finished doing your inventory count. Hopefully after this summer season is over you will have it completed. I will get another copy and can double-check again.

Mr. Minister, for example, let me go just to my list of boards, commissions and others. I believe you did say the Saskatchewan Cancer Foundation is one of those you don't charge back?



**MR. SNYDER:** — No, not the cancer commission. The anti-TB league, human rights commission, housing corporation, land allocation appeals board, land bank commission, no, I don't see that on the list. Alcoholism Commission of Saskatchewan, agricultural implements board . . .

**MR. R. KATZMAN:** — Well, let me take legislation. I assume that's the supplies needed for the Legislative Assembly itself, for its members. Am I correct? We could say that the Assembly costs an additional \$300,000 plus each year for services, you supply the members on both sides furniture, so forth and so on, I'm sorry, space not furniture.

**MR. SNYDER:** — If the hon. member will just clarify what he is talking about; were you talking about legislation or are you talking about the subvote in your estimate book referred to as legislation? Is that what you are making reference to?

**MR. R. KATZMAN:** — In the computer book there is a section called legislation. The costs for legislation come to \$330,000 in round numbers. I assume that is this building and other buildings which the space would be valued at.

**MR. SNYDER:** — It will be essentially the operation of the Clerk's office, the Hansard, the space which we're using currently — this legislative Chamber, etc.

**MR. R. KATZMAN:** — Mr. Minister, if I may just ask would you send that list which you've been reading some of them off. Do you have an extra copy which you could send across?

**MR. SNYDER:** — Well, if the hon. member is going to move to another area of questioning, we'll send our copy. I'm not sure we have another one. There's another one back in the office but I'll forward this copy providing you're moving to another line of questioning.

**MR. R. KATZMAN:** — Mr. Minister, if you'd like we could switch to something else for a moment or two while you get a photostat made.

**MR. SNYDER:** — We have another copy we've located.

**MR. ROUSSEAU:** — Mr. Minister, to continue on the Crown corporations' properties. I notice that you don't have in here potash. Do you not handle any of the office space or building requirements for PCS?

**MR. SNYDER:** — We do not.

**MR. ROUSSEAU:** — You're not negotiating at this present time for some space for them, or are they handling their own in Saskatoon?

**MR. SNYDER:** — No, the Crown investments corporation may have an involvement but certainly not with the Department of Government Services — potash corporation either on their own or through Crown investment corporation.

**MR. ROUSSEAU:** — So the government services doesn't handle all of the leasing of property for the different Crown corporations then? What percentage of it do you handle? I said that government services does not handle all leases for the Crown corporations from what you've just said. What percentage of the total leases is handled

by government services?

**MR. SNYDER:** — I can tell the hon. member that there is virtually no attempt made by Department of Government Services to be going into the operation of providing space for Crowns except for the fact that for example, the Sturdy Stone building in Saskatoon where there was lease space available. It was leased to the Saskatchewan Mining Development Corporation. They pay to DGS the appropriate rent for the space they lease from us. We're not in the process of going out searching for leased space for the major Crowns in order that they may find a home. That's basically their responsibility. They co-ordinate that somehow, I expect through the Crown investments corporation. But ours is not a mandate to be searching for space for Crowns essentially.

We have a requirement and attempt, in order that we are not competing for the same space, to have that space co-coordinated through what we refer to as the space co-ordination committee. This enables us to keep track of what space is needed in the event we have surplus space in our own buildings. Then we will provide that space to a Crown if they are searching for space.

**MR. ROUSSEAU:** — So I take it from that that they handle their own and you have no lists of what they own, lease, etc. Last year, I recall asking you the question of the square footage of space that you do handle and the amount owned and leased by the government. As I recall, you indicated at that time the square footage rule of thumb you used was 179 square feet per employee. I can't recall the figures, however it worked out at that time, but you had a grand total of not 179 square feet per employee but 210. Have you exceeded that number of 210 square feet per employee? I know you're into metres now but you can do your own calculation on it and divide it up.

**MR. SNYDER:** — Yes, well the figure has not varied from the figure given to you last year — I believe 178 square feet. We won't attempt to metric at this stage. Please don't find us in the position then of taking the number of square feet the Department of Government Services or the Government of Saskatchewan has at its disposal and dividing that by the number of employees or you're not going to get 178 for obvious reasons.

We have been involved in a rather extensive renovation program over the past number of months and years and obviously there will be a great deal of square footage that is currently under renovation vis-a-vis the Administration Building and the old Health Building that have been undergoing some major renovations. So accordingly this won't give you the kind of figure you're searching for. If you're going to ask for the number of square feet divided by the number of employees, you won't come out with 178.

**MR. ROUSSEAU:** — What will you come out with then? You didn't complete the answers to my question. Very simply, last year it was calculated at 210 square feet but you say your guideline is 178; I thought it was 179. But you also justified that 178 square feet for the reasons you just gave now. My argument at the time was that the private sector can get away with 125 square feet, yet the government needs 178. Of course your explanation at the time was that you had these renovations, you had the Chamber here in the Legislative Building, you had a few other places that took up extra space. That was the justification for going from 125 to 178 as the guideline and yet your total was the justification for going from 125 to 178 as the guideline and yet your total inventory of space was at the time 210. Again I would ask the minister, have you exceeded that level of 210 square feet per employee from last year? Nobody on this

side of the House seems to recall or be certain of how you arrive at the gross figure of 210 square feet. We don't recall that figure being used over here. Our guide is still 178 square feet per employee. This is used as a judgment with respect to how many bodies fit into so many square feet in any given building, keeping in mind that the stairwells, corridors, the well in the middle of the Legislative Building isn't really appropriate space to house clerical employees or anyone else. So in buildings of this nature that really doesn't prove to be an appropriate figure.

Obviously, if you take the entire square footage in this building, there is probably less population than you will find in the Toronto Dominion Bank Building where you can stretch your arms out on any of the floors and with the tips of your fingers touch the two walls on either side. So it's a different kind of construction.

I think governments have notably built some historic structures that will be with us not only for this decade or generation but for decades and generations to come. Obviously it will be a different type of building and probably a comparison with the private sector vis-à-vis a building such as the T.C. Douglas Building, Sturdy Stone building or the Legislative Building here will not provide a good kind of comparison if you are attempting to justify the difference between our 178 square feet and the 125 square feet that the private sector would use in buildings. That would probably have to be regarded as substandard by the standard of some buildings we build.

I accept your justification for the 178 square feet, which is the same reasoning you gave last year as to why you used 178 versus the private sector of 125. I accept that. It makes sense the government would need more space per employee than does the private sector.

However, getting back to my question, as I said, it was done on the basis of the number of employees versus the total square footage of space. You indicated to the Assembly last year that you had an inventory. My question again goes back to how many more square feet per employee you have than 210 square feet, which is the figure it worked out to last year. If you don't have it, give me the total square footage of your inventory. We'll do our own calculations based on the number of employees you show on the budget.

**MR. SNYDER:** — That's what we're afraid you're going to do. You'll obviously take vacant space — for example, a warehouse we are about to dispose of in the city of Moose Jaw perhaps, and divide by the number of employees in spite of the fact it's for a different purpose. It probably can't be used for any immediate use by government. You can take vacant space at Fort San or vacant space at the Souris Valley Extended Care Hospital in Weyburn, or you can take some additional space currently not adaptable for any other kind of use and divide it by the number of employees. You're not going to get the figure of 178.

I can tell you how we arrive at our figure of 178. Employee workspace is 125 square feet, the figure you're saying applies in the private sector, and generally speaking it's intended to apply to people in the service of the Government of Saskatchewan. So there is employee workspace (the average area 125 square feet or 11.6 square metres), then there is filing, storage, and work tables (meaning another 40 square feet you will add to the 125) and central services such as conference rooms, Xerox and cafeterias (another 10 square feet), active storage space (another 3 square feet) — giving a total of 178 square feet. This is how we arrive at what is needed for each of the employees.

I'm not trying to avoid the question but I'm not sure I can answer in any more precise detail.

**MR. ROUSSEAU:** — I guess I'll put it in a simpler form then. I don't disagree with your guidelines. I agree they're probably accurate, required and needed. Leaving alone the 210 square feet I worked out on the actual space which you did have, let me ask you the question in this way: how much have you increased your inventory, since this time last year, of space? In other words how many more square feet of space do you have now than you did have at this time last year in inventory?

**MR. SNYDER:** — Given a little time we can give you some additional information. I think it would be what you are looking for, but off the top of our heads we can identify something in the order of 3,000 square metres which was purchased in North Battleford. It is the old Co-op store adjacent to the provincial government office building in North Battleford which was being disposed of. It is an excellent site and an excellent location. It provides an opportunity for expansion in the near future, and the intention, I believe, is to move some of the facilities that are currently outdated and about to be abandoned in the not-to-distant future; and accordingly, it was looked upon as an excellent investment at that time. So at this time, there is something in the order of 3,000 square metres which are basically not occupied, but will be undergoing renovation over the next number of months and years. This will allow us to discard some leased space and some other owned space that has outlived its usefulness.

**MR. ROUSSEAU:** — Well, the answer to that question is probably going to have a bearing on the next comment I would like to make. However, I am going to carry on with it on the presumption that I am correct, and that you have increased your inventory of office space, floor space, warehouse space or whatever space you want or need.

We keep hearing from the Minister of Finance every year about the laurels he offers to the government, and the fact that we keep reducing our civil service. Again this year it's down from last year by almost 200 and yet at the same time we keep increasing the space requirement. Well, the two don't add up.

If in fact the Minister of Finance is correct in advising the people of this province that we are reducing the number of civil servants, then it would follow that government services should be reducing the space requirements. Now one or the other is trying to fool somebody, and I don't suggest it is you.

**MR. SNYDER:** — I would hope the member wouldn't believe I would be guilty of such a transgression. Just further to what he suggests, Mr. Neville provides me with some more up-to-date information for 1979-80. It indicates that the overall roundup in all the districts — Moose Jaw, Weyburn and Swift Current — shows that we have decreased the amount of leased space by 3,164 square metres, a decrease of 3,164 square metres and increased our own space (that's property that we own) by 2,440 square metres for a net decrease of space of 724 square metres. So this runs entirely contrary, 180 degrees contrary, to what you've been attempting to prove in your dissertation to me. It shows in effect a net decrease of 724 if you consider the decrease in leased space and increase in owned space.

**MR. ROUSSEAU:** — It certainly runs contrary to what I was suggesting. As I started out earlier saying, the answer I was waiting for would have a bearing on the comment I wanted to make. I'm pleased and I'm happy to hear government services has decided to follow along the lines that if you're going to reduce the civil service you're also going to

reduce the holdings of office or building requirements.

Would the minister indicate to me whether or not you are contemplating any large leases in the near future? Specifically I might ask about a building being built here in the city right now called Chestermere Place, I believe. Are you contemplating any leaseholds in that building and for what department if you are?

**MR. SNYDER:** — I'm given to understand we will not be looking for new space for new bodies. My understanding is that we may very well be required during this fiscal year to undertake to move some of our people from the power corporation building. Accordingly, we would be looking for space elsewhere. Whether it would be leased space or owned space that might be available to us remains to be seen. We're not looking for any substantial new space or additional bodies.

**MR. ROUSSEAU:** — I'm not sure I quite understand your answer, Mr. Minister. Are you at the present time negotiating with Chestermere for additional space in that building?

On these lists the member for Rosthern has been working with, I wonder if you could provide the opposition with names of the landlords of these buildings that you're leasing.

**MR. SNYDER:** — Perhaps we can find it. They're a year late, but you can find them in Public Accounts, if that's current enough. They are listed in Public Accounts annually. I suppose that will be for the year under review which will be the last fiscal year. I'm told it's not always possible to identify the landlords. Sometimes a rental agency is responsible for entering into a lease with DGS. Under some circumstances we might not know the name of the landlord in question. Obviously we could provide you with a name of the building and its location.

**MR. ROUSSEAU:** — Well, if the minister would . . .

**MR. SNYDER:** — We could let you know to whom we sent our cheque, but whether we can identify the owner is another thing again.

**MR. ROUSSEAU:** — We're getting close to what I want. You're saying you can give us a list of where you send your cheques to. Getting back to Public Accounts, all it will indicate is the number of cheques you sent out with names, but it doesn't say anything else. What I'm asking for, if possible, is — O.K., you are renting space in the Toronto Dominion Bank Building, for example, so the address and the landlord would be of course the Toronto Dominion Bank and so on and so forth. If you could provide us with that list I would appreciate it.

**MR. SNYDER:** — I am told we don't have it at our fingertips but we could provide it to you later if you wish.

**MR. R.L. ANDREW (Kindersley):** — A question, Mr. Minister, with regard to a building in Kindersley (I think it's called the SCANTEC Building) which is owned by a company of which one of the shareholders lives in Kindersley. As I understand it, the government has entered into a lease on the total premises. I am not sure which departments are in there. What I would like to know is, what is the lease arrangement for the total building, or if you do have a lease for the total building, or if you do have a lease for the total building?

**MR. SNYDER:** — I am told the Department of Government Services does have a lease agreement with SCANTEC and space is provided in that building for the Department of Health by virtue of a lease agreement. It has been a tradition that it is not the practice of the Department of Government Services to reveal the terms and conditions of leases. It was an arrangement entered into and I expect an invitation to tender. Accordingly it is not regarded to be in the public interest to divulge the lease agreement at this point in time, for reasons I think the member is cognizant of.

**MR. ANDREW:** — All right, if it is the Department of Health, do they then use the whole of the building to your knowledge? Are there any other departments in that building?

**MR. SNYDER:** — I am told, while we are checking the detail, that health will have the larger part of the building but social services may have a presence there also. Health is the major tenant in the SCANTEC Building.

**MR. R. KATZMAN:** — Mr. Minister, you made a comment a few minutes ago about the TD Bank Building, that you could reach out and you would be touching walls, I think was your comment. That is how close the facilities are. I understand there is one floor where you could not have found a body; it sat vacant and you paid rent for a very long time. Is that information incorrect?

**MR. SNYDER:** — While my people are attempting to determine whether there was some vacant space there, I think it has to be said that the vacancy rate the Department of Government Services has experienced throughout has been one which compares very favorably with the private sector. The private sector is inclined to believe if they have a vacancy rate of something less than 5 per cent they are doing remarkably well. Our vacancy rate has fallen within those parameters and accordingly, given the fact we have a fair bit of space under major renovation, we think the vacancy rate is probably appropriate given the amount of space we have available. At the present time at the T.D. bank there is lease space of 300 square metres currently under renovation for the Department of Labour, the Department of Mineral Resources and executive development. The duration of the vacancy will be something in the order of six months. It will be vacant (under renovation) for a matter of about six months before completion and reoccupancy.

**MR. R. KATZMAN:** — So it will be 300 square metres at roughly \$82 a square metre. You are doing the renovations? That is part of the contract? Am I correct in that assumption?

**MR. SNYDER:** — Yes. The answer is yes.

**MR. R. KATZMAN:** — We both know that in the last few years the Tommy Douglas Building has been built. The building in Saskatoon was built. Both took a large bulk of government staff in them, thereby releasing a massive amount of space in either other government buildings or in private buildings where you lease space. I do not argue with the premise that you own the minimum amount of space needed to facilitate the government, for example, the Tommy Douglas Building and other buildings. That is not an argument in point. But you have to leave a certain amount of sliding room in space you lease because the government could go up or down subject to total amount of bodies and space requirements. My question is, Mr. Minister, do you have any idea of the amount of vacant space rented from private sources that had to sit vacant for any period longer than one month while you were moving to say, Tommy Douglas or the building in Saskatoon, and the termination of the lease was three or four months away and therefore it sat empty?

**MR. SNYDER:** — Generally speaking, the problem was not one of being overburdened with space that we couldn't use. Our problem was somewhat in the order of a delay in construction where our present leased space had the lease expire on it and we were required to go back in a number of instances to extend the lease because the construction was not completed. I believe that applied not only in the T.C. Douglas Building but also in Sturdy Stone. So, we were renewing or extending our lease on a month to month basis rather than having vacant space.

We are not always that fortunate in fact. Usually an attempt is made to program (and that is not always possible) your construction and have your completion date blend with the expiration of your contract. It is ideal if you can do it that way. It is not always easy to accomplish the utopian. I'm told in response to the member for Kindersley's question that at SCANTEC in Kindersley, health occupies 157 square metres and social services occupies 64 square metres. The total building is rented between social services and health; they occupy the entire building, some 157 plus 64 square metres.

**MR. ANDREW:** — Oh that, I understand, you indicated that you tendered out for people to provide space for the government. In other words in that particular case you tendered as to who would be prepared and you received several submissions from people prepared to provide that space.

**MR. SNYDER:** — The proper definition is a proposal was invited. The people who provide the space in Kindersley were the ones who presented the most attractive proposal.

**MR. ANDREW:** — You indicated that you would not provide me with the rental on that space. Would you be prepared to provide the various invitations to make a proposal? Is that public information? Is that information open for the public to see?

**MR. SNYDER:** — Well, I am given to understand that this is looking back somewhere in the order of five or six years. I think by advertising the newspaper invitations were offered to people to present proposals to the Department of Government Services. Our people are not entirely sure that after five or six years all of those records have been maintained because some files, I suppose, are destroyed over a period of five years. WE may be able to find it. We would not want to guarantee that type of information is retained for five or six years.

**MR. ANDREW:** — If it is available, are you prepared to provide that information? I suppose that is my question.

**MR. SNYDER:** — I think we would be prepared to provide the names of those people who made offers, who submitted a proposition to the government with respect to building for that purpose. I am not at all sure it would be to anyone's advantage to provide the amounts in question except that as far as the Department of Government Services is concerned, all other things being equal, low bid is our bible. Obviously the best proposition and the most economic one was the one which was accepted. If they are available, we will be prepared to provide you with the names of those companies or individuals who provided an offer to the Department of Government Services.

**MR. ANDREW:** — My question, Mr. Minister, is this. You indicate that in most situations you are going to accept the lowest offer. How do we or how does anybody else for that matter have a check and balance to ensure that the best tender s being accepted and

that it is not being accepted from someone who maybe has other influences? That is the information which I would like to get to. Now obviously, if you are taking the best proposal or the lowest proposal, you should have no qualms about providing that to show the best one is in fact getting the lease.

**MR. SNYDER:** — I think you have to draw a distinction between this kind of offer, where a group of people, a syndicate or an individual may offer, for example, that kind of square footage in a renovated building which is substandard in many respects on one floor, or perhaps on two floors — an offer of the provision of space which is inadequate, and as opposed to that, there may be someone else who will provide an offer which will entail the building of a new building and I suppose it becomes a judgment call as to which is the most economic. So that becomes somewhat more difficult than just the tendering on a building where there are definite specifications that are drawn and each of the people is tendering bids on the same basis with the same specs. So it does become somewhat difficult. It's one of those situations where judgments have to be made. The only assurance I can offer is that when our people go out they attempt to get the best deal, to provide for the most equitable arrangement and to be the guardians of the public purse at the same time. I'm not at all sure I can provide an absolute answer for you in questions such as that because it does require something of a judgment call to make that decision.

**MR. ANDREW:** — The information I would advance to you is this. At the time when that building was leased, there were perhaps other buildings in town. All I'm simply saying is the information that I would like is to be able to compare it at this or that point back five years ago to make sure you weren't paying excessive amounts of money for a lease. Now I didn't say that was necessarily to a friend, but the situation could be such and quite frankly the rumor advanced in town by some people was to the effect that the government was leasing the premises for \$22 a foot, which was something in excess of twice as much as what the normal rent would be.

**MR. SNYDER:** — I suppose I'm treading on treacherous territory when I tell you that I'm not going to tell you the precise terms of the lease, but I can tell it wasn't \$22 a foot and it's not \$22 a foot today. That was the original lease of some five or six years ago. It isn't \$22 and it isn't even \$10 today. And that's eight years after the event, so it's something less than \$10 per square foot which is a far cry from \$22 a foot six years ago.

**MR. R. KATZMAN:** — Mr. Minister, during the back and forth debate with the member for Kindersley, you made the comment on government standards. Could you present to this side of the House a copy of what you consider government standards to be? I continually hear that statement from people as they're bidding to do a building from you. This building is up to government standards, this building is not up to government standards. Just what does that term mean?

**MR. SNYDER:** — I think we can probably provide that it is you are looking for. It's something in the order of the general specifications required in terms of lighting and air conditioning, if that's a requirement in a particular building or different levels of space for different standards of offices provided in the public service. I think we could probably provide you with that kind of background.

**MR. R. KATZMAN:** — Mr. Minister, while you're doing that, would you — because it looks like we'll be at it for another day as well — also bring with you the furniture requirements you give a normal employee? There must be some rule of thumb. I realize we're not in debate on it but if you could bring something along to indicate the square footage per



employee — so much for a secretary, so much for a cabinet minister and so forth. I understand there is a formula available. If you could bring those along on the next day, it would probably make things a lot easier. Go ahead, Bob.

**MR. LARTER:** — Mr. Minister, could I ask you about a couple of buildings down in our area. Estevan first of all? You moved most of your government staff into a new building there. Could you give me the particulars on the building? Tendered, what you're doing this for? How many employees? How much you're paying per square foot if it's leased, etc.?

**MR. SNYDER:** — I think I can give the member a portion of what he's looking for in any case. The Derrick Building was completed occupied in January 1980 just earlier this year. The lease space vacated in other premises has been terminated. Agriculture has been assigned 50 square metres; co-ops and co-operative development, 25 square metres; culture and youth, 38 square metres; industry and commerce, 32 square metres; mineral resources, 213 square metres; health, 269 square metres; highway traffic board, 24 square metres; revenue, supply and services, 232 square metres, tourism and renewable resources, 34 square metres; physical plant, conference rooms, etc., 57 square metres; room for expansion and growth, some 38 square metres; corridors, 211 square metres; and leased space to others (there's one other that leases there) some 22 square metres. So we occupy a total of 1,333 square metres. The price per square metre, once again for the obvious reason I've explained before, the department is reluctant to let the whole world know because of the competitive advantage we would lose by letting the whole world know the price charged in individual circumstances for leased space.

**MR. LARTER:** — Mr. Minister, if you told me, I wouldn't tell anybody. I wouldn't tell anybody if you told me.

**MR. SNYDER:** — It's less than \$10 a square foot, if you like. That's as good as we can do for you, I'm afraid.

**MR. LARTER:** — Where's the party line? Mr. Minister, do you know how many employees — no, that's none of your concern, I guess — the number of employees in that building?

**MR. SNYDER:** — I don't think we would have that. Each individual department . . . I suppose you can ask that question as each department brings their estimates before the Assembly but I don't think we have a total number of employees housed in the Derrick Building. I'm told the number is approximately 60 and that's give or take a few.

**MR. LARTER:** — The reason I ask is that I understand there are approximately 400 in the one at Weyburn. I wonder if it is because they have a member from the government side of the House there. I'm not sure. You in no way own any part of that building? You are just leasing it?

The building at Weyburn, I understand, houses approximately 400 people. Is this leased? Do you have any rough figure on what the lease price is there?

**MR. SNYDER:** — I'm not sure of the question the hon. member is asking, whether he is asking for details of the transaction related to the mail, or just the office tower which is not yet open or occupied in total. What is it the hon. member is asking about, just the government presence at the Weyburn Square?

**MR. LARTER:** — Yes.

**MR. SNYDER:** — There are 136 employees in Weyburn. You said 400? Oh, that's pretty close for a Tory.

**MR. LARTER:** — Mr. Minister, is the lease in this area that you are leasing in the office portion under \$10 as well?

**MR. SNYDER:** — I think you are going to have some difficulty in detailing this in any short period of time because the whole arrangement with Weyburn Square is something more than just a lease arrangement for the renting of space in the office tower. You will know first of all that the Government of Saskatchewan entered into an arrangement and agreed to do the land assembly for the Weyburn mall for those purposes. The government made a total investment of something in the order of \$4.6 million in land to the developer, to the company, for a 60-year period. We enjoy an annual rental of some \$23,000 per year, and in addition to that, receive a percentage of the annual cash flow of the project. That flows back to the Department of Government Services.

The company is responsible for constructing the complex, including something in the order of 38,000 square feet of office space for the province of Saskatchewan, for Sask Tel and for the Saskatchewan Power Corporation. The province will maintain and operate the office building, and will pay a base rental equal to the amortized all-in costs of the office building, over a 35-year period, and a proportionate share of the maintenance and operating costs for the common-use area of the building and site. The province has a purchase option exercisable 20 years following the completion of the price equal to the original all-in costs of the office building.

I'm sure the hon. member has that clear in his mind now, and will be asking for something similar to be done in Estevan to glorify and update that downtown core that is rotting away in Estevan too.

**MR. LARTER:** — Are you telling me in so many words that you're going to completely recover this \$4 million which you invested?

**MR. SNYDER:** — I think there are a great many elements. I think as far as direct recovery is concerned, the Government of Saskatchewan has regarded it a sits responsibility to make a partial investment of some dollars in order to help rejuvenate some of the smaller urban areas and some of the larger urban areas which are suffering in a very major way, seeing their downtown areas deteriorate in a very major way. This is what we did in Weyburn because we could see in company with the city council of Weyburn that the establishing of a shopping centre on the periphery of Weyburn would case the downtown core to deteriorate even further. Accordingly a conscious decision was made by government to make something of a capital investment, a social investment if you like, into the downtown core of Weyburn and I presume that will not be the last one. The conscious decision was made by government and — who knows — Estevan might even be the beneficiary of this kind of forward-looking business by government.

**MR. LARTER:** — I appreciate that, Mr. Minister, and I concur with you. The only thing is I heard a minister stand up in the House here the other day and brag about what had taken place in Weyburn. I didn't get a chance to question him. I wish he had been

around when they were making the plans for the Estevan business area, because we have three distinct shopping centres and city council of that time didn't pay attention to what the plans originally called for. It's too bad we didn't have the same direction at that time.

I would like to ask the minister — when the Weyburn Square was opened a while ago there was extensive advertising done on television and all newspapers (and I mean lots of it). I wondered if the Government of Saskatchewan, through government services or any other department, shared in that advertising of the Weyburn Square.

**MR. SNYDER:** — No, there was no contribution made by the government with respect to the advertising which was done. This was all done by the developer for the opening of the development. I think the entire cost involved for the Department of Government Services was in the chartering of a bus to take guests to Weyburn, and the total cost was \$135, I'm told.

**MR. R. KATZMAN:** — Mr. Minister, I guess it's almost that time when the House will rise. I would thank you for your courtesy in the replies which we've received today in the House, and hopefully when we go back at it you will have the additional information we have requested so that we can get them finished on the next day. Mr. Chairman, I think the House Leader has to move the committee rise. If not I will move the committee rise and report progress and ask leave to sit again.

The committee reported progress.

The Assembly adjourned at 5:02 p.m.