

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 20, 1983

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PETITIONS

Deputy Clerk: — The following petitions are presented and laid upon the table: by Mr. Meagher: of the Crossroads Pentecostal Assembly Corporation of the city of Prince Albert; by Mr. Katzman: of the Rosthern Junior College of the town of Rosthern; by Mr. Folk: of the Sisters of Mission Service of the city of Saskatoon; by Mr. Embury: of the Athol Murray College of Notre Dame in the town of Wilcox.

REPORTS OF COMMITTEES

Estimates

Deputy Clerk: — Mr. Sutor, from the standing committee on estimates, presents the third report of the said committee which is as follows:

Your committee considered the estimates of the Legislative Assembly and the Legislative Library and adopted the following resolutions:

1. Main estimates to March 31, 1984:

Resolved, that there be granted to Her Majesty for the 12 months ending March 31, 1984, the following sums: For Legislation, \$2,844,740.

2. Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1984, the sum of \$2,607,680 be granted out of the Consolidated Fund.

3. Resolved, that this committee recommends that upon concurrence in the committee's report, the sums as reported and approved shall be included in the appropriation bills for consideration by the Legislative Assembly.

Mr. Sutor: — Mr. Speaker, I move, seconded by the member from Pelly:

That the third report of the standing committee on estimates be now concurred in.

Motion agreed to.

WELCOME TO STUDENTS

Hon. Mrs. Duncan: — Thank you, Mr. Speaker. It is my pleasure to introduce to you

and through you to the members of this Assembly, a group of 42 grade 12 students seated in the Speaker's gallery. These students have travelled from the town of Gull Lake, which is on the east side of my constituency, so they've come about 200 miles to join us today. I hope you students find the proceedings in the House informative. Question period is coming up and that's always a good time in the House. It will be my pleasure to meet with you shortly after question period for refreshments and pictures and any questions you might have. I would ask all members to join me in welcoming them and wishing them a safe journey home.

Hon. Members: Hear, hear!

Mrs. Bacon: — Thank you, Mr. Speaker. It is with pleasure that I introduce to you and to this Assembly, a group of 36 grade 8 students from Victoria School in Saskatoon. They are accompanied by Ron VanMeenen and Donna Douglas-Elliott. I would wish that you enjoy your afternoon here today, and I will meet with you at 3 o'clock in the rotunda for pictures and then for refreshments. I ask all members to join with me in welcoming these students here.

Hon. Members: Hear, hear!

INTRODUCTION OF GUESTS

Mrs. Bacon: — Thank you, Mr. Speaker. It is again with pleasure that I introduce a group of guests to the legislature of Saskatchewan. We have seated in the west gallery, a group of 26 ladies who belong to the women's auxilliary of the Western Development Museum located at 2610 Lorne Avenue. On behalf of the members I extend to you a warm welcome here, and will meet with you at 3:15 in the rotunda for pictures, and then we'll go for refreshments. Would all members please join me in welcoming them.

Hon. Members: Hear, hear!

QUESTIONS

Saskatoon NHL Franchise

Hon. Mr. Blakeney: — Mr. Speaker, I would like to direct a question to the Premier, and it concerns today's announcement that the St. Louis Blues are a step closer, and a long step closer, to becoming a Saskatchewan-based NHL franchise. And I want to preface my remarks by saying how delighted we are on this side of the House that the NHL franchise is likely to come to Saskatoon, and we congratulate the city of Saskatoon and the people of Saskatoon.

My questions are directed to the Premier with respect to the government's involvement, and my first question is: will the government be tabling today, or perhaps tomorrow, all feasibility studies and all documents signed by the government with respect to the commitment to guarantee \$32 million?

Hon. Mr. Devine: — Well, Mr. Speaker, the details with respect to the government's involvement were, to a large extent, made public today at a news conference this morning in Saskatoon, and any more specific details with respect to delineating mortgages or liens on franchise or anything else, I'm sure that we can provide a good part of it. In terms of whether it'll be acceptable detail in terms of your question, we just have to wait and see.

Hon. Mr. Blakeney: — Mr. Speaker and Mr. Minister, may I ask who will own the arena and what agency of government will give the guarantee?

Hon. Mr. Devine: — Mr. Speaker, we are doing some analysis of that. There are several ways that it may be possible. If we use one method or another, in terms of public financing or guarantees, that information will be brought forward in the next few days. Certainly it will depend upon, to a large extent, the application for a franchise, which has to be acceptable by the board of directors of the NHL.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. My question really concerns the mortgage which . . . I understood the announcement to be that the government would have a mortgage on the building as security for the guarantee of \$32 million in securities. My question really is: who will own the building on which the government will have the mortgage?

Hon. Mr. Devine: — That depends on who guarantees it, whether it would be an arm of government or whether it would be the government in total or some combination, and there are several alternatives that are available. We're reviewing those and we'll be advising this Assembly in due course.

Hon. Mr. Blakeney: — Mr. Speaker and Mr. Premier, could you advise me whether it is proposed that the city of Saskatoon would own the arena, or whether a private group would own the arena, or whether some agency of the Government of Saskatchewan would own the arena?

Hon. Mr. Devine: — The purchase is put together by Saskatchewan people through Coliseum Holdings Ltd.: the guarantee is being provided by the province of Saskatchewan. There are liens against the building, as well as against the franchise, to protect that. So the ownership will be by Saskatchewan people - up to 90 per cent of the action can take place by individuals in the province of Saskatchewan. There is no public funds in the building or the franchise. It's entirely, 100 per cent, privately funded by 100 per cent Saskatchewan people, and the public building is backed up by the Government of Saskatchewan. The building is owned by the public of Saskatchewan in the sense that it is a private corporation that they can take shares in or they can participate in, up to 90 per cent of the action. I don't know what more I could really add to that.

Hon. Mr. Blakeney: — Mr. Speaker and Mr. Minister, I gather from that that the building will be owned by Coliseum Holdings Ltd. and that there will be a number of shareholders of Coliseum Holdings Ltd. Can you answer two questions? One, is it proposed that the Government of Saskatchewan or any agency thereof be a holder of any shares of Coliseum Holdings Ltd.? And two, is it proposed that there be a public offering of shares, i.e., that there will be an offering of shares and a filing of a prospectus and a large number of shareholders, or is it proposed that it be a private company with 50 or less shareholders?

Hon. Mr. Devine: — That's precisely what will happen. The government is not going to be a shareholder of Coliseum Holdings Ltd. But it is my understanding, and certainly the minister could add more detail to it, that there will be a public offering, subject to the normal rules and regulations that go with those things, to the public, so that up to 90 per cent of the entire building and franchise and so forth is open to the public of Saskatchewan.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. Is it proposed that the Government of Saskatchewan, in return for its guarantee, would receive either any share of the profits from the operations of the Coliseum, or any guarantee fee, or any other remuneration for providing the guarantee of \$32 million?

Hon. Mr. Devine: — Well, Mr. Speaker, in response to that question, I think that I could say that the Government of Saskatchewan, and the people of Saskatchewan, will receive the following benefits as a result of the confidence that has been provided recently. This has been . . . This franchise and this team has been brought to the province of Saskatchewan. There will be 400 on-site construction jobs - an additional 2,300 associated off-site jobs over the next six months.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Virtually all of these jobs will be filled by Saskatchewan people. The pay-roll over the next six months will be \$20 million.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — A reasonable estimate of the multiplier effect should generate between 40 and 50 million in spending to complete this job throughout the province of Saskatchewan. An additional benefit to the Government of Saskatchewan, and the province of Saskatchewan, because this is retail sales and income tax, and so forth, that they will require many, many more support services including hotel and motel accommodations, restaurants, shops, etc. There will be at least a need for 800 more hotel and motel rooms in the city of Saskatoon, and the construction on those kinds of facilities. On top of this, it is estimated to at least be \$20 million a year, for this year and next year and for every year to come, pumped into the economy as a result of the hockey games going on here in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Finally, there will be benefits over and above those that I recently mentioned because we will have a world-class, first-class facility in one of our major cities, to host events of all kinds, social, economic, political, cultural, whatever. So it's an excellent drawing card for the province of Saskatchewan to hold all kinds of international and national events. So if we add those all up in terms of income generated, jobs generated, retail sales, sales tax, and the general enthusiasm for construction, the benefits are literally hundreds of millions of dollars over the next decade.

Some Hon. Members: Hear, hear!

Hon. Mr. Blakeney: — Mr. Speaker, supplementary. Do I take from that answer, Mr. Premier, that there is no direct financial return to the people of Saskatchewan by way of shares or a guarantee fee, but that all of the benefits, the benefits which you have outlined, which will no doubt be considerable, are the ones which you feel are the ones which justify the guarantee of \$32 million?

Hon. Mr. Devine: — Well, Mr. Speaker, the important part of this project is that the taxpayers of the province of Saskatchewan are not putting up a single solitary red cent

for the construction of this multi-megaproject that means thousands and thousands of jobs and millions and millions of dollars. So for not putting up a single solitary cent, they are receiving jobs and income tax revenues and sales tax revenues that go to their government that can be spent on all kinds of facilities. So the combination is essentially what we would call the best of both worlds, where the confidence that has been provided in this economy has encouraged Saskatchewan entrepreneurs to put together a package at their expense and the entire public benefits.

Some Hon. Members: Hear, hear!

Hon. Mr. Blakeney: — Mr. Speaker, a question to the Premier with respect to the same matter we've been discussing. Is it proposed that the guarantee would be given before the transfer of the franchise is provided by the National Hockey League board of governors to Saskatoon?

Hon. Mr. Devine: — No.

Hon. Mr. Blakeney: — Mr. Speaker, supplementary question. Am I then to understand that no construction on the coliseum will commence until the franchise transfer has been approved?

Hon. Mr. Devine: — That's correct.

Hon. Mr. Blakeney: — One further question, Mr. Premier. This has to do with the nature of the guarantee. Does the Premier take the view that there is no financial risk in a guarantee, or does he take the position that there is substantially the same risk in a guarantee as there would be if the Government of Saskatchewan put up the money in cash?

Hon. Mr. Devine: — Mr. Speaker, the two major advantages of this method of providing some support for a project: the first is that it is virtually the confidence that the Government of Saskatchewan is providing that has encouraged people to get this done. Second, the financial difference, the big financial difference between putting the money up and the guarantee is that it doesn't cost us either the money or the opportunity cost of that money, or the interest to borrow that money. So we have just said we will back it up. We will provide the guarantee, but we're not either borrowing money from the public sector or from anybody else to put it in there . . . (inaudible) . . . Or if we had the money in the bank, we're not even wasting the opportunity cost of that money. Now, there is a risk that goes with the guarantee. A guarantee carries some risk. The confidence that we're building in the province of Saskatchewan, in suggesting there's so much more we can be, that we're quite confident that it won't cost us anything.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Thank you very much, Mr. Speaker. I want to reiterate my colleague's congratulations to the city. I also want to say, Mr. Premier, that I found your comments startling, that you have committed the province to a guarantee of 32 million and you are still apparently reviewing some pretty basic detail. You give every appearance, Mr. Premier, of flying by the seat of your pants, and I hope you can dispel it.

Mr. Speaker: — Order, please. Order! The hon. member knows that it's question period, and putting out items that are debate are not in order at this time, but get to the

question.

Mr. Shillington: — My question, Mr. Premier, is: have you signed a written contract with Coliseum Holdings Ltd. or any of the principals thereto? And if so, will you file a copy of that contract, will you table a copy of that contract in the Legislative Assembly?

Hon. Mr. Devine: — No, I won't be tabling anything here, at least not this afternoon. I would point out to the member that there was much more thought and attention put into putting together this package for the province of Saskatchewan than there was in nationalizing potash mines.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Well, let me reiterate, then, my question, Mr. Premier. Have you reduced your undertaking to a written contract? Do you have at least that much done?

Hon. Mr. Devine: — All I can do is reiterate what I've said: that the province of Saskatchewan is backing the building to the extent of \$32 million. We will guarantee that building. That's all. I can't add any more than that. We're not putting up any money; private individuals, and Saskatchewan individuals, 100 per cent Saskatchewan people and money, is building it, buying the franchise and everything. We said we would support and guarantee the public building. We'll certainly help in terms of the sewer and water and streets and other things that we would normally do to facilitate it. Anything beyond that, it's a guarantee on that building.

Mr. Shillington: — Supplementary, Mr. Speaker. Does your commitment give you the right to a first mortgage?

Hon. Mr. Devine: — Well, I believe that we . . . I can check the details on that. But we are well secured in terms of that mortgage, and a lien in terms of the franchise. So I would say that it is well protected in terms of the public of Saskatchewan.

Mr. Koskie: — Thank you, Mr. Speaker. I, too, want to join with my colleagues in the announcement in respect to the finalization of the package in respect to the relocating of the St. Louis Blues. I might just take one liberty to indicate that I have a nephew playing with the Minnesota North Stars and it will be very convenient to go to Saskatoon and see him.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Mr. Premier, I just want to ask, in respect to the . . .

An Hon. Member: — Is he a left winger?

Mr. Koskie: — . . . continuing up to the finalization . . . Left defence.

In respect, Mr. premier, to locating the team in Saskatoon, it is my understanding that there will need to be an approval by the board of governors of the NHL. There appears to be some doubt in respect to whether it needs unanimous approval or whether the St. Louis group had in fact a special deal when they located the team in St. Louis. What I'm asking you: can you advise us whether that detail has, in fact, been worked out and whether or not it requires the unanimous approval of the board of governors?

Hon. Mr. Devine: — Well, you're absolutely correct in terms of . . . Before a franchise

can come to the province of Saskatchewan or indeed move any place in the NHL, the board of governors . . . I believe two-thirds of them have to agree that the sale can take place and it's unanimous - they have to be unanimous that this is the spot where the franchise comes, and I believe it's a combination of those.

What the province of Saskatchewan will be doing on behalf of the people of Saskatchewan, now that we potentially have the hockey team, is telling them about the benefits and the attributes of the province of Saskatchewan. So we'd certainly be calling on the members opposite to support us, and reminding everybody that there's no tax on gasoline. We would also . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — We would remind them that we have 13 per cent mortgages. We would remind them that the city of Saskatoon has the lowest rate of inflation in the nation.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — The last quarter, the city of Regina had the lowest rate of inflation, that the province of Saskatchewan has the lowest level of unemployment

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — We would remind them . . . We'd just have to sell them on the attributes of the province of Saskatchewan - rural and urban. I could point out, Mr. Speaker, and just give an example of the kind of things that are going on. There are atlases, Mr. Speaker, being sold all across North America, not only to find out where Saskatoon is but a little place west of Saskatoon, called Herschel, Saskatchewan. The population is approximately 60, Mr. Speaker, but we're informed this morning that over 30 people in that town have bought season tickets.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — So that apparently is making the newspapers in Los Angeles and New York and whatever, and they all want to know where Herschel, Saskatchewan, is, saying, 'If that's the kind of support you have in sports in the province of Saskatchewan, we can't think of a reason why the NHL franchise couldn't come to our province.'

Some Hon. Members: Hear, hear!

Mr. Koskie: — I want to, Mr. Speaker, thank the Premier for delivering again and practising his normal speech.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Indeed, I want to ask the Premier. You indicated - and somewhere in that diatribe you said that in respect to the approval of the board of governors. But I would like to ask: has a meeting been arranged whereby the board of governors will in fact hear the application from Saskatoon, the group from Saskatoon who are attempting to bring the franchise to Saskatoon? And when will that meeting be held, and will the Premier be attending?

Hon. Mr. Devine: — To the best of my knowledge, that's being negotiated right now in terms of the time and the place when we're meeting with the board of governors. I have been asked to attend and, given schedules and timetables and so forth, it may be possible. I could point out that in today's . . . (inaudible interjections) . . . By popular demand, in today's *Globe and Mail*, Mr. Speaker, on page 17 there's a very, very good article about the province of Saskatchewan which will . . . I'm sure that they will be advising the board of governors. And it says, and I quote:

Saskatchewan today is probably the most prosperous province on a per capita basis, and it has the lowest unemployment rate in the country.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Now, I could read the rest of it, but I'll just send you a copy.

Mr. Koskie: — I'd like to ask a supplement, Mr. Speaker. Mr. Speaker, could the Premier listen carefully? Has a date been established for the group promoting the establishing of the Blues in Saskatoon? Has a date been set to meet with the board of directors? A specific date, I want.

Hon. Mr. Devine: — It's in the process of being arranged, perhaps at this very hour.

Hon. Mr. Blakeney: — Mr. Speaker, I direct a question to the Premier with respect to the same matter. Does the financing involve a financial contribution from Molson's Breweries or from Labatt's?

Hon. Mr. Devine: — It does to some extent, yes, by Molson's.

Hon. Mr. Blakeney: — Mr. Speaker, I wonder if the Premier would outline, in brief form, the participation of Molson's in the particular transaction which the government is guaranteeing the \$32 million.

Hon. Mr. Devine: — I just can't do that at this time. As I mentioned, if and when the franchise is approved, and everything is go, then the questions that have anything to do with the public's involvement will be made more clear than they are today, but I believe generally much of it has been explained.

Mr. Shillington: — I have a question of the minister of culture and youth, actually, on the same subject. It has been reported, Mr. Minister, that because of the risk involved, when Ralston Purina took over the franchise, they received a dispensation from the board of governors of the National Hockey League, permitting them to transfer the franchise with something less than the normal 75 per cent approval, because of the risk involved. Has the government urged upon the Coliseum Holding Ltd. a request for a similar dispensation when the franchise is brought here?

Hon. Mr. Schoenhals: — Mr. Speaker, to my knowledge, that is a rumour. As you are aware, that is possible. The Atlanta team, when they transferred to Calgary, had a special arrangement written into their agreement. To this date, we have not discussed that question, so I assume the answer to your question would be: no, at this date we have not.

MINISTERIAL STATEMENTS

Saskatoon NHL Franchise

Hon. Mr. Schoenhals: — Mr. Speaker, it's with a great deal of pleasure that I rise today to inform this Assembly of an exciting new development concerning the possibility of a National Hockey League franchise for Saskatoon.

Some Hon. Members: Hear, hear!

Hon. Mr. Schoenhals: — Mr. Bill Hunter, the president and chief executive officer of Saskatchewan Coliseum and Hockey Club Ltd., announced this morning that his group has successfully completed negotiations with Ralston Purina to buy the St. Louis Blues of the National Hockey League. The deal also involved the purchase of the Blues' farm team, the Salt Lake City Golden Eagles of the Central Hockey League. The sale and transfer of the club is subject to the approval of the NHL's board of governors. Given the solid support of the people of Saskatchewan, and the keen interest this province has shown in hockey, it is difficult to see any circumstances under which that approval would not be forthcoming.

Mr. Speaker, the team and the coliseum, which will be the home for the Blues, will be entirely Saskatchewan-owned and 100 per cent privately-owned - a first in western Canada.

Some Hon. Members: Hear, hear!

Hon. Mr. Schoenhals: — The transfer of the Blues to Saskatoon will put Saskatchewan in the big leagues in hockey and in business. It will demonstrate to Canada and North America what can be done here when Saskatchewan enterprise is allowed to take the lead. The construction of the coliseum and related support services will be an economic boon for Saskatchewan and the city of Saskatoon. There will be thousands of new jobs, now and for years to come.

Some of this may be slightly repetitious. You may have heard it already this morning or this afternoon, but I'll go through it anyway; I think it's important. I am told there will be about 400 on-site jobs, and 2,300 associated off-site jobs during the construction period. Almost all of these will be filled by Saskatchewan people.

The construction pay-roll will be in the range of \$20 million. When a multiplier effect is taken into consideration that 20 million should generate between \$40 million and \$50 million in spending. This will be a tremendous boost to the economy of the province/

The franchise will require many support services, including hotel and motel accommodation, restaurants and shops. It's estimated 800 more hotel or motel rooms will have to be built in Saskatoon, creating even more jobs and further stimulating retail sales. But Mr. Speaker, that's not all. On a continuing basis, it's expected \$20 million will be pumped into the economy each year by the people attending the games.

There will be other benefits as well. The coliseum will be a world-class facility, allowing Saskatoon to host many different events. It will be a tremendous drawing card for industries thinking of locating in the Saskatoon area.

Mr. Speaker, I am pleased to say that the Government of Saskatchewan was able to play a major role in providing the confidence that led to the final agreement between the Saskatchewan group and Ralston Purina. The government will not put any money into the project, but it will guarantee a \$32 million mortgage for the construction of the new

coliseum. The security for the guarantee will include an assignment on the franchise and also the government will hold a mortgage on the land and buildings.

Mr. Speaker, Saskatchewan, over the years, has turned out some of the finest hockey talent to be found anywhere in North America. Saskatchewan has produced such hockey greats as Gordie Howe, Doug and Max Bentley, Sid Abel, Johnny Bower, Glenn Hall and Elmer Lach, just to name a few. Playing in the NHL today we have Clarke Gillies, Bryan Trottier, Bernie Federko, Doug Wickenheiser and Chico Resch, and the list goes on and on.

As a Saskatoon MLA I am most excited about this project. It proves what great potential we have here in Saskatchewan. I want to congratulate Mr. Hunter and his group, Mayor Cliff Wright and the city of Saskatoon, our Premier, and especially Mr. Tim Embury, the Legislative Secretary . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Schoenhals: — Mr. Embury, the Legislative Secretary to the Minister of Finance, for the efforts all have put into this venture.

Mr. Speaker, the people of Saskatchewan have a long history of supporting hockey at all levels. They deserve a National Hockey League team.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Thank you, Mr. Speaker. I want to join with my colleague, the Minister of Urban Affairs, in congratulating the community of Saskatoon and Mr. Hunter. At the same time I want to reiterate what I said in the minister's estimates, and that is to express a note of concern.

When this project initially began, we were told it was going to be done entirely with private money and there was going to be no public participation in it. It is, I think, at this point in time fair to assume that you're giving the guarantee because no private lender of substance would. And I think that should tell the minister and the government something about the nature of the risk that you're taking. It is fair to suggest that the risk you're taking is fairly high.

I also want to suggest to the minister that you may well have got the worst of all worlds for the government and the taxpayer. If the project succeeds you get no benefit for the risk that you have taken. If the project does not succeed, I say to the minister, you get no financial benefit back to the taxpayer for the financial risk he has taken. If the project doesn't fly, Mr. Minister, you have taken all the risk.

Mr. Speaker: — Order please! The hon. member has the floor. Give him an opportunity to speak.

Mr. Shillington: — These comments are probably premature, because as yet we don't have the franchise in Saskatoon. Let me say to you, Mr. Minister, and this I can say unequivocally, is that in the view of the opposition that if the taxpayer is going to take the risk on this venture, then he ought to know what risk he is taking. And we're going to suggest to you, and suggest to you very strongly, that you will have an obligation to table in the Assembly the details of the risk that you have undertaken.

I am alarmed that you don't know it at this point in time and that so much of this is being reviewed, but when you finally decide the nature of the rest that you've committed the taxpayer to, we're going to insist that you give us that information in the Assembly.

TABLING OF REPORTS

Annual Report of Saskatchewan Telecommunications

Hon. Mr. Lane: — Before orders of the day, I'd like to table the annual report of Sask Tel.

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Resolutions

Hon. Mr. Andrew: — Yes, Mr. Chairman, I have four motions to move with regards to interim supply. I might advise the Assembly that the reason for the two-twelfths, or another one-twelfth, is to deal with primarily the area of education. We moved one before, and this is the second one, to cover the grants, etc. to educational facilities. With that, Mr. Chairman, I would move:

Resolved, that a sum not exceeding \$487,770,420 be granted to Her Majesty on account for the 12-month period ending March 31, 1984.

Resolution agreed to.

Hon. Mr. Andrew: — Second motion, Mr. Chairman.

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service, that the fiscal year ending March 31, 1984, the sum of \$487,770,420 be granted out of the Consolidated Fund.

Resolution agreed to.

Hon. Mr. Andrew: — I move, Mr. Chairman, that the Saskatchewan Heritage Fund:

Resolved, that the sum not exceeding \$119,018,500 be granted to Her Majesty on account for the 12-month period ending March 31, 1984.

Hon. Mr. Blakeney: — Mr. Minister, would the minister explain how that sum came about, the 119 million? Is that one-twelfth or two-twelfths of anything?

Hon. Mr. Andrew: — Well, it's one-twelfth of the appropriation out of the heritage fund being spent.

Hon. Mr. Blakeney: — It can't be that. But whatever it is, it's 119 million - we don't have 12 times that all in.

Hon. Mr. Andrew: — Two-twelfths. Sorry.

Mr. Lingenfelter: — Mr. Chairman, I know that in passing interim supply a week ago we had numbers that would have indicated we were doing one month, which was one-twelfth. But the numbers you are doing today would indicate that you are now working on a two-month period and this we have some problems with. We thought that we were working . . .

An Hon. Member: — It's the second-twelfth - the accumulated total.

Mr. Lingenfelter: — Why would it be accumulated total?

Hon. Mr. Andrew: — If I go back to the original question. This is two-twelfths. Okay. It's the second . . . On April 11th, the first one-twelfth was moved. This would then be the second twelfth. Okay. That's one plus one is two.

Hon. Mr. Blakeney: — I should know the answer but I don't. When we pass this resolution for two-twelfths, is it cumulative so that we then will have passed three-twelfths, or is it not cumulative so that we will . . . Does it subsume the previous one so that we will have passed two-twelfths?

Hon. Mr. Andrew: — It will be a total of three-twelfths. I'm sorry about that. I might add that's not inconsistent with what has happened in the last 10 years. In April, always, there was the three-twelfths in the months of April.

An Hon. Member: — Do you have problems with that?

Mr. Lingenfelter: — I know that it has come up other times and the debate has gone on as to whether you should be doing it in one-twelfth stages each month, which would be legitimate and which we have no problem with. Also, we had assumed that you were dealing on a one-twelfth basis even today, that there would be two motions, one from the Consolidated Fund and one from the heritage fund, each for one-twelfth. That's what we assumed we were working on and agreeing with. And it's not that we have a great deal of difficulty with it, but if we could get the instructions straight in the initial stages then we would know what we are agreeing with. And that's the only point that we will be making here.

Hon. Mr. Andrew: — I can go back to what has happened in previous years: '81-82, there was three-twelfths ordered by April 27th; '80-81, it was April 29th; '79-80, April 24th; '78-79, April 25th; '77-78, April 22nd; '76-77, April 27th; '75-76, that was not applicable; '74-75, April 16th; '73-74, April 27th; '72-73, April 21st. I can acknowledge to the hon. member, the opposition House Leader, that there was some confusion, and I apologize for the communications.

Resolution agreed to.

Hon. Mr. Andrew: — Finally, Mr. Chairman:

Resolved, that towards making good the supplies granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31st, 1984, the sum of \$119,018,500 be granted out of the Saskatchewan Heritage Fund.

Resolution agreed to.

The said resolutions were reported, and by leave of the Assembly read twice and agreed to.

INTERIM SUPPLY

Hon. Mr. Andrew: — Mr. Speaker, I move:

That Bill No. 21, An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending the 31st day of March, 1984, be now introduced and read a first time.

Motion agreed to and bill read a first, second and third time.

ROYAL ASSENT

At 2:54 p.m. His Honour the Administrator entered the Chamber, took his seat upon the throne and gave Royal Assent to the following bills:

Bill No. 1 - An Act to amend The Education Act

Bill No. 2 - An Act to amend The Department of Continuing Education Act

Bill No. 3 - An Act to amend The Public Works Act

Bill No. 4 - An Act to amend The Department of Agriculture Act

Bill No. 5 - An Act to amend The Family Farm Improvement Act

Bill No. 21 - An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 1984.

His Honour retired from the Chamber at 2:57 p.m.

SECOND READINGS

Bill No. 10 - An Act respecting the Department of Tourism and Small Business

Hon. Mr. Andrew: — Mr. Speaker, I'm pleased to rise today and move second reading of a bill. I have the first of a number of bills relating to the major reorganization of government departments and agencies. In the budget speech last month, I stated that a drive to increase productivity must begin here with government and that our government has adopted a three-part strategy to improve the public sector productivity. Part one of that strategy was to implement public sector wage guide-lines. Public sector wage guide-lines are now in place.

The second part of that strategy is to undertake an intensive review of government expenditures. In 1983-84 I recently brought down government expenditures. The necessary expenditures were trimmed, Mr. Speaker, and yet, we were able to maintain essential services.

A third part of that strategy is to improve the organization of government. Today I'm pleased to introduce a package of reorganization bills that will streamline the operation of government. This, Mr. Speaker, will complete the three-pronged strategy to improve the public sector productivity. This government believes that it stands for the basic premise that good management, be it in the private sector or the public sector, and that this organizational structure is a means to an end. Organizational structures are only rational to the extent that they are effective, efficient, and economical to get the job done. We want arrangements to make sense. We stand firmly and dynamically on a sound foundation of this government's policy.

Fortunately, Mr. Speaker, when we took office many departments and agencies of this government that we assumed last April were by no means rational. They didn't make sense. And many of them, Mr. Speaker, quite frankly, were out of date, and as a result it cost too much money to run.

Take for example the post-secondary education and employment program. Not less than three separate departments, including continuing education, Labour, and industry and commerce had responsibility for those critical functions. This fragmentation was no doubt partly the responsibility of the previous government's inability to develop and co-ordinate manpower policies in the government.

We also found that there was a department of economic development with a mandate to develop the economy, Mr. Speaker. Unfortunately, this department was empty. Nobody worked there. Believe it or not, a department of government supposed to deal with the critical area of economic development, there was nothing more than a phantom that existed on paper but not in reality. If you want an example of an economic policy, you have a department without any people.

Another instance: the organizational arrangement for the administration of parks was ludicrous. We were operating under a situation where one agency, the department of tourism and renewable resources, had a regional network to administer some parks and agencies. The Department of Culture and Recreation had an overlapping network to administer other parks - people with different hats doing the same job, bumping into each other in the night, and the people of Saskatchewan were paying for it.

With the transportation system, there was three distinct agencies devoted to transportation, including the Department of Highways and Transportation, highway traffic board, and the Transportation Agency of Saskatchewan - not to mention a portion of the Department of Agriculture and SGI. Nobody will ever know how many tax dollars were wasted by having to consume this organizational nightmare.

Another example is the continued care program, which exists in levels 2, 3 and 4 nursing homes and the home care program. This program is inappropriately situated in the Department of Social Services, thereby impeding the development of a co-ordinated health care system for the province of Saskatchewan.

The organizations for the delivery of the ambulance service no doubt deserves mention as well. Many people would be surprised to learn the province's ambulance service fell within the jurisdiction of the Department of Urban Affairs and not the Department of Health. I find it very difficult to justify why a program this integral to our entire health care system should not be part of the Department of Health.

Finally, let me turn to adult corrections. The division of responsibility for this program and other jurisdictional programs between the Department of Social Services, the Attorney-General's department has no doubt prevented the development of a much-needed justice system in our province.

These, Mr. Speaker, are just a few examples of the symptoms of the less than rational organizational structures that our government was faced with when we assumed office. Our response to this challenge was to thoroughly assess the organization of government. We held it up to the light; we wanted to achieve the following:

1. To maximize the effectiveness of program delivery;
2. To realize wherever possible operational efficiencies and economies;
3. To improve the access of people to government, and government to people through improved communication;
4. To reduce public confusion over which department holds responsibility for which programs, and try to accommodate a more generalized one-stop-shopping approach to Saskatchewan residents;
5. Attempts to realize wherever possible regulatory reform and reduce existing levels of red tape;
6. To encourage communities and individuals to be independent, creative and innovative; to help people help themselves;
7. To improve the effective realignment, responsibilities, and accountability for government departments through ministers and permanent heads by the consolidation of programs having similar mandates, objectives and target groups.

This is combined with the government-wide productivity improvement study and the regulatory review process currently under way as announced in the Speech from the Throne last month. This government is off to a strong start in proving, and improving the productivity of the Saskatchewan public sector.

The process of organizational review commenced last summer. It involved the examination of every major program and function of government to determine if the existing organization arrangements was best suited to achieve these significant objectives.

In addition, every provincial jurisdiction in Canada was analysed to identify potentially better ways of organization. The result of this process was a generation of more than 40 organizational options for cabinet consideration, of which this is the final package. Legislative authorities were transferred to the responsible departments on April 1, using section 71 of The Legislative Assembly and Executive Council Act. This was an interim step to maintain accountability until this new legislation was passed into law. In addition, funding has been provided according to the old department structures, by interim supply, until the new legislation comes into effect.

The final appropriation act, soon to be introduced, will reflect the reorganization and our objective is to structure the public accounts in 1983-84 in a manner that will

minimize confusion.

Thanks for the co-operation of all those involved. The reorganization is proceeding rather smoothly, Mr. Speaker.

Before moving to each specific bill, I would like to highlight the major features of reorganization so it can be appreciated as a comprehensive and integral package:

1. The new Department of Tourism and Small Business will be formed by consolidating the small business programs of industry and commerce and tourism programs of tourism and renewable resources. The new department will place strong emphasis on supporting and developing small business, including the private sector tourism industry, recognizing the importance of that industry to the provincial economy:

2. The remainder of the department of industry and commerce will become the new Department of Economic Development and Trade. It will concentrate on expanding and diversification of the Saskatchewan private sector through the opening of new export markets and the promotion of new products and investment opportunities within the province of Saskatchewan:

3. There will be a new Department of Parks and Renewable Resources, amalgamating the renewable resources component of the department of tourism and renewable resources with the historic parks division of the Department of Culture and Recreation. It will ensure better co-ordination with respect to the marketing, promoting and administering of all aspects of parks and resource programming in the province of Saskatchewan:

4. There will be a new Department of Advanced Education and Manpower, which will, in addition to its general responsibilities for adult education, provide a vehicle for new initiatives to help Saskatchewan meet the projected long-term needs of skills labour. This department will consist of the former department of continuing education, together with the apprenticeship, training and manpower programs, and the women's program function of the Department of Labour and the employment opportunities program of the department of industry and commerce:

5. The department of the Attorney-General will become the new Department of Justice and will be expanded to include adult corrections from the Department of Social Services. It will allow integration of all aspects of the justice system to strengthen planning, co-ordinating and evaluation. The juvenile corrections program will continue to be the responsibility of the Department of Social Services:

6. The Department of Health will be expanded and strengthened. The continuing care division of the Department of Social Services, which includes levels 2, 3 and 4 nursing homes in the home care program, will be transferred to the Department of Health. This will ensure that the responsibility in the management of health care rests with one department, in order to allow consistent planning and delivery of services. In addition, responsibility for the ambulance service in the province of Saskatchewan will be added and an integral part in the overall delivery of the health care system:

7. The Transportation Agency of Saskatchewan and the highway traffic board will be consolidated under the Department of Highways and Transportation to form a single agency responsible for all aspects of the transportation system:

8. A new Department of Revenue and Financial Services will be established by combining the comptroller's office, the Department of Finance, with the revenue division of the department of revenue, supply and services. The new department will also have the responsibility of public employees' benefit agencies. This will allow for the consolidation of financial administration skills and a system in government that enhances productivity. There will be a new Department of Supply and Services, consisting of supply and services component of revenue, supply and services, and the former department of government services. This will result in a single contact agency for the private sector firms wishing to provide supplies and services to the government.

Other features of the reorganization include the realignment of various functions of the department of intergovernmental affairs to the Department of Justice. Telephones, Executive Council, and Agriculture; and a new Indian and Native Affairs Secretariat; the transfer of the public sector of the affirmative action program for women from the Department of Labour to the Public Service Commission; and the refocusing of the department of rural affairs to become the new Department of Rural Development to reflect our strengthened commitment to rural Saskatchewan.

Mr. Speaker, I would like to turn to the bill at hand and that is an Act respecting the Department of Tourism and Small Business. The new Department of Tourism and Small Business will consolidate the small business portion of the department of industry and commerce together with the tourism program of the department of tourism and renewable resources. Programs affected include: regional service and a variety of grant programs to support small business in industry and commerce, the tourism development, the marketing, the promoting, the granting in support of tourism from the department of tourism and renewable resources.

This government recognizes the importance of small business and recognizes as well, Mr. Speaker, that small business has been ignored by the past government, and that it will only correct itself with the maintaining and expanding of its own public sector kingdom. Small business, Mr. Speaker, is a dynamic force in our economy, and it deserves strong support and assistance from our government. The private sector tourism industry, in particular, has never received the development and marketing assistance from government that it required.

Studies have repeatedly demonstrated that tourists travelling through western Canada virtually ignore the province of Saskatchewan. This by no means is due to a lack of natural and man-made attractions, Mr. Speaker. Saskatchewan has lots of them. Similarly our province has foregone its due share of conventions and special events market, despite the fact that we are well situated geographically and host interprovincial and international get-togethers.

The tremendous revenue potential of this type of activity was demonstrated last week by the Silver Broom activities in the city of Regina. We have the facilities, we have the organizers, and, Mr. Speaker, we have the people. We have the facilities, Mr. Speaker, the weakness in our tourism is not due to any competitive disadvantage that we may have. It's simply a result of the previous government's total disregard for the need of the private sector - the private sector, Mr. Speaker, in the tourism industry - choosing instead to support its own pet projects such as the water slides and the wave makers at the Qu'Appelle River. They virtually ignored any contribution the private sector could make . . . (inaudible) . . . a single department with exclusive mandate to serve the development of small business, including tourism, in this province is one of a series of responsible moves by this government in recognition of the importance and potential

of this particular sector of our economy.

I therefore move, seconded by the hon. member from Indian Head-Wolseley, that Bill No. 10, an Act respecting the Department of Tourism and Small Business, be now read a second time.

Mr. Koskie: — Yes, Mr. Speaker. The minister has made some general comments in respect to all of the bills that are on the order paper, and I want to make a few comments in respect to that in a general way as he addressed it. I just want to say that the government's legislative program in this session to date is turning out to be about as barren as the throne speech, Mr. Minister.

I want to say that the throne speech was full of a lot of smoke and cloudiness but had really very little substance. It went on in great length with a lot of pious platitudes as you did today in support of this great legislative program that you're bringing forward. I want to say that it's rather empty and shallow and full of rhetoric as you have indicated today that everything is essentially based on one word - efficiency. While that word in itself is a laudable word, I rather doubt that the achievements which the minister indicates, the great amount of efficiency, will in fact be obtained.

So it is with this session. Here we are at day 23, Mr. Minister, and we've had 17 government bills and not one bill which is other than really the reorganization of the departments.

I just want to say, Mr. Minister, that the mere fact of reorganizing of many complex functions of government is by itself neither good nor bad, and ordinarily might not warrant a great deal of comment. In this case however, it does indeed warrant some comment. The government itself has continuously made exaggerated claims about its reasons for proceeding with reorganization and about the anticipated results. With this government, that's grounds enough to be suspicious, as the budget speech some days ago demonstrated. No reorganization, no. I say to you, Mr. Minister, that reorganization itself is basically neutral, neither good nor bad. It does become dangerous however, as every able manager knows, when superficial activity of reorganization becomes a substitute of sound policies, concrete positive action, and successful results.

So let's look at this whole set of reorganization bills together, and let's assess them, assess their impact on the people of Saskatchewan. And let's consider them in different ways - a smoke-screen to mask inaction, a poor way to improve efficiency, a further example of Devine's government reorganization record. I want to deal in a general way with these items.

The smoke-screen: first, it is clear that this reorganization is already having one of the major intended effects. It serves as a dense smoke-screen, Mr. Minister, which obscures inaction on policy failures, and which makes it virtually impossible for the public to examine the estimates tabled in 1983-84.

What I want to say in respect to the reorganization . . . The decanting and the elimination of the Department of Northern Saskatchewan was the first effort to, in our view, smoke-screen the major expenditures in the first budget that you introduced. And now today what we have is a very major organization, and what it is doing is that it's really a smoke-screen of being able to analyse and compare expenditures without a considerable amount of knowledge of the process. And that is exactly part of the

intention of what this government has been.

For instance, the Minister of Highway has boasted about 12 per cent increase in his budget, and I think this is part of hiding behind a smoke-screen, because there is different expenditures have been brought in with reorganization - highways which were previously under DNS. I really think that when you take a good look at it, rather than what is indicated over the previous year, you find that, you know, the budget increase is only about 3.6 per cent, and that there's a real decrease in the capital costs in that budget from the previous year.

Other smoke-screens . . . I think many of these bills that are being introduced, Mr. Minister, are in fact designed to do that. We see other evidences of the direction that this government is going to, in fact, develop this smoke-screen.

Now the Minister of Health brags and boasts about his percentage increase in health spending. And what they want to do is try to, some time down the way, indicate to the people of Saskatchewan, incorrectly, misleading, that they're number one in health spending. And you know what they have done, Mr. Minister? What you have done is simply transfer major divisions from Social Services into the budget of Health, very, very large expenditure items into the Department of Health, and then you're going to try to indicate that there's a major increase by the new government, the Minister of Health, that the expenditures make them number one.

I say that what they are trying to do is to hide behind reorganization smoke-screen because they don't want to talk about the real issues. They want to confuse the public from the analysis of their budget. They don't want to talk about their dental care cuts, and the psychiatric services, and the cut in the health promotion, and so what they do is a reorganization smoke-screen so that the overall expenditures look much higher.

I said I would deal with another aspect which the minister raised, and that is in respect to efficiency. And I have some very serious concerns about those people having the audacity to use the word efficiency. And I want to lead you through a little bit of the history of what has been going on. I think by the time I finish, Mr. Minister, that you will agree that the use of efficiency by your government is indeed stretching, and to a large extent, again a terminology used to mislead the public.

This word, efficiency, has essentially become a slogan. Throughout the throne speech, obviously it is used there. There's the word efficiency on practically every page, sometimes twice per page. Only one reference, mind you, in the throne speech, to unemployment; no reference whatsoever to issues of concern to women and native people and Northerners. And we've heard a lot about it since, and we have some examples.

We've heard how smart the Tory appointees to the Potash Corporation of Saskatchewan boards are, led by the Minister of Labour and the Attorney-General making that corporation so efficient. And as a result, what we have seen is a decrease of some 141 million decrease in profit. And as I said before, we have heard the Minister of Highways talking about the great things that he's doing. I want to say, always . . . (inaudible) . . . to be hearing from him, explaining how one set of highway crews is more efficient than another set, except that he has never done any analysis to in fact support his decision. We've heard the Consumer Affairs minister, vainly and in a somewhat disjointed and confused manner, try to explain how amalgamating the sellers of liquor with the liquor licensing commission and the liquor board as leading to

great efficiencies. And the most incredible of all, we've heard the Premier speak at great length about efficiency with fervour that he usually reserves for his pet slogan of the month. We seldom hear him saying anything in this Assembly, but when we do, we can be sure it's an empty slogan.

This government, when they talk about efficiency, is just rhetoric. One month we hear 'Give 'er snooze,' and the next month it's 'Open for Business,' and the next slogan is 'Efficiency,' with its turn of the Minister of Finance to use today. I'm afraid that when the Premier returns from his junket to Brazil next month, his new slogan . . . I suspect that he will have a new slogan, a perfectly apt slogan in fact for the Premier whose policies are so slow to emerge, and even slower to produce any positive results.

In any event, I want to say that one of the prime examples . . . He brags that between January '82 and January '83 the welfare case-load has increased by about 30 per cent, and no increase in staff. Now it's obvious, indeed, why the Premier wants to call that efficiency, but the social assistance clients call it poor service and inadequate service. And the conscientious social workers call it nerve-racking and burn-outs, exhausting, mind-numbing, and exploitive - not efficiency, Mr. Minister. And if we look at, finally, the government's reorganization record, we find that there is this government's record of reorganization in the past. It's a lot like the record of the Attorney-General in the Assembly - a long record and a sorry one.

The minister of SGI has reorganized a well-distinguished public service corporation, and it would appear that his reorganization has sort of driven that into the ground. They reorganized the women's division, but they reorganized that straight out of existence. They reorganized the Premier's Office so completely and so often that even with his staff of 91 personal assistants, he couldn't tell the Assembly how much he was paying the deputy minister and his chauffeur, and we're still waiting.

The Minister of Social Services reorganized the social assistance plan and the result was the saving of more than \$1.4 million at the expense of badly needed shoes for children, clothing, household items required by welfare recipients who want to work, but can't find a job in this efficient and reorganized Tory society. In a recent budget they reorganized environmental services, services to working people, services to co-operatives, and water supply assistance to farmers. In each case fewer services, less services, poorer services to the people of Saskatchewan.

Yes, indeed, this government has a long record, in a short time, of reorganization, and I want to say that the record of that is indeed one to set up a smoke-screen. And secondly, it's a method of getting rid of civil servants who have served this province for years. Therefore, when we assess this package, Mr. Minister, of reorganizational bills, when we assess their impact and significance, we are more than disappointed. We are indeed apprehensive as are the people of Saskatchewan who have watched your great efficiency with reorganization, reorganizing people out of jobs, reorganizing service out of existence, reorganizing the women's division out of existence - all in the name of efficiency. For we see yet again smoke, but not substance; slogans, but not sound policies; the concept of a heartless efficiency instead of a sensitive service to the people of Saskatchewan.

And I want to say that the game of reorganization should be over. And I think that it's now time that the members opposite come to grips with the task for which they were elected, and that is to govern this province in a honest, and with integrity, and with compassion, and concern of the people of Saskatchewan. We have had, Mr. Minister,

sufficient rhetoric. We have had sufficient studies. And certainly people that I talk to (and they are increasing in number each day), people who in fact in the last election have said, 'We voted for those fellows, and we believe what they said.' And they said, 'We were misled, Mr. Koskie. We were misled.'

Because of the slogans and the rhetoric and the inability of these people opposite to constructively provide programs, they instead provide rhetoric and reorganization, and a cut in services, and a cut in the job opportunities of many Saskatchewan people. So I want to say that don't try to stand there, Mr. Minister, and indicate that this is a great, grand design or review by your government. Indeed it's not. It is a very weak attempt to smoke-screen, confuse, and hide the facts of mismanagement, and a government which has no direction.

Mr. Lingenfelter: — Mr. Speaker, I rise to take part in this debate on second reading on an Act respecting the Department of Tourism and Small Business, and I would like to join with my colleague from Quill Lakes in warning the public of Saskatchewan not to expect a great deal from the changes and reorganizations which are, have been announced and are going on at the present time. Because I think that when a government announces a reorganization like this, whether it's in 1982-83 with DNS moving down and confusing the accounting system of the province to the point where no one knew whether the money was going here or there, or whether it's in 1983-84 and the minister announces another reorganization . . . But very little comes from these things. In fact, it's an attempt to smoke-screen what is really going on, and that is that drastic cuts are occurring in Social Services as well as in Health. And when the minister mentioned in his speech that there have been no cuts in any essential services, I find it interesting that cuts like day care or the dental plan for four-year-olds or the home repair program for senior citizens, that the minister would think that these areas are not essential services.

Mr. Speaker, I firmly believe that the reorganization that we are seeing today will mean very little, and particularly in the area of tourism and small business. People will know that prior to this date there has been in the province the department of industry and commerce, which has done a great deal to establish and promote small businesses in the province of Saskatchewan. And I know that in my own constituency there were several industries and businesses that were allowed to begin by getting funding through Sedco (Saskatchewan Economic Development Corporation) at an interest rate which was lower than the bank rate in the province at that time. And I think one of the shiny examples would be Friggstad Manufacturing, who set up an industry in Frontier and did a very excellent job as a small-business man, and growing from what had been a farm shop to producing a world-class implement manufacturing assembly plant at Frontier. And they did this with the assistance of Sedco.

But what we're seeing today is that the interest rate that is being provided for that same industry in the province of Saskatchewan is not one or two percentage points below the prime rate that they could get at a bank, but in fact is 2 or 3 per cent higher, and the proof to these business people that the Conservative government is not interested in business, is not interested in small enterprises, is in the fact that there is money for many projects if you are an out-of-province business, or an out-of-country business moving to Saskatchewan, but there is very little assistance for the small entrepreneur who is attempting to start a business in Saskatchewan at the present time.

Mr. Deputy Speaker, using the example of Friggstad Manufacturing, if they were to go

to the government today they would find that they would have to pay an interest rate of around 15 per cent. Now that's not much of an incentive when you can go to the bank and get interest rates of 12.75 or 13 per cent, and basically what this government is doing is undermining the very organization, and the very department, even before they establish it, by setting interest rates which are higher than what the banks - the Imperial Bank or the Royal Bank - would give to those industries who might be starting an industry in the province. And so to say that they are creating a department that would deal with tourism and small businesses is completely untrue. What they are doing is undermining what had been a very efficient operation, and undermining it to the point where small business cannot even look at realistically borrowing money through this operation, because the interest rate is much higher than what they could get at the lending institutions in the province.

In terms of tourism, there had been an attempt over the last four or five years to create destination parks within the province of Saskatchewan, which was an attempt not only to attract people from outside of the province but also to entice people from Saskatchewan to stay in the province, rather than go to places like Banff or Jasper, which was happening and which the previous government realized. But on attaining the seat of government, the Conservative operation decided to cancel most of those parks.

In fact Cypress Hills, which had announced projects in the area of \$10 million, was reduced to, in the past year, the creation of a sewage treatment plant at Cypress. This was the main package they announced and that's what they did at Cypress last year, was to build an \$80,000 sewage plant, when what was on the books for that part was a ski slope, a hotel, a bit of a mall where people could shop. This government threw it out the window, Mr. Deputy Speaker, threw it out the window, and what they put in its place is an \$80,000 sewage plant which they put a plaque upon, 'Brought to You by the Provincial Government.' And I think that gives an indication of what this government is really doing in the area of tourism promotion: very, very little; in fact, much less than what was planned and promoted by the previous government.

Mr. Deputy Speaker, I would like to go back to the encouragement and support of small business in the province. While the rhetoric flows about what a great job this government is doing to promote and to save businesses which find themselves in trouble, I find it interesting to look at the statistics for March '83 and find that bankruptcies in the province are up by 63 per cent from what they were in 1982 under the previous administration.

And the member from Yorkton shakes his head, but I think he has a bit of explaining to do himself as to his business expertise, when he takes over a crown corporation, a once-proud crown corporation which, in the last year before he took over, was able to make \$141 million; which, under his administration, had to cook the books by about \$12 million in order to show a profit of \$600,000.

Mr. Deputy Speaker, the list is so long that I won't bother going into it, but many, many people in the province are beginning to wonder whether this free enterprise operation, who claim to be the promoters of small business and free enterprise, really can do anything other than drive the crown corporations into the dirt and in fact not support the small businesses, but are much more interested in grandiose schemes to cover the tracks of what they are really doing in the province.

I look in the area of health and look at the cuts that have been planned in the area of

small groups like By Ourselves - those groups who are unable to defend themselves, and all this is attempted to be covered over by the hoop-la of grandiose schemes of this government.

But in the area of tourism, I think the record explains itself in terms of Cypress Hills, the grasslands park, which there is no funding for in this budget. And very simply put, the act to establish a Department of Tourism and Small Business is simply a means to undermine what had been an excellent program in both of those areas. And we will wait with bated breath to see the great plans that come out of this department.

Hon. Mr. McLeod: — Mr. Deputy Speaker, I was extremely interested in some of the comments from the member from Shaunavon who just took his seat. Some of the terms he used - 'grandiose schemes' - I believe he said something, that we are into some grandiose schemes, and he was referring to tourism. And I really must say, Mr. Deputy Speaker, that my predecessor in the department of tourism and renewable resources in the old government, who happens, by the way, to be the brother-in-law of that member who just took his seat, and I believe the word he used was 'destination parks' was the development they were after in the former department under the former administration - destination parks.

And if you want to use the word 'grandiose schemes,' Mr. Deputy Speaker, and I would wish that there would be some way that every citizen of Saskatchewan could see some of the grandiose schemes that that member, as a matter of fact, who was a member of the cabinet in the former government, and his brother-in-law, who was a member of tourism, and who both live in the south-west and who are developing this grandiose scheme in the Cypress Hills Park. For what? What it really was, Mr. Deputy Speaker, you can call it nothing else but a monument to the former minister and a monument to those two young ministers in the former government.

Mr. Lingenfelter: — On a point of order, the minister has referred to a brother-in-law of mine and, just for the record, I wonder if he could inform me who he is referring to.

Hon. Mr. McLeod: — I don't know of . . . Mr. Deputy Speaker, thank you very much. I believe the points of order are even becoming weak on that side of the House. But, in any case, Mr. Deputy Speaker, that former minister of that department was expending most money in the so-called idea about developing destination parks in the Cypress Hills Park, which happened to be in his own area, by some coincidence I'm sure. And I described this in the House once before, but it should really be here on the record, Mr. Deputy Speaker. It should really be here on the record, Mr. Deputy Speaker, the way in which those projects were identified in that park.

And I can remember very clearly the first trip that I took out there after taking over the ministry of tourism and renewable resources and seeing this large stone out in front with this great, huge plaque that was talking about this particular development, and in the largest print possible, 'Reg Gross, Minister' for all of his neighbours in his constituency. And inside of every installation, Mr. Deputy Speaker, inside of every motel unit and condominium unit, inside of each unit, before a visitor to that park could go upstairs in the motel unit, there's another replica of that same sign with large print saying, 'Reg Gross, Minister.' And, Mr. Deputy Speaker, so I take some exception to the suggestion from members opposite about grandiose schemes which they certainly haven't identified. So I would say, Mr. Deputy Speaker, that we certainly should be

taking some exception to that, but not only us in this particular political forum, but every citizen of Saskatchewan should take exception to that kind of thing, and that needed to be put on the record.

As far as some of the other things that the hon. member said in referring to tourism, and to give us some idea of the reason, and our reasoning behind putting tourism and small business together in one department, we think it makes eminent sense. It makes eminent sense. And it's been extremely well received by the small-business community in Saskatchewan - by Main Street Saskatchewan. That idea and that concept has been extremely well received.

When the hon. member talks about the way in which the former government was attempting to sell tourism, I'll give you in about three or four words what their whole philosophy was to tourism, and it was delay and divert. People that happened to be going through the province on the Trans-Canada or the Yellowhead Route, or one of the major highways, and the philosophy of the former government was, well, if we could just delay them here for an extra day, if we could just divert them from the Trans-Canada, if we could just divert them from the Yellowhead Route.

Mr. Lingenfelter: — On a point of order. I would like to make a point of order that a reference had been made about a brother-in-law of mine, being the member of Shaunavon. I would like the member to withdraw that, or substantiate the claim that I have a brother-in-law who is somehow involved in the park development at Cypress. I state here that I have no such brother-in-law that I know of involved in a park development Mr. Deputy Speaker, and I would ask that the member withdraw the remarks, or substantiate his claim.

Hon. Mr. McLeod: — Well, Mr. Deputy Speaker, just to clear this up, and I see that I've touched a nerve, and you know, what I will say is I will withdraw any reference, I will gladly withdraw any reference to anyone's relatives or whatever. I'll withdraw that reference because clearly the point is that members of the cabinet in the former government were involved in developing a grandiose scheme at Cypress park which was a monument to themselves. And I withdraw any reference to family relationship and so on, Mr. Deputy Speaker.

Mr. Deputy Speaker: — The Minister has withdrawn the comment, and if that's satisfactory we'll continue with the debate we're on.

Hon. Mr. McLeod: — Thank you, Mr. Deputy Speaker. Once again in all sincerity, gentlemen opposite, in all sincerity what I would say to you is that if the nerve that I've touched is so raw, well, that's for you to live with and not for me.

In any case, I was speaking about the philosophy of the former government in terms of tourism, and the attitude that they had of tourists - delay and divert. And that's really what they said. They said, 'If we can delay the traffic going across our province for one more day, and maybe one more night that they would stay in our province, maybe one more tank of gas before they're on to Alberta to the west, or on to Manitoba to the east,' depending on which way they happen to be going from their initial tourist destination. And that's something that we must change, and that's something that this new department is very much concerned with changing. And we need to make Saskatchewan a destination province. We believe there's an opportunity to do that.

Surveys show that in all markets, outside of our own province, almost without

exception surveys show that our people are seen to be (and I must emphasize that), are seen by others outside as being inhospitable, cold people, this sort of thing. And that's just absolutely the opposite of what we know of our own people, of what we know of our own province. The problem has been that we have not gone out and sold that over a good number of years. That's something that we will do under this new department. And the small business sector in Saskatchewan is very excited about being a part of that new direction in tourism. There's no question that the tourism industry in this province is a service industry, is Main Street, Saskatchewan. We're emphasizing that small-business sector; we're emphasizing tourist industry. We've married the two, and the two are very happily living together, and will be, under that department. Thank you very much, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — I'd just simply like in closing, Mr. Deputy Speaker, to indicate that we believe that the reorganization, the redirection of this government, makes eminent sense. It will put a new focus on government; it will take us down the road, Mr. Deputy Speaker, in the right direction. With that, I move second reading of the bill.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 8 - An Act to repeal The Department of Intergovernmental Affairs

Hon. Mr. Andrew: — Mr. Speaker, with regards to the department of intergovernmental affairs - what we're doing with this department, Mr. Speaker - in the realignment, those areas of the department of intergovernmental affairs that are dealing with constitutional matters, the constitutional affairs branch, works very closely in co-operation with the Attorney-General's department. It is appropriate that we believe that the constitutional affairs branch, under the new Department of Justice, be put into place, that will deal with constitutional matters, with interpretation, the new charter of rights, etc.

The Indian and native affairs branch will become a separate secretariat, and we will be dealing with that as a separate secretariat dealing with the issues of Indian and native rights within the province of Saskatchewan.

Communications policy, which also to a greater or lesser degree found itself under the department of intergovernmental affairs, will become a new communications secretariat, and will also at this point in time be attached to the Minister of Justice. Again many of the areas dealing with communications are constitutional questions, are federal-provincial negotiations.

The matching grants with regard to international aid will be going to my friend and colleague, the Minister of Agriculture, and will be dealt with accordingly by that particular minister.

The other activities will move to the Executive Council, so any dealings with the federal government, with other provincial governments, with international governments, will find itself in Executive Council - I think appropriately - for the Premier to deal with that.

I'm sure that members opposite will find very little with regard to this reorganization,

with regard to smoke-screening or anything else. I think it gives a new focus. Very often, I think, the department of intergovernmental affairs deal on a premier-to-premier level, and from that point of view, I think the suggested changes are completely rational, and I think would probably have support from all members.

With that, Mr. Speaker, I move second reading of Bill No. 8 - An Act respecting The Department of Intergovernmental Affairs.

Mr. Koskie: — Thank you, Mr. Deputy Speaker. I just want to say a few words in regards to the remarks of the minister. I want to say that I concur with having a special secretariat for native rights, because it's a very important question to be dealt with - as we had in the past. I think that is important; it's important from the standpoint that to much of the public it's very difficult to deal with the complexity of government, and as native rights will have to be dealt with with some speed, and I certainly welcome the setting up of the native rights secretariat.

I do, however, take some considerable exception to the transfer of the international aid - the Saskatchewan Council for International Co-operation - being transferred, Mr. Minister, from intergovernmental affairs to the Minister of Agriculture. I've had letters after letters from people, mostly in my constituency, many of them, and many across Saskatchewan, concerned, first of all, in respect to the massive slashing of funds of over \$2 million to \$1 million. But more particularly they are totally confused why this international aid fund would be allocated to the Department of Agriculture, rather than where it was with intergovernmental affairs, and since intergovernmental affairs is being transferred to the new Ministry of Justice, that it would not indeed be there.

It seems to me that that would be a mechanism of being able to deal with the various organization, international organizations. I just, to the life of me, don't see the rationale, for someone so removed from the international scene as . . . turning it over to the Minister of Agriculture. They tell me that his only trip out of the country was to Bulgaria, and he got lost. And he got lost when he was over there. But I don't want to delay this, Mr. Minister.

As I say, there is . . . The constitutional law was indeed under the former attorney-general, and it's going to be under the Minister of Justice now. I do, however, want to remind you of the attacks on the former, brilliant attorney-general, Roy Romanow, by members opposite, for the amount of time that he was allocating to the important question of the constitutional law. I take it now that you have handed it over to the Minister of Justice, not only because . . . I take it in handing it over to the Attorney-General, you somehow feel now that that same emphasis will not be necessary since such a fine job in the constitution was done by the previous administration. Therefore, I think having that understanding, I think I can in fact concur with the transfer under the Department of Justice of the constitutional secretariat, or the constitutional division, and also the intergovernmental affairs. And with those comments, I think I will be supporting the bill.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 9 - An Act respecting the Department of Supply and Services

Hon. Mr. Andrew: — Deputy Speaker, the new Department of Supply and Services has been created by expanding the existing department of government services to

include the supply and service component of revenue, supply and services from the previous administration. The Department of Supply and Services will have the responsibility for a number of internal government functions, including the acquisition, operation, and maintenance of the facilities, transportation services, the mail, the messengers, the telephone system, purchasing, printing, photography, map service, provision of office equipment and supplies, and the delivery and maintenance of systems.

Consolidating the government's supply and services function within one department is intended to significantly improve (and the member from Quill Lakes should listen to this) the efficiency and the effectiveness of the government in operations to realize economies of scale and provide an integrated and co-ordinated delivery system, Mr. Speaker.

The new Department of Supply and Services will also provide a single contact agency for the private sector firms wishing to sell supplies and services to the Government of Saskatchewan.

Mr. Speaker, to repeat, our government is concerned about the productivity in the public service and eliminating confusion. This new department will simplify government operations and improve access by the public, and in particular, by the province's private sector suppliers of goods and services.

I therefore move, seconded by the hon. member from Yorkton, the Minister of Labour, that Bill No. 9, an Act respecting the Department of Supply and Services, be now read a second time.

Mr. Lingenfelter: — Mr. Speaker, I have just a few comments on Bill No. 9. I commented earlier about reorganization and the smoke-screen that the government is attempting to create in reshuffling and shuffling again the cards in order to take people's minds off the fact that a number of programs are being cut, and to also take their minds off the whole concept of attempting to understand how the budgeting process of the Saskatchewan government really takes place.

I find it interesting, the minister who is responsible for this bill is not present in the House, and is not taking part in the debate. The minister who will be responsible for the bill has a long, illustrious career in dealing with her former department. And I think there's another reason why some of these reorganizations are taking place, and that is to decrease the responsibility of various ministers who are having difficulty in providing the leadership. I suppose to use a few examples, when moving into her role as the minister of the original department, got into the kerfuffle over the Nimbus affairs, and chains to keep workers out of the building, as well as bringing in a deputy minister - after firing a very long-term civil servant, Dennis Foley, who had 22 years with the department - brought in a Mr. Cousineau to run her department who, a few months later, she fired and paid a severance of \$17,500.

And the Minister of Finance now talks about efficiency. I have a great difficult time finding any efficiency in what has happened in this department to date, but we will give them the benefit of the doubt for the time being. We don't have a great deal of problem in supporting this bill, other than to point out that the efficiency in this department that has gone on in the past, we hope comes to an end, and that a new efficiency come into place.

Mr. Koskie: — Yes, I just want to make a few comments. And the comment that I want to make, Mr. Minister, is that we had two departments before: revenue, supply, and services and we also had the department of government services. I want to say that there was a long, established history of the business community dealing with those departments. I want to say that the reorganization, I think, will create some confusion, initially at least, for the business community in respect to the reorganization. But I, too, also want to echo what the member for Shaunavon said: that indeed one of the prime reasons for some of the shifts in responsibilities is, I suspect, the inability of some ministers to be able to competently handle the portfolio as it existed.

I give you a second example, Mr. Minister, in the field of industry of commerce. That portfolio has been split, and I think that there is no doubt that there has been indeed evidenced considerable doubt about the ability of the minister of industry and commerce to handle the full portfolio. And so it has been split into two parts, and obviously you're dealing with two areas: the Small Business which are here, and in Economic Development and Trade. But I really think that what we do have here, as we have indicated to you, is really the, in some instances, duplication by the splitting of industry and commerce into two portfolios - and you call that efficiency.

And, on the other hand, what you have done is taken two departments - you have taken two departments, that is, government services and revenue, supply, and services - and you leave just the remnants of revenue and supply. And if you look at the budgetary items for the new department taking over for revenue and supply - the department of revenue, supply, and services - you'll find that all that is left there is essentially statutory allocations to the budget, something like 32 millions. It deals only with a very restricted area. I can't understand how you can say it's efficient to take all of the substance out of revenue, supply, and services. Obviously there has to be a reason. It's not efficiency, Mr. Minister of Finance. It is in order to put some weak minister in charge. And for that reason I want to say to you that you are smoke-screening the public in doing this, and that is our concern throughout all of these bills.

I don't want to continue, but I think that it's only fair that you address some of our concerns of why you would leave one small remnant of the former portfolio of revenue, supply and services intact and leave it as a portfolio, other than to create another cabinet position perhaps. There is no way that if you put all of the . . . (inaudible) . . . into this here Department of Supply and Services, which deals with the government buildings; it deals with all the purchases that are made by the province of . . . (inaudible) . . . and chattels, and then you say that that's efficiency. And I want to say that the facts contradict your statements.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 11 - An Act to repeal The Educational Communications Corporation Act

Hon. Mr. Andrew: — Mr. Speaker, in January of this year our government announced that SaskMedia would be dissolved as a corporation and that effective March 31st, 1983. This decision was based on an investigation and an advisory committee created last fall looked at the performance of that particular crown corporation. The government will continue to assume responsibility for the distribution of educational

programs and new legislation will be tabled soon in this Assembly to provide that authority to the Department of Education.

As for the protection of such programs, SaskMedia has been criticized by dissatisfied customers and private sector film producers annoyed at the direct competition posed by the government agency. No responsible government, Mr. Speaker, would sustain an operation that's clearly inadequate according to its clients. No government committed to the concept of the private sector should operate a corporation when many of these services could be effectively and efficiently provided by the public sector.

This is not something new, Mr. Speaker. I believe this is a proper decision, certainly a situation that . . . and I wait with bated breath to hear the comments of the member from Quill Lakes defend this one as not dealing with economies and efficiencies in this particular reorganization.

I therefore move, by my colleague, the hon. member from Regina South, the Minister of Economic Development and Trade, that Bill No. 11 - An Act to repeal The Educational Communications Corporation Act, be now read a second time.

Mr. Koskie: — Thank you, Mr. Speaker. I want to make some brief comments in respect to the repeal of the SaskMedia act. I want to say that this government moved with haste to abolish SaskMedia, a small corporation which were providing educational support services to the educational system here in Saskatchewan. I say they moved with great haste, because they indicated to this House that they had established Wolfgang Wolff commission in order to assess and review the crown corporations in Saskatchewan. And I want to say prior to any report by Mr. Wolff, this here corporation was indeed abandoned.

But my major concern in the wiping out of SaskMedia is the consequences it has for the educational system and the consequences of a lack of the services which SaskMedia provided which the children of this province will be denied. And I want to say, indeed they will be denied.

We note that in the budget presented two weeks ago, there is only 1.2 million for educational media services, and that is about one-half of the amount initially allocated to SaskMedia for 1982-83. And I want to say with a 50 per cent budget cut in one year, again I say this is not efficiency. It is indeed abandonment of services to the teachers and students of this province. And I want to say that the day will come in the not too distant future that the government will, in fact, rue the day that they abandoned this very useful educational corporation.

I want to say that I have talked to teachers across this province who are very concerned, and they know indeed that the services . . . Here is an article in the *Star-Phoenix* which says:

Saskatchewan Media Demise is a Blow to the Schools: The decision to fold SaskMedia is causing some concern for Dick Epp, co-ordinator for the public school board's resource centre. Epp said Thursday he is afraid no one else will step in to produce the kind of Saskatchewan-based materials which SaskMedia has been turning out.

I want to predict that what has happened here is that services again are being cut. You saw yesterday in the family farm improvement branch, cuts - cuts in services. And

again, here we have the school boards of this province indicating that this government is cutting back on very important services.

And so, let the people of Saskatchewan know that this is not efficiency; this is a cut - a further cut by this government of programs which helps people. As I say, Mr. Deputy Speaker, there is no doubt that you will rue the day for all of these major cuts of services in this province.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 12 - An Act to amend The Municipal Revenue Sharing Act

Hon. Mr. Berntson: — Mr. Speaker, on behalf of the hon. member, this amendment is for the express purpose of allowing the transfer of responsibility for ambulance services from the Department of Urban Affairs to the Department of Health. This transfer of jurisdiction is but one of several major improvements that will take place in our province's ambulance system stemming from the recommendations of the report of the ambulance review committee.

I was just going to get off on another tangent about when the previous ambulance program was announced by the then minister of municipal affairs, the Hon. Gordon MacMurchy. He at that time promised rural local governments and rural urban local governments that it wouldn't cost them a nickel - it wouldn't cost them a nickel. It would be a provincially funded service, and of course, we all know, we all know that my former counterpart in this Chamber was, at the very best, Mr. Speaker, flirting with the truth, because in fact local governments found that it became a rather awesome burden to provide this sort of service. And, Mr. Speaker, this bill is on the order paper today to provide for the errors of the previous government.

I therefore move, Mr. Speaker, seconded by the Minister of Finance, if that's in order . . . Don't need a seconder. I move that Bill No. 12 - An Act to amend The Municipal Revenue Sharing Act now be read a second time.

Mr. Lingenfelter: — Mr. Speaker, just a few words on the amendment to The Municipal Revenue Sharing Act. In beginning, I would just like to say that the revenue sharing that was set up under the previous government was, by anyone's admission, the most beneficial revenue-sharing program in existence in Canada. And I well understand the present Minister of Agriculture's attempt to slur the name of the former minister of agriculture, Gordon MacMurchy, who he follows in the footsteps and is finding a very tough job of doing. He has some difficult times in explaining how - while he's transferring ambulances - how he explains the farm improvement plan being done in and the fact that the farmers are paying much more in that area.

Mr. Speaker, I would welcome the Minister of Health's participation in this debate and his attempt to explain other things that are not so popular in his department, like cut-backs in the health promotion, or the reorganization of staff, or the budget cuts in the dental care plan, and the list goes on and on. Here again we are looking at the government attempting to smoke-screen what is really going on in the Department of Health where huge cut-backs are occurring and the ambulance . . .

Mr. Speaker: — Order, please. I've been allowing perhaps too much lenience in the debate on second reading on these bills, but we are talking about municipal revenue-

sharing and the member is off talking about Health. And I would ask you to come back to the subject before the Assembly.

Mr. Lingenfelter: — Mr. Speaker, of course, in talking about revenue-sharing in ambulances, it's difficult to talk about it without referring to Health because that's where the money is being transferred to. But I will attempt to keep my comments more pointed as to the revenue-sharing and the ambulance portion of that.

But I think that it is an attempt here again to trick the people of Saskatchewan, I suppose, in attempting to think that more money is being spent in the area of health when what is really happening is that much less is being spent. And here again we will not have difficulty in supporting the actual bill, but we want to point out to the people of the province what is really happening here, where large amounts of money are being shifted from areas like revenue-sharing, Social Services, to the Department of Health in an attempt to make it look like this government is actually spending more when they are, in fact, spending much less.

Hon. Mr. Andrew: — Mr. Speaker, a couple of comments with regards to this bill. I think this is a very good bill, and I would like simply to take the members of the Assembly back to March of last year. In March of last year there was some 50 or 60 screaming, wailing ambulances out in front of this Legislative Assembly, concerned about the problem of ambulance costs and the ambulance services being able to be delivered to the people of Saskatchewan. That was last March, just prior to the massive demonstration here by members of CUPE (Canadian Union of Public Employees), just prior to the election of last spring.

And I think what this bill . . . The members opposite tend to think it's a smoke-screen; it was a smoke-screen that we were dealing with here. Well, I can assure you this is not a smoke-screen. This is something that for some time had been called for us when we were in opposition, something that was called for by many of the people, most of the people in the entire health community, something that was called for by the people delivering the ambulance service, something that was called for by the people in local government whether they were rural or urban municipalities. Now, if that's smoke-screen, that's your definition of what is taking place here today. Our definition of what is taking place here today is something that is intelligent, something that we went out and listened to the people and the people said, 'This is what we want.' This is as a result of some of our views that we saw, as well as the study conducted by the hon. member from Moosomin, who did an excellent job with regard to the report on ambulances. This is as a result of that, Mr. Speaker. You call it, the members opposite call it smoke-screen; I call it progress; I call it listening to the people, and I call it common sense.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 13 - An Act to repeal The Universities Commission Act

Hon. Mr. Andrew: — As part of the government's reorganizational review, Mr. Speaker, the universities commission was examined, obviously. The commission was originally established to provide an arm's-length vehicle between the universities on the one hand and government on the other hand.

Our review disclosed, Mr. Speaker, that the university officials saw this commission as an unnecessary level of government bureaucracy and preferred to deal directly with the government. In addition, it was found that the universities commission was an obstacle to effective and integrated post-secondary education planning. To continue the existence of the commission would be a waste of taxpayers' money.

Mr. Speaker, I have stated earlier that one of the objectives of the government was to eliminate red tape and excessive regulations and thereby improve the communications with the public. By incorporating the function of the university commission directly into the new Department of Advanced Education and Manpower, by means of the university affairs branch of that particular department, we will take a further step towards achieving this objective.

I therefore move, Mr. Speaker, Bill No. 13, an Act to repeal The Universities Commissions Act, be now read a second time.

Mr. Koskie: — Mr. Speaker, with respect to this particular bill, I just want to make a very few comments, and I'm going to be asking to adjourn this matter, because I have further research that I want to do in respect of this bill.

I am concerned in respect to the elimination of the universities commission, and would particularly like the minister responsible or the Minister of Education or the Minister of Finance or the Deputy Premier to explain basically in this new efficiency again what has been done with the staff of the universities commission. Have they, indeed, been fired or what has happened? I would like to know, if so, what is the effective date. Since this bill purports to come into force on April 1st, 1983, more than three weeks ago, does that mean that these staffs are being fired retroactively, and by whom?

As I say, I want to get into, Mr. Minister of Finance, into the basic merits and the reasons for the establishment of the commission - the history of the functioning of the commission. I want all members . . . I hope the House will be filled and well attended that day, so that I can provide a good background as to the reason for the development of the commission. It was a recommendation of the former Mr. Justice Hall, who reviewed this, and I want to provide, when the Assembly is full of members, an analysis of the reasons for establishing the commission and basically to look if the direction that the government is going is indeed the proper direction, and whether the timing, in fact, is right. So with those few comments, Mr. Speaker, I would beg leave to adjourn the debate.

Debate adjourned.

Bill No. 14 - An Act respecting the Department of Justice

Hon. Mr. Andrew: — Mr. Speaker, a new Department of Justice has been established by combining the corrections division of the Department of Social Services with the Attorney-General's department, along with additions of constitutional affairs in the department of intergovernmental affairs. The Department of Justice will have the responsibility for all aspects of the justice system including the apprehension, prosecution, incarceration, and rehabilitation of adult offenders. The Department of Social Services will continue to administer programs directed at juvenile offenders. The new department will also have a primary responsibility for constitutional matters. The Minister of Justice will continue to act as the Attorney-General for legal reasons,

Mr. Speaker.

Implications of this reorganization is to recognize that corrections is first and foremost a justice matter. By integrating all aspects of the justice system, the government will be better equipped to plan, co-ordinate and evaluate the system, and develop new and innovative ways of dealing with the adult offenders.

In addition, the consolidation of all justice and constitutional matters under one department will ultimately result in efficient and better access with the public and other governments on justice and constitutional affairs. The new department is a rational move by the government, committed to good management and enhances the public sector productivity.

I therefore move, Mr. Speaker, Bill No. 14 - An Act respecting the Department of Justice Act, be now read a second time.

Mr. Shillington: — Thank you very much, Mr. Speaker. I have a brief comment on this. I take no great stock in the change of name. I'm not sure why the name is being changed; I'm not sure whether they felt that there's more prestige to the Department of Justice because that's the federal name used, or what. I think it's largely irrelevant to the operation of the justice system in the province, and I really don't much care.

The element that I am interested in is the question, Mr. Speaker, of changing corrections from Social Services to the now Department of Justice. That signifies an important attitudinal change, and I think, a most unfortunate one.

One of the areas in which civilization has been making extremely slow progress is the area of corrections, and we have been slowly but surely, over a very long period of time, begun to view corrections as a rehabilitative process, and not as a retributive process; and when the corrections is in Social Services, I think that is what we're saying. I think when it's in Social Services, we are saying corrections ought to be viewed, in part, as a deterrent, but we also ought to view corrections as a rehabilitative process, and our corrections system ought to make a man's first offence his last offence to the extent that that is humanly possible.

I may say our corrections system is a horrifying failure from that standard of making a man's first offence his last offence. The vast majority of people in the corrections have been there many times. It is an abject failure. And I'm not particularly putting a hammer on the tails of the members opposite, because this is true throughout North America. Our corrections systems are just horrifying failures.

I'll tell you what our corrections systems are. They're a post-graduate course in crime. That's all they serve, is to assist the offender in perpetrating crimes more successfully than he has in the past, and that's about all they accomplish right now. But at least when they're in corrections, the goal at least is that they should be rehabilitative, and they should turn out, they should release people who are able to adjust to society and live with society.

When we move those corrections to the Department of Justice, I think what we are saying is that we don't believe that they have a rehabilitative aspect, or at least we do not think that is as important. We think what is important is to hang them high in the streets in an attempt to deter future criminals. And thus, I think when we move it to Justice,

what we are doing is emphasizing the deterrence and the deterrent aspect of our corrections system. And I think it simply won't work.

I don't intend to bore this Assembly for very long by telling you the history of corrections, but it just simply won't work. There used to be in England more than 100 years ago, say 140 years ago, there were over 150 crimes for which capital punishment was the punishment, for which a man was hung. One hundred and fifty years ago, Mr. Speaker, stealing a \$5 in England was an offence for which a man was hung, and it just didn't work. In fact it was an axiom among pickpockets that the best place to work was a hanging. Because of the public emotion people wouldn't feel their wallet leaving their hip pocket.

And the deterrent aspect of a crime simply has very, very limited effect. And to suggest, as I think the government opposite is doing, that when you move it from Social Services to corrections, you're going to emphasize deterrence, and you're going to roll back the wave of crime that besets the North American society, is just to defy history and to defy our experience, because our experience has been the deterrent aspect of corrections doesn't work very well. And if hanging for 150 offences doesn't get people's attention, nothing that these people do with corrections is going to work, apart from the brutality of that system, apart from its brutality.

And I say to members opposite that by moving corrections from Social Services to Justice, you signify a change in attitude. You're moving away from the one constructive thing we might have done, which is rehabilitate them. We are moving towards deterrence and a history of the English-speaking world suggests that we don't know how to make corrections work as a deterrent.

Mr. Lingenfelter: — Yes, Mr. Speaker. I don't intend to belabour the point, but I would like to add my voice to that of the member from Regina Centre, dealing with the transfer of corrections from Social Services to the new Department of Justice.

As the minister will know, dealing with people who are found guilty of offences and sentences to less than two years, these are the people basically who find their way into the corrections system of Saskatchewan. And, in fact, those individuals who go into the correction centres in Saskatchewan are people who, on average, stay there 59 days, I believe. These people, 59 days after their sentence, will be back on the street with you and I. The approach in the past has been to rehabilitate them and to keep them in the mainstream of life as much as possible during the 59, or the average 59-day stay in the correctional centre - less than two months - so that in fact they become, if anything, more able to cope with the real world, the Main Street type operation, as opposed to going into a totally penal system where they will be punished for their crime.

Certainly that is one part of it, but I think the main object is to separate them from the society to protect the society against the individuals who have committed the crime, rather than to punish them for the sin they have committed. And, in saying that, there's a number of other areas where this type of mentality is creeping into Saskatchewan. I know that there have been a number of fine community-type projects which have been created and promoted in the province of Saskatchewan and which have become a model for the rest, I believe, of the western world, in fact the rest of North America.

I refer to the fine options program, the mediation diversion program which was run (and a fine job done of it) through the John Howard Society, the Greenbush Challenge Camp at Hudson Bay, which this government has seen fit to close down. I think, more

importantly, the mediation diversion program which allowed for the person committing the crime and the person whom the crime was committed against to sit down and work out some type of arrangement whereby that individual could pay the person back on the first offence.

And I find that two things - one, moving corrections from Social Services, where it was considered to be very much a social program as well as a correction system, to the Department of Justice, as well as doing away with the two fine programs, the mediation diversion and the rural camps for first-time offenders, gives an indication that this government is moving towards a much more strict type of penal system in terms of corrections. I think that will not bode well both for the people going into the system and for the people who have to live with these individuals when they are subsequently back on the street, because I think in dealing with people who are first offenders, using a club rather than a soft hand in trying to create a more meaningful life for them will, in the end, be a sad day for Saskatchewan in terms of creating a not better person, but a worse individual.

So, Mr. Speaker, I would encourage the minister who is bringing this piece of legislation through, in the absence of the new Minister of Justice, to relay these messages to your cabinet, because, having worked in this area, I have a concern for those individuals, and also for the society who will have to eventually bear the brunt of this, I think, lack of foresight by the new cabinet.

Also, in moving in this direction, you must be aware that you are going to have to, in the very near future, build a large, new institution, because you simply can't take away a mediation diversion project, shut down the rural camps, and not build new correctional centres. And already, the word that I'm getting out of the correctional centres, both in Saskatoon and Prince Albert, and Regina, is that they are far too full, that we are on the brink of some type of a major confrontation between the inmates and the staff because of overpopulation. And I say that to you because, having been warned, your cabinet and your government will ultimately be responsible because of the actions you've taken to fill to over-full the correctional centres because of this kind of action.

And with that, Mr. Speaker, I will not be voting against the transfer, but I want to alert the cabinet and the members of government that this is not necessarily a good way to be moving. And we should look very closely to make sure that, even though you have moved it into the Department of Justice, that the social aspect of corrections be maintained, and in fact, expanded, rather than going the other way. Even though politically, I agree it may be more popular right now to take a right-wing view to people who have committed a crime, but I think ultimately, for the society, there is a more important aspect to this whole program.

Mr. Koskie: — Yes, Mr. Speaker, thank you. I want to make a few comments prior to the Minister of Finance closing debate. I want to say that in the reorganization - and I know that we will be dealing with it clause by clause - this is a fairly significant reorganization in the Department of Justice. And it would have been helpful, I think, with some of our concerns being directly directed to the Minister of Justice. I say that because I am concerned with some of the directions which the Attorney-General has been taking in respect to the department. And I am concerned in respect to the whole question of legal aid, whose budget was cut \$100,000 at a time when there is increasing demand on legal aid services. I'm concerned that when he gets the report from former Mr. Justice MacPherson, that immediately, rather than having discussions with the various groups in respect to the report, that he makes an announcement of

great efficiencies of saving over \$1 million.

And I ask the question of, you know, what has happened with some of the reorganization - or some of the programs - under the Attorney-General; and the innovative mediation diversion program of the John Howard Society. And also they abolished the innovative and successful Challenge Camp at Hudson Bay.

I think that the, sort of the general direction that the Minister of Justice has indicated, and his sympathies for this type of program, augurs bad for the transfer of corrections under the Ministry of Justice.

I think that Saskatchewan here had some of the most innovative programs of rehabilitation of individuals who were incarcerated - in the form of the work-camps and the wilderness camps, the fine option program, and the various other means of rehabilitating individuals. It seems to me that the Department of Social Services and the previous government made a very conscious effort to leave corrections with the Department of Social Services, because that department is constantly dealing with the problem of human needs. And who has more concern and trauma than those who are convicted and incarcerated without even any other alternative programs?

I want to say that we are going to watch this with a considerable amount of concern. As my colleague has indicated, it may be, on the particular occasion and the outlook of society, very favourable to say, 'We'll throw them in the jail and throw the key away.' I want to say that the consequences in the overall run, the costs to society of not rehabilitating, but merely throwing people into the jails . . . It's shocking what is happening here in the province. As the economic recession deepens, more and more people have been incarcerated. Recently, the population in the jails were increased by 18 per cent.

Now we're turning over the whole corrections to the Attorney-General, who just recently has done away with the mediation diversion program, which was diverting people through the court process and rehabilitating them without a criminal record - first-time offenders. We had the bush camp . . . And it's in the name of efficiency. I want to say that sending people to jail and throwing the key away is not efficient to society. But rehabilitation so that they can take an active role and become effective citizens in a society, that, Mr. Minister, is what corrections were designed to do in the past. That's why we had them associated with the Department of Social Services, so that the whole thrust of that department of helping people rehabilitate and granted new opportunities, to readjust in a complex society . . .

What you have done here, I think, is backward step. Certainly, we put you on guard that if these programs which have helped people in the past are going to be continued to be cut and slashed, as has been evidenced in the Department of the Attorney-General, that we, in fact, will be advising the public of the direction of this government. Thank you.

Hon. Mr. Andrew: — Mr. Speaker, only a couple of comments in response to comments by the members opposite. They tend to want to draw the suggestion that with the transfer of corrections from Social Services over to the Department of Justice, that somehow the leg-chains and the whips will be coming out and that the hanging nooses will be brought back. And these people are simply of course, as the member from Shaunavon indicated, people sentenced to jail for two years less a day.

The statement that the jails are so overcrowded that we're, to paraphrase the words of the member from Shaunavon, threatened with a potential riot in our provincial correction institutes, I think is highly designed to grab some of the media of the province's sensationalism. And I think that there is some irresponsibility with regards to that, Mr. Speaker.

We have faith in the new Department of Justice, that they are going to provide a system with regards to dealing with the inmates that clearly is not going to be the chains and the whips, etc., Mr. Speaker. I think that we can deal with that as appropriately under the Department of Justice as you can do it under the Department of Social Services. And I suggest that we will have as good a correction system in the province of Saskatchewan as exists in any other province across the country. With that, Mr. Speaker, I move second reading of that bill.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 15 - An Act respecting the Department of Parks and Renewable Resources

Hon. Mr. Andrew: — Yes, Mr. Speaker, of course this is part of the previous bill moved with regard to the new Department of Tourism and Small Business. This will be the renewable resources component, Mr. Speaker, of that former department, includes provincial parks and campgrounds to be combined with the historical park function of the Department of Culture and Recreation to create the new Department of Parks and Renewable Resources.

The consolidation of all these parks into one department is a logical move, obviously again, Mr. Speaker, designed to improve effectiveness and efficiency by increasing the levels of co-ordination with respect to park planning, marketing, promotion, and administration, Mr. Speaker.

Our province boasts 10 historic parks, including such well-known sites as Fort Carlton and Cannington Manor. These parks are preservations of our history and heritage. Yet, sadly, Mr. Speaker, in the province and around the rest of the country, very few people know about them.

This is not because of the lack of quality or the accessibility, but largely as a consequence of insufficient promotion. The creation of this new department, Mr. Speaker, will no doubt increase the visibility of historical parks, provide an opportunity for greater efficiency in park administration. Just recently, Mr. Speaker, our new Minister of Parks and Renewable Resources, the hon. member from Kelsey-Tisdale, Hon. Mr. Hardy, announced some new, innovative moves in the area of provincial parks. And I think those have been very well received. Anything, any comments I've heard since those announcements, have been very well received across the province and I think he is to be commended for some of those new and bold moves, only having taken over the department a few days below that. So that man, the hon. member, rolls his sleeves up and gets right to work and I think he should be congratulated. With that . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — I'm sure that he would, given an opportunity, like to elaborate on some of the things that he's done again for the Assembly, Mr. Speaker. But with that I

move Bill No. 15, An Act respecting the Department of Parks and Renewable Resources, be now read a second time.

Mr. Lingenfelter: — Well, Mr. Minister, here again we find another smoke and mirror operation where we're shuffling people and numbers, and in the shuffle, I suppose, the only people who lose are those who lose their jobs - but I suppose as well, the people of the province who are waiting and waiting with some patience still for park development to take place. As I mentioned earlier, there are a great number of projects which had been on the books which are nowhere to be seen. I found interesting in the *Estimates* for example, that page 68, the funds this year for expansion and improvement of recreational facilities, has been cut to half of what it was even last year in their own budget.

And so while we hear all the rhetoric and debate about all the great things that are going to happen, the amount of dollars going into such projects is quite different. We note that in 1981-82, two years ago, more than 5.8 million was budgeted for capital works for this department, and now under the second Tory budget, there is \$3 million. And in real terms, Mr. Speaker, this is less than half of what is being provided two years ago in terms of constant dollars. The cut-backs are occurring as well in the funding in the forestry of that department. And we also know that there is a cut-back in funds for fire suppression.

Finally we note that there is significant cuts in the budget for his regional operation. I know that the regional park operation which has been established in this province is a very basic part of the whole park concept. We do have the provincial parks, which many of us use and use on a regular basis. But the ones that I think most important to the communities are in fact the regional parks, and here we see cuts in all areas, with the exception of Meadow Lake. There's cuts in Prince Albert region, Meadow Lake, or pardon me, cuts in Prince Albert, Melville, Regina, Saskatoon, and several others.

So I think, Mr. Speaker, while we are, here again, not terribly interested in holding up this bill, the rhetoric about how much it is going to do for the people of the province is not backed up by dollars and cents in the department, and I find that unfortunate, and I'm sure many people in the province will also find it unfortunate.

Hon. Mr. Hardy: — Thank you, Mr. Speaker. I just have a few comments I'd like to make in remarks to the hon. member for Shaunavon. He was speaking about parks, what was going to be spent in parks . . .

An Hon. Member: — Cut-backs.

Hon. Mr. Hardy: — Cut-backs, the hon. member says. Well, I think what we're really going to do, Mr. Speaker, is expansion in the parks, not necessarily by the Government of Saskatchewan, but by the people of Saskatchewan. There's a role to be played there, Mr. Speaker. The people of Saskatchewan can do it. It doesn't always have to be the government to do it.

Just since we've announced it, during the last two weeks, we've had over 20 applications to put new recreation facilities within these parks. Some of them: miniature golf courses, driving ranges, hotels, gas bars, lunch bars, dining rooms - all these have been proposed to us by very reputable people. We can in fact put more into these here parks than would have been done by government alone. And it will also

initiate new construction, more jobs, and more jobs for the public. And I think jobs certainly, Mr. Speaker, have to be very, very important to all of us.

In regards to jobs, Mr. Speaker, just last week we called back 1,200 people into the parks. They talk about cutting; 1,200 people were called back. Of those 1,200 called back, about 1,020 accepted the call-back. So it would be additionally 180 jobs there that wouldn't have been normally in the circuit.

In regards to forest management, just let me talk one second about forest management. There never was a forest management plan before. There is need for a forest management plan. Right now, we're working on a forest management plan, and we'll have one. It will in fact stabilize the industry over the next 20, 30 years. The way it's going now, the ad hoc type of way it's been going, it would have been done in the next five or 10 years.

What he didn't speak about or talk about was the possible expansion of tourism, especially into the northern areas, and all over Saskatchewan. It can, Mr. Speaker, create a lot of jobs for northern people by expanding the tourism into the North, by setting aside such areas for cabins, for all these facilities, recreation facilities, that could be available. We're looking at all that. In fact we had one proposal made to us, just a while ago that would in fact create almost \$20 million worth of new jobs and related jobs to that area, in regards to the building of recreation facilities. That's just one thing that's come to mind.

And one other thing I'm just going to touch very briefly; I see the time running out. One other thing I'd like to touch on, very briefly, is certainly working with the wildlife federation. I feel very grateful to have this within the department. It's something that I feel I can work with and work for. And one of the main issues that's certainly an issue - always has been an issue - is uncontrolled hunting. And certainly we're going to work towards that. We're all guilty of it in one way or another, but certainly to protect our wildlife and to protect it for the people of Saskatchewan in the future - we'll have to do that. And certainly we'll be working towards it. And with that, Mr. Speaker, I'd like to . . . I guess that's about all I have to say.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 17 - An Act respecting the Department of Advanced Education and Manpower

Hon. Mr. Andrew: — Mr. Speaker, this bill respects a new Department of Advanced Education and Manpower, and we on this side of the House are very pleased and proud with the establishment of this new department of government. It's an amalgamation of the apprenticeship, training, and manpower and planning functions of the Department of Labour, the employment opportunities program, department of industry and commerce, and of course, the department of continuing education.

Stated in the budget last month, Mr. Speaker, that the essential ingredient of our economic well-being and growth is the availability of marketable skills. This is required directly between post-secondary education, on the one hand, training programs, and the present and future demands of our labour markets.

The new Department of Advanced Education and Manpower will have the responsibility in this regard, and thereby ensure that economic development is not constrained by

a lack of appropriate skilled residents. The new department will also provide programs and support directly to protect the rights of women in the work-force.

The creation of this new department will result in a dramatic improvement over the organization maze, the house of cards, if you like, Mr. Speaker, established by the previous administration, where the responsibility for interrelated functions of training and manpower planning was fragmented around several departments. This resulted in a total inability of the government to effectively and productively deliver programs in this area.

Our government is taking measures rather, to eliminate this insane situation. I am confident that the new Department of Education and Manpower by the consolidation of these essential functions will provide a means to improve the effectiveness and simplify communications with the public and with other governments. Just a little common sense, Mr. Speaker, in this particular new department. I think it is an innovative new department. I think it is one that is going to pay great dividends, both for the students of the province of Saskatchewan, for the business community, the works of the province of Saskatchewan, Mr. Speaker. I think this is a great new department. I think it is a future-looking department, Mr. Speaker, and with that, I move Bill No. 17, An Act respecting the Department of Advanced Education and Manpower be now read a second time.

Mr. Lingenfelter: — I just have a few comments to make on this bill before we move it forward. My colleague, the member for Quill Lakes, who was going to be taking this through, is not in the House but he will save his comments for committee of the whole.

Mr. Speaker, I want to advise the minister that all is not well in the area of this transfer. I know that in the abolition of the women's division in the Department of Labour there was some suggestion that this new and exciting department would somehow play a role in this operation. And even in the name of it you show what little respect you have for the working women and, in fact, all women in the province by naming it the Advanced Education and Manpower Department. And I think that, while this has already come home to haunt you, I think it will continue to, and the minister should look at doing something even about the name of the act in the department in order to alleviate fears that women's groups and all women, in fact, in the province have about the attitude of this government towards that group of people.

Mr. Speaker, in talking about education and the importance of it, I agree fully with the minister on this item, but I find it hard to believe that he is sincere when you look at the amount of money which is going to the universities of the province this year and the fact that enrolment is going to have to be curtailed, at least by recommendations that we are now hearing, because of the lack of funding that is going into that area.

In brining this new department forward, I think the minister will have to take into consideration the number of school boards as well that are looking at cutting back in programming. In fact, many, many schools which are closing at the present time in Saskatoon and Regina and other rural small schools which will close over the next year - staff that will be cut. And basically the school boards are saying that they are not taking the blame, that they are putting the blame back onto the government and the Minister of Finance.

So, Mr. Speaker, I will not be delaying . . . holding up this bill any longer, but will be questioning seriously some aspects of it in the committee.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

The Assembly adjourned at 5 p.m.