

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**April 2, 1984**

The Assembly met at 2 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**ORAL QUESTIONS**

**Teachers' Strike at Moose Jaw**

**MR. KOSKIE:** — Thank you, Mr. Speaker. I'd like to direct a question to the Minister of Education. As the minister will know that, as of this morning, more than 1,500 students are without educational services in the city of Moose Jaw. Now following two and one-half years of bargaining through the local school board and the teachers, they ended up with no negotiated settlement, and today, or this morning, in Moose Jaw separate school system, the teachers have indeed withdrawn their services.

My question to you, Madam Minister, is this: what steps has the minister taken to help to bring about and provide a negotiated settlement between the parties, so that educational services can be restored as soon as possible to these, some 1,500 students in the Moose Jaw separate school?

**HON. MRS. SMITH:** — Mr. Speaker, as the member from Quill Lakes will know, this is a local bargaining matter and a dispute. And I guess at this point in time we have to have some faith in both sides within that local community. The dispute has arisen within the local community, and I would suggest that we have to give that some time in order that the solution itself be found in the local community if it is going to be of long-standing and a benefit for the system.

**MR. KOSKIE:** — Well, Madam Minister, as you are aware, the two parties were meeting over the weekend, and what I would like to know: whether you in fact contacted either parties in order to offer your good offices in helping to bring the two parties to a negotiated settlement. As you indicated, the process has been going on for a long time — two and a half years the process of negotiations has been going on. And certainly this a very, very critical stage, and I would have thought that you would have recognized that it was critical, and that you would have offered your good offices to the parties prior to the drastic action having to be taken.

**HON. MRS. SMITH:** — Mr. Speaker, in reply to the question: no, I did not contact the parties. However, I have had several parties contact me for some discussions, and we'll be having some discussion with the party tomorrow morning, also.

**HON. MR. BLAKENEY:** — Mr. Speaker, I direct this question to the Premier. The chairman of the Moose Jaw Separate School Board is reported to have issued a press release this morning, dealing with this dispute referred to in the earlier questions by my colleague, the member for Quill Lakes, and in this press release, as reported to me, he had indicated that he has attempted to reach the Premier on two occasions over the weekend to discuss the situation. He was not able to reach the Premier and has received no reply or acknowledgement of his calls from either the Premier or the Premier's office.

My question to the Premier is: does he not feel that this is a sufficiently serious matter that either he or someone from his office might have contacted the chairman of the separate school board in Moose Jaw to see whether or not the government might assist in bringing about a settlement to this dispute?

**HON. MR. DEVINE:** — Well, Mr. Speaker, I was out of Regina for most of the weekend. If he wanted to get in touch with me at home, I have an answering service when I'm not there. Certainly if he contacted my office, or if anybody did, I would get the message. I haven't

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received a message in my office that the chairman of the board has been asking to see me.

In any event, I think the minister is in charge and responsible for education. Certainly she's keeping me informed of what's going on. It's not exactly the kind of situation where I believe that the Premier should just automatically become involved with the school board chairman, or with the teachers, or others, or else the Premier's office would be involved in an awful lot of situations in a very intimate way at a day-to-day level.

So I'm obviously concerned about it. I believe the Minister of Labour has offered, as he usually does, help to settle in a conciliatory fashion, staff or his offices, as he did in the dairy impasse. That certainly is available now for anybody involved in the dispute in Moose Jaw, and I have all the confidence in the world in the Minister of Education.

**HON. MR. BLAKENEY:** — It's a supplementary, Mr. Speaker. Just so I understand the answer, is the Premier advising me that either he, or a Minister of the Crown, has formally offered the services of an employee of the Government of Saskatchewan to assist in the resolution of this dispute?

**HON. MR. DEVINE:** — Mr. Speaker, there is a standard offer from the Minister of Labour, on all disputes that have to do with either management or a conciliator, to come in and provide any kind of help they can in getting people back together, and that's just a standard offer.

Now in the last 24 hours I understand the Minister of Education has not gone into Moose Jaw, or has not phoned the chairman of the board, because it's a local issue. I haven't talked to either the teachers or the chairman of the board, either. If they think it would help to talk to the minister, I'm sure she will sit down and visit with them or both parties at any time. She is, as I am, reluctant to use the power of the legislation to resolve a local dispute between teachers on one hand and a school board on another when people obviously want as much autonomy as possible.

**HON. MR. BLAKENEY:** — A new question, Mr. Speaker, to the Minister of Education. And I say by way of preamble, no one, by questioning, is suggesting that this dispute ought to be settled by the legislature. The question I direct to you is this: has any employee of the Department of Education – and you've already excluded yourself, and, I think, quite properly so – has any employee of the Department of Education been attempting to bring about a resolution of this dispute by formal or informal mediation procedures, which have proved in the past to be so successful on occasion, and might well prove to be successful in the future if they are tried by a skilful person?

**HON. MRS. SMITH:** — Mr. Speaker, it is my understanding that both parties in the Moose Jaw dispute, the LINC (Local Implementation and Negotiation Committee) committee – the teachers' bargaining committee – and the Board of Education, have clearly stated publicly that they would prefer not to have third-party outside intervention. And to this date, the Department of Education, no official has been involved in the dispute in Moose Jaw.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker, is the Minister of Education saying that she has not been contacted by either the school board, or the teachers, or the STF (Saskatchewan Teachers' Federation), or the SSTA (Saskatchewan School Trustees Association), to use her good offices to settle this dispute?

**HON. MRS. SMITH:** — Mr. Speaker, no, I clearly stated before, that I had been contacted. You asked for an official of the Department of Education, and I assumed that that was outside of the minister's office. I have had contact from those people, at their request; in fact, from three parties, the community at large, the teachers, and the board of education.

I have also had some contact from SSTA in looking at this issue. But for a civil servant, or a person from the department – no, we have not been, they have not been involved in mediation or any

other route that you may choose to use.

**HON. MR. BLAKENEY:** — Supplementary. Were those contacts consistent with your earlier statement that both parties wanted the Department of Education not to become involved?

**HON. MRS. SMITH:** — I think they were consistent, Mr. Speaker. The people contacted me and, if I can use the board of education, for example, wanted to inform me of the situation. They did not ask for outright intervention. They wanted to talk to me, and they talked about their situation. The teachers have done the same, and I listened. The community has also done that, and I don't see that in being inconsistent with what I said earlier.

**HON. MR. BLAKENEY:** — Supplementary. Is the minister saying that nobody has asked her to use her good offices, thus neither the teachers, or STF, or the trustees, or the SSTA; no one of them has asked you to use your good offices? Is that what you're telling us?

**HON. MRS. SMITH:** — Well, Mr. Speaker, if the Leader of the Opposition is referring to a settlement of the strike, that is correct. I have not been asked to settle the strike issue — the dispute issue — at Moose Jaw.

**HON. MR. BLAKENEY:** — I didn't make myself clear, Mr. Speaker. I am asking you again whether or not you're telling this House that neither the teachers in Moose Jaw, or the STF, nor the board in Moose Jaw, nor the SSTA has asked you to use your good offices to bring about a settlement of this dispute.

**HON. MRS. SMITH:** — Never, Mr. Speaker, maybe I'm the one that's not being clear, or perhaps it's a matter of both of us. There is a difference between settling a strike or a dispute, and bringing about further consultation, communications that might indeed help in a dispute, without that direct interference.

As I stated, I've had contact from three . . . four parties. I have had no direct contact from the Saskatchewan Teachers' Federation on this particular issue, but I certainly have had from the other four. And I've done a lot of listening, and I've indicated to all those parties that, at this point in time, I will not intervene. I believe that the best solution is one that is agreeable from both local parties that are in dispute at the local level, and that's where I stand.

**HON. MR. BLAKENEY:** — Further supplementary. I understand the minister, and you'll correct me if I'm wrong, do I understand you to say: yes, you have been contacted; yes, you have been asked to use your good offices, and you have declined to do so?

**HON. MRS. SMITH:** — Yes, Mr. Speaker, I have been contacted. No, I have not been asked to intervene.

**HON. MR. BLAKENEY:** — Mr. Speaker, I asked not whether you were asked to intervene; whether you were asked too use your good offices to bring about a settlement. That's a common role for the Minister of Education. I ask you whether that is true, and I ask you whether you refused to do so.

**HON. MRS. SMITH:** — As it relates directly to the dispute in Moose Jaw, the answer to the Leader of the Opposition, Mr. Speaker, is one of no, as it relates to the dispute in Moose Jaw.

### **Cuts in Welfare Benefits**

**MR. THOMPSON:** — Thank you, Mr. Speaker. I direct my question today to the Minister of Social Services, and it's regarding welfare cuts that you announced last week. My question deals with the cuts in welfare benefits announced by the minister last week, and financial hardship which those cuts are already having in my constituency.

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By way of information, Mr. Speaker, I bring to the minister's attention a case which was brought to my attention today, the case of a 54-year-old single mother in Buffalo Narrows who is in poor health. Without warning, her monthly benefits cheque from Regina this month was cut back from \$360 to \$262 – a cut of \$98. Her house payments, utility bills, and other expenses, minus the cost of food, add up to \$284 a month.

The question I ask the minister: how do you expect this mother to survive on less in benefits than they have in expenses, and why were her benefits cut this month, without warning, by some bureaucrat in Regina?

**HON. MR. DIRKS:** — Mr. Speaker, I would be pleased to look into the particular details of the case that the member opposite has indicated. In fact, the changes in welfare benefits do not take place until the beginning of May and, in fact, none of the changes will impact negatively upon single mothers anyway, Mr. Speaker.

So on two counts, the member opposite is wrong. There may be a number of reasons why, in this particular instance, there may have been a reduction in the particular case that the member opposite is referring to. And if he would be so kind as to provide me with the details, I would find out whether or not, for example, there was an overpayment in the past which is now being picked up, or whether or not there was an error in the estimation of the amount of money that that particular client should have been receiving. I would be most happy to look into this situation.

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

**MR. THOMPSON:** — Supplementary, Mr. Speaker, to the Minister of Social Services. Are you indicating that the results of the budget that you announced in your new program in Social Services will not take effect till May? And the cuts that have been brought to my attention . . . And I bring to your attention only one cut. There are many, many cuts that were indicated to me this morning that have been cut in just the last week.

Are you indicating that the new program that you have announced will not take effect until May, and that the cuts that they have received today are just the start of other cuts that will be coming?

**HON. MR. DIRKS:** — I indicated, Mr. Speaker, that the reduction to some – and I mention some single employables, because some other single employables will be increased – the reduction to some single employables will not take place until May 1. In fact, the changes that have taken place as of April 1, were an increase in the family income plan (FIP) to approximately 8,000 low income families here in Saskatchewan.

**MR. THOMPSON:** — Supplementary. Supplementary question to the Minister of Social Services. My question remains: how is this grandmother, and many others like her, supposed to exist with less money than their total expenses? And this is what is taking place right now. And you still indicate that there are more cuts to come in the first part of May. How do you expect these people to survive on these vicious cuts that have taken place last week?

**HON. MR. DIRKS:** — Well, Mr. Speaker, the member opposite seems unfortunately to be misleading the public. Those with family obligations, such as this particular individual that the member opposite is referring to, are not going to be experiencing any reductions. In fact, many of them will be experiencing increases. And so, if the member opposite will provide me with the particular details of this case, I will certainly be interested in investigating it – the name, the details, and so on.

And I might add, Mr. Speaker, that every month there are cases which go up and which go down for a variety of reasons. It may have been, in this particular instance, the individual involved

received some income from an additional source that the member opposite isn't even aware of, that the social worker may be aware of. And that might be deducted from their benefit. So until I receive all of the details of the case, it's simply impossible for me to make a comment as to whether or not there was a legitimate reduction to that particular client this particular month. But I hasten to add, Mr. Speaker, that the reduction in this case had nothing to do with any welfare reform measures that I announced recently.

**MR. SHILLINGTON:** — A question to the minister of social welfare. Mr. Minister, your so-called welfare reforms have been universally panned by social workers who have spoken publicly, and by those whom I have spoken with privately. They suggest, sir, that your reforms were unrealistic and harsh — nobody can live on \$345 a month — and ill-conceived, in that the unemployed employables are there because there's no jobs, not because they prefer the indignity of welfare. Will you, Mr. Minister, in the light of the, as I say, the universal criticism to which this has come, will you undertake to review the welfare reforms and bring in something that's a little less harsh and a little more humane?

**HON. MR. DIRKS:** — Well, Mr. Speaker, it may be that, in the circle of friends that the member opposite travels, that there has been criticism. I suspect it's a fairly small circle of friends, however.

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

**HON. MR. DIRKS:** — And I might just bring to the member opposite's attention the headline of one editorial in one of the major newspapers here in Saskatchewan: "Revamping welfare long overdue measure." And I wonder, Mr. Speaker, exactly what it is that the member opposite is being critical of. Is he being critical of the 100 per cent increase to low income seniors — 20,000 of them? Is he being critical of the 10 per cent increase to 8,000 low income working families? Is he being critical of the over 6,000 productive opportunities that are now going to be provided to welfare clients that were never provided previously? Mr. Speaker, I just wonder what he is being critical of.

And I might finally draw to the attention of the members of the Assembly, Mr. Speaker, that the average payment to single employables across Canada today is \$312 a month, and we are setting the maximum in Saskatchewan at \$345 a month, in keeping with what Ontario and Nova Scotia and British Columbia and Manitoba, who happens to be at \$310 a month, offer to their single employables.

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

### **Selling Price of Former SGI Office Building**

**MR. SHILLINGTON:** — New question, Mr. Speaker, to the minister in charge of the Saskatchewan Government Insurance. My question deals, Mr. Minister, with the fact that you have sold the former SGI head office on 11th Avenue to a Toronto developer. I know the minister has been quoted in the media about the selling price. I'd ask you, Mr. Minister, to put the final sale price for this six-storey office building on the record, if you would.

**HON. MR. ROUSSEAU:** — I'd be happy to, Mr. Speaker. First of all, may I correct the member? It was sold to a Regina developer. Mr. Mark Silver has been located in Regina for some two or three years. I consider him a Regina developer, not a Toronto developer. The price of the building was \$575,000. I think you have that information.

**MR. SHILLINGTON:** — Yes, I do have a supplementary. Was there an appraisal of the building's value done? If so, by whom? When was it done?

**HON. MR. ROUSSEAU:** — No, Mr. Speaker, I don't believe there was an appraisal done. It's

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been on the market for the last four years when the previous administration put it on the market – by the members opposite. They had an offer at one time I don't think they'd want me to discuss in this Assembly. The offer that the members opposite had included another piece of property which is now being sold. I will release the information on that shortly. It might be of interest to the members opposite, and the people of Saskatchewan, Mr. Speaker, that the cost of keeping that building for the past four years has exceeded \$700,000. So the price of \$575,000, considering the cost of keeping it, and considering that it was designated a heritage building, I think we did very well.

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

**MR. SHILLINGTON:** — Supplementary, Mr. Minister. Can you confirm that the official of the corporation handling the sale negotiations for SGI, was the SGI facilities manager, Mr. Gary Miller?

**HON. MR. ROUSSEAU:** — No, I don't think that that is correct. But I will take notice of the question and get the name of the person who facilitated the sale. But I don't believe it was the gentleman that the member mentioned.

**MR. SHILLINGTON:** — Supplementary, Mr. Minister, Would you not expect the SGI's facilities manager to be involved in the sale of a facility?

**HON. MR. ROUSSEAU:** — Well, I'm not even aware that that gentleman is the manager of that department. I will take notice of the question. I believe it was handled by the vice-president in charge of that department.

### **Escort Service Advertisements**

**MR. SHILLINGTON:** — Question to the Premier – a question on his government's claim that it is concerned about the sanctity of the family, concerned about violence against women, concerned about the control of pornography. Yet your government continues to profit by a recent explosion of prostitution in our province. I'm talking about the proliferation of escort services, which law enforcement agencies and women's groups – they'll both tell you – are simple fronts for prostitution.

The current Regina telephone directory contained ads for 21 escort services. These ads fill four and one-half pages. In Saskatoon, the yellow pages contained ads for 26 escort services, filling five full pages.

The members opposite may treat this with a good deal of levity. I tell you that many people do not. Each ad is a source of revenue for Sask Tel, and a source of furthering the aims of those escort services.

Mr. Premier, how can you claim to be concerned about the sanctity of the family, violence against women, and pornography, when your government continues to accept advertisements from these establishments, and obviously profits by their continued existence?

**HON. MR. DEVINE:** — Mr. Speaker, I will take note of the question and refer any and all ads in the telephone book to the Minister of Justice and Attorney General to make sure that he is confident that illegal operations aren't taking place and being advertised in the Saskatchewan telephone book.

### **MINISTERIAL STATEMENTS**

#### **Social Service Program for Native Children**

**HON. MR. DIRKS:** — Mr. Speaker, this government has made it a priority to provide a better quality of social services to native children. And in keeping with the bilateral discussions presently under way between the provincial and federal governments and the FSI (Federation of Saskatchewan Indians) concerning native control of Indian child welfare services, I am pleased to announce the signing of an important interim agreement between the province of Saskatchewan and FSI.

This agreement recognizes the need for the development and provision of services to assist Indian families in the adoption or fostering of Indian children presently registered for adoption with the provincial Department of Social Services. Specifically, Mr. Speaker, this agreement will make it possible for the Department of Social Services and the FSI to work together to jointly identify Indian homes which will provide adoption and foster parent services to treaty Indian children presently in the case of the department.

Under the agreement, the provincial government is providing the financial resources to FSI which will enable the organization to employ two trained social workers for the purpose of working with Indian chiefs and band councils. A department staff person will be working closely with FSI, sharing information on the special needs of the children concerned, and assisting in expediting the approval of the families which are identified as potential resources for the children. It is jointly agreed that an evaluation of the program will be undertaken at the conclusion of this interim agreement.

The agreement is viewed as a positive step, Mr. Speaker, in our work with treaty Indians, and our joint commitment to locating Indian homes for the Indian children who have been committed to the care of my department.

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

**HON. MR. BLAKENEY:** — Mr. Speaker, we on this side of the House welcome the announcement by the Minister of Social Services. We all recognize the difficult problem that is presented for the Department of Social Services and the Government of Saskatchewan when taking into care children of Indian ancestry, when the appropriate method of assisting the child appears to be placing the child in a foster home, or in another home where that child may not be able to live and grow in the culture in which it was reared.

Clearly, an effort is being made by the department to work out with the FSI (Federation of Saskatchewan Indians) an arrangement whereby foster homes and other care homes operated by persons of Indian ancestry may be available for the care of these children taken into care. We welcome the announcement. We note that it's an interim agreement. We note also that the minister will be reporting when the interim agreement is evaluated, and we will look forward to the minister's report of the success of the initial examination which is being done pursuant to the interim agreement, and will wish him and his department every success in dealing with this difficult problem.

## **INTRODUCTION OF BILLS**

### **Bill No. 30 – An Act respecting the Protection of Farm Property**

**MR. ENGEL:** — It gives me a great deal of pleasure today to move that a bill respecting the Protection of Farm Property be introduced and read for a first time.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

### **Bill No. 31 – An Act to amend The Commissioners for Oaths Act**

**HON. MR. McLEOD:** — Mr. Speaker, on behalf of the Hon. Attorney General, I move first

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reading of a bill to amend The Commissioners for Oaths Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 32 – An Act respecting International Child Abduction**

**HON. MR. McLEOD:** — Mr. Speaker, on behalf of the Hon. Attorney General, I move first reading of a bill respecting International Child Abduction.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 33 – An Act to repeal The Agricultural Research Foundation Act and to Make provision for Related Matters**

**HON. MR. HEPWORTH:** — Mr. Speaker, I moved first reading of a bill to repeal the Agricultural Research Foundation Act and to Make provision for Related Matters.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 34 – An Act to amend The Farm Security Act**

**HON. MR. HEPWORTH:** — Mr. Speaker, I move first reading of a bill to amend The Farm Security Act

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 35 – An Act respecting Noxious Weeds**

**HON. MR. HEPWORTH:** — Mr. Speaker, I move first reading of a bill respecting Noxious Weeds.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 36 – An Act to amend The Teachers' Superannuation Act**

**HON. MRS. SMITH:** — Mr. Speaker, I move first reading of a bill to amend The Teachers' Superannuation Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 37 – An Act to amend The Teachers' Life Insurance (Government Contributory) Act**

**HON. MRS. SMITH:** — Mr. Speaker, I move first reading of a bill to amend The Teachers' Life Insurance Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 38 – An Act to amend The Education Act**

**HON. MRS. SMITH:** — Mr. Speaker, I move first reading of the bill to amend The Education Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 9 – An Act to amend The Industrial Development Act**

**HON. MR. KLEIN:** — Mr. Speaker, I move first reading of a bill to amend The Industrial Development Act.



Motion agreed to and the bill ordered to be read a second time at the next sitting.

**ORDERS OF THE DAY**

**GOVERNMENT MOTIONS**

**COMMITTEE OF FINANCE**

**DEPARTMENT OF HIGHWAYS AND TRANSPORTATION**

**Ordinary Expenditure – Vote 16**

**Item 1**

**MR. CHAIRMAN:** — Would the minister introduce his officials?

**HON. MR. GARNER:** — Mr. Speaker, sitting at my immediate right is the deputy minister, Mr. Jack Sutherland. To his right, the associate deputy minister, Mr. Merv Clark. Mr. John Weir, one of my ministerial assistants. Myron Herasymuik, the director of operations division, is sitting right there. Mr. Al Schwartz, director of support services, sitting to his right. Bill McLaren, acting chairman of highway traffic board, is going to be sitting right here.

**MR. LUSNEY:** — Thank you, Mr. Chairman. Mr. Chairman, if it would be agreeable to the minister we could ask . . . I have a good number of questions to ask. If we could ask those on item 1, and then we could go through the subvotes a lot easier, okay?

Mr. Minister, could you give me some of the figures on the amount of grading that you're going to be doing, surfacing, and oil treatment in this budget? You've listed those in your project array, I believe, and those are, I would assume, fairly accurate. You're going to be sticking to your project array. Could you tell me, then, how this project array compares with past years — '82-83, '81-82 project arrays, and the movement of dirt?

**HON. MR. GARNER:** — Mr. Chairman, I'll give you the figures just on grading, and these were announced figures: for '82, 239 kilometres; for '83, 320; and for the '84, 326.

**MR. LUSNEY:** — Those are actual figures? You said announced figures. What were the actual figures that were done during that time?

**HON. MR. GARNER:** — Those, Mr. Chairman, were announced figures. I'll give you the breakdown, once again, from '82. Announced, 239 in '82; actual 239. Announced for '83, 320; actual 306. And for 1984 we only have the announced at 326. We don't have the actual yet until the year is over.

**MR. LUSNEY:** — Mr. Minister, that would indicate then that there appears to be a fair amount less work being done in the last two years than has been done in the past. And it seems to be getting less every year. Could you indicate, Mr. Minister, how much of this work was done by the private sector, and how much was done by department crews?

**HON. MR. GARNER:** — Mr. Chairman, we'll be just a minute obtaining that information here. But as I stated, in '82 we announced 239; actual 239 was completed. Announced for '83 was 320; actual 306. And I imagine weather conditions would have a factor in the actual from the announced. But we'll have those other figures for you in just a minute.

**MR. LUSNEY:** — While your officials are looking for those figures, Mr. Minister, when I said that there is a fair amount less of work being done now than was under the previous administration, when we look back at 1980-81, the actuals, which was about 489 kilometres of actual grading

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done; '81-82 which was 488; we get into the '82 then which you say was 239. A substantial drop, I would indicate to the minister.

**HON. MR. GARNER:** — Mr. Chairman, I will give you from earth excavation by contractors in cubic metres — these will all be in cubic metres. In '81-82, there were 8,523,000 done by contractors. That same year there were earth excavation by government crews, 1,400,000. We go into '82-83: private sector, 7,163,500; public sector, 1,335,300. 1983-84 estimated: private sector, 7,972,300; public sector, 781,400.

**MR. LUSNEY:** — Mr. Minister, as I said before, it seems quite apparent that many of the private contractors today will probably be doing a fair amount less work simply because of what's in your project array. Could the minister tell us just how much of the work in your '84-85 project array will be done by the private sector, and how much will be done by the government crews, if any?

**HON. MR. GARNER:** — Mr. Chairman, last year the government crews did about 10 per cent of the total construction project in the province — that's oiling and paving, sealing, grading as well. We'll have the other figures for what we project they will do this year.

Mr. Chairman and hon. member, government crews will be doing approximately 5 per cent this year of the total in all — that's oiling, surfacing, and grading.

**MR. LUSNEY:** — Mr. Minister, I have a question now that I'd like to go to in oil treatment, surfacing of the highways. Is there a standard by which both government and the private sector, government crews and the private sector, had to adhere to in the past? Is there a certain standard of amount of oil and aggregate that had to be used?

**HON. MR. GARNER:** — Mr. Chairman, the standard is the same for both, whether it's being done by department forces or the private sector. Yes, there is a standard.

**MR. LUSNEY:** — When the contracts are let then, Mr. Minister, and the work is being done, there would be someone from the government, an engineer from the government, that would be making sure that the contractor is living up to the standards that are set over by the government, and when the contract is let, that standard is indicated to him at that time, that they tender according to what the standard is.

**HON. MR. GARNER:** — Yes, the standard is the same, and you have the resident engineer on the job from the department, I guess you could say, in surveillance of the project while it is being done.

**MR. LUSNEY:** — There is someone from department that's there to make sure that the work is being done according to the standards you set forward. When the private sector, when the road builders, or the contractors bid on these jobs, they are aware, then, that there is a certain standard that they are going to have to adhere to when they are doing that work, and that there is going to be a government engineer on hand making sure that this work, or that standard, is adhered to?

**HON. MR. GARNER:** — Yes, that is correct.

**MR. LUSNEY:** — Could you tell me then, Mr. Minister, in the past year has every contract that you have let, and the work that has been done by the contractors, been done in a fashion that would say that they have kept that standard, that they have lived up to the standard that the department crews have always used?

**HON. MR. GARNER:** — Mr. Chairman, we don't accept anything, only the standard that is set out by the department. And to our knowledge, we have had no problem whatsoever with

any of the projects in the last year.

**MR. LUSNEY:** — Oh, problem. That's not the question. Mr. Minister, I imagine you are aware of contractors, and I'll give you two of them. I'll start with one. Anderson Rental and Paving Ltd. They have contract no. M83023 in the Swift Current district. Total cost of about 155,000 I believe it is . . . (inaudible interjection) . . . M83023.

Did Anderson Rental and Paving stick to the criteria that's set forward by the government? Did you inspect work that they had done? And was the proportionate amount of oil and aggregate used as is recommended under the government manual?

**HON. MR. GARNER:** — Mr. Chairman, we'll check the specific contract. But to our knowledge there has been no problem. But we will check that specific contract for you and supply you with that information.

**MR. LUSNEY:** — You're saying the department has now knowledge as to whether the contract was lived up to or not.

I'll give you another one that you can check then, Mr. Minister. Contract M83017, A.S.I. Paving Ltd. Did they live up to the terms of the contract and the criteria set forward in your manual as to oil and aggregate usage?

**HON. MR. GARNER:** — Well once again, Mr. Chairman, we'll have to check into it. But, as I've stated earlier, there have been no concerns brought forward to the deputy minister nor myself, Mr. Chairman, on this. And that, if there's a specific problem with it, if the member would like to bring it forward, we'll deal with it. But it will take us some time to check into that specific contract and tender.

**MR. LUSNEY:** — Well, Mr. Minister, it appears that there's been a study done within the department last winter, and I'm sure you would have been aware of it. And that study indicates that the proper amount of oil and aggregate was not used. Aggregate, yes. But there was a lesser amount of asphalt being used in the application with these two companies than what is set forward in your book of standards, in your manual, by the department.

Now, Mr. Minister, it will be quite clear then, if this is happening, and your department is not aware of it, then that would be saving the contractor some money. He could tender less if he figures he could get away with a lesser amount of oil being used.

Also, he is not going to, or you are not going to have the kind of surface out there that normally the public is used to in this province. That surface will start breaking up a lot sooner. Are you not aware of the study that has been done, and the amounts of oil that have been applied on these jobs?

**HON. MR. GARNER:** — Well, Mr. Chairman, once again, neither myself, nor the director of operators, nor the deputy minister, are aware of any study that was done; nor any problems.

And just one further point. The department does supply all of the asphalt and, I think, we have circled to where the member is questioning from, these stockpiles of mixed aggregate with asphalt. And for our information that we have, there's nothing there, there's no problem, because we supply the asphalt to the contractor to mix in with the aggregate. But on top of that, we will still check into these two specific contracts very much.

**MR. LUSNEY:** — Would the minister, when he checks into that, then send over, at a later date, to me, the results of your investigation into the two contracts, and whether the proper amount of asphalt was being used, or oil was being used along with the aggregate?

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**HON. MR. GARNER:** — Yes, I most certainly will, because I am curious, too, as to if some study has been conducted within the department that I don't know about. I will assure this House that I will find out and bring forth the results of an investigation from my own office into what is going on if there's any problem.

But the information we have right now is that there is no problem whatsoever because the department supplies the asphalt to the contractor when he's mixing the crushed aggregate.

**MR. LUSNEY:** — Mr. Minister, getting back to the two companies here. I have a letter here that states that there was a study done. I am a little surprised that you are not aware of that study. It clearly does indicate that there has been a lesser amount of oil used on both contracts than what is required under your manual, and the recommendations set forward in your manual.

I'm just wondering if, at any point, the department has not checked into whether any of this has been done. Has there been any report from any engineers that there is a possible shortage of oil being used in some of the mixtures?

**HON. MR. GARNER:** — Well, Mr. Chairman, once again, we're not aware of it. If the hon. member would like to share that piece of information with us, we would be very pleased to look into it on a personal matter, as well, for him.

**MR. LUSNEY:** — Well, Mr. Minister, I've given you the numbers of the two contracts. If you will look into them and send me a report on what your findings are, I would appreciate that. Will the minister do that?

**HON. MR. GARNER:** — Yes, Mr. Chairman, I most certainly will check into that for him.

**MR. ENGEL:** — Thank you. I thank the critic for giving me an opportunity to ask the minister a few introductory questions. Basically what sparked my . . . or motivated me to get involved at this juncture, at the outset were your remarks you made during your participation in the budget debate, Mr. Minister.

Have you looked at some of the remarks you made and the allegations that you got a good laugh out of your colleagues by making allegations about former ministers. Have you looked at those remarks, and do you still stand by the whole intent of your speech and the intent of your referral to the former member from Morse? Do you still stand by those allegations?

**HON. MR. GARNER:** — Well, Mr. Chairman, I don't know what page the budget speech is on, but the member can . . . has a specific concern about a specific quote in there, I'm quite prepared to discuss it with him. My budget speech and my reply to the budget speech was there. I think it was very rewarding for the people of Saskatchewan.

**MR. ENGEL:** — Thank you, Mr. Minister. More specifically, your allegations regarding the former member from Morse . . . your words were, "interference in where locations of highways should go," and in your project array . . . (inaudible interjection) . . . In your project array, . . . just listen carefully, just listen carefully, Mr. Member from P.A. and Mr. Member from Moosomin, because I believe the minister was intentionally trying to deceive the House, and I'll pursue that point very short and crisp.

You talked about building a section of 43 Highway, and are you still standing on the basis that that section of 43 Highway that you have in your construction array this year is the section that was in dispute, as far as the location of that piece of road is concerned?

**HON. MR. GARNER:** — Mr. Chairman, I guess the section that the member is referring to is, and will be, the next section, and that once that we're sure that budget funds are available to continue section 43 along. I think what the hon. member is bringing up is that there was a great

deal of concern from local residents as to the location of that road, and it's very simple, Mr. Chairman, that the people want that road in a certain area, a certain location. That's where the road is going to be. I mean, I don't know whether we have letters on that here regarding that, or petitions regarding that location of road, but there was a great deal of concern that that location of that road would be deviated, and go further south. That's basically, I think, the section of road you're referring to.

**MR. ENGEL:** — The specific point I want to make is: are you changing the location of 43 Highway between Vanguard and Pambrun?

**HON. MR. GARNER:** — No, we're not. We're going to stick to the location that is designed out there, and there'll be 17.16 kilometres of road to be graded in the '84-85 project array.

**MR. ENGEL:** — Was that portion of road — the location of that portion of road between Pambrun and Vanguard ever in question, ever in question, ever in dispute over the last 10 years, or whatever?

**HON. MR. GARNER:** — No, it wasn't.

**MR. ENGEL:** — How could the minister stand up in this House and use Reg Gross as an excuse, and say, "Now we've settled it; now we're going to build the road where the people want it," when that piece of road was never even in question? Is that true or isn't it?

**HON. MR. GARNER:** — Well, Mr. Chairman, I think it was last year that I told the people from that area that we would be continuing to upgrade that road on the existing location, that being the next project to come along. It wouldn't be turned and go two miles south. That's the next location. It's going to stick to the existing roadway. That's all I've stated.

**MR. ENGEL:** — That is not what you said in the House. You said in the House, "We're grading a portion of 43 highway, and we are now locating it where the people want it." There's no question as to where the location of 43 highway is between Vanguard and Pambrun. You tried to make political hay on that road. You tried to accuse a member that wasn't here to defend himself, and you deliberately misled the House because we're not even talking about building the road from Vanguard east. We're talking about Vanguard west, and to inform you, Mr. Member, you've got your figures wrong from both the member for Morse, and whoever else informs you as to your political speeches you make.

But let me just read one more little letter that came, and I'm glad the member shared it to me, and it says here:

Dear Mr. (and it refers to the member from the Quill Lakes): Just a congratulatory note on your budget address in last night's session. I accidentally turned into it while groping for something worth viewing, and fortunately hit on your address. I thought you skilfully shredded all the pomp and pot-pourri we've listened to, including Andrew's release a week ago last Wednesday.

Garner's (and excuse me, he says here his name, but I'll talk about the Minister of Highways) . . .

The Minister of Highways (and I'm putting that word in there because I can't) . . . Or can I read directly from a quote? How do you deal with this? Because I want to read this letter into the record, Mr. Chairman. Maybe you can help me. The letter states . . . Can I read from a quote? I can read the letter. Okay.

Garner's following address was unimpressive, a desperate effort to divert from attention the real substance of last night's procedures. Speeches such as yours (and

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he's talking to Mr. Koskie) should greatly determine our success in ousting the present government.

And this letter comes from a member from the Prince Albert constituency, not from Morse, and not from Assiniboia-Gravelbourg, and to from the Quill Lakes, but from Prince Albert. And I wanted to draw it to the Minister of Highways' attention that snide remarks that you, as a minister, made, isn't going to help the contractors.

It's been pointed out earlier by the able colleague and Highways critic that 489 miles were actually built in '80-81; you're projecting 320 kilometres. If my mathematics is right, that's about a 35 per cent decrease from '81-82 to this year – 35 per cent.

The contractors that were sitting up in the galleries and listened to your speech said to me afterwards that 35 per cent of our equipment is going to continue to rust; 35 per cent of our men are still going to look for a job – 35 per cent. And you told the Highways people that were laid off that the public sector is going to, or the private sector is going to pick them up. How do you explain that? How do you explain that 489 actual miles compared to 320 in this little – kilometres – compared to 320 in this little project array, is going to keep all the highway equipment busy this coming year?

**HON. MR. GARNER:** — Well, Mr. Chairman, I thank the hon. member for making his points and bringing this forward to the Legislative Assembly when he states that we have a third 30 per cent cut – and I don't want to misquote him – 30 per cent cut in highway construction.

Let me explain to the member opposite just a bit about road construction. Mr. Chairman, it isn't the miles of road that you build, it's the amount of cubic metres or dirt that it takes to build those roads.

Well you know, Mr. Chairman, the members maybe don't like this. I'm going to give them some more facts. In 1981-82 . . .

**AN HON. MEMBER:** — '81.

**HON. MR. GARNER:** — Well, we can go to '80-81; it doesn't matter. I've got the figures here for a month.

But anyway, just let me finish and give you an example of figures. In the '82 year, we moved 8,523,000 cubic metres of dirt. That's on grading by the private sector. Now, '83-84, we're moving 7,972,300 cubic metres of dirt. Now that isn't a 30 per cent. Maybe the miles of road are not quite as long, but there's almost as much dirt has to be excavated in order to build these roads. I'm just trying to point this out to the hon. member, and that. The miles of road aren't down so much; it takes more dirt to build the types of roads that we're building in certain locations in the province today.

Just before you get up, I have a couple of other things, where the member accused me of playing politics with the roads. Well, Mr. Chairman, I don't play politics with the roads in the province of Saskatchewan. I leave it up to the people of Saskatchewan to tell us, the government, where they want roads built. That's why there was a numerous amount of people in the galleries the other night that came in from all parts of Saskatchewan to hear the budget reply, and to find out what roads were being constructed in their area.

As far as Mr. Gross not being here, Mr. Chairman, you can't blame me for that. Maybe you can blame the MLA from Morse now. Maybe you can blame him. Maybe you can blame the NDP government. I mean, it's not my fault because Mr. Gross isn't here. I don't think that's fair by the hon. member to blame me because Mr. Gross isn't here. Mr. Gross – I guess the people of that area just chose that he should take up another occupation for the next 10, or 15, or 20 years.

**MR. ENGEL:** — That's all fine and dandy for you to say that. The point I made is that you used an illustration and an example of where you're building No. 43 Highway, and the decision as to where to locate that or where not to locate it was completely in error. You intentionally misled the House and said that now we've got this location settled; and the part that you're building has nothing to do with the location as to whether it should go straight out of Gravelbourg and then angle across to avoid some of the harder places to build a road. To avoid some of the confusion that's . . . and I'm not sure that everybody is in favour of the one location or the other.

I never got involved in that debate, but I know the country well. My brother farms on both sides of the road in either location, and I know where you're talking about doing it. But when you said that you're building from Vanguard to Pambrun and said that that was solving the location problem, you were deliberately misleading the House, and deny that.

**HON. MR. GARNER:** — Well, Mr. Chairman, once again, it was a request by the people of Saskatchewan, the people living in that area, that they wanted that road constructed there. In a few minutes I think we might have some letters here stating their concerns, but I don't have them right here. I will have them here before this day is out, that I can read into the record where individuals being reeves, town council, were very concerned about this location going off on this future road to be built. I mean, once again, that isn't where I want the roads built, Mr. Chairman. Not where the member opposite wants the roads built. I think as a government we have an obligation to the people of Saskatchewan to build the roads where the majority of the people want them constructed. That's all I'm saying.

**MR. ENGEL:** — All I'm saying, Mr. Minister, that you're not dealing with that portion of road in this . . . (inaudible) . . . that road isn't up in question, it's . . . or are you building the road from Vanguard east? Is that what you're telling this House? I don't care . . . I'm not discussing at this time where the letter said. I'm agreeing that there was a controversy over the location of the road, but what I'm saying is that you used that controversy to make a political issue out of a road that wasn't at issue, because you're not constructing it this coming year. How will we rate that piece of road that's solving that issue? That issue is still going to be left unsolved because that piece of road isn't being constructed. Is that right, or am I wrong?

**HON. MR. GARNER:** — Mr. Chairman, once again, I will refer to the '84-85 construction projects. The Departments of Highways and Transportation, province of Saskatchewan, and about two-thirds down the page, Highway No. 43, east of Vanguard to Pambrun, 17.16 kilometres of highway to be graded in the '84-85 year. The people from the area requested this. I've simply gone along with the people's wishes in constructing this road for their benefit and the benefit of all of the people in Saskatchewan.

**MR. ENGEL:** — The minister refuses to answer the question because he knows if he would answer the question he'd have to admit that he intentionally misled the House. He'd have to intentionally admit he misled the House.

He has again said that he is not building the road from Vanguard east. The road from Vanguard west was never any question as to where the location of that road would be. There was never any question about that. And he has admitted that.

One other question is: you kind of made the obvious in your entire address that you only build roads where people ask. And you went about in a big hullabaloo of a way saying that the member, my colleague, the member for Shaunavon, didn't even ask for a road. I'm not going to get into that aspect because . . . (inaudible) . . . Are you only building from here on in, Mr. Minister, from here on in are you only building roads where you have a tremendous amount of pressure? Is that what you're saying? Or are you going to build roads . . . (inaudible) . . . Is what you're saying is: do I have to have the people from Coronach, for example, continually sit on your doorstep and continually write letters, and send telegrams, and spend all kinds of money to

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getting their roads considered? Is this what you're saying?

**HON. MR. GARNER:** — Mr. Chairman, what I'm simply stating, and I've stated all along, and will continue to do so in the future, is that where the people of Saskatchewan request that they need a road to be built in their area in the province, the representative is made sometimes to myself, sometimes to the department, sometimes to the deputy minister, sometimes to MLAs, and that when budgetary funds are available, and depending on the priorities in the province of Saskatchewan, I mean, then we'll go ahead and construct that road.

But let me just tell you, Mr. Chairman, I'm not going to stand up in this Assembly with a project array with my name on it and promise roads where there are not dollars to build them. I mean, I just won't do that. That was their way of doing it. I don't intend to do it that way, Mr. Chairman, because I'm not going to lead anyone down the garden path, or anyone down a road that's not going to be built. Projects announced — and I go back to the '82-'83 project array — every project that I announced in this Assembly, construction did begin on it. There wasn't any that there was a zero per cent on. A mess that I inherited when I took over as the Minister of Highways and Transportation — but a mess that this government will not deal with, and we will not be trying to fool or mislead the people of Saskatchewan in this area.

**MR. ENGEL:** — Mr. Minister, I'm not sure what the member for Thunder Creek has requested in the past, but I have gone in with delegations from Shamrock and district R.M.s — two R.M.s jointly — and requested that the road north of Gravelbourg connecting Gravelbourg and Chaplin be completed, and that link be fixed up so that people from the Gravelbourg district can continue on north. I have done that when Mr. Kramer was the minister of highways; I've done that when Mr. Byers was the minister of highways; I've been unsuccessful with Mr. Long, and I have also done it with you as minister, and with your staff.

Are you going to consider for the people of the area south of Chaplin that would like to make that trip across when their university students are going on to Saskatoon . . . They take 19 from Chaplin north. There's a stretch of road in there that isn't maintained. It makes a long way around for the kids either to go to Moose Jaw, or across to Number 19 Highway by Hodgeville, and I think it's a logical location.

When would you consider that? And please, if the minister of Thunder Creek is here, maybe he'll give a word for his constituents there in saying that how badly they want the road. I know there were even different ones have been in to see you on many occasions. You sound as though you build the roads that people want; why wouldn't you build that piece of road?

**HON. MR. GARNER:** — Well, first of all, Mr. Chairman, we should clarify. Is the member opposite asking me if the Department of Highways and Transportation is going to, or will take that section of road over? Let's just clarify that first.

**MR. ENGEL:** — That is basically the question.

**HON. MR. GARNER:** — Thank you. Did I not hear the hon. member also state that he has asked the former ministers, Mr. Byers, Mr. Kramer, Mr. Long? You know, I mean, that was . . . I guess it's been going on for a long, long time, Mr. Chairman.

First of all, before we look at any grid road take-over, I think it was very obvious that at the last SARM (Saskatchewan Association of Rural Municipalities) convention, both my colleague, the Minister of Rural Development, Mr. Domotor, and myself have stated that we are coming out on May 1 with a grid road take-over policy for the people of Saskatchewan — one that has some rules to it, and some teeth to it — and at that time, definitely. There is, I think, in the area of 6,000 kilometres of grid road — yes, 6,000 kilometres of grid road take-over. I've met with R.M. groups all over this province in that, where they specifically want a road taken into the highway system.



But before I sit down, Mr. Chairman, you know, the hon. member has made quite a to-do about misleading the Assembly. Well, I'm going to refer him to page 1115 of *Hansard*, March 30, 1984. I'll give you a minute – March 30, 1984, page 1115. And, Mr. Chairman, as soon as the member has it so that the member can follow me through on that, then I will quote from the *Hansard*, and I would like him to correct me if there is a misquote here.

We will take the fourth paragraph from the top, that's one, two, three, four. And I believe it's the member from . . . I'm just quoting from *Hansard* now, Mr. Chairman . . . Mr. Lingenfelter, where he says in that fourth paragraph, page 1115, fourth paragraph. Does the hon. member have it? Do you have that page there? Okay. Fourth paragraph, and I will quote now:

I would like to tell you, as well, Mr. Minister, that the road west of Eastend was planned and in the budget in 1982.

Now I'm going to say that one more time, Mr. Chairman, because I don't want to be misquoted.

I would like to tell you, as well, Mr. Minister, that the road west of Eastend was planned and in the budget for 1982.

Did you follow me? I didn't misquote it. That's what the member from Shaunavon stated in his budget reply.

Now let me just tell you, Mr. Chairman, and let me just tell you, Mr. Minister, that's not true. That's not true at all. It might have been planned, but that's all that's ever been done with that road is plan, plan; stake, stake. It wasn't in the budget for 1982. A fact, and I stand on that record right here in this Assembly. So don't tell me about people misleading the House because that's not true. It wasn't in the budget in 1982.

So Mr. Chairman, I mean I'm trying to co-operate with the members opposite. I'm trying to co-operate with the people of Saskatchewan. I simply want to build the roads where the people want them built. The people from Eastend, Saskatchewan requested it. The Red Coat Trail Association requested it. I was down and took a personal inspection of it, Mr. Chairman, after finding that we had budgetary funds available. And because the road was in bad shape, Mr. Chairman, that section of road from Eastend west is going to be constructed in 1984. Another extension to assist the people of south-western Saskatchewan, the Red Coat Trail Association, as well.

**MR. ENGEL:** — Mr. Chairman, do you know why this gentleman said that the Minister of Highways makes a desperate effort to divert from attention the real substance? I'm quoting from a letter from Prince Albert, Today I asked you a question bout a specific piece of road at Gravelbourg, and he desperately tried to divert the attention to another remark, or to another section or to somebody else misquoting. And he stands up in this House and wastes 10 minutes of time talking about a member that's not here again. That's what kind of yellow Minister of Highways we've got. He is coloured yellow because he will talk about issues. He'll desperately try and divert attention.

Now my question is simple: are you planning on extending a road? Do you build roads where people want them, or do you build roads where you think you're going to get some political gain? I heard your party making a big lot of noise in Ottawa. I heard your party making a lot of noise in Ottawa about allocation of spending by the federal Liberals on work-created jobs. And I listened to you make your speech. And I thought to myself, talk about hypocrites, because these are the people, these are the people that are spending money where they think they can make some political gain and not where they need to build roads.

Now, Coronach is in my constituency. When is the minister going to decide to rebuild some of the roads? Coronach's delegation said, the roads, they were passing a resolution, and I

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mentioned that in last year's Highway estimates, that they were trying to decide how to best get it through the Minister of Highways; that's what kind of roads they have there. So they had a resolution there that those roads were not fit for heavy truck traffic, and they amended their resolution to take out the word "heavy truck," because the roads leading to Coronach aren't fit for traffic, period. It's a grid road that was taken into the highway program. A little oil was put on to get them over the initial construction of that plant, and nothing has been done to that road since.

And the roads leading to Coronach, from either the east, or the west, or the north, need to be rebuilt – seriously need to be considered rebuilding, because that's one of the towns in our area that are providing a service to Saskatchewan. There's a lot of people working down there that are travelling back and forth, and their road is bad.

And yet, in the project array, there's not 5 cents, not one dollar is being spent in Assiniboia-Gravelbourg. Not one dollar in the project array for grading, paving, anything. And I think that's a pretty serious thing that the . . . (inaudible) . . . when he can go to the Morse constituency and the member stands up and says they're spending \$9 or \$10 million, and not one dollar for Assiniboia-Gravelbourg, either grading or paving. I think that is political. I think you're doing it because you know you haven't got a chance down there. You're doing that because your member came in third, and for no other reason.

The people in that part of the province, the fourth largest constituency in this province, isn't getting one cent of grading, not one cent of paving, and it's not because we didn't ask for it.

Delegations were in from Coronach repeatedly talking to you. The Coronach Chamber of Commerce asked for it. Everybody's been saying, "Those roads need to be upgraded," because they aren't . . . (inaudible) . . . And now there's been approval, there's been approval – and you haven't taken their side – that the railway from Big Beaver to Coronach be abandoned, and there's going to be additional traffic on that highway down there, and that highway can't handle that traffic. You need to do something. You need to do something. Don't wait for the railway money to bail you out. This is one you've got to take the responsibility of.

Thank you.

**HON. MR. GARNER:** — Mr. Chairman, the hon. member can call me any name he wants. It's not going to bother me one little bit, because I have to answer to the people of Saskatchewan, wherever those people request, wherever those people request it. I don't care where a road runs into your constituency, or the member from Melville, or North Battleford. My concern is the problems on the roads that face the people of Saskatchewan.

We can continue this debate on a long, long time. I'm getting the information of how many dollars we are going to spend in some capital projects in your area. Now they might not all be in your constituency because I don't like to break things down by constituency. I simply like to build the roads.

Well the hon. member is going like this . . . (inaudible interjection) . . . Well, we'll give you some fact here in just a minute, but by us calling each other names in this Assembly, Mr. Chairman, I don't believe is going to be a great asset to the people of Saskatchewan. It's not going to build the many roads. He calls me green, and I call him red, because we gain nothing – absolutely nothing – by playing politics in this chamber, Mr. Chairman. Absolutely nothing is gained.

I believe that all members in this Assembly, we should work together to provide an efficient, economical, transportation network for all the people of Saskatchewan. Not because they happen to like some a little more than they like someone else. Let's solve the people's problems. Let's quite playing politics with the roads. I mean that's not . . . (inaudible interjection) . . . There, we have the support of the members opposite. Well, he asked me what are we doing? I think we

have the information sheet here for you.

Highway 43 intersection. Lighting, junction 43 and 58. Now maybe that's in your constituency, but it's in that south-west area. We're going to put a light in there. It's maybe only \$3,500, but it's \$3,500, and the people from that area have brought forward a request for a light at a junction because it looks like . . . it's a possible scene for accidents to happen. So let's light it up. Let's try and keep from having an accident take place — just \$3,500.

I can go over to Highway No. 2, Special Safety Improvements, from Mossbank east access, road sight line. We're going to clean up the sight line there — \$15,000. It's a special safety improvement. Now surely to goodness, the member opposite can't complain about safety improvements on the highways for the people. We hope not, because even if you do complain I'm not going to pull something like that, because the people have requested it.

Let's talk about another one. Lafleche. Grading and paving on the main street. Department expenditure, \$205,400. Now are you going to go out to those people in Lafleche — and I don't know whether that's in your seat — and say, "No, no, no, we don't want to spend any money there. We don't want to fix up your main street." I don't think so. I don't think so.

I'll go to another one. Rockglen. Grading and paving on Centre Street. \$100,000 project, funded with the town, \$50,000 by the Department of Highways and Transportation.

Gravelbourg Airport. Operation and maintenance of secondary airport, \$2,200. Surely to goodness we're not going to go out to that town of Gravelbourg and say, "No, we're not going to give you any money for maintenance and operation of the airport." I don't think the hon. member really means that.

And other specific ones. Total for rural surface transportation and some of the ones we've mentioned already, \$46,000.

You know, Assiniboia. Another one for operation and maintenance of their airport, for a total expenditure \$463,000. Roughly in that area. Now they may not all be in your constituency, but in that area, Mr. Chairman.

**MR. ENGEL:** — It's interesting, Mr. Chairman, that the minister can stand up in one breath and say that we're not politically dividing this thing up, and I'm not going to be political in this road. And yet he just happens to handily have a little total package for the maintenance in my constituency. I said, "New construction and new contracts." Those are maintenance things. Those are under maintenance. They are not in your . . . (inaudible interjection) . . . the page I got. I didn't get your working sheets in there, but the statement I made that there wasn't \$1 in my riding was on your construction projects and your contracts you're letting out.

And by the way, I think that's a good idea to spend \$200,000 on main street in La Fleche because we don't have a very good main street there. How much of that is La Fleche going to have to pay?

**AN HON. MEMBER:** — How much what?

**MR. ENGEL:** — How much of that does La Fleche have to pay? What is the cost sharing on that 200,000?

**HON. MR. GARNER:** — The total project for La Fleche is \$410,800, shared 50-50 with the department, so they have to pay \$205,400. The Government of Saskatchewan pays \$205,400.

**MR. ENGEL:** — That formula is the same, that hasn't changed. That's the formula that we've

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been using in the past for . . .

**HON. MR. GARNER:** — No, that formula hasn't changed.

**MR. LUSNEY:** — Mr. Minister, I listened to you here a while ago talking about how you're building roads for the people, and where the people want them; you're not going to make road construction a political thing. And I find it very interesting to listen to you. And I find at the same time that many of the things that you are saying are totally untrue. If what you're saying was true, that when we were building roads when we were in government that they were all political, and you've said that time and time again, but now none of the roads are political.

Well, Mr. Minister, I could go to a few roads, and I could go to one where an oil treatment — MacNutt, the Manitoba border. Now that's supposed to be a road, I suppose, that's not political in your belief — right; that it will be something that the people have asked for. And he is correct. The people have asked for it. But that road was approved under our administration . . . (inaudible interjection) . . . Well, oil and aggregate was stockpiled and was supposed to have been laid in 1982. It took till 1984 for the minister to decide that, finally, this is not a political road any more, and that he should do it.

There are other roads, Mr. Minister, that I can go to and indicate the same thing: 15, Leross to east of Punnichy, again was on our program, was supposed to be completed in '82. Those people are still waiting for it in '84. It's on your project array in '84.

Now, Mr. Minister, I think I would just like to clear up to the public of Saskatchewan. We also built roads where roads were required, and we did it at a time when it was necessary, and before the road was at a point where there was no hope of saving it, but would have to go to total reconstruction again. This is what you're doing with many roads.

And I said to you last year, Mr. Minister there's a road in my constituency Highway 8, south of Kamsack, which was a good road. It had just a light coat of oil on it. Since 1969 I had made the request to the former government to put it on their project arrays. It was supposed to have been on a couple of years ago. You have kept pushing it off like you've done with Punnichy, like you've done with MacNutt, and these are roads that people want — roads that, if they were resurfaced at the right time, would remain as good roads and wouldn't require total reconstruction or grading on those roads. It would save money for the taxpayers of Saskatchewan.

And, Mr. Minister, when you get up in that sanctimonious manner of yours and say that what you were doing is for the people, at the request of the people, and is in a way so different from what was always done, well, Mr. Minister, it is not different. I am just saying that I wish that on some of these roads you would have moved two years sooner and not waited till '84 to build roads, or to resurface roads that should have been resurfaced two years ago. That, Mr. Minister, is what I am saying that you should have done.

Will you make commitments — and while I'm up here, will you make a commitment that you will take a serious look at Highway 8 before it is totally in a condition where no one will be able to drive on it? — where tourists travelling on that road are busting windshields because there's repair crews there day in and day out And that road is getting wet below because of the break-ups in it, and it will not be just the resurfacing that will be required, but a total grading that may be required in the future.

**HON. MR. GARNER:** — Mr. Chairman, I'd just like to clarify . . . The hon. member — and if he would give us those roads again that were on the '82 project array. Was it correct, from MacNutt to the Manitoba border? Is that correct, you said, "was on the '82 program array"? Now, when you say . . . I'd like . . . The hon. member's going to have to assist me. When he says, "approval," I mean, was it an approval, was it a promise, was it committed? If he could just give us . . . What

was the other road you were looking at?

**MR. LUSNEY:** — That road from MacNutt to the Manitoba border, 381. There was approval given for it by the previous administration. There was asphalt that was mixed and stockpiled, and all that had to be done was for that to be completed. That's what I'm saying, Mr. Minister.

**HON. MR. GARNER:** — Well, Mr. Chairman, we have here the project array tabled by the former minister, Mr. Bob Long, and Highway 381 is not on here. The gravel was stockpiled for it, but was not on the project array. Now I can only deal with what their minister of highways and transportation left me with. He left me with this project array. It wasn't on . . . it wasn't on the project array so, I mean, the member can say it was approved. It was approved. It wasn't announced on the project array tabled in his Assembly by the former minister of highways and transportation.

What was the other road, and we can maybe clarify that one, too?

**MR. CHAIRMAN:** — Could the member ask his questions from his feet?

**HON. MR. GARNER:** — Regarding Highway No. 15: yes, the member is correct. It was on the project array. We have it on the project array. There is a problem obtaining easements on land because there is an Indian reserve along that section of road. The previous administration had problems obtaining land there. We've had some problems obtaining land there. So that's why it still hasn't been constructed: in order to be able to obtain that land.

**MR. LUSNEY:** — Mr. Minister, there is a number, a good number of roads that I can refer to that have been on the project array in the past that could have been built within the last two years. You chose possibly to build some different roads, not saying that you'd be political at all — never, Mr. Minister. But you chose to build some other roads. You chose to build other roads that weren't on the project array, but now you are going back to the same roads that were on the project array under the previous administration. They were not political roads then. They were roads that were required. They were roads that were being asked for by the public, and I would hope that the department would continue to operate in that fashion.

But they are building roads where it is necessary, where they can save some dollars, and I mention to you No. 8 Highway. Would you make a commitment to look at that road, to see if you can get that resurfaced before it does break up totally, before it got down to a point where that road will have to have a total grading to dry it up, rather than just a resurfacing? This is what I'm getting at, Mr. Minister. Try and save some money for the people of Saskatchewan, and not whether they're political or not. It's where it makes sense, an economic sense, to do it at a given time.

**HON. MR. GARNER:** — Yes, Mr. Chairman. I'll make a commitment to take a personal inspection of that road, along with the deputy minister. I must point out at this time that my Legislative Secretary, along with the associate deputy minister, Mr. Merv Clark, are even working weekends going out to some of these specific problems in the province of Saskatchewan in order to try and accommodate the people of Saskatchewan and their needs. But I will make that commitment to take a very serious look at that road.

**MR. LUSNEY:** — Thank you, Mr. Minister. I have a question now relating to some highway equipment. Have you sold, by tender or by auction, any highway equipment in the past couple of years?

**HON. MR. GARNER:** — Well first of all, I should point out for the hon. member opposite that we don't sell any equipment. We don't sell any equipment. Supply and Services do sell the excess, some of the excess highway equipment; and in assisting you with your question: yes, to our

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knowledge they have sold some pieces of equipment within the last couple of years for the Department of Highways and Transportation, but the Department of Highways and Transportation doesn't sell any equipment.

**MR. LUSNEY:** — Could the minister give me a description of the equipment that has been sold, either by tender or by auction, through Government Services — highways equipment that has been sold through Government Services — and give me a description of that equipment, when it was sold, what the original cost of that equipment was, or what the appraised value of it was when you sold it, and what you may have received for that equipment at the time of sale?

**HON. MR. GARNER:** — Yes, we don't have that information . . . we don't have that list of that equipment here, Mr. Deputy Chairman, but we will provide the hon. member with a complete list, everything that we have not sold to Supply and Services, but we have turned over to them to sell for the Government of Saskatchewan. We'll give you that complete list.

**MR. LUSNEY:** — Are you saying, Mr. Minister, that you do not have a list of the equipment that you have turned over from the department to Supply and Services to be sold at this time?

**AN HON. MEMBER:** — We want to see it.

**HON. MR. GARNER:** — Mr. Chairman, maybe we should clarify. The member was asking about equipment in the last two years. I think what the member is most likely asking about is the equipment that we have turned over for the auction sale coming up, not . . . okay. Well, we don't have that list. We have a list of some of the other equipment here that we have turned over to Supply and Services, and we can provide that to you, or the Minister of Supply and Services you can obtain that list from. You could even contact the auctioneer that is holding the sale, I imagine, for a copy. But we haven't got that copy of that information right here, but we can get it for you as soon as possible.

**MR. LUSNEY:** — Mr. Minister, I was asking about — not the current equipment that might be sold, but the equipment that has been sold over the past two years that belonged to the Department of Highways. That was the equipment I was asking about, and you're saying that you do not have that list of equipment that has been sold over the past two years. Is this what you are saying?

**HON. MR. GARNER:** — Yes, basically the equipment that we have given to Supply and Services to dispose of is equipment that has been depreciated or is worn out. We'll get that for you. We'll have to go to Supply and Services and get that, and I know the equipment now you're referring to. We'll get that for you as soon as we can and provide it to you.

**MR. LUSNEY:** — Mr. Minister, I have some difficulty in understanding why you would have to go to Supply and Services to get that equipment when it's equipment that Highways, Department of Highways and Transportation has turned over to Supply and Services for sale, I would think that the department would have record of the equipment that they have turned over to be sold, or equipment that they have tendered, through whatever department it may be — Supply and Services, or any other manner in which they chose to dispose of it in. I would think that you would have that equipment, that record, a list of that equipment that you have moved to some other department to be sold or disposed of. Do you not have that list within the department?

**HON. MR. GARNER:** — Well, Mr. Chairman, as I stated, we don't have that list with us right here. We have a great deal of information here, but we just don't have that information. I'm not saying to the member opposite that he can't have it. I'm just saying that we don't have it here. We'll get it for him as soon as we can put it together. We want to give him a very accurate document. I'm not trying to hide anything. I've personally committed to the member opposite that we'll provide him with a list of that equipment.

**MR. LUSNEY:** — You stated, Mr. Minister, that you have some other equipment, then, that you have turned over to Department of Supply and Services to be disposed of in the near future. I suppose we'd be talking about the equipment that is now turned over, or has been turned over, from Department of Highways to Supply and Service to be auctioned off in May. Do you say that you don't have that list of equipment, or do you have a list of that equipment and the description of it, the appraised value of it, at this time — when it may have been purchased by the department, the age of that equipment, do you have all of those details, Mr. Minister?

**HON. MR. GARNER:** — Mr. Chairman, we have approximately 440 pieces of equipment. Loader . . . the types of units being loaders, crawlers, graders, light and heavy duty trucks, transport trailers, camp equipment, asphalt plants, asphalt distributors, packers, light plants, air compressors. If you want, I could read the whole list off, but . . .

**MR. LUSNEY:** — Mr. Minister, if you could send that list over I would appreciate that, and could you repeat how many pieces of equipment you have turned over to Supply and Services to sell?

**HON. MR. GARNER:** — 440 pieces of equipment.

**MR. LUSNEY:** — Mr. Minister, out of those . . . would you supply that list to me at this time?

**HON. MR. GARNER:** — Just a minute, we're getting it pieced together. It's fairly extensive.

**MR. LUSNEY:** — Mr. Minister, while your officials are doing that, could you enclose with that the description of the equipment, when it was purchased, what the purchase price of it was, when it was purchased, and what the estimated appraised value of it is at this time?

**MR. CHAIRMAN:** — Does the minister have the . . . There's two requests for material. The first request is for a list of the equipment, and the second request, as I understand it, is for the original costs of the equipment. Does the minister have that type of information available?

**HON. MR. GARNER:** — We have, I think, what the member opposite is asking for. We have the number of units, the book value of it, the capital cost, depreciated, how much it has depreciated — percentage, and the replacement cost. I think that's everything. I just want to make sure that we're providing the member with an accurate piece of information.

**MR. CHAIRMAN:** — Do I understand that the minister is going to send that information over?

**HON. MR. GARNER:** — Right now, Mr. Chairman.

**MR. LUSNEY:** — Mr. Minister, do you have a detailed description of each individual item that's up for sale, the piece of equipment that's up for sale that I could receive? If not right now, then at a later time.

**HON. MR. GARNER:** — Well we can provide that, Mr. Chairman, but the auctioneer would also have a copy of this same type of equipment, that it's the same equipment that's going into the sale, so, the same type of equipment.

**MR. LUSNEY:** — Mr. Minister, a lot of the equipment that's being sold by public auction on May 16 and 17, do you have a reserve bid on any of the equipment that you are putting into the auction, or not?

**HON. MR. GARNER:** — No, none whatsoever, Mr. Chairman.

**MR. LUSNEY:** — So, Mr. Minister, what you're saying then, is even though you have the equipment valued in your estimates at some \$33 million worth, some of that equipment, since

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there is no reserve on it, the total amount of that equipment could be \$10 million or less from the auction, and it would still be going. You would not be holding back any equipment that you felt that it was selling for a lot less than the estimated value of it.

**HON. MR. GARNER:** — Well, Mr. Chairman, just a couple of points. I mean here I can send the member over where it says, “Saskatchewan Government Unreserved Public Auction Sale.” And I’ll send that over to the member opposite.

And also we should note that we were looking at values, the book value, and that you have a sheet in front of you there. The book value of that equipment is \$6,044,660. That’s the book value of it. So if the member wants one of these auction brochures, I can . . . (inaudible interjection) . . . He doesn’t want it. All right. The member from Assiniboia-Gravelbourg wants it, so we’ll let him have something to read.

**MR. LUSNEY:** — Mr. Minister, you say the book value. There’s something in excess of \$6 million. You know very well that book value could be set fairly low, and usually is, and that’s not necessarily what you can replace that equipment for. You’ve got replacement costs here at \$33 million. Now if you have to turn around and buy that equipment again, you are not going to be able to buy it for the \$6 million, or the book value that you have down there. You’re going to have to pay a little more than that for it.

So, Mr. Minister, since you are not having any reserves put on this equipment, it’s liable to be selling very, very cheap – really fire sale prices at that auction sale. Do you feel this is the best way to have – I use to dispose of people’s assets, assets of the Saskatchewan people – taxpayers – to virtually give away this kind of equipment at an unreserved public auction rather than maybe having tendered it where you could have received more money for it? And it would have made more sense to try and get as much value out of that, or as much money out of that equipment to return to the taxpayers of Saskatchewan.

Since you made that decision to dispose of it, which I don’t agree and I’m sure the public in Saskatchewan don’t agree with, but since you made that decision, don’t you think it would have made more sense to try and get as much out of that equipment as you could, rather than putting it up for auction where it’s just going to be virtually given away, rather than being sold for at least its value?

**HON. MR. GARNER:** — Well, Mr. Chairman, first of all, I would like to point out that we have no intention of replacing this equipment – none whatsoever. We’d better clarify that right now. Mr. Chairman, when they say about the great value of it, and I’m sure not trying to cast a dark shadow over the auction sale because I believe that a public auction is the most fairest, democratic way of selling anything. I mean we’re not selling it off to any members’ friends or anything else.

Now just look at some of the pieces of equipment here. We get to crawlers, large – large crawlers. There’s one here, 1964; another one, 1970. Tractors, 5 tractors, older than 1964. We’ve got 23 trailers and wagons before 1964. I can move up to 1967 – 24 cabooses. You know, I could read off many lists, you know. I look at this list and I don’t see \$40 million worth of equipment. If we get \$40 million or \$60 million for the equipment, I imagine the Minister of Supply and Services will be very pleased, very delighted. We’ll take it. But I think it’s only fair that a public auction is the best way to disperse of this equipment.

**MR. LUSNEY:** — Well, Mr. Minister, it’s been very obvious from the beginning, I think since the ’82 election, that you are prepared to dispose of just about all the public assets that there are in this province, and you definitely will not be replacing them. I can understand that. That is not your philosophy. You are there just to sell at this point. You’re interested in getting a few dollars.

But, Mr. Minister, any equipment that has ever been sold in the past has usually been put out on



tender where the prices generally come in a lot better than they do at a auction. That's how most of the government equipment has been sold. Now why did you choose to give away so much of this equipment at a given time, at one time, really, where you know that it is not going to bring the same amount of money as it probably would have if it was put out on tenders?

**HON. MR. GARNER:** — Mr. Chairman, I'll just give you a few more stats here for the member opposite. Units: 6 years to 10 years old, 159 units, 37 per cent; 11 years to 19 years old, 144 units, 33 per cent of the total; 20 years and older, 50 units, 14 per cent. You know, Mr. Chairman, it proves that we're not selling 1982, T-124 scrapers in this auction sale.

As far as between tendering and public auction, tendering is done in some cases — in most cases — by closed bid. This year, instead of someone mailing in a bid, they stand up at an auction sale, the auctioneer asks for a \$100, the individual raises his hand to take that bid. I mean, I can't see the great difference between the two.

**MR. ENGEL:** — Thank you, Mr. Deputy Chairman. I appreciate you sending this brochure over, but this isn't really a list. It says here:

A detailed catalogue will be available on or before April 1, 1984 containing equipment listed.

Have you that equipment list available?

**HON. MR. GARNER:** — We don't have that list, but my colleague, the Minister of Supply and Services, would have that list and he would, I think I'm fair in assuming, would be very pleased to share it with all members of this Assembly, because we do run a very open government.

**MR. ENGEL:** — How did you come about determining who the auctioneer would be? I've sold heavy equipment on auction sales in the past, and I've bought heavy equipment in auction sales of the past. I was wondering how you determine who runs a sale and what auctioneers you get?

**HON. MR. GARNER:** — Mr. Chairman, we only provided the Minister of Supply and Services with the equipment. I think that question could be asked of the minister in his estimates. I had nothing to do . . . I just supplied him with the equipment. That question could be directed to Minister of Supply and Services.

**MR. ENGEL:** — It says:

Some of this other equipment that will be on the sale isn't necessarily . . .

The sale isn't necessarily all equipment just from the Department of Highways?

**HON. MR. GARNER:** — Once again, Mr. Chairman, I don't know. That question would have to be directed to my colleague, the Minister of Supply and Services.

**MR. LUSNEY:** — Mr. Minister, this equipment that you are selling, and it will be sold, do you have any at this point, since that is all, or a good part of that equipment, I would assume, would be Department of Highways equipment . . . Do you have any Highways construction crews left at all now?

**HON. MR. GARNER:** — Yes, we do.

**MR. LUSNEY:** — Could the minister state how many construction crews he has left, and where they are?

**HON. MR. GARNER:** — Yes, I'll have the list here for you in a minute. I think it's in the area of

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approximately 129 people left in what we call works branch, but I'll have that for you here in just a minute. It's right here. We have, Mr. Chairman, one grading crew with 24 employees; two oiling crews with 29; one sand-sulphur crew with 7; and we have seven bridge crews with 69, for a total of 129, shall we say, construction capacity within the department, and we have done that to retain a window on the industry so that we can make sure the prices that we are getting are the best possible prices, and the best use of the taxpayers' dollars in the province.

**MR. LUSNEY:** — Mr. Minister, could I get a copy of that information that you have just referred to? And also, you stated that you have one grading crew left, with 24 people. Mr. Minister, is that grading crew going to continue building? Do you still have some construction equipment — that will stay with them where they can do some of the jobs that have been done in the past, some of the jobs for the small towns, possibly doing main street work, some of the oiling crews. You have one oiling crew left, you say. Will this crew continue to do the small jobs as they have done in the past, and do you anticipate getting rid of these crews for next year, or do you intend to keep these crews on next year and until you are defeated in the next election?

**HON. MR. GARNER:** — We can write up that information you want. It's the same thing as what I've read into the record. If you want a written copy of that, we'll write that up for you.

But yes, we do have some equipment left, because I think it would be totally irrational on our part if we had crews left with no equipment to work with. So yes, we do have crews left, and we do have equipment for those crews to use. The one crew I look at, the one oiling crew, is basically for working in small towns, as I had answered a question the member opposite was concerned about — some paving and that in his town. Yes, they do have that capacity, and they do have the equipment.

**MR. LUSNEY:** — I may be wrong, Mr. Minister, but I thought last year you had two sand-seal and two oiling crews left. You could correct me if I'm wrong. And if you did have two crews of each last year, are you going to be dismantling one of each, one sand-seal crew and one oiling crew — mixing crew, pardon me — mixing crew, in this fiscal year, really? Because to this point you haven't indicated that you are going to be cutting down on mixing crews at all, and I was just wondering: are you going to be eliminating one crew of each this year?

**HON. MR. GARNER:** — After the announcements that have been made — just so the hon. member understands — the realignment has taken place in the Department of Highways and Transportation. There will be no further realignments in the Department of Highways and Transportation, either in the sealing crews which I believe you are referring to, or in the works branch sector.

**MR. LUSNEY:** — Mr. Minister, since your department is no longer going to be really involved in total large grading jobs any more, how are you going to monitor the bids that will be coming in? How will you be able to know whether they are coming in high, or whether they are coming in at a reasonable rate? What are you going to use as a criteria for determining whether the bids are reasonable, or whether they're getting excessively higher, since you are no longer involved in the business?

**HON. MR. GARNER:** — Well once again, Mr. Chairman, that's not correct. The one grading crew will be doing work on section 106. That's 32 kilometres north of park boundary to big Sandy Lake — well, pardon me, it's not 20, it's 19.78 kilometres — and that grading crew will be doing that project this year themselves.

**MR. LUSNEY:** — Now, Mr. Minister, if you're going to be using that grading crew as an example of what the cost of constructing a road might be, I would say that maybe your figures will be a little wrong, I would almost say because when you're looking at where that crew is going to be working — in the North, where it is always more expensive, or has been always more expensive

to build roads in that area – and that is going to be a very, very poor indicator of what the cost of building a road in the South is. Are you going to be using some factor in saying that the North is higher in road construction; these are the costs up there because of the different factors involved, and that way you'll be bringing down what you think the actual cost of constructing a road in southern areas might be?

**HON. MR. GARNER:** — Well, Mr. Chairman, first of all we take an average of the province and that. And I can look at a sealing crew – and I think the hon. member is aware enough about highway construction – that a sealing crew does work throughout the whole province and that. So that is just another example of how we can keep a window on the industry and an idea on their costs, whether it's down in south-west Saskatchewan, north-west, north-east, or south-east and that. They'll be working all around the province.

**MR. LUSNEY:** — Mr. Minister I understand that with the sealing crews. But that won't necessarily be happening unless you are going to allow that to happen with the construction, or the grading crew also, where once they're done with Highway 106, that you might be moving them into some other areas of the province, in central Saskatchewan or southern Saskatchewan, which will also give you a good indication of what the costs are to build roads in other parts of Saskatchewan, other than the North.

**HON. MR. GARNER:** — Well, that's their project for this year. I don't know what their project would be next year. Their project could be working around the town of Kamsack or Eastend. I mean this is a project they work on this year. Their project next year has not been identified yet. So once again they're not just to work in the North. They can work anywhere in the province of Saskatchewan.

**MR. LUSNEY:** — Mr. Minister, in your budget, in the *Estimates*, you have virtually the same amount of money that's going to be spent on construction this year as you did last year. Now given the fact that there is a certain amount of inflation, that costs are going to be a little higher, wages possibly might be going up a little, it's difficult to say, but there are always some costs associated with any kind of work that is being done – are you saying that because of the budget you have here, that is really no higher than it was last year, that you're going to be able to do (in fact, as my colleague says the budget is a little smaller than it was last year), are you going to be able to do the same amount of work, or does that mean that we'll probably be going to a little less work in Highways this year?

**HON. MR. GARNER:** — Well, Mr. Chairman, once again, the work that we have decided to do for this year, the road construction that we're going to do will be in that expenditure. We're budgeting for \$110 million in capital, and we're very confident that every one of these projects that was announced will be begun, and weatherman co-operates with us, will be completed. But once again, we're at the mercy of the weatherman on some of these roads and some of these situations.

**MR. LUSNEY:** — I appreciate the fact, Mr. Minister, that possibly the weatherman will have some hand in determining just how much work he'll get done. But at the same time, since there is going to be less money in the budget than there was last year, it would appear that a lot of these projects may get started but won't necessarily get completed. We'll be back on the project array next year for completion, and with a few others added which will probably make your project array look real long.

In the crews that you have, the one that's up north, the grading crew, Mr. Minister, that you say that you have . . . You have two oiling crews, one sand-sulphur crew, and seven bridge crews. Could you tell me where these crews are operating out of – where they may be situated? I know they travel throughout the province when they're working – the oiling crews and the sand seal crews – but where are they stationed at this time? Where does the crew originate from?

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**HON. MR. GARNER:** — We have a sand sealing crew working in Yorkton, Swift Current, and North Battleford. The grading crew is headquartered in Prince Albert. Sand-sulphur, home base for them is Moose Jaw.

**MR. LUSNEY:** — Mr. Minister, one question regarding the costs of the different, the comparison costs of the different, or the amount of work that has been done. You have stated on numerous occasions that the government crews were a lot more expensive, and it cost more to operate with the government crews, and this was your reason for disposing of the equipment and the crews, and it was cheaper to build roads through the private sector.

Does the minister have some detailed cost comparisons, and the criteria that he used in his comparisons, to determine how the grading, the public crews, the Department of Highways' crews, were more expensive in road construction than the private crews were? And could you tell me what areas you used to determine the cost of a specific piece of road? Could you give me that study that you have made which you have stated that you have documents that would indicate that it was a lot cheaper to go the private sector route? Could you give us all of that information that would prove that you are right — and I say you're not — but could you give me that information?

**HON. MR. GARNER:** — Well, Mr. Chairman, I do have a copy of some information I would like to share with the member opposite . . . (inaudible interjection) . . . You're going to get a copy right now if you would be quiet and engage mind before something else.

I'll get you to go to the back page of the package that I've sent over to you. It's private sector versus public sector, cost comparisons. Indirect costs. Indirect costs are costs which are not charged back to the public sector projects. We'll look to take it item by item:

1. Fuel tax. DHT (meaning Department of Highways and Transportation) does not pay federal fuel tax — 1 per cent;
2. Interest on investment. Cost of financing — use prime rate of 11 per cent plus 2, or best . . . (inaudible) . . . rate, brings in a factor of 13.5 per cent;
3. Payroll surcharge (I won't read it all) — 4.8 per cent;
4. Management and administration. This includes training — 3.2 per cent;
5. Overhead, office space, and repair facilities — 4 per cent;
6. Insurance and bonding — 1.3 per cent;
7. Legal costs — 1 per cent;
8. Unidentified business costs, including property tax, organizational dues, charitable donations, etc., — 1 per cent.

for a total of 29.8 per cent.

So there's a note on the bottom of that page. Federal income tax has not been included in this calculation.

**MR. LUSNEY:** — Mr. Minister, this hardly gives us any kind of information at all. I would like to see a comparison of how you establish the fact that the private or the public crews, Department of Highways crews, cost a lot more to construct one kilometre of road than does the public sector. Now all the things that you have listed . . . I am sure that when the public sector takes into account interest — they have to if they are going to be constructing roads. They have to also

look at payroll charges. They've got management administration. I'm sure it's there somewhere. They've got overhead costs some place too. These things that get listed here really have no relevance, as far as I'm concerned, to the actual cost breakdown of constructing a mile or a kilometre of road.

**HON. MR. GARNER:** — Mr. Chairman, I refer you back, then, to the first page of the information I sent over to you — private sector versus public sector, cost comparisons, 1983.

Seal coat, private sector, provincial average — \$1,822 per kilometre. That's in a range of 1,359 to 2,144 per kilometre. These are contract items only. And it's an average of seven contracts.

The public sector — provincial average is 1,750 per kilometre, contract items only. Total average cost breaks down to 2,272 per kilometre.

Comparison: private sector costs (and this is a comparison on seven contracts) of 1,822 per kilometre; public sector costs of 2,272 per kilometre. The public sector costs are 24.7 per cent higher. Indirect costs are costs not charged to public sector projects.

We can go over to the second page. Do I have to read this into the record, or will the member take the information that I have given to him? Okay.

**MR. LUSNEY:** — Mr. Minister, again, you've got a comparison. At the first set of figures, it shows that the public sector could do the job as cheap, if not cheaper. You're adding on a factor that you have put into there, and that's indirect costs, or costs not charged to the public sector projects.

Now those indirect costs I don't think really apply, because that office is still going to be there, your maintenance shops are still going to be there, you're still going to maintain the same amount of employees, virtually, as you had before, in most areas.

So when you start applying that, additional costs that you're putting in there to make it appear as though the public cost is a lot higher in constructing that kilometre of road, I think that is not accurate.

If you're going to go by those figures, I would like you to give me a detailed list of just what you used in determining these costs, everything, to the public sector and the private sector. I want them listed in detail, what you used, what criteria you used in determining the costs, in both.

**HON. MR. GARNER:** — Well, Mr. Chairman, I did give you a copy of the criteria. I didn't just read it. I gave you a copy of that criteria. We have to look at indirect costs. I mean the power bill has to be paid. The deputy minister's salary has to be paid. Equipment has to be paid. There's interest. I mean there's taxes. All of these things have to be taken into account.

When a contractor bids on a section of road, he does take all of his costs into consideration, direct and indirect, Mr. Chairman, so that we do have one figure from the contractor, what he will charge us to either seal coat or grade that section of road for the people.

Now these indirect costs, you just can't hide them and say, well, somebody else can pay the power bill, someone else can pay a percentage of the cost to run Humford House, or the district office in Swift Current. But these are real costs that have to be looked at, Mr. Chairman. We have looked at these costs and come up with this analysis.

**MR. LUSNEY:** — Mr. Minister, I think we could spend a week on this, but I don't think we'll have to spend that long. But I'm going to still ask you for more information.

Again, the things that you have stated are definitely not true. None of that applies, or should

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apply, to determining the costs of the private and the public sector because you're still going to have a deputy minister within Department of Highways. You are still going to maintain Humford House. You are going to be paying the power bills there. You're going to maintain your office in Yorkton. It's still going to be there. Every one of those builds are going to be there.

Unless, of course, you're telling me now that what you are going to be doing is selling up everything, and you won't even have a deputy minister any more. If you're saying that, then I could say yes, apply your criteria in estimating those costs.

But if all of that is going to remain there, don't use it in your costs. And then that would prove, and it would indicate, that the public sector was able to do it, in most cases, cheaper than the private sector and, there was really no visible difference in the two.

So you shouldn't be going around trying to tell the public, and deceiving them, in really saying that the private sector is going to be that much cheaper. You should be saying that there is really no difference in either one, and that both were doing an adequate job in the past because they both were operating in this province, and you should have just left it the way it was.

**HON. MR. GARNER:** — Mr. Chairman, I'll refer back to this other page. The fuel tax; yes, the fuel tax is in there, doesn't have to be paid. Interest on investment doesn't have to be paid — 13.5 per cent. Insurance and bonding doesn't have to be paid. Legal costs don't have to be paid. I mean, Mr. Chairman, the member is right. We could stand here for a week and debate it back and forth. I guess the best thing to say is that we will agree to disagree. He has this thought on it. We have our position and our thoughts on it, Mr. Chairman.

**MR. LUSNEY:** — Mr. Minister, will you table an itemized paper of how you determined these costs; what were used in them; what contract you used from the private sector to determine the costs; if you used a contract, a certain specific contract; detail every item that you used in coming up with these figures that you have on this sheet? Will you table that in detail, not just what you have here using a figure, because anybody can come up with figures? I'd like to know what the components of that study was, how you came up with these figures.

**HON. MR. GARNER:** — Well, I have a couple more sheets here, Mr. Chairman, that I will share with the member opposite in a comparison on the cost and the difference of price in different contracts, and I'm quite prepared to share that with the member opposite.

**MR. THOMPSON:** — Mr. Chairman, a few questions to the Minister of Highways. In the array that you have put out, could you indicate whether everything that's in the array will be tendered and awarded in 1984?

**HON. MR. GARNER:** — Yes, yes, in the fiscal year. Yes, it will be. It goes back to the project array that I tabled last spring in this very Assembly. That, also, was all tendered or work done by government crews in that year.

**MR. THOMPSON:** — Could you give me the percentage of contracts that will be awarded, number one, by May 1 and, number two, by July 1 — the percentage of contracts that you intend to award within this array?

**HON. MR. GARNER:** — We have that information here. It will just take us a minute to find it, but

we're quite prepared to share that with you.

**MR. THOMPSON:** — It's quite interesting, Mr. Chairman, to listen to the Minister of Highways talking about building roads where people want them and asking for input, and I want to indicate to you, Mr. Chairman, that I have made input to the minister, as he has requested. As I look at the array for 1984-85, I see very little work that is being done in the Athabasca constituency as far as tenders that are going to be awarded.

My question is on oil treatment on 155. You indicate in your array that there will be approximately 14 miles of oiling done in the summer of '84. Could you indicate if this is a fact?

**HON. MR. GARNER:** — Mr. Chairman, there will be 50, on No. 155, 53 kilometres north of Buffalo Narrows to south of La Loche. There'll be 23 kilometres who receive an oil treatment in the '84-85.

**MR. THOMPSON:** — I would assume that that 53 kilometres north of Buffalo Narrows is at the end of the oiling right now, or has some of that been done?

**HON. MR. GARNER:** — Well, to my information I think it hasn't been done yet. It's continuing on past that one there. We wouldn't be re-oiling something that is already oiled there.

**MR. THOMPSON:** — Well I'm not too sure about that, because when I look at 53 kilometres north of Buffalo Narrows, when I drive that road, a portion of that has already been completed.

Would you not agree, Mr. Minister, that for the coming construction season that there is nothing else in your array for the constituency of Athabasca except the 14 kilometres that you are going to oil?

**HON. MR. GARNER:** — I'll have that information for you just right away.

Roughly up in that north-west part of the province we'll be spending about \$1.5 million on expenditures up in there. And I can share some of them with you here.

I look at, specifically, the oiling on 155, from 53 kilometres north of Buffalo Narrows to south of La Loche; \$1.1 million is budgeted for that.

I look at Highway 955, creating a new winter road, junction 55 to Descharme (I may not be pronouncing that correctly), \$100,000.

I look at Highway 165, miscellaneous special construction, from McLurg Creek, rip-rapping the slopes with a 12,000. Highway 165, community access lights in Beauval, \$8,000.

Highway 155, lighting junction of 155 and 55 has been identified as a problem area. There'll be a light constructed there. Miscellaneous special construction, one kilometre north of the Cowan River, sub-grade repair, \$7,000 there.

I look over at Highway 914, miscellaneous special construction north of junction 165. We're going to raise the grade there, \$5,000; Highway 165, again, special construction east of Beauval — we've got some erosion repairs have to take place there, another \$8,000; signing from Michel to Dillon is \$1,000. Really, the subtotal rural surface transportation is \$1,350,400.

**MR. THOMPSON:** — Mr. Minister, you're talking about rip-rapping culverts in areas that are not even in the Athabasca constituency, talking about Highway 165 and other numbers. What I was indicating to you was what in the array for the Athabasca constituency, and you were wandering off in a lot of other roads in other constituencies.

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It has been suggested, and you have suggested yourself, Mr. Minister, in the press, that this would be the last year that you would be constructing road across Lake Athabasca. Have you made that final decision yet, either to build it next winter, or is this the last year?

**HON. MR. GARNER:** — Well, just further on, just maybe to back up to your other point there, maybe I did stray into some other areas there, because I don't like to break them down per constituency in a north-west area of the province. I don't like to break down per constituency.

As far as the winter road goes, yes, we'd stated that this would be the last year. And I believe, if we have the figures here on the number of vehicles that went across that winter road, that that's the reason why we made the decision. There were requests from any trucking firms and residents who still had possession and homes, etc., etc., in Uranium City, to enable them to move whatever commodity it was out, and also an inflow of some commodities that were needed in Uranium City for that whole northern area. So I can give you the figures as to the traffic flow on that.

**MR. THOMPSON:** — Mr. Minister, for my own information, could you indicate the amount of money that was spent by the Department of Highways this winter in constructing that winter road and maintaining it? I know that there was an extra two or three weeks added because of the cold weather. Could you indicate what it cost the department this winter?

**HON. MR. GARNER:** — We don't have the final figures in yet, because all the costs are not in yet, but in that \$280,000 cost was the cost for the construction and maintenance of the Uranium City winter road. Approximately — we're getting the closer numbers now — approximately 600 vehicles for that winter road.

**MR. THOMPSON:** — You have indicated that that is the end of the winter road to Uranium City. The folks up in Uranium City cannot expect to have that winter road open next winter?

**HON. MR. GARNER:** — No, I haven't really said that. I think we have to take a look at it and see what is there, what has to be moved another year. I guess what we said to people of Uranium City even two years ago, you know, Eldorado has shut you down, you know, they've shut down Uranium City. We want to enable you, whatever way we can, to move out of Uranium City and that. And I'm not saying it's not going to be, but if there isn't traffic to warrant a winter road to Uranium City there's no point, I don't believe, in building that winter road to Uranium City.

On another question that you had asked earlier regarding tenders to be closed, there'll be 10 tenders closed by May 1, '84, and 21 tenders closed by July 1 of '84, for a total of 31.

**MR. THOMPSON:** — Could you indicate what the percentages of them figures would be? You indicate 10 contracts and 21 contracts. That doesn't give me much indication as to the percentage of your Highway array.

**HON. MR. GARNER:** — We'll have to do some calculating because each one of the tenders will have to be added up. We'll have to do some calculating on that and get that information back to you.

**MR. THOMPSON:** — Could you indicate to the House, Mr. Minister, whether or not you have disbanded the Highways camp on the south shore of Lake Athabasca?

**HON. MR. GARNER:** — Yes, the information that the deputy shares with me is that, to his knowledge, yes, that camp has been disbanded. When they moved out, they moved, I guess, a large percentage of that camp with them.

**MR. THOMPSON:** — Okay. My next question, Mr. Minister, is: it's been brought to my attention that there has been a portion of that camp that has been bulldozed into piles and



destroyed by fire and burnt by the department. Could you indicate if that is true or if that is false?

**HON. MR. GARNER:** — There were a couple of very old camp cabooses that had been in there for many years that just were not worth hauling out over part of the winter road and that south. So yes, they were just destroyed because they were literally just completely worn out and would have cost more to haul them out than what they would have been worth.

**MR. THOMPSON:** — That's quite interesting, Mr. Chairman, that the Minister of Highways would get up in this House and indicate that the buildings that they bulldozed in a pile and burnt were not worthy of being lived in, or not worthy of being used. I was up at that camp this winter, and they were being used by Highway personnel. They were good enough for the Highway personnel to use this winter. Then all of a sudden, just like that, you take a bulldozer in there, you bulldoze them in a pile, and you burn them. And that is equipment that is owned by the taxpayers of this province. These buildings could have been moved 45 miles to Cluff Lake and put up for public tender. And there is many fishermen and trappers in that area that would have taken advantage of bidding on them buildings. But you indicate that they weren't worthy to live in, but yet you had your personnel living in them all this winter and using them. And then, all of a sudden — bingo! — they're no good, and you destroy them, burn them by fire.

I think that that is a shame, Mr. Chairman, when a Minister of Highways can stand up in this House and indicate that they had destroyed these public buildings, owned by the taxpayers of this province, and to indicate that they weren't worthy of use after his personnel had used them all winter. I think that's a disgrace. Mr. Chairman, I would like the minister to comment on that — when he indicates that these buildings were not worthy of being used, or not worthy of being hauled 45 miles, and let the public put out tenders for them.

**HON. MR. GARNER:** — Well, Mr. Chairman, the information that I have from the deputy minister . . . I was not up in the camp when it was closed. The information that I have is that these facilities were very old and not worth hauling out from the south shore of Lake Athabasca. We'll get the details on it for the hon. Member, and I'm quite prepared to share it later with the hon. member as to the year of the trailer value, and everything else pertaining to this matter. But that's the information I have from the deputy minister.

**MR. THOMPSON:** — Mr. Chairman, then I assume, Mr. Minister, that you will provide me with the number of trailers that were destroyed and burnt? That's the information that I would like to have, Mr. Minister.

**HON. MR. GARNER:** — Yes, I will share that with the member.

**MR. LUSNEY:** — Mr. Minister you have stated that there's 11 crews left remaining at this point, working for the department — 129 people working in those 11 crews. Could you give me a figure of how many Department of Highways crews there were prior to you taking office in 1982, and how many people were employed by the department at that time?

**HON. MR. GARNER:** — Yes, I can, and while the officials are looking up that information, I'll just share for the member opposite from Athabasca, that 65 per cent of the tenders — he wanted to know what percentage, and these are rough figures, but fairly close — 65 of the tenders before July 1, 1984; 35 per cent of the tenders after July 1, 1984.

**MR. LUSNEY:** — Okay, Mr. Minister, while your officials are looking up the answer to the other question, I would also like to make a comment on the information that you sent over regarding the cost differences — cost comparisons — in the public and the private sector. Again, as I have stated before, Mr. Minister, what you have sent over here gives me very little to go on. I don't know what you used in determining the public sector costs. You've got some indirect costs that you indicate here somewhere. You've come up with a figure, and that's all it is — a figure. There's nothing on this piece of paper that would indicate how you came up with that figure.

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Could you give me a detailed list, a study that you have made within the department that would show what was used in determining the costs to the department or the public sector, and what you used in determining the cost other than if you used anything other than contracts which you state here? I could see you using an average cost from the contracts that you have received from the private sector, but then what did you use in determining that cost for the public sector? In detail, not just the figure – anybody could come up with a figure – I would like to know what you used in determining what the cost actually is?

**HON. MR. GARNER:** — Okay. Just maybe a bit more information. Mr. Chairman, we took the contract items only, for those specific contracts that you have on the second page of your information sheet. I mean, there's your specific – your contract items only. We took those into consideration. We might be able to provide you with some more, but basically we've given it to you.

On the other question that you had: in 1982 there were five grading crews, five oiling crews, and seven sealing crews.

**MR. LUSNEY:** — How many people were employed with those crews?

**HON. MR. GARNER:** — We'll get that information for you in a minute.

**MR. LUSNEY:** — Getting back to the cost comparisons, Mr. Minister . . . and you wouldn't make a commitment to providing me with how you came up with the figures. Will you make that commitment to get your department to provide me with the study you made in determining what the figures, or the comparisons are here? – how you came up with the figures that you used, everything that you used in determining the cost per litre of mix for the public sector. And I can understand you using the contracts from the private sector. But what did you use in determining what the cost is to the public sector? – everything that you used in coming up with that figure.

**HON. MR. GARNER:** — We can give you that hopefully later tonight, the breakdown on the bituminous mix stockpiles – their cost. But the cost is, you see, if you'll notice there, when our provincial average cost was 8.62 per litre, you'll then go the private sector where we knew that it was 9.80 per litre, but then our total average cost was 8.62 multiplied by the formula that I had given you there, with some of the other costs, the indirect costs, brings us to 11.19 per litre.

**MR. LUSNEY:** — Mr. Minister, I guess what I'm saying then is that formula is what I'm looking for. You say you have a formula to use in bringing up the cost, coming up with the total cost. 8.62 per litre is your direct cost, and then you have a formula for coming up with that additional cost. Could you do that both on the seal coat and stockpile next to it?

Do you have the figures of employees, Mr. Minister, yet, or are your officials still looking?

Okay, Mr. Minister, you indicate you will provide those figures later on. To go on then, Mr. Minister, in the advertising you have used, how many firms do your advertising for the department? How many different firms have you used for the advertising for the Department of Highways and Transportation? What firms have you used? How many of them were there? Which firms have you used?

**HON. MR. GARNER:** — We'll provide you that later tonight too, on the different firms.

**MR. LUSNEY:** — Mr. Minister, there was a contract with IMC that were using a road to haul their potash on to the U.S. border, and there was a contract with them to share the costs of that road. Is that contract still in existence, or has it expired?

**HON. MR. GARNER:** — It's still in existence.

**MR. LUSNEY:** — Could you tell me the details of that contract at this time?

**HON. MR. GARNER:** — Mr. Chairman, under our bulk commodity policy, we consider the actual fee to be more or less privileged information between the affected industry and the government. I will describe this government . . . Our policy is how we come about determining this fee. IMC must pay 100 per cent of the difference in costs between legal vehicles and the overweight vehicles. I think you understand that. And two, since it is a real competitive haul, they are also charged 60 per cent of the cost of a legally loaded vehicle. IMC, like other Saskatchewan private sector industries, generate tax revenues for Saskatchewan, a significant portion of which goes to providing a road system at legal weights with no cost to the other user.

Our government introduced a productivity incentive into this policy. If an industry and its carrier working together with the department officials can find a way of hauling their product, which will reduce road costs, then these savings are, and will be, passed on to the industry.

**MR. LUSNEY:** — You stated, if they could find a way of reducing those costs, or finding, I suppose, an alternate way of moving that potash . . . In other words, how could they possibly, using the trucks that they're using now, find a better way of hauling that equipment, or a cheaper way of hauling it, or a method by which they wouldn't be as hard on the roads as they are because they are overweight? Have you come up with some criteria that would apply to these companies, at this point, which would reduce their costs?

**HON. MR. GARNER:** — On some of these, the types of equipment that they've used, and I give you one example, they've used additional axles. So with them using additional axles, we've been able to increase their payload that they can haul, their commodity that they can haul, and still not cause any serious harm to the road by adding these other axles under their trailers.

**MR. LUSNEY:** — By adding those additional axles to the trailer, I would imagine this would apply only to IMC, because you wouldn't allow other trucking firms to do the same thing. Am I correct?

**HON. MR. GARNER:** — Well, not just to IMC, but there are other bulk commodity agreements that we have where they come out with what we call a newer type of equipment, adding axles, and things like that. And so they have the same benefits as well.

**MR. LUSNEY:** — Could you give me an estimate of what the revenue was from IMC for, say, last year?

**HON. MR. GARNER:** — We don't have that here, but I'm very prepared to provide that to you later.

**MR. LUSNEY:** — Could you give me an average of how many trucks a day would be using that road — IMC trucks?

**HON. MR. GARNER:** — 25 vehicles on that road per day.

**MR. LUSNEY:** — You're saying then, Mr. Minister, that from the existing contract that there was with IMC, that there have been no changes made in the amount of money that they pay on the contract, that the contract is virtually the same. Or has the amount that they are paying to the government now, for the use of that road, and the overweight equipment that they have, that they are . . . Have they been paying more, or are they paying the same amount as they have previously, with the previous administration?

**HON. MR. GARNER:** — Basically, there has been . . . The fee is higher . . . (inaudible) . . . The fee is higher or lower than the dollar or two charged, and . . . (inaudible) . . . that by what you

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charged. The fee is lower now. And that fee is lower for several reasons:

1. The vehicles currently being used by Kleysen Transport are less costly to the highway system than legally loaded vehicles. This is because the axle loadings are lower than legal, even though the gross vehicle weight is higher. We are currently experimenting with new technology which has the potential to dramatically improve productivity and reduce road costs substantially while improving highway safety as well.
2. The government recognizes that the fee is to pay for additional asphalt required because of the haul. After the term of the agreement expires, department officials have determined that there is considerable salvage in the asphalt which remains. The industry is credit with this salvage.

We have reduced the charge for legally loaded vehicles from 100 per cent to 60 per cent. Normally anyone is entitled to haul, at legal weights, for no cost, other than normal requisition.

We believe that charging 100 per cent of this cost is excessive since these industries contribute tax dollars to the province, a substantial portion of which goes to providing roads. At the same time, by charging 60 per cent of the fee to the industry, it provides a reasonable discretionative for industries to transfer products from rail to road.

Basically, what we're saying is, by allowing him to increase and putting another axle under that same semi-trailer unit, they are doing less damage to the road than they were before. In fact, they are doing less damage to the road than the trucks did at the legal rate limit in the province on those roads. That's basically what it is. And it's not only for IMC, it's for most other bulk commodity hauls as well. Where they've come out with this new technology by putting another axle, there's less pavement stress on the roads, so in future it's going to be easier on the roads with these types of vehicles going over it than what the legal allowable weight is for other carriers.

**MR. LUSNEY:** — Well, Mr. Minister, you've indicated that they are paying less right now than they have in the past, because of the additional axle that you've allowed them to put under that truck. And that may be true. But when you look at what the case was before, when they hauled with the existing axles that they had previously, it would break up the road in no time, because of the constant use of that road with the heavy trucks and the heavy loads. Now they're adding another axle onto it, and that might ease the stress on that road, and I won't argue that point.

However, you're still getting less revenue, and you're bound to have some costs associated with keeping that road in good condition. Also, along with the lower rates, I might add that those trucks in the past have been paying a gasoline tax that would also help to keep those roads maintained (which they aren't paying now) so if you've cut the rates down on the agreement that they had, and along with the reduction in gasoline tax, it almost looks like they're getting a very good bargain which somebody else is going to have to pay for. And that is the taxpayer of Saskatchewan that is going to have to pay for the increased costs of keeping these roads in shape.

**HON. MR. GARNER:** — Well, once again, Mr. Chairman, I'll repeat it. IMC must pay 100 per cent of the difference in cost between legal vehicles and the overweight vehicles. I mean, it's right there with the other axle they've added. We have less pavement stress on those same type of roads, and surely the member opposite isn't stating that we should re-implement the gas tax. I hope that's not what he's asking.

**MR. CHAIRMAN:** — Order, order. It being 5 o'clock, I now leave the chair till 7 p.m.

The Assembly recessed until 7 p.m.