

The Assembly met at 2 p.m.

Prayers

### INTRODUCTION OF GUESTS

**Mr. Domotor:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to introduce to you, and through you to this Assembly, a group of 23 students in grade 6, 7, and 8, located in the west gallery. They're from the Plunkett Elementary School, and they've come here to observe the proceedings of the afternoon. I met with them this morning to briefly explain to them some of the proceedings and some of the things they might anticipate being in the House.

They're accompanied by their teacher, Mr. C. Hrynkiw, and chaperons, Debbie Clavelle, Inger Olaw, Helen Miller, and Joan Farago. I ask members to welcome them here today. I wish them a safe journey back. They have some other things that they're going to look at this afternoon and enjoy, and I hope they find these proceedings informative and educational. I ask all members to welcome them.

**Hon. Members:** Hear, hear!

**Mr. Klein:** — Thank you, Mr. Speaker. It's my special privilege today to introduce a special group of students from the constituency of Regina South. They are students from the Regina Christian Academy, and there's six of them. They represent grades 6, 7, and 8. They're situated in the Speaker's gallery. They're here with their teacher, Mrs. Kathy Nieuwenhuis, and also Mrs. Diane Wesley is with them.

I look forward to meeting with them after question period, and we'll visit a little bit. We'll take some pictures, and we'll see how you enjoyed your visit in the Legislative Assembly this afternoon. I ask all members, Mr. Speaker, to welcome them to the House.

**Hon. Members:** Hear, hear!

**Hon. Mr. Embury:** — Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to the House six students who are here through the Rotary youth exchange. They're sitting in the Speaker's gallery. Two students are from Finland, and I hope that they are going to enjoy their stay here this afternoon. I'll be meeting with them at 2:30 this afternoon.

I would like all members of the House to give them a welcome here this afternoon.

**Hon. Members:** Hear, hear!

**Mr. Currie:** — Thank you, Mr. Speaker. It's my pleasure at this time to introduce to you, and through you to the members of the Legislative Assembly, a group of 20 grade 4 and 5 students from Massey Elementary School. They are seated in the west gallery. They are accompanied by their teachers, Ms. Notemboom, and by chaperons, Mrs. Gibson, Mrs. Malley, Mrs. Jensen, and Ms. Keenan.

I'm sure that you will find your visit interesting and educational. I plan to meet with you immediately after question period. I would ask the members to join with me in extending a welcome to these young people.

**Hon. Members:** Hear, hear!

### ORAL QUESTIONS

#### Terms of Agreement for Sale of PAPCO

**Hon. Mr. Blakeney:** — Mr. Speaker, I would like to direct a question to the Premier, and it's a straightforward question about the terms of a proposed sale of public assets — a major sale. My purpose is to get information so that the public may have information on which they can assess the wisdom, or otherwise, of the proposed sale.

Mr. Premier, can you confirm that the Weyerhaeuser corporation is purchasing the Prince Albert pulp-mill and all related assets? Can you confirm that the down payment is zero? Can you confirm that, during the 30-year pay-back period, the Weyerhaeuser corporation may or may not have to pay back the purchase price of \$249 million? And can you confirm that until Weyerhaeuser makes good on a promise to build a new paper-mill, it is able to deduct any losses suffered from the purchase price — so-called — of \$248 million?

**Hon. Mr. Devine:** — Well, Mr. Speaker, when the minister gets into the Bill again, he will go through the numbers in much more detail. I have the number before me, but he will get into numbers.

I would just run by, in a general sense, the numbers for the Leader of the Opposition so that we can put it in perspective. It'll only take him a couple of minutes, Mr. Speaker, and I'm sure that the members opposite are interested in this. And I believe it's important, because of the issues that have been raised by the opposition, that we provide as much of the information as possible just for a couple of minutes. Mr. Speaker.

Okay. In 1979, 30 per cent of the pulp-mill was purchased by CIC (Crown Investments Corporation of Saskatchewan) for approximately \$23 million. In 1980, 70 per cent was purchased for \$162 million. That's a total of \$185 million. The interest on that, Mr. Speaker, the interest on that was \$126 million since 1979. Now they collected a few dividends, which has been \$28 million, so the interest written off to date on the total package is \$98 million. Mr. Speaker, the loss to date in the last five years is \$44 million.

So, Mr. Speaker, what I'm saying is that if you take \$186 million, and the interest that we've written off is \$98 million, plus \$44 million loss, Mr. Speaker, we have \$328 million worth of liability that the taxpayers of Saskatchewan are now sitting there watching bleed — that we're losing. At 12 per cent money, at any interest rate, it could lose in the neighbourhood of \$40 million a year, just interest on the money we've already got into it — just interest on the money we've already got into it — plus it can continue to lose money as it did the last year and the year before.

So, Mr. Speaker, when we look at putting together a new pulp- and paper-mill, and a brand-new operation, the estimate for a pulp-mill of this magnitude right now is anywhere from zero to \$60 million — that may be what it's worth — 0 to \$60 million.

So, Mr. Speaker, if we're looking at the kind of losses that you could be of interest on the debt plus ordinary losses in running the pulp-mill, which has been going on, and you look at what the market value of that pulp-mill may be, it's anywhere from zero to \$60 million. And, Mr. Speaker, we can put together a brand-new paper-mill, and the pulp-mill, and not get \$60 million for it, not get 70 million, not get 100 million, but \$248 million integrated into our whole new unit, Mr. Speaker. Then it says to me that we are going to save the taxpayers not only the bleeding that's going on to date — the year after year of losses — but in fact, Mr. Speaker, we are going to get: one, a brand-new paper-mill with 165 new jobs, and we are going to be cutting the losses that goes on day after day in a pulp-mill that we've got something like \$328 million into now that the taxpayers . . .

**Mr. Speaker:** — Order, please. I'm going to caution the Premier to keep his answers short and to the point.

**Hon. Mr. Blakeney:** — Mr. Premier, you gave a great number of figures, none of them relevant to the question. I'm going to ask a question so narrow that it's going to be very difficult for you to make a speech and still be in order. I ask you, Mr. Premier — you talk about losses: will you admit that in the year 1980 PAPCO made a profit of \$27.4 million? We'll start with that nice, narrow question.

**Hon. Mr. Devine:** — Well, Mr. Chairman, Mr. Speaker, if PAPCO made some money in 1980 — I don't have '80 before me; I have 1981 to 1985 — if it made some money and you think that it can make some money and we integrate it with a new paper-mill, then I'm not so sure that you could have it both ways. Either it's losing money, and it's lost a great deal — which is the fact — or you think that it can make money and you can pay it off. Now you can't have it both ways. You're arguing, one, you don't want to do it, you don't want to have a new paper-mill because it will lose money. Then you say, well by gosh it's going to make some money. Well if it's going to make money, then we should be integrating it and it will pay \$248 million to the public of Saskatchewan.

**Hon. Mr. Blakeney:** — And, Mr. Premier, I wasn't arguing at all. I'm in question period; I'm asking questions. This is not a time for argument.

I ask you, Mr. Premier: do you deny that in 1981 the mill made \$24.1 million and that it started making losses only in 1982 and thereafter, when your management took place?

**Hon. Mr. Devine:** — Well, Mr. Chairman, the losses from 1985 to 1981 were as follows: 1985 it lost \$33.585 million; 1984 it made 5.203 million; 1983 it lost \$29.117 million; 1982 it lost 9.409 million; 1981 it made \$24.132 million. So in the last five years it's lost \$42.776 million — 42.776 million, and on top of that we got \$186 million into it and \$98 million in interest that's already been

written off — net — 126 million minus the 28 in dividends for \$98 million net. So the public has got \$328 million, at any kind of interest rate, that is bleeding there now today, Mr. Speaker.

We're saying: couldn't the opposition agree that you take a pulp-mill that has lost in the last five years \$40-some million, integrate it with a new \$250 million paper-mill, with the opportunity to get \$248 million for the pulp-mill, plus 165 new jobs, for a brand-new \$500 million project in the province of Saskatchewan with somebody else's money; why would you want to perpetuate the loss?

**Mr. Speaker:** — Order, please.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. I'm obviously not going to get anything but a barrage of figures from the Premier.

Would you do this: would you file the financial statements of PAPCO since 1982, and would you file the documents with Weyerhaeuser? Then we will make our own analysis, and we will not be subject to his blizzard of figures. Would you do that? Will you give us the financial statements of PAPCO and your deal with Weyerhaeuser, and we and the public will make our own judgements? Will you do that?

**Hon. Mr. Devine:** — As I just said, Mr. Speaker, we will provide the information, as much of the information that I have got in documentation, when the minister comes up with respect to third reading of the Bill. All the Bill does is guarantee a note for \$80-some million with respect to the purchase. So what I am laying here, and what I will be prepared to document — and I say this, Mr. Speaker, that we have got in the neighbourhood of \$300-and-some million of taxpayers' money into this outfit and it's losing money, and any kind of interest on it at all is 30 to \$40 million every year. I will document that, and I will table that.

**An Hon. Member:** — Who bought it?

**Hon. Mr. Devine:** — I didn't buy it, Mr. Speaker; it was bought by the members opposite. They paid too much for it. They had a chance to have somebody else pick up 70 per cent of it and they didn't exercise that. And we've been paying interest on it since 1979.

Now we have a opportunity to get a company in here with \$250 million of new money, put it together, we'll cut off our losses, integrate it into a brand-new system and get \$248 million. And they want to hang onto this thing that they bought in 1979 and 1980 that is still costing us a fortune.

Well, we'll be tabling the document so that you can see that the public has got over \$300 million in losses and it's bleeding to date, and no sign of any optimism. And you say, well, by gosh, in '81 it made a little money. Well it didn't make money in the last five years, and certainly \$42 million plus interest on any kind of investment shows it was a poor investment. When you had a chance to market it, you didn't, and the taxpayers have been paying for it ever since.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. Since the Premier refuses to answer questions and gives long harangues, may I ask the minister in charge of PAPCO whether he will do two things today so that we will have them for tomorrow when we discuss this Bill.

Will you file the financial statements of PAPCO, which you say will show all of these losses, and will you file the documents of your deal with Weyerhaeuser, so that all of the public can make their own judgement? Will you do that, Mr. Minister? Will you do it today so that we and the public would have an opportunity to have the figures and analyse them before the Bill is being discussed?

**Hon. Mr. McLeod:** — Mr. Speaker, we'll file the financial statements of PAPCO, and we'll file as many documents as we can file as it relates to the Weyerhaeuser deal — the deal with Weyerhaeuser, between Weyerhaeuser Canada and the Government of Saskatchewan — as many as can be filed before final closing of the deal.

**Hon. Mr. Blakeney:** — Thank you, Mr. Minister. Will you let us have those today so that we'll have them in order to analyse them for tomorrow?

**Hon. Mr. McLeod:** — I'll attempt to have the PAPCO financial statements available today. I say I'll make that attempt, but if it won't be today, it will be tomorrow, Mr. Speaker.

**Hon. Mr. Blakeney:** — Thank you, Mr. Minister. Will you also attempt to let us have the arrangements with Weyerhaeuser. You have given us Schedule B; will you give us Schedule A, Schedule C and the agreement? Is there any reason why we couldn't have that today?

**Hon. Mr. McLeod:** — Well I'm sure we'll get into that debate when the Bill comes up, Mr. Speaker. I have said in debate in the committee stage of the Bill before, we will table what we can table as it relates to the negotiations that are still ongoing — and they are. They are still ongoing. No final documentation has been signed, and it should be made clear, Mr. Speaker, as well: I have given the undertaking to the Leader of the Opposition and to the members opposite that at the date of closing, when the final deal is signed, the total documentation for that deal which will number pages in the thousands, including all the schedules, they will have the copy of the final deal. Mr. Speaker, how more forthcoming could I be?

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. You have given us, Mr. Minister, Schedule B, which is initialled. Will you give us other documents which were similarly initialled? There was no harm in giving us Schedule B, and you gave it to us. Would you please give us the similar documents which were initialled and dated March 24?

**Hon. Mr. McLeod:** — Mr. Speaker, two points that should be made here . . . I don't say that I won't give other documents, but I do say this: those members over there, that man who just asked the question, the former premier, when they purchased for, I believe the number was \$162 million, the 70 per cent of this pulp-mill, when they

purchased 70 per cent, no documentation was filed. The question was asked in this House by my colleague at that time in opposition, Mr. Rousseau, to the minister at that time, Mr. Cowley: will you provide the documentation? He said, no, this is not a negotiating forum . . . I'm just paraphrasing now, but I'll be glad to give you the total answers. This is not a negotiating forum, he says; we'll table it at some future time.

It was never tabled, Mr. Speaker. That point needs to be made. That government, that premier over there, when he was the premier, did not table it. And now he stands in the House and says, will you table it; why won't you table it? I'll tell you, Mr. Speaker, what he says in opposition and what he did when he was in government are two far different things.

**Some Hon. Members:** Hear, hear!

**Mr. Koskie:** — Thank you, Mr. Speaker. I want to ask the minister, who is also putting through the transaction to the House in respect to the Weyerhaeuser deal, a question. As you know, Mr. Minister, the public are shocked with the apparent terms of the agreement that you have that were revealed here in the House last week. I ask you, Mr. Minister, and I dare you to put the full proposed terms of the agreement; table them today; put them before the legislature; allow the public to make an assessment of them. I dare you to table them.

I ask you, Mr. Minister, I dare you to file all the documents and then in return, having reviewed them, call an election. I dare your Premier to follow up an election on this issue.

So I ask you, Mr. Minister, are you prepared to go further? Instead of vacillating as you did last week, will you file the remainder of the documents as has been requested? Are you prepared to do that so the public will be entitled to look at what the nature of the agreement is?

**Hon. Mr. McLeod:** — Well, Mr. Speaker, it's the same question, exactly the same question that was asked by his leader. I will say to him as I did say to his leader, we provide more information on this deal than they ever provided as it related to the pulp-mill purchase that they purchased. They went out and purchased a pulp-mill, \$162 million, asked the people nothing about it, did not come before the House, gave no documents to the House.

We, Mr. Speaker, have come before the House. We've brought the Bill here, and what the Bill is, that they're talking about, is the enabling legislation to provide a guarantee for one-third of the cost of a paper-mill — a paper-mill which they say they are against, a paper-mill which they do not want, a paper-mill which they say they do not want, Mr. Speaker. They say they do not want it.

**Mr. Thompson:** — Thank you, Mr. Speaker, and I direct my question to the Premier. Mr. Premier, it deals with the Weyerhaeuser deal and the Prince Albert Pulp Company. And I would like to say first of all, Mr. Premier, that the magnitude of this deal, I'm sure that you would be aware of all the deals that go on and every item involved in such a deal of this magnitude, and you continually indicate in

the House that the integration of that pulp-mill with a new paper-mill is the only way that it can survive.

And I ask you, Mr. Premier: if that is the case, why did you sell off the Big River sawmill and all the forest rights related to Big River; and why did you also include the chemical plant in Saskatoon?

**Hon. Mr. Devine:** — Mr. Speaker, obviously we're looking at an integrated project completely, and it makes sense. We've got a new forest management agreement; we're looking at higher royalties; we're looking at a whole combination of new forestry management in northern Saskatchewan and a brand-new \$250 million paper-mill that doesn't cost us a dime. It's other people who are bringing their money to invest in here and integrate it with a pulp-mill that has lost \$44 million and is hemorrhaging money. And it's costing us up to \$60,000 a job just to keep the people working there, and you're saying, well, I wonder if we should get into this and have a brand-new project and integrate the whole system and a new forestry management agreement and higher royalties.

I suppose, as the member from Quill Lakes raised, you want to raise some argument. You haven't been doing that well in the House on pension legislation or on agriculture or on jobs or anything else, so you've got to raise an issue. Well, you can raise it if you like. Every time they get into trouble, they say, well, I'm going to call an election. All right, that's all you can do, is call an election.

I know you're against the paper project; you're against brand-new modern reforestation; you're against new royalties in the forestry business; and you want to hand on to a bleeding corporation because you bought it and paid too much and wouldn't sell it.

**Mr. Thompson:** — Supplementary, Mr. Speaker. Most certainly I'm not against progress, but when the Saskatchewan taxpayers . . . New Question, Mr. Speaker. Mr. Premier, you indicate that we're against progress. I say . . . And where you say we're against private enterprise, I say when you can give \$248 million to an American firm to take our assets, that's the kind of private enterprise that I'm opposed to.

There was not . . . And by way of information on your documents, Mr. Premier, Weyerhaeuser Canada never put up one red cent to purchase our assets — not one red cent — and there is no paper-mill that's being planned right now, because you haven't given us the documents.

My question to you is also, Mr. Premier, and I'm sure you're aware . . .

**Mr. Speaker:** — Order, please.

**Mr. Thompson:** — My question is . . . And I'm sure you're aware of all the details. Under the present agreement with PAPCO, they operate and maintain 1,000 miles of roads in the 8 million — not 8 million; they didn't have 8 million — but Weyerhaeuser now has 8 million acres of our forest that they control.

I want to ask you, Mr. Premier, of the 1,000 miles of road

that are maintained by PAPCO, which Weyerhaeuser's going to take over, is it true that the Department of Highways are going to now take over that agreement and maintain the 1,000 miles of road in our forests?

**Hon. Mr. Devine:** — On the details with respect to how many thousands of roads, I'm going to turn it over to the minister responsible. But the hon. member mentioned the taxpayer; he says he's worried about the taxpayer. I mean, that's your major concern.

Well I go back, Mr. Speaker. I have to respond. I have to respond. You raised it with respect to the taxpayer. The taxpayer's already got \$328 million into this, and it's already bleeding money and hemorrhaging money, and any market value said it's worth 60 million. And he's saying, well, my heaven sakes, I wondered if we should do something about it.

And he's off on how many roads is going to be involved in a new forestry management agreement. I mean, he's missing it altogether, Mr. Speaker. I mean, I can turn it over to the minister responsible for forestry, and he can talk about the royalties, and he can talk about the size and the roads and the rest of it. But we've got 320-some million dollars invested in it . . . Even interest on that is losing, let alone the losses we got to date. And the market value for the whole works is probably no more than 50 or 60 million, and he wants to hang on to it. And he says, you're only going to sell it for 248 million.

Well, Mr. Speaker, I will turn it over to the minister, and he can talk about the roads.

**Mr. Thompson:** — Mr. Speaker, I asked a question specifically of the Premier, and he went on that long harangue and never answered one of my questions. Now he's going to turn it over to the other minister. I think, Mr. Speaker, that that's not fair. And he gets up and he makes a speech that a private corporation is losing all this money, and I say to you, Mr. Speaker, that he is paying Weyerhaeuser Canada \$248 million of our taxpayers' money . . .

**Mr. Speaker:** — Order, please. Does the member have a question? Order, please. The member is making a speech. Do you have a question? If you do, get directly to it.

**Mr. Thompson:** — Mr. Speaker, I asked the question of the Premier, and if he wants to slough it off to another minister, fine, let him answer.

**Hon. Mr. Maxwell:** — Mr. Speaker, we are very satisfied with the terms of the new forest management licensing agreement. Just for the information of the members opposite who think that somehow there's a much bigger area being given to the Weyerhaeuser company than was previously under the auspices of PAPCO, that simply is not so. As a matter of fact, in this agreement Weyerhaeuser will be harvesting a smaller piece of forest area than PAPCO was previously harvesting, plus, there's built into that exceptions of 96,000 cubic metres for small operators which was never there before in the core area, and another 300,000 cubic metres excepted for small operators in the parameters which was never there before.

**Mr. Thompson:** — The question that I asked was: on the 1,000 miles of road, are the Department of Highways of Saskatchewan going to take over and maintain those 1,000 miles of road that PAPCO now maintains?

**Hon. Mr. Maxwell:** — Mr. Speaker, we're talking a look at the road situation in the forest area. We have been discussing with all the minister involved, the minister who is piloting the Bill through the House, myself as minister in charge of forestry, the Minister of Highways; we've been taking a look at these roads as it relates to the Weyerhaeuser agreement, and as it relates to the current situation, and as it also pertains to current maintenance, and we think we've come up with something that's satisfactory to all of the players in the game.

**Mr. Thompson:** — Mr. Minister, you have just indicated to the House that there is no agreement for the Department of Highways to take over, nor is there any agreement for Weyerhaeuser to continue to maintain those roads.

**An Hon. Member:** — Or build a paper-mill.

**Mr. Thompson:** — Yes. That's right. And I suggest to you, Mr. Minister, that there is absolutely no agreement of any detail . . . (inaudible) . . . to the pulp-mill.

I want to also ask you, Mr. Minister, with the 1,000 miles of road that are now . . . they encompass the PAPCO agreement, plus the roads that are maintained and are in the Big River agreement, will there be any agreement in there or any details that will indicate that there will be no privatization of those roads so that the hunters and the trappers and the commercial fishermen in our province, both commercial and tourist fishermen, and the hunting, will have access to our forest, that there will be no signs put up that this is a private road? Is that going to be written into the agreement, or is it now incorporated into the agreement?

**Hon. Mr. Maxwell:** — Mr. Speaker, what we've done in the agreement is taken a look at integrated resource management. I enjoy the luxury of not only being the minister in charge of forestry, but also wildlife and fisheries, and I can give every assurance to all members of this House, and to anybody else who's interested in hearing it, that we have taken into consideration the interests of all users of the forested areas of Saskatchewan.

## STATEMENTS

### Apology for Comments Reported in Media

**Mr. Hampton:** — Thank you, Mr. Speaker. Before orders of the day, I would like to just rise to say that on the weekend . . . in the weekend media there were some comments attributed to myself that were less than complimentary to you and to your office. And for that I wish to extend an apology to you, Mr. Speaker, and say that I'm very sorry that it was . . . that it came out that way. And I hope that you will accept my apology.

**Mr. Speaker:** — Thank you.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

### COMMITTEE OF FINANCE

#### Consolidated Fund Budgetary Expenditure Advanced Education and Manpower Ordinary Expenditure — Vote 5

**Mr. Chairman:** — Mr. Minister, would you like to introduce your officials, please, for Advanced Education and Manpower.

**Hon. Mr. McLeod:** — Yes, thank you, Mr. Chairman. I have just to my right, the deputy minister of Advanced Education and Manpower, Mr. Lawrie McFarlane; to Lawrie's right over here is Don Wright, the assistant deputy minister of university affairs; directly behind the deputy minister is Judy Moore, executive director of finance and administration; and directly behind myself is Elizabeth Crosthwaite, assistant deputy minister of Advanced Education and Manpower.

#### Item 1

**Mr. Koskie:** — Thank you, Mr. Chairman. A few preliminary questions, Mr. Minister, in respect to the normal questions that we've been asking. I was wondering whether you could send over the names, salaries, and positions of your executive assistants, and indicate whether or not there was any increase in their salaries during the course of the year, if you would.

**Hon. Mr. McLeod:** — Yes, Mr. Chairman, I'll send that over just now. And as it relates to the increases, the salaries are based strictly on the grid scale that's there, so if there is any increase at all, it's that they moved one step on the salary grid but that's all. There's no other increases.

**Mr. Koskie:** — Okay. The present salary classification level and the name of the individuals are all here. I thank you for that. They are referred to as ministerial assistant I, ministerial assistant IV, ministerial assistant D, assistant D, and ministerial assistant C. I guess what I want to ask, just for clarification: in respect to the ones that you have listed here as your own personal staff, Mr. Minister . . .

**Hon. Mr. McLeod:** — Point of clarification. Just in glancing at this, the fourth name down, Patrick Jarrett, and I believe it says — I'm not sure if your sheet has this. Does it have ministerial assistant D? That should be III, I'm sorry, Mr. Chairman.

**Mr. Koskie:** — And the question I was going to ask in respect . . . their classifications are as ministerial assistants; are any of them in the position of doing secretarial work?

**Hon. Mr. McLeod:** — Yes, the way to read that is: the ministerial assistants with number I to IV are the assistants to the minister, and the ones with letters are secretarial staff. That's in all cases, and I think you will notice that in a pattern through other departments as well.

**Mr. Koskie:** — And in respect to your ministerial

assistants then — thank you for that clarification—are any of them located outside of Regina, for example, in the minister's constituency, as is the case for the Minister of Revenue and Supply?

**Hon. Mr. McLeod:** — No, they're all located in Regina, Mr. Chairman.

**Mr. Koskie:** — And I was wondering whether you could also give me the list of your senior executive people and their positions, classification, and their salaries also, if you could.

**Hon. Mr. McLeod:** — Yes, Mr. Chairman, I'll send that over just now.

**Mr. Koskie:** — Now in respect to the salaries that are indicated here, you have the present, actual salaries. In respect to the members of the executive committee, are there any other perks provided, for instance, to the deputy minister and/or the assistant or associate; do they get any other additional perks like automobiles? Can you outline the extra perks that members of the executive committee get?

**Hon. Mr. McLeod:** — I believe it's the same as it is throughout the public service. I believe there's a car for the deputy minister, and I think a car allowance for the two assistant deputy ministers. I believe that's it as per the guide-lines throughout the government.

**Mr. Koskie:** — Now I didn't quite get what you indicated in respect to any increases during the course of the year. That's not indicated here. All we have is, in respect to the executive assistants, the present salary, and in respect to the members of the executive committee, we have the actual salaries. And I don't think there was a basic pattern, as I recall, from one estimate to the other.

And so what I'm really particularly asking you: can you indicate whether, during the course of the year, the ministerial assistants, whether or not they in fact received any increase, and the amount of increase? If necessary, I can go through name by name, and you can provide that for me, or otherwise you can give me the general information.

**Hon. Mr. McLeod:** — Mr. Chairman, as I indicated as it relates to the ministerial assistants, any increases would have been moving one more step on the salary grid, but I have here a copy of the same information for the '85-86 year, which I'll give you for comparison purposes, and you'll have both sheets, last year's and this year's.

**Mr. Koskie:** — Now you have a new assistant deputy minister, I believe, Ms. Crosthwaite. I would just wonder whether you can give me a brief resume of her past experience with government here in Saskatchewan and the basic background of experience in the field of education, vis-a-vis her qualifications, in other words.

**Hon. Mr. McLeod:** — Ms. Crosthwaite is appointed as assistant deputy of this department. Her education was at Carleton University, Master of Arts. She had a college year in Greece; a University of Toronto high-school teacher's certificate, a B. Ed.; a University of Toronto

Bachelor of Arts. Her experience here goes back ... just immediately prior to being assistant deputy minister to this department, she was clerk of Executive Council and assistant cabinet secretary in the Department of Executive Council. In '82-83 she was executive assistant and special adviser to the ministers of government services, Revenue, Supply and Services. In '81-82 she was at the Embassy of Canada in Buenos Aires, Argentina. In '79 and '81 she worked here for the opposition in this Legislative Building. I guess we don't have to go back any further than that for the purposes of the question that you asked.

**Mr. Koskie:** — The educational background, I think I heard you correctly, was a Bachelor of Education and a Bachelor of Arts. Is that correct? Or is there other formal education beyond?

**Hon. Mr. McLeod:** — And the ... Where am I here now? And I have a Master of Arts in history, Carleton University.

(1445)

**Mr. Koskie:** — I wonder if the minister could provide the information in respect to the minister's travel during the course of the year. You were not minister for the entire ... Well I want them for '85-86. And you were not the minister during the whole year, so what I would like is the total cost of ministerial expenses, both in province and out of province, if you would.

**Hon. Mr. McLeod:** — Okay, the '85-86. I'll send it over for the out-of-province travel. There were four trips by my predecessor and none by myself in this department. I'll give you one as well, just in the current year here as well, one trip that I took to Toronto not long ago.

**Mr. Koskie:** — And I wonder if the minister also, for the year 1985-86 — that is up to the current budget — could you provide the total amount that was spent in the department throughout the year on advertising, if you would, and indicate with whom it was placed and the various firms.

**Hon. Mr. McLeod:** — I'll give a partial list here, just the amount that's spent on promotional activity and so on.

Just a point of clarification for the member because, just in anticipating your question about who was it placed with and so on, I'll just come through with that. I think there's quite a list here, and I'll try to provide that in a few minutes.

**Mr. Koskie:** — Well I've got the issue here: what did the Department of Advance Education and Manpower spend on promotional activities during 1985-86, spent ... and this is the total amount that was expended; is that what you're saying? In the ...

**An Hon. Member:** — What year?

**Mr. Koskie:** — For '85-86, \$505 ... (inaudible interjection). ... doesn't say that ... (inaudible interjection). ... Oh, I see, that's the quote, 500 and ...

**Hon. Mr. McLeod:** — Mr. Chairman, I'll just clarify the K — 505.8 K means \$505,800.

**Mr. Koskie:** — I see. And with whom was this half a million dollars placed with? What advertising firm was the beneficiaries of this lucrative contract?

**Hon. Mr. McLeod:** — Well I think the placement, as it's done in most of the departments, is with the agency of record, Dome Advertising. Most of the promotional sort of thing that's done in this department is through the newspaper advertisements, billboards, to some extent, on the program as it relates to the Northern Institute of Technology, for example, one of those . . . some small brochures and so on, but that's the sort of thing that's done. But for the most part, I would say newspaper ads probably makes up the biggest portion.

**Mr. Koskie:** — I was wondering whether the minister could advise whether he had any consulting firms do any work for the department during the course of the year. If you did, give me a list of the consultants and the amount that may have been charged?

**Hon. Mr. McLeod:** — There's quite a list of various consulting agencies, and so on, that have dealt with the department and I'll just send the list over to the member.

**Mr. Koskie:** — What's the policy of selecting the consultants? You say you have a fairly substantial list. Are these put out and various firms allowed to tender? Is there a tender placed in respect o . . . Are these just selected? Are these proposals, or do you just go and pick out whoever . . . (inaudible) . . . topic.

**Hon. Mr. McLeod:** — Mr. Chairman, just to clarify that, the member now will have a copy of that sheet before him. He'll see that there's quite a range of activities that go on within a department as diverse as this one, but for the most part, they're small contracts, and they are, I believe for the most part, given to contracts. And then there's a wide range of firms that have done work for the department, and many of them are awarded to companies that have done good work for us in the past, and so on.

**Mr. Koskie:** — I want to turn now to what I think is sort of the crux of the estimates here, Mr. Minister, and it seems to me that it relates to the general attitude, perhaps, of this government and the grips that they seem to have, or the lack thereof, in respect to Advanced Education. I think there's a concern out there with the public, and partly it's in respect to the, I guess for a better term, is the lack of general commitment and direction, but also sort of the trouble that this government has had in really getting, first of all, a minister who can last more than a few months. And \*I think it's very difficult for the educational institutions and the universities to keep having a change of the minister in which they're dealing with. And here we had the member from Regina Wascana, and then we had the member from Turtleford, and you will recall the tremendous amount of success and the warmth in which the member from Turtleford was received throughout the educational world in Saskatchewan. And after he was unceremoniously removed from that office with, I suppose, some concurrence by the educators of Saskatchewan, then we were back to the member for Wascana, and now more recently we're back to the

member from Meadow Lake.

Much has been the same in so far as the lack of continuity in respect to deputy ministers. We have gone through a number of deputy ministers and a number of associate and assistant deputy ministers. And here, I think, in one of the most vital areas — the most vital areas — and it's rather I think symptomatic of the government in that it really is evidence of its lack of priority or coming to grips with the education.

I want to ask the minister whether he can indicate whether or not, in respect to the general funding, there's a major concern. I want to go into it in some detail in respect to the cut-back in funding by the federal government.

Now we've been through this with a series of ministers. With the minister of Health we spent a good length of time establishing that there is going to be a major cut-back in what otherwise would be the amount for health care, and finally indicated that there was \$13 million, 9 of which would be cut back for health, leaving about 4 million for post-secondary.

And so I want to ask you: can you indicate what representations you, as Minister of Advanced Education and Manpower, have made to the federal government in opposing their step for a major cut-back? All of the indications are is that it will be fairly massive, and the consequences are going to be felt across Canada, and certainly we can't afford more cut-backs in education and university funding.

So I ask you then: can you indicate briefly what have you analysed will be the significance of the Wilson Budgetary cut-backs as it relates to post-secondary education? And what positions have you, as a minister, taken to oppose the steps that they are proposing to take?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, the member will recall the discussion with the Minister of Finance the other night here, just in the estimates of the Department of Finance. As it relates to that, I think the member will be aware, as well, that the Minister of Finance has been carrying the lead agency, that Finance has been the lead agency, as it relates to dealing with the federal government.

Mr. Chairman, it should be very well clarified here that our EPF (established program of financing) revenues will be higher, not lower, as the result of the measures introduced by the federal government now. They'll be higher. And let me explain to you why.

The gross national product growth is still the key element in the EPF formula. It's still the key element . . . (inaudible interjection). . . and I say it still is. The formula that the predictions were being made on was based on a zero growth scenario at that time — was based on a zero growth scenario. Those growth predictions have changed and have been moved upward to a 3.5 to 4 per cent growth prediction — those are federal government numbers — and because of that we believe that in 1986-87, for example, the new formula, along with current gross national product forecasts, will be 671 . . .

where are we here? Just a minute; I need to clarify one number here.

Mr. Chairman, the prediction that we thought we would get under the old formula that I just referred to was about \$660 million. What we now with the new formula, we believe that Saskatchewan will have \$671 million accrue to us as it relates to that transfer, which is a plus \$11 million, the difference between the two forecasts.

It's extremely important to note that the forecasts are important; gross national product is important in all of this. In '87-88 we believe that under the new formula that it will be \$711 million accruing to Saskatchewan from the old formula prediction of 689 million, plus \$22 million difference, and we have some of those numbers for some of the other years.

**Mr. Koskie:** — Well, you see the problem that we have is that somebody has to be misrepresenting the facts. How can we have one Minister of Health come in here, after we have documented the amount that the Canadian Health Association indicated that there would be a loss of about \$154 million to Saskatchewan, changing from the old formula to the new formula, the Minister of Health indicating that there's \$13 million going to be lost — 9 million to health. So the other obviously goes to . . . This \$4 million is for education, in the first year.

(1500)

All indications indicate that the federal government is cutting back, that the amount of funding that they were paying was over 50 per cent, and it has decreased substantially in the last few years to where it's at about 43 per cent; and by 1990, 1991, it is estimated that it's going to be reduced to 36 per cent of the funding for education and health.

And you stand up in this House and you say you're better off. Well I don't know, I really don't know why you're sitting back and watching because the . . . We've gone through these before with the Minister of Health, but here is the . . .

"Payment cuts inevitable," says MacDougall. "The province will have to live with legislation trimming federal contributions to higher education and health programs by 6 billion over the next five years," junior Finance Minister Barbara MacDougall said Monday.

It now returns to the House for further debate and final readying. They also insist the change will save the federal treasury 2 billion a year from now until 1991, and it puts the poorer provinces in the position of having to cut the quality of service.

Now I don't know if the federal minister misses something. I don't know if what he said in his federal budget is not being carried through, but that's what I started off asking you, whether or not you have made representations; have you been at any of the meetings?

I have here, and I want to read a part of this, just a portion of it, which deals with it and that's the political analysis

news-letter, a monitor of fundamental relationships in Canada. And it says here:

In 1981 a parliamentary task force on federal-provincial fiscal arrangements, echoing a familiar theme in Canadian history, defined our nation as a compromise, even a paradox. It said our history had demonstrated that the nature of our federal-provincial relations could make or break Canada as a unified nation. Now, five years later, the federal-provincial arrangements are once again in the news. Finance Minister Wilson's decision to reduce the rate of growth (and that's what he's doing, Mr. Minister; he's reducing the rate of growth) of federal funding for health and post-secondary education has re-opened the issue.

And I could go on. But to put it in perspective, it deals with the Established Program Financing Act which first came into effect in April of 1977 when parliament passed the federal-provincial fiscal arrangements and established program financing. I want to say that it says here:

Since 1977 payments have been made in the form of block grants which give the provinces more flexibility in the allocation of dollars within and between programs. The block grant scheme signalled the end of the conditional transfer whereby the federal government shared the cost of health and post-secondary educations and the provinces were prepared to meet certain national standards of delivering quality. These are the payments slated for reduction.

This is the evidence, and I can give you more evidence of what is in fact happening.

And I say to you that our higher education cannot in my view support a major reduction by the federal government for its funding towards higher education. I don't know where you're coming from or why you're defending the federal government. I guess I do know. But it's a disappointment that minister after minister is standing up and, in spite of the fact that everybody has been fighting to get the federal government not to cut back, you stand up in this House, and you try to deceive the public into believing that they aren't jiggering the formula, that they aren't in fact reducing the increases, and while other provinces have made representation, you won't even get into the discussion of what steps you have taken or realization that there is.

I have a pamphlet done by another province here indicating that the basic cut in the amount of funding which is at about 43 per cent now, I believe, will be decreased down to something like 36 per cent. This, I say to you, is very serious. It says:

Two things are clear from the data. The federal share remained close to 50 per cent from '77 to '80. The federal share declined sharply since 1980 to the current level of 43 per cent, in part reflecting cut-backs by the former federal government, and in part reflecting the failure of the GNP-related formula to keep pace with the programs.



So I ask you again, Mr. Minister; we have the admissions here of the Minister of Health, and we have the admission, after much drilling, from the Minister of Finance, indicating that yes, there was \$13 million; indicating that there's going to be less money.

And I want to ask you again, how do you come to the conclusion that you're going to get more money under the formula which cuts back the rate of increase than you would under the previous formula? Other provinces — in Manitoba they have estimated that they're looking at a cut-back of something like \$313 million from the present until 1990-1991. The estimation here in Saskatchewan is about \$213 million.

And so I ask you again: have you attended any of the ministers' of Advanced Education and Manpower meetings; and what presentations did you make to the federal government? Or did you in fact send a telegram saying, everything is fine; keep up the good work, Brian?

I mean, you can smile, Mr. Minister, but this is a major concern. I mean, this province is running a \$2 billion debt. And you say, well look at what we've done for health. You haven't paid for it. Look at what we've done for education and advanced education. But you haven't paid for it. You've got a massive debt. And you want to stand by and allow the transfer of responsibilities from the federal to the provincial government. That seems to be the apparent approach that you're taking.

So I ask you again: can you indicate whether you attended any provincial-federal meetings in respect to the cut-back. And I want to ask you again . . . Don't tell me that you're going to get more. You may be getting more in total sum, but you're not getting more than the old formula. You are getting less than what you would have under the old formula; you know it, and everybody else in every other province knows it. So that's the question here; so don't try to deflect it.

I ask you, why aren't you standing up with other provinces? Other provinces have made representations to the . . . It says here:

"The Conservative majority on a committee studying legislation to reduce the growth of federal payments to the provinces for education and health care has voted not to travel across the country hearing views on the Bill," an NDP committee member says. The move, which angered the opposition members of the committee, follows a request for a cross-Canada hearing from Manitoba Finance minister.

So I ask you, have you met with federal counterparts and other provincial counterparts in respect to this very serious concern of the decrease commitment to post-secondary education? I think it's clear, Mr. Minister, that should this happen and be allowed to go forward — and it is going forward as the junior Finance minister indicates; it's going forward. So I ask you: have you met, and could you indicate the dates which you met with the other provincial counterparts and/or the federal Minister of Finance?

**Hon. Mr. McLeod:** — Well a couple of observations, Mr. Chairman. As far as my involvement in this since coming to this portfolio, I've been to one meeting of the council of ministers of Education at which one federal minister was there, Mr. Bouchard, the secretary of state. This was on the agenda. As I indicated before, the Minister of Finance from Saskatchewan, as is the case in almost every province, the ministers of Finance in Canada are the ministers that are leading the provincial position as it relates to established program financing.

And I want to make this observation. The member clearly says when he talked to the Minister of Health . . . and we can all remember; it was back in some earlier days of the session before the formula was changed — not that the formula was changed so much, but before the growth estimate was changed. And the growth estimate was changed, and when you talked to the Minister of Health and he indicated something in the order of \$13 million, that was based on a zero growth. And what I would say to the member, that's been upgraded by the federal government not by the provinces. But I've said it before to you; the Minister of Finance went through this with you in some detail the other night, and the numbers that I have given you are the following: in 1986-87, because of the new growth forecast and the way the economy is performing on a national basis, we can expect \$11 million on the plus side of the ledger — \$11 million more than what we would have got had that estimate not been changed; in '87-88 we can expect \$22 million more; '88-89, \$28 million more.

And I would ask the member this: the numbers that he quotes from the province of Manitoba are the similar numbers to those that he quoted when he was talking to the Minister of Health, so he has not updated his numbers as it relates to the new formula, the new estimates of growth. He has not updated his numbers, and he stands in the House and reads those same numbers, based on that zero per cent growth, and wants the public to believe that that's where it's going. Well it is not. And so the numbers that he gave as the bottom line in terms of what Manitoba will "expect to lose", and I put that in quotes, will not be accurate. And he should check with his cousins over there to find out if they're accurate or not, because it is not accurate.

What more can I say, Mr. Chairman, except to reiterate once again this negotiation is led by the Minister of Finance. I should point out once again as well that the Manitoba government, because of a political posture and so on, is the reason that they got into all of this. I can say that they didn't get one more cent, and they will not get one more cent in their established program of financing with all of their "fed-bashing" or whatever it is that they believe makes this federation go.

And as it relates to the commitment of this government, this Progressive Conservative government in the province of Saskatchewan to post-secondary education, we need take a back seat to no one in Canada — no one in Canada — and the numbers will show in any category that the member would like to raise that we lead in that area.

**Mr. Koskie:** — Well I'll tell you, the people in higher

education and the universities and the students that are watching must be very proud of the Minister of Advanced Education and Manpower for his tremendous fight to keep the federal funding up. And let's come clear. I mean, you're not being fair either with the people of Saskatchewan or with the legislature. It's the same as dealing with other aspects with you, Mr. Minister. You either don't know what you're talking about, or you're deceiving the House. And you know very well what the ... there was the previous formula. And so I ask you: what was the previous formula? You obviously know. So I ask you: what was the previous formula in respect to federal funding, and how it was based? Let's get down; let's go through it; give me the previous formula?

(1515)

**Hon. Mr. McLeod:** — Well, Mr. Chairman, I know this much about the two formulas, and I know that you've been through this with the Minister of Finance just a matter of a few days ago. The former formula was based on a three-year rolling average of the GNP. The present formula is a more simplified one, based on performance of the economy in a given year. And that's the change in the estimate of growth that I referred to earlier, and that's how it affects the present formula.

The estimate of growth, as I said before, was for a zero per cent increase in growth, zero growth, and in 1985, for example, Canada recorded real GNP growth of 4.5 per cent, which was 4.7 points better than what was forecast. And for '86, forecasters are now calling for growth in the 3.5 per cent range, which is three full points above what was forecast before.

So I would say to the member, rather than get into these formulas — and I quite readily admit to him, that the Minister of Finance has been carrying this for us, as it should be, and as is the case all across the country. There's no question, as it relates to post-secondary education, we in this department are watching with a very, very interested eye in what's happening. We are pleased that the new growth statistics will indicate that we can expect an \$11 million increase in what's accruing to Saskatchewan in the '86-87 year.

And as I said once before, Mr. Chairman, we in Saskatchewan as well have an excellent record as it relates to the commitment to post-secondary education over the last several years. And I can go through a series of accomplishments if the member would like.

**Mr. Koskie:** — Well obviously you don't want to get into the formulas, because if we start making application of the previous formula and the new formula, you come out on the short end. I mean, let's not play games, Mr. Minister. Basically what it is is the gross national product minus 2 per cent proposition is what the federal government is putting forward. And there is a very, very substantial amount of money that's ... the amount is going to be decreased in so far as the federal contribution.

Are you saying that ... Is what you're trying to say here in this House is that as a result of the steps taken by Mr. Wilson, the Finance, and the statement that he made, that he was going to in fact cut back on the amount of funding;

in spite of all of the junior minister of Finance indicating that you're going to have to live with it, you're saying that Saskatchewan is somehow different than all the other provinces? You're saying they're going to save, cut back what they otherwise would have, some \$6 billion by 1990-1991 under the previous formula. And here he stands up and he starts defending the federal Tories as the erosion and the major cut-backs in the funding to post-secondary education.

It's so bad, what is happening ... the results are so bad that speaking to a group of graduating students at the University of British Columbia, the Chief Justice of Canada — and very rarely do chief justices get involved in what is essentially a political matter — but the Chief Justice of the Supreme Court in fact indicated his major concern. But he worried that the current funding policies were undermining the institutions, being the universities.

"There is a serious, bordering on tragic, lack of funding for universities in Canada today," he said in his prepared text. "Let me speak first to the governments, provincial and federal. Please do not choke off the funding of universities. Canada must have good universities with outstanding teachers and world-class research facilities. Education is too important to be left to the ministers of Finance."

That's what the Chief Justice said. Too important to be left to the ministers of Finance.

And here we have the Minister of Advanced Education and Manpower, when the rest of Canada is very concerned with what is happening, saying everything is fine. I ask you: have you done an analysis of the effect of the proposals of the federal budget, Wilson's budget; and did you make a presentation as to the consequences that it's going to have from the present until 1990-1991 vis-a-vis using the previous formula and the new formula which cuts back the amount of the federal contribution? I was wondering whether you have ...

**An Hon. Member:** — Take the smile off your face.

**Mr. Koskie:** — Take the smile off your face. If you'd come a little closer and get involved.

**Mr. Chairman:** — Member for Quill Lakes, would you please keep your debate with the minister and refrain from everything else, as well as the member from Moosomin.

**Mr. Koskie:** — This is a great institution. This is a great group of people that you have on the other side. We're talking about one of the most major topics that we should be discussing in this legislature, and they send over the member who can't even run in his seat, the member from Moosomin to try to interject, just like they were doing in the Agriculture estimates. Well I'll tell you, I'm going to go on as long as I want on a very important subject. And the member from the southern sits and laughs as the federal government cuts back.

I wonder whether you're aware that ... In fact I ask you: have you made an analysis, a total analysis, of the overall

effect that it's going to have in the decrease in funding to the university during the period from the present to 1990, 1991? Because we want you on the record as to what you're saying here, because what you're telling the people is different than what the Minister of Health is saying, and it's different than what the Minister of Finance is saying.

**Hon. Mr. McLeod:** — Well, first of all, it should be clarified. What I'm saying is not an iota different than what the Minister of Finance told you the other night. What I'm saying is different from what the Minister of Health told you only on this basis, and I explained that to you once before. It's different only on the basis that prior to the change in the forecast for what the economy would do, the Minister of Health talked in terms of \$13 million decrease accruing to Saskatchewan. What I'm saying to you is that what will happen as a result of the change in the forecast and as a result of the performance of the economy . . . And just let's go into that for a minute.

What the federal government has done here is set the formula on the basis of how the economy performs in a given year. And it's no different really than what we would do or what you probably did, or at least I would expect that's what you would do when you were on the treasury benches of the former government — that you look at how the economy's performing and you say, here's where are priorities are here, and you set your priorities regardless of how the economy's performing, and then you say, there's where the money will be spent, and you hope for increased revenues or for growth in the economy. What we have in the nation today is growth in the economy greater than what was forecast earlier. That's been changed since the time that the Minister of Health had his estimates before this House.

So what I'm giving you is exactly the same information that was given to you by the Minister of Finance. And as it relates to Saskatchewan's position . . . Universities, for example, university grants, Saskatchewan. And I can go right down the list of all of the provinces of this country and the difference between 1982-83 and 1986-87. Let's just go through some numbers, Mr. Chairman.

Saskatchewan's difference, 37.8 per cent increase. This is operating and capital grants to the universities — 37.8 per cent increase from '82-83 to '86-87 under this government here in Saskatchewan. British Columbia, 3.8 per cent increase; Alberta, 7.6 per cent increase; Manitoba, 18.2 per cent increase; and we go down through the line. And I just say to you, Mr. Chairman, in any category that the member might like to raise, as it relates to a commitment to post-secondary education, this province versus his cousins in Manitoba or any other province in the country, I would stand, this government would stand, and this province stands in very good stead in that area.

And what he says, he says because the government of Manitoba has raised their fed-bashing and so on, and they say . . . They haven't received 1 cent more, nor do they stand to receive 1 cent more from established program financing — not 1 cent, Mr. Chairman. And yet he'll stand here and come with their political line as it relates to this. He won't . . . He doesn't agree.

What the member is saying over there is that he does not agree that financing should be based on the growth in the economy, on the performance of the economy. I believe that it should be, and it is. And I'm just pleased to see that the economy is growing to the stage where there will be a plus-11 million dollars accruing to Saskatchewan in '86-87.

**Mr. Koskie:** — Mr. Minister, I don't suppose that anything will change. What you have decided as a government is to have a love-in with the Prime Minister and the federal Tories until you get by the next election. But let there be no doubt that there is an erosion going on, and I have yet another in the Options magazine, May edition of volume VII, number 4, and this is done by L. Johnson, who did his task force report in respect of funding, and he says, "Stop neglecting research." But in part of what he is saying is that from 1977-78 to 1984-85:

. . . government grants to universities and colleges: the principle source of their funding, rose by only 2.5 per cent in real terms, while enrolment increased by 27 per cent in universities, and by 36 per cent in community colleges.

That is the basic position that he discovered across the country in respect to funding. So not only in the core funding are they cutting back, as I said, from 43 per cent of the total cost by 1990-1991; that will be reduced down to about 36 per cent of the total funding of health and post-secondary education. And let there be no doubt that the provinces will have increasingly difficult times to be able to adequately finance both health and post-secondary education.

Similarly, I don't know why you would be sticking up for the federal government when you look also, not only in the core financing that it's very, very . . . it's being decreased substantially, but he goes on in analysis in saying that in respect to research, that the performance of the . . . in Canada, for research and development at our universities, is in a crisis state.

And he makes some comparisons: they amount to 1.22 per cent of the nation's GDP (gross domestic product) in 1981, compared to 2.52 per cent for the U.S.A.; 2.49 per cent for West Germany; 2.38 per cent in Japan; 2.23 per cent for Sweden; 1.9 per cent for France; I repeat — 1.22 per cent for Canada — that's for research and development.

And you stand by here and you say there's no crisis in allowing the federal government — without even attempting to bring home the problem that it will create — allow the federal government to cut back on funding. All projections indicate that it's going to be cut back from 43 per cent to 36 per cent.

And so I say to you, Mr. Minister, we'll get into the particular funding here in estimates, but I think it's absolutely crucial that the federal government continue to make a major contribution; rather than cut back, it should be increasing. It was at a 50 per cent — 50-50, shared with the provinces; that has been substantially reduced, and there's no doubt that there is a further

reduction.

So I ask the minister: is he not concerned, in taking a look at the magnitude of the deficit that we have here, the concern that other provinces have, the relative state of education and the need, are you not concerned that the direction of the federal government in cutting back the EPF is going to be a major drawback to the further development of post-secondary education?

**Hon. Mr. McLeod:** — Mr. Chairman, we have here the member from Quill Lakes, the member of the New Democratic Party, formerly in government in Saskatchewan — the most agricultural province that we have in this country, this province — no commitment to agricultural research from that government over a period of 11 years, a dire need for an agricultural college in research for many years, and that member will stand here and talk about the need for research. Now that's a new-found concern of members on that side of the House, I can tell you, Mr. Chairman, a very new-found concern.

But the facts are these, as it relates to research in agriculture: new agricultural college building has been announced for the University of Saskatchewan in Saskatoon, not by the former government who said, and I paraphrase, but very near a quote from their leader at the time, that it wasn't a priority; agricultural college was not the priority at the campus during the time of their government.

It is the priority of this government because agriculture is a priority of this province, and we are building a new agricultural college at the University of Saskatchewan, a cost of more than \$90 million. And that member will stand and say that there's no commitment to research. And he has some new-found commitment to research now that he sits in the opposition benches. It just doesn't hold any water, Mr. Chairman.

**Mr. Koskie:** — Well I think the basic position of the minister is clear. One, he is not going to fight the federal government for further funds and fight them in their planned attack to reduce the amount of funding. That's perfectly clear, that he's not going to.

And secondly, he has indicated that . . . tried to leave the impression that under the new formula, despite the fact that all of the headlines and all of the other provinces are desperately working towards preventing the federal government, that he's satisfied; he's going to allow the federal government to cut back. They're doing wonderful here.

How he's going to try to defend it, just like the Minister of Health saying, well just take a look at our health budget. And that's what you're saying, take a look at our education budgets. And what I'm saying to you, Mr. Minister, you aren't paying for it; you're charging it up and our universities are going backwards. That's the facts.

If your funding was so great, I wonder why — and we'll be getting into this — why in fact there's \$3 million or more deficit at the Regina campus. I wonder why students are phoning in and saying, you know, it's raining and they

haven't repaired the buildings on the Regina campus. That's what they have said. They've got pails all around catching the rain. So I mean, it's a tremendous financing that you have done for the Regina campus.

How many times have the tuition fees gone up at the Regina campus under your substantial funding? And we can get into what you're doing . . . What is necessary now, apparently, by the board of governors, is putting it to all of the visa students, anyone from outside of Saskatchewan. They're going to double their tuition fees the first year, and double it again the subsequent year. And Tories say, are you against that? I'll tell you, we'll get into it and decide the policy.

You're saying a tremendous funding. And here we have the Regina campus. I'd like to ask the minister: are you aware of the total amount of the deficit that is facing the Regina campus? Our information has indicated that there's some \$3 million deficit, and the major source of income is from the provincial grants. So if your grants have been sufficient, I don't understand why there's a major deficit, and that the buildings are out of . . . a lack of repair.

So, Mr. Minister, maybe you could indicate why you think that the 3.2 per cent increase here this year for the operating grants at the university is going to be sufficient, because the universities have been having difficult times under your financing. The problem is, as has been indicated in the University of Saskatchewan annual report, going back to '84-85, and on page 2 it indicates:

The past year was a difficult one financially. The 1984-85 operations forecast indicated that to maintain programs at the '83-84 level the operating grant would have to rise 6.8 per cent. The grant that was provided, however, fell 2 percentage points below the required amount.

And we can go into the general capital programs of the university and, similarly, they haven't been met.

But I want to ask you, Mr. Minister, do you feel that the 3.2 per cent of the operating grants that you are offering here to the universities are adequate to meet the needs during the year, or is it likely that later you will be in fact providing further grants as you have in the previous years? Is this the budget that we're dealing with, or are you waiting for further indications in respect to enrolments, and what have you, and may in fact decide to increase the budget?

So two questions: one, do you feel that the 3.2 per cent operating grants is sufficient for the universities during the course of the year, or is there likely to be some increases?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, the question as it relates the 3.2 per cent — sure. I mean when we talked about, you know, where revenues are and where you sit in the whole budgetary picture and so on . . . And what I would say to the member, as Minister of Advanced Education and Manpower, sure, I'd like to see increasing numbers. I'd like to see greater numbers for operating. The fact is, we felt that it was a fair number, 3.2 per cent. I talked to the administrations of both universities about it

prior to, and they're no different than I am because that's the community within which they work, the university community, and they say that they would like to have seen it somewhat more. But we have been turning our emphasis to capital, and they also appreciate that as well. They want that to happen because there's been a dire need for a good number of years for the capital grants to increase at the two universities, and they are doing that by substantial numbers.

As it relates to tuition fees, which the member talked about a few moments ago, just to give you an idea of where they sit. I'll just give you a couple of colleges that are quite a ways apart on the spectrum, so to speak, some comparisons. In engineering: the tuition in the College of Engineering at the University of Saskatchewan is \$1,170; University of Regina, \$1,192; and at the University of Manitoba, to give an interprovincial sort of perspective, it's ranging from 1,232 to \$1,284 — College of Engineering. College of Fine Arts: at the University of Saskatchewan, \$1,075; at the University of Regina, \$1,192; and a range at the University of Manitoba from 1,221 to 1,251. So in this year, in terms of tuition fee increases, the board of governors decisions, as I know the member knows, the University of Regina has decided to raise tuition fees by 5.7 per cent, the University of Saskatchewan has recently decided to raise their fees by 6 per cent, and just for that interprovincial perspective once again, the University of Manitoba by 8 per cent.

**Mr. Koskie:** — I want to indicate and get into some of the details in respect to the problems that they're having at Regina. It indicates that there is some \$3 million deficit at the campus in Regina, and I don't know how you can indicate that there's sufficient funding with a deficit of that magnitude. I ask you: are there any plans by your government to orderly assist the university in order to bring under control the \$3 million deficit?

I take it that the board of governors were hoping to increase some of their revenue through tuition fees, but if one looks at the tuition fees here in Regina and makes a comparison, certainly they're relatively high. So I want to ask you then: is the government making any plans whatsoever in respect to helping the university here at Regina to get rid of their rather large deficit, because essentially the only revenue they have is the tuition fees? They can increase them some, but to wipe out a deficit of \$3 million . . . I wonder if you have any plans in mind to help them?

**Hon. Mr. McLeod:** — Well, Mr. Chairman, there's no question that we are, in the department, as are the board of governors and the administration at the University of Regina, concerned about that deficit. We've tried to arrest that, and I believe we have arrested it at a certain level there now, but our department is working with the administration at the University of Regina, as well as . . . well I guess it's the administration. The board of governors, I know, is aware of what some of the discussions are. We have another aspect here, the university renewal and development fund, which for a good part of it deals with capital but also with some other things, and they are into discussions regarding the costs of equipment.

Some of the things which the University of Regina face and on which they have made their case very strongly is in terms of equipment renewal, and there is a problem there that's been long-standing. We have been recognizing that, and we are into discussions about that now in terms of how we might be able to solve some of those problems.

I think, as the member will recognize as well, the two universities are very different in terms of their history and in terms of their size and so on, and we have to be able to look at the two of them and realize that the problems that may be faced by the University of Regina aren't problems that would be so inherent in Saskatoon. It has a more established base and is more of an established institution.

So, yes, we are aware of the problems, and, yes, we are working with the administration at the University of Regina to try to address this. Hopefully we will see that deficit rolling in the opposite direction very soon.

**Mr. Koskie:** — Well was any discussion carried on with the board of governors or the administration at the University of Regina whereby the government indeed indicated that they had to take certain steps in order to eliminate their deficit? Because it seems to me that in Regina we are getting to the stage that the tuition at the University of Regina is, relative to others, very high.

I have here a comparison at the Brandon University. Students at Regina already pay one of the highest tuition fees for the prairie provinces, according to Statistics Canada. They have a table here of Brandon University, \$893; University of Manitoba, 912; University of Winnipeg, 822; University of Regina, 1,128; University of Saskatchewan, 1,015; University of Alberta, 852; University of Calgary, 832; University of Lethbridge, 892. And this is what the students have done in their basic analysis of tuition fees.

(1545)

So what I'm saying is that it seems to me that forcing the university to put on further tuition fees is going to have a detrimental effect on the right of students to be able to attend if you start jacking up the tuition fees too high. So I ask you: one, have you had any discussions with the U of R whereby you have indicated that it's their responsibility to take some action to proceed to reduce the amount of the \$3 million deficit, because certainly the board of governors took some pretty significant steps in increasing again the tuition fees and doubling the fees for foreign students? Is there any direction by the provincial government?

**Hon. Mr. McLeod:** — No. As it relates to the decisions taken by the board of governors, there have been no directions by the provincial government. In our discussions, as I said, relating to the deficit and trying to address the deficit, we'll discuss various things that might be done in terms of, as I said before, equipment costs and faculty renewal and some of the things that go on at universities — and resource costs in the libraries and the need for renewal there, and some of those things which they have identified as major problems.

The numbers that you read, and I think it's important . . . And I'm not sure if this is the case at Brandon, but I know at the University of Manitoba — and I think Brandon may well be under a similar circumstance. You read out a number which is their tuition fee. What they have at the University of Manitoba over and above their tuition fee is what they call a faculty fee which they pay to the college they enter. A student will pay to the college they enter, for example, engineering, or the College of Education or the College of Fine Arts or whatever it might be. So if you add that fee on to it you'll find that the tuition fees at the universities here in Saskatchewan will compare very, very favourably, and as I've indicated before, will in fact be lower than they are in our neighbouring province to the East.

There's no question that the tuition fees at Saskatoon, University of Saskatchewan, for most of the colleges, are slightly lower. And I went into that a little bit, because it is a much more established institution. But they're slightly lower than they are here in Regina.

And the other point that should be made, Mr. Chairman, is this. The tuition fee cost of education at the University of Regina — we'll take that one for the example because the member mentioned that — is 15 to 16 per cent of the total cost of educating a student. So the tuition paid by student A is 15 to 16 per cent of the cost of his education for that year — his or her education. So that point needs to be made.

As it relates to the decision made by the board of governors as it relates to foreign students, they made that decision, and it's one that they made by looking at what's happening on many campuses across the country. And they've just gone with the trend of what is happening at many of the universities in Canada.

**Mr. Koskie:** — I want to go to the capital budget for the respective universities. Two years ago you established what was known as the university renewal and development fund — \$125 million over five years.

Now what I want to first of all get is in the first year, 1985-86, could you give me a breakdown of the expenditures out of the university renewal and development fund for '85-86 for the University of Regina and the University of Saskatchewan. Could you provide me those figures — how it was spent, the project, or the way in which it was spent — for each of the universities, and the total amount that was spent '85-86.

**Hon. Mr. McLeod:** — The total in '85-86 from the university renewal and development fund was \$14,994,462, of which 10,500,000 was to the University of Saskatchewan, 3,900,000, University of Regina, 594,462 to the federated affiliated colleges.

**Mr. Koskie:** — Can you indicate what it was expended on in each instance, that is, 10.5 at the University of Saskatchewan? What were the expenditures for under the renewal and development fund, and similarly for the other expenditures?

**Hon. Mr. McLeod:** — Well I've got a sheet with the various breakdowns that I'll just send over to the member,

Mr. Chairman.

**Mr. Koskie:** — And in accordance with the budget speech this year, Mr. Minister, there's an indication that the total amount of expenditure from the development fund would be \$18 million. That's the commitment that was made in the budget. I wonder if you could also send over the proposed expenditure there, item by item, for the federated affiliated colleges, the University of Regina, and the University of Saskatchewan, and indicate the particular totals.

**Hon. Mr. McLeod:** — Mr. Chairman, just to clarify, what I will send to the hon. member from Quill Lakes is . . . and I'll just write it out here now. As you will know, and I think has been explained before by my predecessor in this department, the university renewal and development fund, there will be an negotiation process between the two universities and the government, those three parties. What we have allocated up until now, of that \$18 million that's committed is about 14-and-some million. There's about \$4 million which the two universities are coming to some agreement upon. We will send over to you that portion which has been committed to this stage which is something in the range of \$14 million. I'll have it right written out and send over, Mr. Chairman.

**Mr. Koskie:** — That would be appreciated, Mr. Minister. In respect to dealing with the universities and their capital needs, what you have done is set up the university renewal and development fund of 125 million, as you have indicated, 14.9 about the first year, and you're indicating 18 this year. Have you asked the universities, since you have the five-year university renewal and development fund, have you asked the universities to submit sort of their five-year proposal, and are you attempting to meet those priorities which they set out for each of the years? In other words, are they able to plan ahead commensurate with the renewal and development fund which is over a five-year period?

**Hon. Mr. McLeod:** — My understanding is that, yes, the universities are able to plan over a period of time and the URDF expenditures, as it comes out in last year's and then this year's, expenditures are in accordance with how well they feel that they can keep up with the cash flow and with the expenditures in this fund.

And yes, they have some long-term plans. And one of the criteria, Mr. Chairman, in setting up the university renewal and development fund in the very first place was to encourage the kind of planning that the member talked about. And that has been encouraged, and the three parties to the negotiations around that fund are in agreement as it relates to the levels of spending in any given year.

**Mr. Koskie:** — Well have you received for this year the requests by the respective universities, the University of Regina and the University of Saskatchewan, for their capital expenditures? Have they made their submission to you? And can you indicate whether or not . . . Well let me ask you whether they have made their submission to you. And if you would indicate also, if they have indeed, and I would be surprised if they haven't as to the amount of the expenditure that they are requesting at their respective

campuses.

**Hon. Mr. McLeod:** — No, in the initial stages of setting out the URDF . . . and when we sat down initially with the two administrations of the two campuses, they submitted the five-year plans and ten-year plans into the future, in terms of the kinds of things that they could see down into the future. So it's on the basis of those rather . . .

As you get out further into it, into 10 years, and if you get out into 15 years . . . And I submit to the House and to anybody that that may well be the kind of things that need to be done, when you're dealing with major institutions like the universities and the institutions that they are and that they have become, that you need to look down the road.

This URDF that we set up was to go a good long way in terms of getting that type of thinking established, and we think it has gone a good way in that direction. In fact, I believe the university administrations would in both cases agree with, and in fact they've been heralding this program to their counterparts in other universities across the country.

But in terms of saying this is what the list is, and this is what the priorities are, I won't be able to give that to the member, for example, because the two universities, in this negotiating process that goes on between the three parties that I mentioned earlier, that continues. And it continues on so that, for example, when the college of agriculture building was the priority in Saskatoon, the discussion included three parties, one of them including the University of Regina, who also recognized, which is a great breakthrough in a lot of ways if they recognize that agriculture and the agricultural college, even though it's at another campus, is a major priority; and they said fine, go ahead, that's right.

And by the same token, some of the things that have happened here at the University of Regina have been with the agreement of the University of Saskatchewan because they also realize the importance, for example, to the student union building to the University of Regina, to campus life, and the things that they have had for a good number of years in Saskatoon at the University of Saskatchewan.

**Mr. Koskie:** — You're going to be sending over the proposed list of projects in respect to the development fund of 125 million, you say, about 14 out of the 18 are designated now, and you'll send that over. That's fine.

What I want to know is, in respect to the University of Saskatchewan, is the college of Agriculture . . . does their funding come out of the university renewal and development fund, or are the major capital expenditures separate and apart from the development fund?

**Hon. Mr. McLeod:** — Okay. The cash flow, as it relates to the College of Agriculture building, some of it will come beyond . . . by the nature of the size of the project, some of it will come beyond the parameters of this five-year program, which is fair ball, an the next . . . whatever will replace that and will be another one of these.

(1600)

So just for the funding though, it comes from two of the development funds which were set up in last year's budget: \$19 million will come from the agricultural development fund; \$17 million from the university renewal and development fund in this early stages. And as the project goes on there will be . . . and certainly there's \$12 million committed from the university in a public fund raising from the private sector and so on, who are willing to, and the university says that they feel they have no problem with that number. But after the five-year time, of course, there'll be cash flow on a project which is committed, and that will come into URDF number two, or whatever it is that replaces it at the end of the five years.

I might say, if the member, you know, suggests that the URDF is . . . I don't say that you are suggesting this, but we believe that the URDF has been operating extremely well. It has brought the two universities to the table with a good deal of understanding that we didn't think was there before, and both universities are looking now forward to longer-term planning and are setting out plans and schedules and so on to take them beyond this URDF and into another one to replace it, or something similar to replace it.

**Mr. Koskie:** — Well It's increasingly difficult to be able to follow the capital expenditures because if you go to the expenditures on Advanced Education and Manpower, you can't find anything under capital expenditures. And so you're going to give me the details in respect to the expenditures of the development fund, and what I want is a list then of the capital projects that you're proposing to proceed with, or are proceeding with at the present time for each campus and the source of the funding because, as I say, you have to wander around the estimates to be able to track it down. So can you provide that information in respect to all the capital projects and the source of the funding for each of the campuses?

**Hon. Mr. McLeod:** — I've just had . . . The sheet that I referred to earlier, that I could send over, as it relates to '86-87 allocations, those which have been agreed upon thus far, which leaves \$3,750,000 to still be allocated, so that leaves that void there. I'll just send the sheet over as it's written out, and if you have any questions relating to it, please ask them. But the numbers are: University of Saskatchewan 11,910,000; the University of Regina 2,340,000, already allocated by agreement.

**Mr. Koskie:** — Yes. This is the allocation then out of the URDF (university renewal and development fund), the U of S and the U of R, and still to be allocated. This covers off then . . .

There is no other expenditures say for the University of Regina outside of what is going to come out of the university renewal and development fund? In other words, I'm asking whether any additional capital expenditure beyond what you have listed here allocated. . . I know that you're saying that there's more to be negotiated to use up the \$18 million. What I'm asking you specifically, outside of the university renewal and development fund, are there any other allocation of funds for capital expenditures?

**Hon. Mr. McLeod:** — Yes. There is more capital which goes to the . . . I think I know where the member is coming from. You're suggesting that there isn't more capital money than what comes out of the URDF. Is that what you're asking?

**An Hon. Member:** — Yes.

**Hon. Mr. McLeod:** — Okay. At the University of Regina there will be \$2,005,000 out of ordinary capital, in addition to what I sent you from URDF; and at the University of Saskatchewan, \$6,795,000 ordinary capital, which is in addition to the university renewal and development fund numbers that I sent you.

And the other thing that's separate at the University of Saskatchewan is the geological science building which is \$1.6 million in this year for geological sciences, which is over and above the numbers that I sent you related to the university renewal and development fund.

**Mr. Koskie:** — Where do you find those capital expenditures? I can follow that you have 18 million out of the development fund, but in respect to the additional capital expenditures, where is that coming from? Is it from the Special Projects Fund budgetary expenditure?

**Hon. Mr. McLeod:** — It's in the Property Management Corporation, Mr. Chairman.

**Mr. Koskie:** — Okay. The Property Management Corporation, if you look under education there's \$50.4 million. I presume that's the description that you're referring to on page 134 of the Estimates. Is that the only breakdown that we get in reference to expenditures under education on page 134, or is there another breakdown for the university? I haven't found it, at least.

**Hon. Mr. McLeod:** — That's . . . I believe I'm getting the proper number here now, so I'll just . . . The \$50 million that you see on page 134, as you referred to under education, is both education and advanced education. The advanced education portion is \$27.6 million — at least I believe that to be the case. I'm having that clarified now just to make sure that I'm giving you the exact breakdown here. But we believe it to be 27.6 million, and we'll have it in a few moments, Mr. Chairman.

**Mr. Koskie:** — Well let us assume then — I'll give you some time to check that out with your officials — but just assuming that the capital expenditure is 27.6 million, then can you give me the breakdown of that capital expenditure? Because you see, it's so increasingly difficult to be able to know what is being expended, the way in which you're doing your estimates, your budgets, because you have lumped it all together. And anyone reading under education, how would anyone know that you have lumped together both advanced education, universities, community colleges, and so on, as well as education proper? So with the 27.6 million, can you indicate the breakdown of that?

Because you see, the problem that I run into again is if you go to special project funds, you have also budgetary expenditures. And I look at the expansion of the northern

institute, you have an item; and renovations to Advanced Education and Manpower equipment repair depot, under special projects. So trying to put together really what you are spending takes a magician, I guess, because it's scattered all over, and, I suppose, in order to make it more difficult, but can you give us the breakdown then of this 27.6 billion in capital expenditures for the Advanced Education and Manpower? Can you give us the breakdown of the expenditures there?

**Hon. Mr. McLeod:** — Yes, I'll give those in a moment. As I say, they're just putting them together.

And just a comment as it relates to your previous comments, as it relates to being a magician to go through this. I look at page 134, and in terms of the \$50.4 million — and I will go on record as saying that I would agree with you — and I would like to see it in property management corporation, the way it's done, in another year. I would like to see it done in . . . I don't know what the reasons are. I'm just going off the top of my head, but I'll do that with you here. I'd like to see it broken down between Education and Advanced Education because they are different departments and different type of expenditure. So that may be something that can be done.

And in fairness, Mr. Chairman, and to the member, the property management corporation is a new operation, not new in Canada necessarily, but new to this province. And while it may have some growing pains, we think it's going to have some successes. I'll just make this note to you, that yes, I believe it probably should be broken out into Advanced Ed and Education, and unless there's some reason that I can't think of just at the spur of the moment, I'd like to see it done.

**Mr. Koskie:** — I'd appreciate it if you'd sent that over. I may well have some questions in respect to the capital expenditures of 27.6.

**Hon. Mr. McLeod:** — Excuse me, Mr. Chairman, just to clarify it for the member. What I said was 27.6; it's \$27,740,000. This is the numbers now that pertain to Advanced Education and Manpower in the Saskatchewan Property Management Corporation; 18 million in the university renewal and development fund, which we referred to earlier; \$8.140 million out of the ordinary capital; and \$1.6 million for the geological sciences building, which I noted earlier as well; for a total of \$27,740,000 in the Saskatchewan Property Management Corporation relating to Advanced Education and Manpower.

**Mr. Koskie:** — Okay. Thank you for that. In dealing with the capital expenditures and so on, I notice that in the University of Regina, deferred maintenance and equipment and so on are going to be expended out of the development fund. There is indeed a great concern in respect to the present condition of the University of Regina, and indeed I've had students contact me asking me to determine when you intend to do the major repairs on the roof there. The last rain they had, water was coming out of the fluorescent lights and fixtures, and garbage cans, as I indicated before, had to be set out and pails all over the building in order to catch the water. And then they were using wet vacuums to try to draw up the



water. So their students are concerned with the general deterioration, and I wonder if the . . . I have the list here, and it does say, defer the maintenance and the equipment, and I'm wondering whether they meant major repairs are going to be done to the university campus this summer.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, there's no question, anybody related to the university community here in Regina has those concerns, and I would just say to you, as I've said to you before, that we are trying to address some of the problems as it relates to the maintenance, and the capital, and so on.

Last year, we provided 3.1 million to the University of Regina, Mr. Chairman. Now I know the member will say, well numbers are numbers and still the roof leaks, and I agree that there's a problem there. It's certainly not a problem that has been caused during a term of office of this government. Like I say, we provided 3.1 million last year to the U of R. That's more in one year than the member's former government provided in the last four years of its administration, per capita, Mr. Chairman. The last four years of their administration, they didn't give \$3.1 million to the University of Regina in capital, and 3.1 was in last year alone from here. So for him to say or to suggest that we're not addressing it, is not true. We are trying to address the problem.

(1615)

There was not one, significant, capital project approved for the University of Regina during the entire 11-year term of office of those folks over there — not one to the University of Regina. This government has initiated on the other hand, Mr. Chairman, \$1.7 million capital expenditure for a new computer system — major, new computer system, very, very up to date. It puts the University of Regina at the level where it should be in the new technology area. One point seven million dollar renovation of Darke Hall, which I know the members there over 11 years did not touch for a long time, and it's a long-standing problem here in the city of Regina and as it relates to the University of Regina. Was not touched by them, and in this first term of office, \$1.7 million committed by us to the renovation of Darke Hall. Six million dollar student union centre project, and as we've indicated in some of the numbers that we've been passing back and forth here, more to come from the university renewal and development fund. And in 1986-87 we expect in the neighbourhood of 6.5 to \$7 million in capital spending at the University of Regina.

So while I don't deny that there are some problems which, I would hasten to point out, we inherited, we don't run away from them just on that basis. We know we inherited them. We're trying to address them, and the University of Regina is dealing with a government that has more sensitivity to their problems now than they were when they were dealing with the member opposite and his colleagues.

**Mr. Koskie:** — I think we'll let the students make that decision. Obviously there's some concern on the opposite side because they clearly indicate that they have done such a great job — just tremendous — every area.

But I'll tell you, when it comes to calling the election, there must be some reason. That's all I can say to you. And it's certainly young people that are not in fact supporting you.

In respect to student financial services, I just want to run through a few questions in respect to the programs To follow in respect to your annual report of 1984-85, we have the Canada student loans program for full-time students, and the Saskatchewan student loan, and the Saskatchewan student bursary and special incentive bursary, as the major programs.

The Canada student loans program, the criteria, I take it, is established by the federal government since it's . . . Canada student loan is financed by the federal government. Is that accurate, or has the province input in so far as the basic criteria?

**Hon. Mr. McLeod:** — For the most part that's true; it's established by the federal government. There are some areas of provincial discretion. For instance, in terms of the assets of parents and so on, those things can be under provincial discretion.

**Mr. Koskie:** — And the asset test that was required before, I know that that has been eliminated, which I agree with. Have the federal government approved that modification by the provincial government? I would take it that you would have to get a confirmation because, obviously if he's changed the criteria, you can increase the amount of eligibility to more and more students, and that's what I agree should happen, but is it necessary to get the permission of the federal government? And secondly, did they make that change, as far as you're concerned, across Canada, applicable to other provinces as well as Saskatchewan?

**Hon. Mr. McLeod:** — No. As I indicated in my earlier answer, for the most part the criteria are set by the federal government but there are some areas of provincial discretion. One of those areas is the areas of assets of parents, and so on, which is an area of provincial discretion, and this province chose to eliminate that problem which you referred to that was there for so many of our young people before, and it was not necessary to ask the federal government's permission regarding that aspect.

**Mr. Koskie:** — That's really quite different. Now in the change that you have indicated, the interest rate the province is going to reduce down to 6 per cent and will in fact reimburse the students, I take it, in respect to the interest that they have to pay relative to reducing it down to 6 per cent — you'd pay the difference to the students. What is the mechanism for the students qualifying, and is it retroactive to the loans that are in existence, or is it loans starting at a given period of time?

I guess what I'm asking is: is there any retroactivity if a student in fact is still going to university, has completed one year and has taken out loans, and say the federal government, under the Canada student loan program — the interest rate is 12 or 13 per cent — can they in fact get the reduction in interest for all of the loans that they take in completing their particular university?

**Hon. Mr. McLeod:** — No. It was determined that it would not be retroactive, and it is not retroactive. It applies to any loans which are applied for and approved after May 1st of 1986, so just after the announcement date of the program.

**Mr. Koskie:** — Now you indicate that the new program will be of particular . . . Well I guess there's one new program, and that is the new Saskatchewan supplementary loan program. I take it that's the new program that you put into effect. I notice on the pamphlet that you have provided to us that it's a needs-based program designed to supplement existing student assistance programs; criteria are similar to the Canada student loan program.

Is this the particular program that you allude to that will be of assistance to a number of single parents, disadvantaged groups, etc.? You say a similar criteria to the federal program, but I notice the essential difference is that the assistance is available for programs lasting four weeks or more. So it applies to a different group of students, because if they're under the Canada student, it has to be 12 weeks of course length.

**Hon. Mr. McLeod:** — The program that you refer to will be of some help to single parents, but the one that really zeros in and helps and the one that we've been lobbied by a number of young women, and so on, who are at university and who have children, the special incentives bursary program will be one that will be of most help to them because it includes single parents into the special incentives bursary program where they were not included before.

And as it relates to the change to four weeks from 12 weeks, we felt that the federal restrictions of 12 weeks, which is in the federal criteria, were too restrictive as it related to programs such as intercession summer school, those kinds of things which go on for less than 12 weeks in some cases.

**Mr. Koskie:** — Well, okay, it's the Saskatchewan special incentive bursary. Is that the one that you're saying will be most effective there? What are the specific changes that you made in respect to that program which was in effect before, which will broaden it to include more people?

**Hon. Mr. McLeod:** — Well the special incentives bursary prior to this time was there for special needs groups such as the handicapped, and for isolated northern people and some of those things, non-status Indian and Metis people. And what we've really done is broaden the criteria to include another group which many statistics showed were having difficulty because of being single parents, and difficulty obtaining the training that they needed in order to enter the work-force and get in there.

So what we've done is broaden the criteria to include this group, and I must say that that was an area that was asked for for a good long time by the students' organizations and by various people who lobby. And we found that it's been very well received by the public at large.

**Mr. Koskie:** — So what you've done under the Saskatchewan special incentive bursary is really broaden

the criteria, or who can qualify to obtain it, and that's where a lot of the single parents that you have indicated in your press release are likely to qualify.

**Hon. Mr. McLeod:** — Right.

**Mr. Koskie:** — I guess the one area that is perhaps of some concern to the students is two-fold. One is that the assistance that they get is for a five-year terms. In other words, for post-graduates have problems. And I was wondering whether you have been able, Mr. Minister, to address that basic problem, because I have . . . Some of the students have discussed it with me and indicated a concern, that if they go into post-graduate work and they don't get sufficient, may get in fact cut off from the benefits that they previously could. Is there any discussion — any benefits there?

**Hon. Mr. McLeod:** — Okay, I'll attempt to outline this. For students who require loans for up to five years, which would be the normal course of studies, as you've indicated, the first step is a loan, a Canada student loan; and then a Saskatchewan bursary, which for whatever eligibility . . . And once their eligible for that, and then after five years for those into graduate work as you indicate, the step is a Saskatchewan student loan, and that's been there for a period of time. The only change for those people who are into graduate work, and after the five-year plan, is that their interest rate is now reduced to 6 per cent, as they are for all Saskatchewan student loans. So that's the outline there.

**Mr. Koskie:** — Well certainly there has been no improvement for postgraduate students. You're saying basically nothing has changed.

**An Hon. Member:** — Just the interest rate has.

**Mr. Koskie:** — That's right. And that the problem that they have still continues because they weren't concerned so much about the interest rate as they were concerned . . . Obviously a reduced interest rate helps, but availability of funds — they just were not getting sufficient funds for postgraduate work, and they raised that with me. And I'd ask you to take a look at that. I'm sure you're familiar with it.

The second one is in respect to the Saskatchewan student bursary program. There's some concern there that what you did is really reduced down the amount of the bursary relative to student loan as a percentage. It was decreased from when a few years ago . . . The former minister admitted doing this. And there is some concern there that they should reinstate the bursary to where it was before. It's tied to the amount of student loan that you have to obtain before you can qualify for a given amount of bursary.

(1630)

And the students are aware that the availability of bursaries was seriously cut back by the former minister, and perhaps that's why his political career has suddenly come to an abrupt end. But that's one of the legacies that he leaves behind, having cut the bursary which was, I thought, one of the outstanding programs we had in

helping certainly needy students.

Rather than laying on their backs a very substantial amount of loans . . . I can tell you that students going to university that are dependent on loans can ring up a very substantial amount of indebtedness to when they graduate, and while they welcome that, certainly those needy students, the additional bursary was useful. So I might ask the minister to perhaps take a look at it and consider the students' request there for a further reinstatement of the level of bursary that we had previously. Have you any comments on that?

**Hon. Mr. McLeod:** — No, only to say that I know what you're saying there, but the \$70 per week level of bursary is exactly what it was last year. In '85-86 it was \$70. This year, in '86-87, it will be \$70 per week. In '84-85 it was \$65.50; and '83-84 it was 62.50; and '82-83 it was 56.25 and so on. So what we're saying is that it was 70 last year and \$70 a week this year. I understand what you're saying in terms of the percentages and you may be able to make a case if there's a percentage change there. And I've heard this argument from some representatives of student associations.

Quite frankly, the changes that we have made to the student-aid package have been very well received by the student organizations. And individual students that I've talked to and that have written letters to us have just mentioned things to all of my colleagues from whatever part of the province that they're from. We think that it's an excellent program, and even any excellent program always can be better. But we will continue to monitor this, because just by the changes that we have made have shown, I believe to you and to everyone else, that we are committed to post-secondary education. I just say that that commitment will continue and we'll continue to monitor the program as it carries on.

**Mr. Koskie:** — I was wondering whether . . . After having announced the program, you put together a fairly elaborate advertising campaign, if I may call it that. In respect to it — the pamphlets which I think outlines some details of changes — you have the guide, of course, and the application forms. The students should be aware that they have to do their applying for the rebate — the 6 per cent.

But in addition to this package you have some elaborate advertising here — 6 per cent interest rate; invest in your working future; the new Saskatchewan student assistance program. I was wondering . . . And it's my understanding that the Premier himself sent a package to every young person in the province — directly mailed individually to the young people across the province — university and high school. And I was wondering whether you could indicate: did the department, your department, pay for this advertising information in respect to the student loans program? And I'd like you to give me the basic cost of the program as I have alluded to.

**Hon. Mr. McLeod:** — Yes, as you have indicated, we sent a package to graduating high school students who will be coming into the post-secondary world next year, or a good number of them will. We sent information to people who are now in the schools, in the universities. We sent

posters and information to each of the high schools and to the universities and the institutes and the community colleges and wherever else, and it was very well received in the sense that we had a tremendous number of applications and inquiries to the department following that.

I think I can safely say here that the young people of Saskatchewan who will have benefits accruing to them from this change in the program and from the program itself, are pleased. I think I can safely say that they know about the program and what's there.

The cost of that was: application kits, that includes the application kits, \$65,000.

**Mr. Koskie:** — Application kits. Let's get the rest of the breakdown. You mailed it out individually to every individual. Give me a breakdown of the postage, the production of the posters, the production of the pamphlets, the breakdown of the whole thing. Let's not run it by here and say that that's the full cost. Let's face it.

**Hon. Mr. McLeod:** — I will . . . As you've said, I said that includes application kits, because that was one of the things that I did not include in my preamble before. But it includes application kits and the loan remission kits and brochures and the various things that you referred to as well. I will undertake to give you a breakdown of that, but the total cost is \$65,000.

**Mr. Koskie:** — Well just a minute now. Don't leave it here as . . . Give me the breakdown. You're saying that all of the postage, all of the mail-outs, all of the envelopes, all of the — the whole package, the final total cost is, and the posters and the production — is 65,000. Is that what you're saying?

**Hon. Mr. McLeod:** — Now the 65,000, as I've said, is for the information which was sent out to the universities and to the students themselves and to the high schools and to the high school students and whoever else received those individualized packages. That was \$65,000. And I've said I will give you a breakdown of other costs as it relates to advertising of this student aid program. I'll certainly give that to the member. I'll undertake to break it down and send it to you.

**Mr. Koskie:** — Okay. I want to turn to another program, and that's the Saskatchewan skills extension program. And I have the . . . looking at your report. And this is the decentralization of programs. In '84-85 you indicate 125 programs were delivered throughout the province, and only 11 of these were delivered in the centres in which the institutes were situated. And as I say, it was established to facilitate the expansion and decentralization of institute-based credit training.

I'd like it if you could give me the statistics for '85-86, how many programs were provided. If you can, also indicate the number of persons using that program, that is the Saskatchewan skills extension program. And if you could, indicate to me the number of native persons that were able to be facilitated under that program.

**Hon. Mr. McLeod:** — I'll give you this breakdown, Mr.

Chairman, to the member. Total programs in '85-86 . . . When I say north and south here — in the North I'm talking about three northern community colleges being West Side, North East, and La Ronge region — those three. And as it relates to the breakdown of native people, I would say that the . . . We don't have that in terms of the whole province, but in the northern ones, it's about 75 per cent of those numbers which I give as it relates to the northern three community colleges.

So it's 20 programs in the North; 120 programs in the South, for a total of 140. This is in 1985-86, estimated. Total training days in the North, 29,334; in the South, 99,102, for a total of 128,436. Total participants in the North, 231; total participants in the South, 1,755. Total communities in the North, 6 different communities; and in the South, 26 different communities, for a total of 32 communities at which these programs were delivered.

**Mr. Shillington:** — Mr. Minister, I wonder what you can tell us with respect to the renovations of the old campus, and particularly Darke Hall. I see the renovations in progress. When are they expected to be completed? I'll ask you that first, I guess.

**Hon. Mr. McLeod:** — I'm informed that the Darke Hall renovation will be completed this year.

**Mr. Shillington:** — Are renovations planned for any other portion of the old Regina campus, or is that it?

**Hon. Mr. McLeod:** — The remainder of the . . . I say the remainder, but other buildings which are part of the old campus or the College Avenue campus of the University of Saskatchewan are part of the discussions which go on with the University of Regina as it relates to their future . . . or the University of Regina's future, and where their colleges go, and so on.

I can't say that on the drawing board today are plans for the college building or the teachers' college building. I'm not sure of the exact names there, but I think you'll know which ones I'm talking about. So there's nothing on the drawing board, I don't think — I may be corrected on that — but in terms of what will happen this year, next year, and the year after, in terms of the cash flow and that sort of thing.

**Mr. Shillington:** — What priority has the university given that series of buildings with respect to renovations? I had understood that they had asked the government for assistance in those renovations and that had not been forthcoming.

**Hon. Mr. McLeod:** — I think it would be fair to say, I don't know where this would be divided, but it would be fair to say that within the University of Regina community, administration included, I would say that there's some divergence of opinion whether there should be a major priority to the buildings on the College Avenue campus. I think really here we're dealing with fine arts, because that's mainly what's accommodated there, or if there should be fine arts at the new campus and so on.

So in terms of saying what is the priority, I would say it would be very difficult to put a finger on it. It would

depend on who you're talking to at the university on a given day.

**Mr. Shillington:** — Those buildings, Mr. Minister, comprised the old Methodist college, which was deeded to, as I understand it, in the 1930s was deeded to the University of Regina by the then United Church. Those buildings, Mr. Minister, are of historical value, and I wonder if serious consideration is actually being given to seeking assistance from the member from Turtleford to raise those buildings. The Minister of Parks and Recreation has gained some valuable experience in knocking buildings down, and I would hope that his assistance isn't sought with respect to the old Regina campus.

I would hope, Mr. Minister, that nothing would happen to those buildings. Those buildings are of considerable historical significance.

(1645)

**Hon. Mr. McLeod:** — No, I hear what you're saying. Quite frankly, being somewhat new to this city . . . but I also understand that there is . . . and I've heard the opinion. And as I said to you I believe . . . I guess the question as it relates to the University of Regina is: where are the fine arts facilities to be located; new campus or renovations at the old; and what will renovations cost at the old; and some of those kinds of things. But I also understand as it relates to significant older buildings, as those are on College Avenue, that they are certainly worthy of a look in terms of what the costs might be and so on, and I don't deny that. I am sure that there will be that sensitivity in the university administration to look at that when the time comes to do that. I'm sure that that's the case.

**Mr. Shillington:** — Mr. Minister, with respect to the Saskatoon Community College, I gather due to overly tight budgets, they have eliminated the community development program. I wonder, Mr. Minister, if you can tell us what steps your government has taken to make resources available to the Saskatoon Community College so that they can reinstate that program.

**Hon. Mr. McLeod:** — Could you ask it again because I didn't get what you . . .

**Mr. Shillington:** — The community development program at the Saskatoon Community College has been eliminated. I wonder, Mr. Minister, if you could tell us what steps are being taken to provide sufficient resources to the college such that they could reinstate this program.

**Hon. Mr. McLeod:** — If I could ask the member — do you have another question. I'm just waiting for an official who has been dealing and is more familiar with that, and he will be down in a minute. So if you would carry on with your next question, I'll get you that answer as best I can in a minute.

**Mr. Shillington:** — Mr. Minister, I wonder if your department, or the university . . . well, perhaps that would not be a fair way to phrase it. I wonder if your department has any research or statistics with respect to student

enrolment figures in future years, and if so, what you anticipate those figures to be?

**Hon. Mr. McLeod:** — Okay, just a couple of points here. The projections which are given to us by the universities and which are suggested is that the enrolments will be flat to declining over the next four or five years, but we also have to remember as well that, I believe, in the late '70s those projections were that they would be falling enrolments and that in fact did not take place. I think it's fraught with some danger for governments to plan resources to universities over a long period on the basis of those only. While we hope that the projections are on the mark, and what can you do except to believe them when they're done in a scientific manner, but I think if you look at the demographics and everything that's been given to us, they would suggest flat to declining enrolments over the next five years.

**Mr. Shillington:** — The difficulty with the projections in the late '70s were that they assumed a continuation in office of a government committed to prosperity. This government took office. Young people could not find unemployment and they all went back to school, and that's what happened to your projections.

I think, Mr. Minister, those who projected that enrolment figures are going to decline realize as much of Saskatchewan realizes that these are the dying days of this government, that a better day is going to dawn, and that those who go to university will do so by choice and not because there's no other employment available. So I think your projections are probably accurate, probably based on some sound assumptions, including the likelihood of this government ever getting re-elected within the foreseeable future.

Mr. Minister, I assumed that the official who was going to assist you with community colleges had come down.

**Hon. Mr. McLeod:** — Just a quick response to the comments of the member. When I talked to you about '70s projections, I was talking about projections in '76 and '77 for the years '78, '79, '80 and '81 which is when your government continued in office. So I mean, for us to talk in political rhetoric back and forth in terms of those projections, I think the projections are done in a sound and scientific basis by university people, and it's just as I said. I wanted to make that point earlier, and I will reiterate it again, that while it's important to have these projections, we have to be cognizant of the fact that sometimes they are off the mark and we have to be ready for that eventuality on some occasions.

As it relates to the Saskatoon Community College, their budget has increased in the last year. That was an administrative decision within the community college to cut the community . . . What was the program you said — community development or whatever? There was a program with one staff person, as I'm informed here. The administration made a decision to put their priorities elsewhere, and that program or that one staff position was deleted. That's really all the information I have on it, Mr. Chairman.

**Mr. Shillington:** — But, Mr. Minister, you appointed

those directors. In general terms, boards follow the general directions outlined by this government with respect to advanced education and community development. I ask you, Mr. Minister, do you not feel that this community development program was a worthwhile program? It was intended to assist and did assist disadvantaged groups in taking their full place in society. It's just another example, Mr. Minister, of this government cutting funds and resources for disadvantaged groups. I ask you, Mr. Minister, if you agree with the position taken by the board, and if not, what have you done about it?

**Hon. Mr. McLeod:** — All I said was that they had an increase in their budget — they had an increase at that board of \$70,000. And as it relates to the relationship between the department or the minister or the government and the boards which are appointed to administer these colleges . . . Now the member may say that you appoint these board members and, therefore, they should follow direction or seek direction from the minister or from somebody in the department every time they make a decision, I don't adhere to that. I don't subscribe to that theory. We appoint and make every attempt to appoint confident people; people whose judgement we can count on, and they carry out their responsibility on the board, I think for the most part, and, in fact, do an excellent job of that across the province.

As far as the program that you mention — and I will admit to you here that I hadn't heard of it before, of this one staff person being deleted, I haven't heard of it before — and I just had this information given to me that it was one staff person, one program there which was not on the top of the priority list of the board that was appointed at Saskatoon.

**Mr. Shillington:** — Well, Mr. Minister, this is reflective of the general approach of this government with respect to disadvantaged groups. When this government finds itself short of money, in large part through its own mismanagement, the government looks for places to cut money, and you know who's going to get cut. It's those disadvantaged groups which I think this government feels are without voice and cannot help themselves and cannot raise the storm of protest which should arise when a disadvantaged group has been hurt.

Mr. Minister, it is part of the mandate of the community college to assist in this sort of development work — other community college do it. It has been remarkably successful; has assisted a large number of groups which I could read those groups for the Mr. Minister if, as you say, you are unfamiliar with the program. A number of groups have asked for its reinstatement. The group . . . some of the following groups: Women and Health, Crocus Co-op, Saskatoon Native Elementary School, Equal Justice for All, Peyakowak Committee, the Handi-work Workers Co-operative. Those groups have asked that the program be reinstated. They have . . . Those are groups which work with disadvantaged people.

Mr. Minister, I think this is a shame. I think it is most unfortunate that when you have to save money because of your own extravagance and mishandling of this government and this province, you do so at the expense of those who need help the most. Mr. Minister, it is

insensitive, it borders on the cruel, and it is certainly a very, very bad administration.

If nothing else, Mr. Minister — if you want to be terribly crass about it, forget the human suffering involved — expenditures on this kind of program are a good investment in our society. And I say, Mr. Minister, that this is a most unfortunate development. It is reflective of your general philosophy and reflective of the approach which this government has taken in so many different areas.

**Hon. Mr. McLeod:** — Well, Mr. Chairman, I can't agree with the member. I mean, if what the member is saying is true, then I would say that there is a problem. What the member is saying, that he does not agree with any kind of a change in direction in terms of relating to the people who are disadvantaged, who are disadvantaged . . . (inaudible interjection) . . . Let me finish, Mr. . . . the member who doesn't want to let me finish because he knows I'm coming to the Saskatchewan skills development program, the Saskatchewan skills developing program, which relates to people who are now collecting welfare and who are having an opportunity to receive training.

The program has been in operation since September and October of '84. More than 1,400 students have graduated. About 75 per cent of those graduated from the pre-employment program are securing employment within the first month of being out of the skills development program. And for those disadvantaged people which you purport to speak for, I would say that this program right here is an absolute success story as it relates to dealing with people who are disadvantaged and who are in need of training. And that's what our mandate is in the department.

And we are providing that mandate to those people who, heretofore and before the advent of this program, had little opportunity for training and for bettering themselves and putting themselves into the work-force.

So we need not take a back seat, nor will we ever take a back seat to the comments of the member from Regina Centre as it relates to providing of training, increasing opportunity for the lesser advantaged people in our society.

**Mr. Koskie:** — I want to also refer the minister to another problem that Coteau Range Community College students encountered. It's a specific problem, Mr. Minister, but you were contacted in respect to it. And the basic problem is this, that last year a group of students enrolled in the first year portion of what they were told would be two-year program in Moose Jaw, and the first year, just ending now, was in fact a day-care workers' course, and the second year, which was to start this fall, was to be a day-care supervisors' course. And as I understand it this was an extension of the course offered by Kelsey institute, and now apparently a decision was made at Kelsey not to offer the second-year course but to run the first-year program all over again for new students.

I want to say to you that this is a great inconvenience and unfairness to some 10 students in Moose Jaw which enrolled under the information that they would be able to

take the second-year course. This change would mean that 10 graduates from Moose Jaw first-year course, who wish to proceed further, can only take this second-year course in Saskatoon, and nine out of 10 are not in a position to be able to do it. I think you, in fact, were contacted in respect to it, and I'm wondering whether you have had an opportunity to review it.

Here are 10 people who are making every conceivable effort to get further education. They did it on a commitment that there was going to be a second-year course, and suddenly that's changed. To say that they can go to Saskatoon, even if they could, apparently there's only 20 spaces, and there's 36 applications for the second-year term in Saskatoon from our information. And so I want to be able to hear your answer because you were contacted, and two members from Moose Jaw were contacted, and these 10 people weren't important enough to get a reply. I wonder if the minister can, in fact, indicate what he is prepared to do to help these very needy and trying students who are attempting to get their education and based on a commitment.

**Hon. Mr. McLeod:** — I'll give you a fairly quick answer and we can maybe get into it a little later. The program the member refers to is the first year of a program, a day-care workers' program, or whatever. It was offered in Moose Jaw; it comes out from the Kelsey Institute at Saskatoon. The first-year programs — and this is the case in many programs — is offered off the campus of Kelsey or of Wascana or whichever institute it is. The second-year program is offered on the campus. At the end of the first-year program, which is offered off campus, there is a certificate issued which allows the person to work in the field of endeavour in which they have some training, and there's no way of knowing — and this has been a problem for a number years — there's no real way of knowing how many people who get that certificate after the first year of the program will in fact opt to go to the second year of the program. And so they've allotted a limited number of spaces in Saskatoon.

I know the problem these people have raised is that many of them would like to carry on to the second year of the program in Moose Jaw. I would say to the member and to the people who are affected this way, that we're monitoring the situation, but I'm not sure if anything can be fixed up for them right now. I do know that because this is one program in a series of programs that are offered in that way — first year off campus — second-year requirements are to go on campus for the further training.

The Assembly recessed until 7 o'clock.