

EVENING SITTING

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure

Education

Ordinary Expenditure — Vote 5

Item 1 (continued)

Mr. Kowalsky: — Thank you, Mr. Chairman. Mr. Chairman, I rise to express some concerns this evening that I share with many people of Saskatchewan regarding the possible impact of the free trade agreement particularly as it applies to education — this being the Education estimates — specifically as it applies to education.

There has been very little public discussion on education in the current free trade debate and it's perhaps time we looked at the issue squarely. So I indicate to the minister that I propose to take several minutes to outline a sort of a general position and then I will be following this with a series of questions related to questions which I will raise in the entire position paper.

While the free trade debate has focused on economics, many of those people who are knowledgeable about education are concerned that our educational system may be radically altered as a result of this trade agreement. If there are two words that characterize the public concerns regarding the impact of trade and free trade on education, they are "confusion" and "anxiety."

People are confused because they keep getting different stories. First, we are told that social programs were not on the table; then Peter Murphy said that everything was on the table. We were told that culture wasn't on the table; then we learned that while that might be true under article 2005-1 that article 2005-2 allows the Americans to retain the right to retaliate when measures in our cultural sectors impair benefits that the Americans might otherwise have enjoyed under the free trade agreement. Some protection that is, I say.

We were told that we could great general economic benefits from this agreement; then in 1987 a federal government study of 70 to 72 sectors reported that manufacturers in the following educationally related areas will be in difficulty under free trade and those areas are: coded paper, writing paper, books — presumably including textbooks — office equipment and computer services.

We were told that giving up the postage subsidy would not harm our magazines; then the Canadian Periodical Publishers' Association, representing 260 magazine distributing and 150 million copies . . . distributing 150 million copies a year, many of which are used in our schools, told us that many magazines would be at serious risk.

We were told that our educational system would not be affected by the agreement. Indeed the propaganda promised that economic returns of the free trade would give

us the means to more richly fund education. Then a leader of the Canadian Teachers' Federation told us that the education system would be put seriously under risk under the free trade agreement. Why? Because it would be forced to conform more closely to the American counterpart.

It's no wonder that people are confused, and this confusion has led to anxiety regarding free trade and education. Education in Saskatchewan is almost sacred — sacred to the people of Saskatchewan. At the practical level, education gives people power over their lives — power to know, to understand, to find a better way, to build a career. Education opens the doors of families for those most disadvantaged — the poor, low wage, the unskilled people, immigrants, aboriginal people, and the handicapped. It is through education the people obtain the ability to exercise choices and options in their lives.

At the spiritual or philosophical level, education is the way societies preserve their cultural heritage and pass it on to the young. It's the way we instil attitudes about what we feel is true, what is real, what is good. To do this, a society needs control, not only of the physical structure of education, but also the vital intellectual content of education, and it needs to control the processes used. It is for these reasons that education is a crucial instrument of public policy.

As parents, we want assurance that both the practical and the spiritual aims of education are carried out. And what I am concerned about, and I share this anxiety with growing numbers of Saskatchewan people, is this, and I pose the general question to the government opposite: does the free trade agreement in any way jeopardize our ability as a distinct society to achieve our practical and spiritual aims in education? It's very important that this question be asked, addressed and very important to have clear answers. And I will repeat the question. Does the free trade agreement in any way jeopardize our ability as a distinct society to achieve our practical and spiritual aims in education?

The immediate answer from the Premier and other free trade partisans will be, no. But I am concerned and sceptical because close reading of the agreement raises profound questions, questions the government must address.

First, let's take a look specifically at articles 105 and 502 of this proposed agreement. These articles guarantee, and I quote, "natural treatment (to American firms in) . . . investment and to trade . . ." as well as, and I quote, "treatment no less favourable than the most favourable treatment accorded."

These general articles, when combined with the provisions of chapter 14 on services, raise serious questions. These sections would appear to prohibit this province from ensuring Canadian content in curriculum materials, from favouring provincial or Canadian suppliers of school supplies, or from any measure to ensure that the Canadian heritage is safeguarded in the materials we use in our schools. They appear to open the doors of our schools to increased influence of the

American market-place over our chosen Canadian way.

So I ask, under these sections, would not policies to protect Canadian educational software manufactures and Canadian publishers with preferred market access be prohibited, and would not rigorous standards of Canadian content in such materials as they . . . in such materials be seen as non-tariff barriers, and hence a violation of the trade agreement? Will not these sections halt our recent gains in Canadian content standards and educational materials and push us back to the increasingly U.S. service curriculum?

Next let's look at book publishing. We've been told that the previous protection of Canadian book publishing will continue. While this may be true on investment and take-overs, it may not be true in terms of text procurement policies. Can we as a province demand under the terms of this free trade agreement that texts and teaching aids be Canadian? Can we impose a Canadian content rule? Can the Department of Education ensure it? Can school boards guarantee a Canadian content rule? Can anyone control a Canadian content rule?

Can we ensure that texts will reflect our multicultural heritage, our native heritage, our bilingual status, our identity as Canadians? Can we assure that by virtue of their origin our curriculum materials will have a Canadian bias as opposed to a U.S. bias?

Will such non-tariff marketing and procurement barriers be allowable under the free trade agreement? I'm concerned that it would not be allowed, and I am joined by many in asking this government for an ironclad assurance that what appears to be just marketing and trade policies will not in fact begin to erode our capacity to make vital educational decisions.

Such anxieties are heightened when we closely read the free trade sections on services in chapter 14. There is nothing there to tell us that educational services are excluded from the free trade agreement. Article 1402 gives, and I quote again, national treatment, and I quote, "no less favourable" treatment assurances to all U.S. private suppliers of services.

Article 1403 tells us that we cannot discriminate against American supplies of educational services based on certifications of licensing. Then annex 1408 lists the following educationally related services covered by the free trade agreement, and they include: commercial educational correspondence services, scientific and technical services, management consulting services, librarian services, training services, educational research services, and computer services.

Now it's quite clear that the above list includes just about everything that goes on in our school system, except those services provided directly by government. More than that, the free trade agreement opens up to American access the contracting out of support and maintenance services and to supplying our schools with everything from paper clips to desks to business machines and light bulbs.

Finally, Mr. Chairman, there's a great anxiety, a great

public anxiety about the broad commitment to harmonize the economics of Canada and the United States. This move to harmonize is deeply worrisome to Canada's educators and to the Canadian public. If harmonization means establishing a so-called level playing-field and becoming competitive with the U.S., it therefore means that Canada must become more like the U.S. in order to compete successfully, and in order to avoid retaliation under the U.S. trade laws.

The mouse will harmonize with the elephant; the elephant will not harmonize with the mouse. But before we harmonize on education, we should first see how Canada and the U.S. are different in that area. Then we should ask whether those differences are good or are they bad.

Let's look at several items. Item one: Canadians, we know, put a larger share of natural resources into education than the Americans do — 5.3 per cent of personal income in Canada, a full 5.3 per cent, in 1984 went to the K to 12 system. In the U.S. only 3.7 went — we're different.

Item number two: Canada assures equity and resource distribution, especially through revenue sharing and equalization payment, the Americans do not do that.

Item number three: Canada spends more per pupil than the U.S. does. In the 1983 to 1986, Canada sent an average of \$3,420 — American dollars; U.S. — per pupil, while the U.S. spent 3,199 on the average per pupil. I repeat those figures: Canada spends an average of 3,420 U.S.; the American's spend an average of 3,199.

(1915)

And Canada's spending was more fairly distributed throughout the nation. We have less disparity interprovincially than there is between the states in America. We can say that the lowest provincial spending in Canada was 61 per cent of the highest provincial spending when we compare disparities. While in the U.S., there's a greater disparity; the lowest spending state only spends 42 per cent of the highest. We're different, Mr. Chairman.

Item three: Canada has lower pupil-teacher ratio than Americans have. It's 17.5 pupils per teacher on the average here versus 17.8 in the U.S. It's a significant difference, and we know then in the States there's much . . . In Canada there's much less national variation.

Next item: Canada's funding system is fair. In 1983 and '84 the provinces provided 69 per cent of the funds for K to 12, while local governments provided 24 per cent. What's it like in the States? The breakdown is 48 per cent, compared to 45 per cent at the local level. Our local government, 24 per cent; American local governments, 45 per cent.

Now this pay-as-you-go can be explained another way. A person I talked to recently was taking classes at the University of Oregon. It was indicated that an equivalent of one U.S. class, which would be six credit-hours, costs \$720 tuition in America. A U of S (University of

Saskatchewan) class — one class at our University of Saskatchewan — costs 276. So compare those tuitions — 720 versus 276.

Another item: Canada pays teachers and professors better here, and they have collective bargaining rights throughout the nation. In the U.S. only 33 states provide such rights. We have an accreditation system where our teachers, those who are teaching grade 12, go through a scheme where they have to have the approval of the board and the department and their peers before they can teach at that level. That way we guarantee our quality. Clearly our standards are higher than the Americans' are in many ways.

Now the key to our success here has been our determination to forge a raising of standards to those rivalling the more advanced societies, not to lowering to those lagging behind.

Now I say these are good differences, Mr. Chairman, differences to be proud of. And the defence of just such differences is one of the reasons why the Canadian Teachers' Federation, representing 220,000 teachers in Canada, oppose the free trade agreement. Canada's and Saskatchewan's leadership in education is known world-wide. It's known in areas like distance education, community-based research, innovative community colleges, mass quality education, community schools, core curriculum development, and so on.

The question is: will this trade agreement undermine that leadership? Will this trade agreement put pressure on Canada's education system to become more like that of the U.S.? Can this government guarantee that our spending on education in Canada and in this province won't harmonize down to U.S. levels?

Will we begin to allow a return to those inequities in educational access and opportunity we have striven for generations to overcome? More importantly, will the move to a level playing-field with the U.S. put pressure on us openly allowing U.S. values into our curriculum at the expense of Canadian values?

Will there be pressure to teach our children to be more economically ruthless, competitive, and individualistic in order to survive in a North American free trade jungle? Will values like co-operation, interpersonal support, sharing and caring be discarded as irrelevant in the new market reality?

As you see the people of Saskatchewan have every right to be anxious about the impact of the free trade agreement in our educational system. And the people of Saskatchewan look to this government opposite for the assurances and commitments to protect and to nurture our educational system which we so highly value and urgently need.

That was a summary, Mr. Chairman, of some of the points I wanted to raise and questions I wanted to ask. I will ask a specific question and invite the minister to reply either in total or to individual questions as he pleases.

My first question, Mr. Minister, would be: do you agree or

do you dispute the fact that article 105 accords national treatment with respect to investment and trade in goods and services — goods and services — and that that would include educational services such as curriculum materials and school supplies?

Hon. Mr. Hepworth: — Mr. Chairman, before we recessed tonight at 5 o'clock, I somewhat facetiously bantered across to the opposition that, given that we were coming into Education estimates tonight, that we ought to have a debate on the impact of the free trade agreement on education. I was being quite facetious, but lo and behold, that's exactly what we are opening up the examination of estimates with tonight.

The timing is unique in that a few days ago, an article in *The Globe and Mail* appeared and it was entitled, "Free trade's impact on education deserves an F," and it was written by two researchers at the Ontario — and I would underline that, Mr. Chairman, Ontario — Institute for Studies in Education. When I read that article, as a lot of stuff that's written in Ontario about the free trade agreement, it disturbed me greatly, Mr. Chairman. So I asked my officials and the officials in the Trade and Investment department to do some research for me on this, and with that research I put together a letter which I sent to the editor of *The Globe and Mail* May 26, Mr. Chairman. And it went like this, because I think the questions the hon. member asks — not asks so much as the statement he's read — contained a lot of the same misinformation and disinformation as the article written by the researchers at the Ontario Institute for Studies in Education contained.

I can think of no better way to answer his question about the impact of the free trade agreement on education than by reading this letter into the record, Mr. Chairman. And it goes like this:

I would like to respond to an article in *The Globe and Mail* from May 19 written by two researchers at the Ontario Institute for Studies in Education ("Free trade's impact on education deserves an F"). The essence of the article is that free trade poses a threat to our education system by opening the way for American textbooks to displace Canadian materials in our class-rooms. On this basis, the writers urge Canadians to reject the free trade agreement.

I think it's important for your readers to know that this argument is entirely incorrect. In the first instance, as the writers concede, American textbooks already enjoy considerable freedom of access to our class-rooms. This is because American publishers who enjoy local economies of scale can produce cheaper materials. It has nothing to do with trade policies.

However, Canadian schools and provincial governments have the solution to this problem in their own hands. We can, and often do, decide to pay the additional cost required to purchase materials produced specially for our own school systems. That right has always existed and is entirely unaffected by the free trade agreement.

Indeed, the agreement specifically . . .

And in this letter, Mr. Chairman, the next line I read was in bold type:

Indeed, the agreement specifically excludes provincial procurement practices. Under the terms of the agreement, provincial governments can continue to insist that our textbooks be written by Canadians and published by Canadian firms. It is simply a matter of our being willing to pay more for the specialized needs which meet our ends.

However, there is a far larger issue which seems to have eluded the writers (and where I've put writers in here, Mr. Chairman, we could say NDP) entirely, namely, how are we to continue paying for social programs without a strong economic base?

In my own province, education represents the second largest expenditure of public funds, exceeded only by health care. In our most recent budget, four out of every five new dollars went toward education and health. Over the last years our government, like all other provinces and like the federal government, has been forced to borrow funds and at the same time raise taxes to maintain social programs. But it must be obvious that this is unsustainable in the long term.

Only by generating real economic growth can our country maintain its social programs. In the context of growing protectionist attitudes around the world, economic growth in Canada is possible over the long term only with free trade.

Let me be more specific. Our province, Saskatchewan, is rich in resources — potash, oil, uranium, forests, fertile wheat, and ranch land. Our one million residents could never eat or use all that we produce. Indeed, we make our living by trading this largess with the countries of the world, especially the United States. This is the basis for the creation of our economic wealth as individuals and as a province. If it is jeopardized by protectionism, there remains no way to pay the health and education bills of the future.

I'd like to repeat that sentence, Mr. Chairman.

This is the basis for the creation of our economic wealth as individuals and as a province. If it is jeopardized by protectionism, there remains no way to pay the health and education bills of the future. That is the important and so often overlooked point in the free trade debate.

As I have indicated, the concern for Canadian content in our textbooks, while important, is not at issue in the free trade debate. Rather, our economic well-being is at stake, and it is only by building a secure economic future that we'll be able to maintain our first-rate education system. By adopting free trade and at the same time

resolving to pay the additional costs of having Canadian content in our class-room materials, we could have the best of both worlds.

And it was signed by myself, and I thank the hon. member, almost, for raising the point.

Some Hon. Members: — Hear, hear!

Mr. Kowalsky: — Mr. Chairman, the minister indicates that we have always been willing to pay more. We've been willing to pay more because we've been able to tax — tax not only individuals; tax corporations, put on sales tax on consumer goods — as we felt we could.

Now with the economic forces of wanting us to harmonize . . . We have an example already; we have an example already of the force of the free trade agreement or the harmonization process where the corporations are refusing or demanding tax concessions, using the argument that they can't pay taxes so that they can harmonize and compete against the Americans, which brings down our tax level. And that's exactly the problem — that we will not be able to continue to tax at the same level. They want a level playing-field.

Now you and I know already that there's been a large corporation in Saskatchewan by the name of Weyerhaeuser which are paying less taxes, in the case of the surtax on power, than used to be paid by PAPCO (Prince Albert Pulp Company). So that the problem here is, as I see it, Mr. Chairman, is that we will not have the funds to be able to keep those standards up.

(1930)

The minister makes the point that Canadian content is not at issue. I say it is at issue; I say it is at issue. In the school systems that I have worked over the last 15, 20 years, we continually strove to find textbooks that were suitable; that would reflect our culture as opposed to European culture; that would reflect our history as opposed to European or American history — even mathematics books that would have examples, using words like Estevan or Prince Albert or Saskatoon or Moose Jaw, and even the small towns, Carnduff. We searched for those things. We finally found one in the last five years and it was Canadian printed. You have to have people with a Canadian sensitivity. It takes years to develop that, and I see this eroding if we put all of our eggs strictly into the economic basket.

Now the question I ask the minister, which he did not answer, and I will ask again: do you agree or do you dispute the fact the article 105, which accords national treatment with respect to investment . . . pardon me, with investment to trade in goods and services? I'll repeat the question. Do you agree or do you dispute the fact that article 105 accords national treatment with respect to investment in trade goods and services, and that those services include such things as curriculum materials and school supplies?

Hon. Mr. Hepworth: — Mr. Chairman, I answered the question. The reality is, this very day, this very day we have educational materials coming in from the United

States, and the day that this agreement is signed, it will probably be no different. And what I said is, the solution is in our own hands and to suggest that under the terms of this agreement . . . If you're trying to suggest that under the terms of this agreement we have somehow lost our control, you are wrong, you are incorrect.

Mr. Kowalsky: — Well when I look at the article, the chapter on services, which is chapter 14, and specifically the annex, 1408, it details the services which are included. And in those details it includes commercial educational correspondence services; it details management consulting services; it details training services; it details educational use and services. Those things are itemized. Now do you not agree that this includes just about everything that goes on in our educational institutions, you could put them in under those headlines?

Hon. Mr. Hepworth: — Mr. Chairman, I've already answered the question, and as I said in the letter, and I was pretty clear here, "I think it is important for your readers to know that this argument is entirely incorrect."

And I want to go on to say, Mr. Chairman, that I think Saskatchewan people, Saskatchewan parents, Saskatchewan trustees, would be done a disservice if somehow the NDP were to mount a campaign to try and suggest that our educational sovereignty is somehow jeopardized by the free trade agreement.

I read another article with interest this morning in the Saskatoon *Star-Phoenix*, and it was a column by Carol Goar. And I don't remember the exact title, but the first word in it was "veracity" and I forget what the second word was, but something along that line, veracity lacking in free trade debate. This has been a debate marked by, I agree, a lot of jargon on all sides and not much facts. And that's why I had the officials examine in some detail this question. And what you are saying and what the article purported to say in *The Globe and Mail* is incorrect.

And I think it's . . . Maybe it's significant, maybe I'm reading into it more than I should be — I don't think so — but maybe it's significant that it's written and published and researched in Ontario. We all know where they stand. They're in the same place as the NDP. You're against economic opportunity. And the hon. member in his early remarks talked about the elephant and the mouse. He used the elephant and the mouse example. And what he is really saying there, Mr. Chairman is that we as Canadians, because we are the mouse sleeping with the, or up against the elephant, that we can't compete. We can't compete.

And the reality is, Mr. Chairman, we can compete. We have some of the largest . . . The largest shoe-maker in the world is a Canadian firm. Some of the largest banks in the world are Canadian. The largest forestry companies in the world are Canadian. The largest oil companies and potash companies and uranium companies are Canadian, Mr. Speaker.

But the opposition with their inward-looking mentality, with their inward-looking mentality, say we cannot compete. Mr. Chairman, the free trade agreement is

important to education for this reason and this reason particularly.

As I said in the letter, our future educational opportunities will depend on the economic security that will come with the free trade agreement.

Our young people, this debate is important to those young people in the schools today. It's their opportunities and the future that we're talking about. You would deny them opportunity. You and the Liberals want to tear up the agreement. That agreement represents opportunity for my children and for your children and for their children. It represents good jobs. It represents diversification of our economy.

He talked about a level playing-field. We do want a level playing-field. We don't want our uranium shut out. We don't want our pork shut out. We don't want our forest products shut out. We want a level playing-field, Mr. Chairman.

And he talks about, we'll have to bring down our tax level. Now that has got to be a new high in hypocrisy for the party opposite. They spent the last three months in this legislature talking about taxes being too high, and now their worried about taxes being too low. You can't have it both ways.

We're in favour of free trade. You're the establishment party. You're looking backwards rather than forwards. You're being doom mongers and fear mongers. We want to go forward for our children's sake and that's why we support the free trade agreement.

Some Hon. Members: — Hear, hear!

Mr. Kowalsky: — Well, Mr. Minister, we've heard the discussions before about backwards and forwards, and I was hoping to get a little more specific here so that we could actually ask you some questions about some of the details, particular details as they apply to us.

Now you mentioned that there was going to be a level playing-field; that there's going to be harmony. We will tend to harmonize, and I agree with that, that that's what this agreement does, that it will force us to harmonize. And I ask you, I ask you then, is this the way that you want to harmonize?

Do you want to harmonize so that our share of our national resources that we put into education will be lowered to that of what the American share is? It will go down to 3.7 per cent from 5.3 per cent. Or do you have some kind of a dream that the Americans are all of a sudden going to boost and harmonize with us by setting up some kind of redistribution system equal to our revenue-sharing program? Do you really believe that? Do you really believe that, because that's what harmonizing will do. It's going to bring us together.

Do you really believe that the spending per pupil in the States is going to go up to rival ours, where we're at \$3,420 per pupil, and the U.S. — and that's U.S. dollars

— and the U.S. is at \$3,199. Quite significant — \$200 per student. Quite significant.

Now do you feel that our disparity, the disparity that we now have across the nation, will shrink, will actually shrink so we won't have as much disparity between provinces in education as a result of this agreement? Or will the disparity increase to approach that disparity which is now in the States? Because that's what harmonization is going to do. It won't do it directly on education; it will do it indirectly if we put all of our eggs in the free trade, free market basket.

Do you agree, Mr. Minister, that our system of funding, where the provinces fund an average of 69 per cent of the revenue to the K to 12 schools, will be predominant over the U.S., where they only spend 48 per cent and the rest, or most of the rest, is provided by local governments? Do you agree that American tuition fees and American universities are suddenly going to go down to our levels at the U of S, or is it more likely that the opposite is going to happen?

I ask you these questions about harmonization, Mr. Minister.

Hon. Mr. Hepworth: — Mr. Chairman, I was trying to fathom why it is that these issues are being raised relative to the free trade agreement. And I think the conclusion I must draw is that the NDP, over the course of the last several months, have advanced a number of arguments, read various articles, put their own interpretation on various articles and chapters and clauses of the free trade agreement, and put forward, quite frankly, Mr. Chairman, a number of myths, a number of straw men, a number of arguments — all of which have been disproven. And now they're grasping at the final straw. They're grasping at the final straw now. All the other arguments are gone — that the wheat board would be destroyed, that we'd lose our marketing boards, that . . . I mean, you name it. They go on and on. All of those arguments have essentially been put to bed and laid to rest. And now, grasping at a final straw, they're saying, it's our educational system that's at risk with this free trade agreement.

And yet, Mr. Chairman, is that not the member who, over this past winter and spring, a new paper plant has been built in his community? He represents Prince Albert, and just outside of Prince Albert a new paper mill is going to be built — jobs at \$25 an hour, excellent training programs for the employees. Is his community not one that's going to benefit from the export of that paper? I challenge the hon. member to answer that question. How and you be against free trade when your own community, your own school boards, are going to benefit from the taxes and the economic security and wealth that that export sales will bring? And it's substantial. It's substantial, the amount of the product that's going to go into the United States — very substantial, as I understand it. And yet there's the hypocrisy that somehow that would be no good — that the plant shouldn't be there, the jobs shouldn't be there, the economic opportunity shouldn't be there, and that school boards shouldn't get those tax dollars to run our education system. That's what free trade could mean.

But let's look at the arguments, Mr. Chairman, one more time. What they are essentially saying, that if education is at threat, and our cultural industries are at threat, and this is at threat, and that's at threat, that somehow our cultural sovereignty is threatened.

And I see the hon. member from Saskatoon Eastview nodding his head in agreement with that statement; that he believes, so do all socialists, that our cultural sovereignty is going to be jeopardized by this agreement; that somehow we're going to become the 51st state of United States. Would that precis the NDP's position fairly accurately? And I see a number of . . . I see a number of the NDP, Mr. Chairman, and let the record show that a number of the hon. members nodded their head in the affirmative.

Let's examine the argument of, somehow, if we sign this free trade agreement with the United States, that Canada will become the 51st state of the United States. If that was the case, Mr. Chairman, I would ask this question. If that was the case I would ask this question: today, about 80 per cent of the goods that move between Canada and the United States move freely; that is to say, under no different system that we'd have with the classic free trade. Is that not true? About 80 per cent, and I see the trade critic nods his head in the affirmative; about 80 per cent moves freely this very day.

Now I would argue then, Mr. Speaker, or Mr. Chairman, if I was going to somehow lose my cultural sovereignty, I think I would have lost a great deal of it already if it's 80 per cent, because now we're only talking about the last 20 per cent.

And I guess the other point I would raise there, Mr. Chairman, is that, you know, for some many, many years . . . I guess all of my life I've lived within 20 or 30 or 40 or 50 miles of the American border, with the exception of these last few years that I've lived in Regina. And I have to frankly admit that on occasion our family has . . . And when I was a child, and as I grew up, once in a while, as do many of my neighbours in Weyburn and Assiniboia — they slip across the border on weekends; they go to little holidays down there. And yes, Mr. Chairman, I have to admit they've even bought the odd pair of American cowboy boots. But that's part of that 80 per cent of goods that move freely across the border this day, without tariffs.

Now I ask you, if we were going to lose our cultural sovereignty, wouldn't we have had a substantial loss already at the 80 per cent level? And I ask you, how many times have you seen that number reported in the media that has said this debate is characterized by jargon instead of facts? But yet you and I both agree on that fact — 80 per cent today does move freely.

(1945)

So that would be point number one that I would raise to disprove the argument that our cultural sovereignty is lost, is that today we have 80 percent. It seems to me, if we're going to lose our sovereignty, we have lost it substantially already.

But if you don't like that argument, and I hear the hon.

member from Saskatoon suggest that she doesn't like that argument, well I would offer up this argument then. In western Europe, a number of countries, most recently Spain and Portugal were added to the group, formed a commercial union or a trading bloc if you like, of — what? — about 250 million people. Is that what the EEC (European Economic Community) represents today? Something like that — 260, 270 million. They formed a 12-member nation trading bloc amongst themselves. Some of them have been in it for a decade and more now. And I guess, you know, that's a free trade agreement of a very major extent involving many nations. They've been doing it for many years.

And I ask the question because this union includes England and Spain and Portugal and Italy and West Germany and France and some of those countries. Greece, I think, is in it. And I ask you: do you think the Italians feel any less Italian for being part of that agreement, or the Irish any less Irish, or the English any less English, or the Germans any less German? I would say not.

Those arguments were raised when Britain decided to join the European Economic Community. That was the big furor from the socialists in Britain. We would lose our identity; we would lose our cultural identity. And now, what, 15 years later, 19 years later, whatever the terms is now — I forget how long they've been in — are they any less British, any less English, any less Irish? Well I suggest not.

But some say they still don't like either one of those arguments that I've put up — that's 80 per cent free now and that the EEC model . . . I see the hon. member from Saskatoon Eastview nodding his head. He's right. He doesn't like those arguments yet.

You know, the one that is the most convincing to me is not either one of those arguments. As powerful as they may be, the one that is most convincing to myself is this.

An Hon. Member: — Based on fact.

Hon. Mr. Hepworth: The best check . . . And the hon. member from Saskatoon Centre says based on fact, and I will indeed, ma'am.

The argument that is the most compelling in my mind is: do we have a Canadian province who, more than any other, would be ultra-sensitive to any threat to their cultural identity in this country? Is there one province in this country that has historically been very, very sensitive to their cultural and linguistic heritage of what it means to them and the forces around them that could threaten it? And the answer is yes, Mr. Chairman, that province is Quebec, a francophone province, a francophone province that, on occasion, in the last 20 and 30 and 40 years in the history of this country has, on occasion, expressed frustration in many forms about the anglophones around them — some swallowing up, for example, and imposing their view on them, and threatening their cultural linguistic heritage.

And so it seems to me if this mouse, Canada, was going to snuggle up to this elephant, the U.S.A., this large, 250

million anglophone population, that the first province to raise the alarm would be Quebec, because they, on occasion, have felt threatened, even in a population of 25 million, of which 60 per cent or so are anglophone.

But I ask hon. member: has Quebec sounded the alarm on free trade as it relates to their education, their culture, their linguistic heritage, all of those things that they hold dear, and particularly educational institutions? Has Quebec said, we will have no truck nor trade with the Yankees when it comes to this agreement? Have they said that this threatens us in a way unlike any threat we've had in this country before? Have they said one iota about those kinds of dimension, Mr. Chairman? I ask you and all members and I ask the hon. member from Saskatoon Centre.

The reality, the facts, Mr. Chairman, are that Quebec is fourscore and square behind this agreement — 100 per cent. They are behind this agreement, and I'll tell you why. It's because, first, they see it as no treat; and secondly, Quebec people today want to take the world on. They are ready, as my colleague, the Minister of Public Participation, says, they are ready to compete with the world. Some of the most dynamic businesses and business men in Canada today are Quebec business men. They are ready to take on the world. They are not inward-looking like the socialists opposite, they are not change resisters, they do not fear, they have no . . . they do not feel threatened by this agreement. They say, we know our young children's future lies in the economic opportunity that lie in the global village, and we want to be part of that action because we can compete.

And to me, Mr. Chairman, of all the arguments, whether it's the CBC (Canadian Broadcasting Corporation) that makes us unique or the RCMP or our cold winters or whatever, the most compelling argument in my mind for our cultural sovereignty not being threatened is the fact that Quebec has given the green light to this agreement because they, to me, are a significant litmus test, if you like, for all of Canada, and I applaud their initiative. And those are the facts, Mr. Speaker. They want to be outward-looking like we do, not inward-looking like the socialists opposite.

Mr. Kowalsky: — Well, Mr. Chairman, the minister opposite has refused to answer my questions. Instead, he went on in general terms as the Tories have continually done since this whole free trade debate started, and given us the generalization about the whole thing with respect to economic arguments.

I asked specific questions related to harmonization as how it would impact on education. But what does he do? He doesn't give me an argument on that because he doesn't want to make an argument, and nor do any Tories want to make an argument on the educational scene. We haven't heard any arguments about it. They want to stay away from it because they know that that's where they're vulnerable. And I say it needs to be discussed, it needs to be discussed. Now I wanted to make that point before I deferred, Mr. Chairman, to my colleague from Saskatoon Mayfair . . . Fairview.

An Hon. Member: — Now listen.

Mr. Mitchell: — Exactly, exactly, now listen. Mr. Chairman, the minister is not a good listener. The minister is not a good thinker, either. The minister has made one of the most fatuous arguments supporting the free trade agreement that I've had the pleasure to hear or read in the last six months.

Minister, I don't know what it's going to take to satisfy you, that if you're looking to the free trade agreement as your engine for economic growth or your engine for increased government revenue, you're just kidding yourself — you're looking in the wrong direction. That agreement is not going to produce those benefits for you. If you and your government are relying on that agreement to get you over the hump so far as economic growth or government revenues are concerned, you're just sadly, sadly mistaken.

No serious analyst is making the kind of predictors that you're setting forth here. No serious analyst is predicting the level of economic growth that will meet your kinds of deficits — nowhere near it. Even the most optimistic estimates of economic growth won't come anywhere near balancing your books. The kind of revenue that you might hope to get from even the most optimistic analysts of that agreement isn't going to come anywhere near satisfying any of the requirements of this government for money.

The reality is, Minister, if you look hard at the situation in Saskatchewan and taking the most optimistic views of what's likely to happen in Saskatchewan, there isn't going to be either. There isn't going to be any measurable economic growth at all. In fact, the real possibility is that there will be a negative growth; that there will be a contraction in our economy as a result of it.

And so far as increased government revenues are concerned, I just challenge anybody to show us where that is going to happen; where the increased jobs are going to be; where the economies of scale are going to happen in Saskatchewan.

Remember that all of the economic analysis, all of the economic analysis by the eastern economists who have been pushing the free trade line for the last 20, 25 years are based upon the notion of economies of scale, Minister — economies of scale. Somehow these Canadian plants are going to be transformed into great, huge plants to satisfy a larger market. And I have yet to hear you or the minister responsible or the Premier tell us what plants in Saskatchewan are going to experience this mushrooming effect as economies of scale on a continent-wide basis are going to happen in this province. It's just not going to, Minister. And if you think it is, you're sadly mistaken. But I suspect that you know that these things are not going to happen and all you're doing is feeding us a big lie. I suspect that's the real answer.

Now I don't know how many times we have to tell you, I don't know how many times we have to tell you that this agreement and our opposition to it is not a question of tariffs. We're not talking about the dangers of eliminating tariffs on the last 20 per cent of trade between our country. I've said over and over again, and so have other

members in this House and elsewhere, that if this deal were simply about tariffs, we'd favour it. We've said that again and again and again and I'll say it tonight again.

What we object to in this agreement are the other parts of the agreement. Now, please, be a good listener for once in your legislative life and catch that message. What we object to are the many other provisions in this agreement that have precious little to do with trade, nothing to do with trade in some instances. You get by the tariff provisions and you see the provisions respecting investment, for example, where the Canadian economy is virtually opened up to unlimited . . .

Mr. Chairman: — Order, order. I've been listening to the debate very carefully over the last 10 or 15 minutes, and I'm finding it rather difficult to make the assimilation of free trade and the educational aspect which we are discussing. So I'm sure the member would want to bring this specifically as far as it relates to education, please, and I would expect the answer to be the same.

Mr. Mitchell: — Mr. Chairman, Mr. Chairman, I'm . . . of course, Mr. Chairman, I'm in your hands, of course, and that was our intention tonight. My colleague, the minister of Prince Albert, asked questions that were specifically related to the field of education. The answer had nothing to do with education at all, but rather covered three reasons why, three reasons why we in Saskatchewan ought to be supporting this free trade agreement. And it was to that argument that I'm addressing my reply. I am reluctant to leave the minister's statements on the record of this House unchallenged. That's how I got into it from the perspective that I was in.

And I was going to go on to deal not only with tariffs, but to go on and deal with this nonsense about the European Economic Community, which is a totally different situation and has nothing to do with this, and then with the Quebec situation . . . but, of course, I'm in your hands.

Mr. Chairman: — I realized that when the member from Prince Albert started his questioning, it was kind of far-ranging at that point and then he became quite specific after that. And having become specific after that, it seems to me that then the minister took the liberty of also being far-ranging. And I would ask you now, please relate it as specifically as you can to education.

Mr. Kowalsky: — Mr. Chairman, with all due respect, I object to that characterization of my questioning. I did make comments completely related to education. Every question I mentioned was related to education. I did reply to the minister when he raised wider issues — some of the red herrings he tossed forward.

And I think that would . . . if a minister raises that, then I think it's fair to go both ways. If he wasn't called to order on that, with all due respect, Mr. Chairman, I feel that neither should I be, or neither should the member from Saskatoon Fairview.

Mr. Mitchell: — I will be brief, Mr. Chairman, but I do want to be able to answer the minister on the statements that he made.

With respect to the argument that the European Economic Community has had a something like a free trade agreement and hasn't experienced any of the difficulties that we predict will happen in Canada, Minister, I simply want to point out to you that the arrangements in the European Economic Community are substantially different than the arrangements under this agreement — substantially.

(2000)

The European countries retain complete sovereignty. They don't deal it away to the extent that Canada has dealt with it away under this agreement. They maintain, totally, the ownership of their own economies, and they keep in place their very, very stringent legislation respecting the review of foreign take-overs. Nothing in the European Economic Community even resembles the provisions contained in chapter 16, which opens Canada up to investment by American entrepreneurs.

Let me also tell you, Minister, or let me suggest that you go back in your history books and you review again the arguments that occurred in the United Kingdom when they were contemplating whether or not to enter the European Economic Community. The arguments that are now going on in Canada don't even resemble those arguments. Those were totally different arguments on totally different grounds that have no relevance at all to our situation.

Finally, the question of Quebec. You ask why Quebec favours the agreement and I think you know. I think you know that it has everything to do with their James Bay power situation and the export of their electricity. It also has to do with the fact, Minister, that when they discussed the cultural question, the "Frenchness" of Quebec, they're dealing with a totally different argument than Canada is now facing when it considers the precarious position in which Canadian culture has been put as a result of this agreement.

In Quebec the question is largely a question of language, at least it's focused around the question of language. And this agreement, of course, does not touch upon the question of language.

And the other thing that I would draw to your attention, Mr. Minister, is the reaction of Mr. Parizeau, the reaction of Mr. Parizeau to this agreement. Mr. Parizeau is quite content with this agreement, because he thinks that in the long run, his case with his own people will be stronger as a result of watching what happens to the rest of Canada, as a result of the operation in the long run of this so-called free trade agreement. He's quite satisfied with this agreement on that score. He's not concerned that it poses a danger to the "Frenchness" of the Quebec culture. He thinks that's secure, and in fact the political program of his own separatist party will be advanced as a result of the operation of this agreement.

Now thank you for allowing me to make those remarks, Mr. Chairman. I suggest that if you want reasons to support this free trade agreement, you're going to have to come with ones that are more compelling than the three that you offered to this House tonight, which are

pure bunk.

Some Hon. Members: — Hear, hear!

Hon. Mr. Hepworth: — Well, Mr. Chairman, we did a little more research on this side of the House since the hon. member from Prince Albert raised his points about downgrading education and the harmonization that would take place, and we all recall those kinds of phrases. And guess where else those kinds of phrases and a lot of the very same statistics show up, Mr. Chairman?

An Hon. Member: — Statistics.

Hon. Mr. Hepworth: — Sorry, the same sort of data shows up, Mr. Chairman. I never have . . . I have a bit of a speech impediment when it comes to pronouncing the word "statistic" and the hon. members have corrected me. I don't have any of the same kind of problem when I use the word socialist, but I do have it when I talk about statistics, and I apologize for that.

But back to what I was saying, Mr. Chairman. We heard tonight the opening statement from the hon. member from Prince Albert, talked about the downgrading of education that would occur with the free trade agreement, at least in the mind. He talked about harmonization, elephants and mice . . . mice and all those kinds of things. And we did a little research over here, and guess where else you find virtually the same numbers, the same terms, the same language? Well, lo and behold, it's in an article entitled, "Downgrading Education" by Wilfred Brown. Now that article entitled, "Downgrading Education" is published in a book called *The Facts on Free Trade*. And who publishes that book, Mr. Chairman? Well it's published monthly by the public relations department of the Canadian Union of Public Employees, and Jeff Rose had a very nice opening paragraph or two in here. But who else published in that? Did you find any Saskatchewan educators publishing in here, Mr. Chairman? Did you find any Saskatchewan economists publish in here? Did you find the hon. member from Saskatoon Fairview with any commentary in here? No.

Well who was in here, Mr. Chairman? Who else had commentary in *The Facts on Free Trade*? Well there's Bob White, oh, and Shirley Carr, yes, that's another one, and, oh, Steven Langdon, NDP MP — just to mention but a few, Mr. Chairman. And that is their definition on free trade, Mr. Chairman, as it relates to education.

Now I'm not suggesting for a moment that the hon. member was plagiarizing or anything like that, because I clearly would not want to cast those aspersions. But the hon. member from Fairview said that somehow trade — more trade, if we think that's our economic engine for the future, I'm sadly mistaken. We're sadly mistaken.

An Hon. Member: — Didn't say that.

Hon. Mr. Hepworth: — Yes, you did say that. You said that if we have a free trade agreement that represents more liberalized trade, that that is . . . we are sadly mistaken if we see that as our economic engine.

Well I ask the hon. member . . . (inaudible interjection) . . . You see it's not good enough to just say that. I ask the hon. member, how is it then if that is bad, if more liberalized trade . . . if a level playing-field is bad, if that is bad, then what does he call these situations? What does he say to the pork producers when he meets with them and they tell him things like this? If we . . .

Mr. Chairman: — Order. Order, please. Order. What we'll have to do is just rein ourselves in, and we'll save the free trade debate for another time, same place.

So I would thank the minister for his response to the member from Fairview, and I would give the floor to the member from Prince Albert.

Mr. Kowalsky: — Thank you, Mr. Chairman. I have a few more questions that I want to ask with respect . . . as it applies to education. And I hope that I get an answer as it applies to education — that we don't start into hog farming and chicken farming.

I want to refer specifically to the impact on private vocational schools and what impact it may have on private vocational schools. Now we know that right now in the province of Saskatchewan the minister has the power to supervise the private vocational schools, has the power to make laws to supervise private vocational schools, could go as far as to . . . if the government decided to do so, you could regulate the curriculums, or you could certainly guarantee a standard. You could guarantee a standard of the quality of teaching. And certainly the people in the private vocational schools are asking that right now, and so are the students that go to these private vocational schools. They are asking for that.

When I look at for what impact this agreement may have on private vocational schools, I go to the section in chapter 16 which deals with services. And in article 1602, it talks about national treatment. And it says:

Except as otherwise provided in this Chapter, each Party shall accord to investors of the other Party (meaning Canada and the U.S.) treatment no less favourable than that accorded in like circumstances to its investors with respect to measures affecting . . .

And there's several there. One of them, it says, "sale of business enterprises located in its territory." Another one says, "the acquisition of business enterprises located in its territory."

So the problem that I see evolving from this is that all of our private vocational schools could be up for sale or could conceivably be purchased by American firms. Now they won't all be purchased. It's ridiculous to think they will all be purchased, but there could be a significant franchise coming in equivalent to a size of McDonald's or A & W or Pizza Hut, or any — I don't know where these originate — but it could be some firm like this come in and purchase the individual private vocational schools which we have here now, which means that their mandate would be to come into this province and provide services for a profit. That's what it's there for.

That's what a corporation is there for. Corporation is not here necessarily to provide a service. Its first to provide a profit through the provision of a service. That's the first mandate of any corporation, particularly a foreign corporation.

Now our tradition in this province has been that we have had private vocational schools where the people were actually — who put up the original ones, the ones that have been tried, and tested, and survived in the province — have actually had a commitment to the educational system. Now we see some federal money being made available through the Canadian Jobs Strategy, money towards education which these schools and these entrepreneurs can access by going and encouraging students to enrol. And they will do all the bookwork for the students so that the students can then funnel the money, through them, towards tuition fees.

And what I see happening as a result of this is that our schools will eventually be American controlled, and worse than that. It's okay, but will we be able to regulate it? Will we be giving up all our rights? And this is what I ask the minister: is there any way that you will be able to regulate private vocational schools or what goes on in them? Because once you do, it will be, it will simply be disallowed under this particular agreement. I say that you won't have any possibility of controlling what happens in those kind of business enterprises under a licensing provision.

Hon. Mr. Hepworth: — We have and we will continue to have a control over the regulatory framework as it relates to our education in this province.

The hon. member talks about U.S. education coming into Saskatchewan. I would suggest to him, and I am sure he is well aware of this fact, Mr. Chairman, being a teacher himself, that a number of teachers have availed themselves of an off-campus programming by the University of Oregon to take Master of Education degrees. Somehow — and that has gone on in the past, long before we started talking about a free trade agreement — and somehow that was not a travesty, certainly not amongst teachers and the teaching profession. And now, all of a sudden, although he hasn't raised that example specifically, somehow U.S. education is seen as a big threat despite the fact that the reality is we have an will continue to have the power to regulate in this province.

Mr. Kowalsky; Mr. Chairman, presently we enjoy having the freedom and having the right, and we enjoy the choice of being able to take the best and select the best for our purposes from the American system or from the British system or European systems. We are capable of doing that now. What I am afraid of, under this particular agreement, that we would . . . that our choices will be limited as to what we can exclude. That is a difficulty under this new scheme.

Now, to further my argument, I would quote from an article that was in the January 14 of *The Globe and Mail*, by one Margaret Polanyi, where she states that:

. . . the proposed free-trade agreement between Canada and the United States, even though it is to

exclude post-secondary education, will alert more U.S. institutions to opportunities here, where the demand for university places (and I would assume that private vocational schools could fit in there) is greater than the number available.

I would ask the minister: does he not acknowledge that our private schools could indeed be purchased and operated by Americans?

Hon. Mr. Hepworth: — No.

Mr. Kowalsky: — Could you substantiate that argument please, Mr. Chairman?

Hon. Mr. Hepworth: — Mr. Chairman, I said earlier, and not to be repetitive, that we do have the . . . we do have now, and we will continue to have in the future, the regulatory authority and the regulatory powers of the province relative to education.

Mr. Kowalsky: — Let's go on to the topic of materials and textbooks. I want to ask the question: will you be able to demand . . . will you, as the Minister of Education, under this agreement, be able to demand or will the school board be able to ensure that materials, certain materials and certain texts of your choice, can be Canadian and can have Canadian content? Can we be masters in our own household, in our own schools?

Specifically, can we maintain enough Canadian materials so that we can truly depict the nature of our small province here, so that we can truly protect our multicultural heritage, our native heritage, our agricultural heritage, as we get into this shift from rural to urban, Mr. Minister.

(2015)

Hon. Mr. Hepworth: — Yes, absolutely and particularly.

Mr. Kowalsky: — Can you substantiate that argument?

Hon. Mr. Hepworth: — Well I read into the record earlier tonight a letter that I'd sent to *The Globe and Mail* and what it said is that:

We can, and often do decide, to pay the additional cost required to purchase materials produced specially for our own schools. This right has always existed and is entirely unaffected by the free trade agreement. Indeed, the agreement specifically excludes provincial procurement practices. Under the terms of the agreement, provincial governments can continue to insist that our textbooks be written by Canadians and published by Canadian firms.

I read it into the record once before, Mr. Chairman. I read it in again at the risk of being repetitive.

Mr. Kowalsky: — I want to ask you a question, Mr. Minister, about what it is that our children are going to learn from this free trade agreement and, in general, about this free trade agreement.

If the whole idea of this agreement is to harmonize our economy with the American economy, will our children learn more about materialistic life-style, that the materialistic life-style is paramount? Will they learn more about how to consume, or will they learn more about the values that we have traditionally tried to put into our school system? Which way is it going to go, Mr. Minister? Are they going to learn more about spiritual things that I talked about in my address, or are they going to learn more about consumerism as a result of this agreement?

Hon. Mr. Hepworth: — Mr. Chairman, this is incredible. He's trying to suggest that somehow this free trade agreement is going to see our children's minds warped with whatever American tripe he thinks exists across the border. He talks about consumerism and materialism. Our education will continue to be controlled by us and by local school boards.

But, you know, I see a dimension of what he's saying in terms of this fear mongering and scare tactics that are typical of socialists, quite frankly, across the world. And I saw it in the article that was written out of OISE (Ontario Institute for Studies in Education) because there, too, in that article, they talked about will our young people somehow become warped by American enterprise and initiative. Since when were enterprise and initiative features of the American landscape exclusively? Mr. Chairman, this is — to use the member from Saskatoon Fairview's words — these are factious arguments.

Mr. Kowalsky: — Mr. Chairman, the difficulty here with the free trade agreement as it applies to education, and as it impacts on education, is that it . . . It appears to me when I read the agreement that those who wrote the agreement had some kind of a notion that U.S. values, that American values, were better than Canadian values. That's the idea I got from them. They weren't satisfied that we had good working relationship with the Americans; they come up with this fear mongering idea that somehow that if we don't capitulate to the Americans that we're going to lose all our trade wit them. That's what he keeps talking about — if we don't capitulate and sign this agreement, all of a sudden all of our trade is going to vanish.

It's either that or that it's more valuable, because which one is it going to be? I say, Mr. Chairman, that I like our Canadian values and the differences between us and Americans. I like the Americans. I like the Americans. I've travelled across the border a few times myself, and I've had Americans in my home, and they appreciate the differences, as well.

So I ask you to answer that question. Do you really believe that? Do you believe as I do, Mr. Minister, that this agreement will change our value system slowly, making it look as if U.S. values that they teach in their schools are better in some way than the Canadian values that we teach in our schools?

Ms. Smart: — Thank you, Mr. Chairman. Mr. Minister, you've been speaking about the publishing industry. You're the minister in charge of education and the minister in charge of libraries, and I just want you to talk to me a little bit about what your understanding is of the Canadian publishing industry.

You've talked about the province having the right to Canadian procurement of Canadian textbooks. You've talked about the fact that Americans can publish books 30 per cent cheaper than we can in Canada. You have refused to answer my colleagues' concerns about the fact that the free trade treaty talks very specifically about more import of curriculum materials and other materials into the school systems from the United States.

Now, Mr. Minister, you must know, you must understand that the Canadian publishing companies are very fragile, even at this time even with a tremendous amount of Canadian subsidy and help from the governments to keep them going, and that the right to procure Canadian textbooks depends entirely on having a firm industry here.

We have here never had a firm Canadian publishing industry in Canada. We have lost control of many of our Canadian publishing, textbook publishing firms even in the last few years, Mr. Minister, and this has been a serious concern for many of us who are concerned about Canadian culture and access to Canadian materials.

We have had even situation where Canadian . . . American flags are painted out and Canadian flags are put into textbooks that come across the border into Canada, and we call that Canadian content. And that is a miserable example of Canadian content if you're talking about procuring from the governments of Canadian textbooks with our Canadian history and our Canadian social studies and our Canadian literature. It's always been a big problem in Canada. And if you're not aware of that as the Minister of Education and as the minister in charge of libraries, then you've got a lot of learning to do.

And when you talk to us about the fact that American publishing is 30 per cent cheaper and somehow in this great free trade debate we're going to get materials in Canada that come down to that price, you're just dreaming and you're dreaming in Technicolor. You really are.

Now this is a very serious concern; has been for some time. The free trade treaty, if you would mind reading the agreement instead of flapping around obviously not having looked at it in any great detail and not answering my colleagues' questions, if you would read that free trade treaty you would understand the implications of the questions we've been asking you.

You obviously don't understand about Canadian publishing. It is a serious problem. You don't seem to think it is. So stand in this House and tell us then how you see the procurement of Canadian materials being possible when our Canadian publishing industry is so very fragile even now.

Hon. Mr. Hepworth: — Well, Mr. Chairman, relative to the educational book publishing or the publishing industry in general as it relates to libraries, I suppose, that aspect of these estimates tonight, if we're going to have a broad interpretation of what we're going to discuss here, as I said earlier tonight, the agreement specifically excludes provincial procurement practices, point

number one; secondly, as it relates to publishing, in the larger sense of the word, cultural industries are excluded. And in fact the hon. member herself has said that the status quo, where has the status quo got us? A fragile industry at best.

I don't know as there's much more I can say, Mr. Chairman, without being repetitive.

Ms. Smart: — Well I'm not surprised that you don't have very much more to say because you obviously are not very well informed on this issue, Mr. Minister. So it's not surprising that you haven't got much to say.

You're talking about the right to procurement; I'm talking about the right to procurement of Canadian textbooks. I'm talking about the publishing in the school . . . in the industry related to textbooks, not even the broader Canadian publishing industry. I'm talking specifically about Canadian materials for the schools. You can't procure that from the Americans. They don't publish that down in the States for us and bring it up here. Where are you going to procure it from, with your right of procurement, if under the free trade we swamp out the fragile industries that we have in Canada?

Hon. Mr. Hepworth: — Just to give an example of the points I've been making earlier tonight about, it's within our hands to control our destiny in the past as well as into the future and indeed now, and in fact I'm advised — just to give you a specific example about what we can do and what we can do to have our own industrial base in the sector that the hon. member refers to — for the first time, at least as far as we know and my officials know, and this is probably a sad commentary, but for the first time we've contracted with a Saskatchewan firm to publish and to print here in Saskatchewan one of our new social studies texts. It's the firm of Linda Weigl.

I mean, it seems to me that the actions that speak louder than the words. And I know that you and your colleagues will keep putting straw men up about how rotten this free trade agreement is, or as so often the NDP and others against it will refer to the agreement as the Mulroney-Reagan agreement, as they sort of curl it around their lips in some invidious kind of way. And I mean it's fine for you to continue to put these straw men up.

Education. I am very satisfied. The technical officials, who are just technical experts, are very satisfied and assure me in the strongest terms possible that we are exempt, that we're safe. Our own provincial procurement practices are save and sound. And your fears are legitimate if they were well-founded, but they are not.

Mr. Kowalsky: — Well, Mr. Chairman, it is the result of fears that I must put the questions, and I didn't get any answers from the minister, and that just tends to increase the fear. When you put specific questions and you get very general answers and when you get answers wandering all over the field, then it just raises one's fears to a new level, Mr. Chairman.

I want to go on so that . . . I've got a few other things I want to deal with here this evening besides the impact of this

particular Mulroney-Reagan trade deal as it applies to education. I want to talk briefly about student bursaries and forgivable loans.

Now several days ago when we were discussing . . . started to discuss student loans, I asked the minister a series of questions about them, and then I got a series of answers, once again, that were completely unrelated to the question. So I'm going to rephrase the questions again, and I'm going to give them to him one at a time to see if I can get the answers.

And the first question is: how many bursaries did students receive in this current year? How many post-secondary students received bursaries in this year — bursaries?

(2030)

Hon. Mr. Hepworth: — Mr. Chairman, I think you were referring to bursaries, but those have been discontinued and only those that might have trickled through from years past would there be maybe some numbers there, because of a policy change last year where that was changed to forgivable loans.

Perhaps you were inquiring relative to the scholarships, and the numbers there are: we've seen an increase from \$1.8 million in '81-82 to now this year we're at a little over 6 million.

Mr. Kowalsky: — I repeat the question: how many students received bursaries in this last year?

Hon. Mr. Hepworth: — Well very few, because there is not bursary program. It was converted to a forgivable loans program.

Mr. Kowalsky: — How many students then, seeing as how there was no bursary program, received forgivable loans this year?

Hon. Mr. Hepworth: — About 4,000, Mr. Chairman.

Mr. Kowalsky: — How many students received either forgivable loans or bursaries last year, the year previous to the one you just gave me?

Hon. Mr. Hepworth: — About 8,500, Mr. Chairman.

Mr. Kowalsky: — How many students received bursaries the year before that?

Hon. Mr. Hepworth: — Fifty-five hundred, Mr. Chairman.

Mr. Kowalsky: — Can you explain the difference between the reason why there were 5,500 three years ago and 8,500 students last year.

Hon. Mr. Hepworth: — I'll give you some numbers here that may provide . . . may anticipate some of your other questions. And the numbers are from years '84-85 through '87-88.

Number of students in Saskatchewan student bursary program, '84-85, was 5,400 — and I'll use approximate

numbers here — 5,400. Then the next year was 5,490; 8,515; and 3,958. The total dollars given under the student bursary program were 6.5 million; 7.8; and 11.1; and 6.4 million respectively. The number of students who took the Saskatchewan special incentive bursaries, there were none in '84-85; 357 in '85-86; 1,213 the next year; and then 1,622. Total dollars for special incentive bursaries went from 800,000 in '85-86 through on up to \$3.5 million in '87-88.

And I know the hon. member will want to make the case somehow we are providing less student assistance, etc., etc. The reality is that we are targeting that to those who have the highest needs. We have way more children in our post-secondary institutions now than we've ever had before. I think that's tremendous. We have a greater percentage that are receiving some form of assistance, whether it be low interest loans or forgivable loans, than ever before, and I think that, too, is commendable. As I sit around the table at that Canadian ministers of education meeting, I understand that Saskatchewan has one of the best student aid programs across the country.

If you're asking me, could we do more and should we do more and would it be nice if we could do more, yes, we would like to do more, but I would point out to the member from Saskatoon University that I'll stack our record up against his colleagues in the lip service that they paid our universities and to our students any, any time.

Mr. Kowalsky: — Thank you for supplying those figures to the minister.

Now the figures, then, the way I see them — and the minister certainly anticipated my statement — show that the number of students that are obtaining forgivable loans, which used to be a bursary program, have decreased significantly in the last year.

That number in itself, when it's not put to specific individuals, explains how what the impact is like, perhaps just remains as another statistic, Mr. Chairman. But what I see as a real problem here, and as an emerging problem, is the debt that our students that are now entering the universities and technical schools — particularly the four-year university programs — the debt they're going to end up with because right now before a student gets a forgivable loan or bursary, they have to borrow up to 5,940, very nearly \$6,000 before any of their loan is forgivable if they're into a four-year program.

And of course, these are the people that we are concerned with. Anybody that's only going in for a one- or two-year program will only have a half or a quarter of that debt. But if you take that \$6,000 as a minimal figure and expand it over four years, that comes out, that means that any child that's entering from grade 12, a student that's entering from grade 12 and now is going into a university program, will end up with a \$24,000 debt. And that is very significant, very, very significant. It works as a bit of a deterrent, and I suspect what it'll do is it'll have the long-term effect of reducing the number of people who would ordinarily like to go to universities, who the universities might be able to accept if they were completely funded, and as a result, they will end up with

less training. And that's not good for our nation.

I want to ask the minister if there's any plan to reverse this particular trend, and don't you . . . Or first of all, Mr. Minister, would you agree with me that the student debt is increasing, is increasing? And secondly, is there any plan that you might have to curtail this debt that students have to get into in order to go through university training?

Hon. Mr. Hepworth: — Mr. Chairman, I want to touch on a number of points that the hon. member has made, the first being about the issue of . . . And the case that he essentially tries to make is somehow the NDP bursary program was better than the PC programs. And the reality is, of course, that under the NDP we did not have 6 per cent . . . We did not have 6 per cent low interest student loans. We didn't have the special programs for the disabled, natives, single parents. And I want to show you how important that point is, Mr. Chairman, because under the NDP with their so-called highly generous bursary program, a 33-week university program in so-called free money, grants, bursaries — whatever term you want to put on it — under the NDP, an individual student could have got something in the order of \$1,850 for that year. Is that right, hon. member from Saskatoon? And he shakes his head. Now I want to show you . . . Let's put that clear on the record. The hon. member from Saskatoon University says yes, under the NDP the maximum free money, grants, bursaries — call it what you like — was about \$1,850 per university program.

Let's ask the same question. This awful Tory government, as the members opposite would have us believe . . . What can, for example, a native person today or a single mother — which they did not help — or a handicapped person, what are they eligible for? Well what they are eligible for is a two-year remission program that remits 100 per cent of the first year and 50 per cent the second year. But what does it mean in real dollars? That's the question, isn't it? What does it mean in real dollars? Is it more or less than \$1,850? That's the question. And the hon. member from Saskatoon University and Prince Albert, I'm sure, would agree that's the question. Well what does it work out to on a 33-week program if we compare apples to apples and oranges to oranges.

Well what it means is that they would have \$11,880 forgiven in that first year. Now by my mathematics \$11,880 is of substantial more help to that single parent or that native of that disabled person than \$1,850. Am I wrong? Is not \$11,880 substantially more than \$1,848? And is it not morally right to target to those who have the greatest need? Now it seems to me that even the socialists could not make the counter argument there because it would indeed be an invidious argument, not fatuous but invidious.

I rest the facts, Mr. Chairman, because I think they're clear there. This is a . . . the program as we have more recipients with student aid. We look at combined assistance, federal-provincial over the last few years, we've gone from 5,400 of our young people receiving assistance to now this last year, '87-88, 17,600.

And for the hon. member from Saskatoon Fairview, if he's looking for invidious, it's i-n-v-i-d-i-o-u-s. Thank you, Mr.

Chairman.

Mr. Kowalsky: — Well I won't get a reply to my question once again. Yes, and the question was: was the government thinking of doing anything to curb the rising student debt that I saw happening with four-year students?

I have another question that I want to ask with respect to the research that's being done, and I ask this for informational purposes of the minister. I want to ask the minister: how much money, if any, does the university get directly from the government for research purposes?

Now I ask that question because we know that one of the problems that was discussed, and is continually discussed by those that are in research at the universities, say that they are continuously spending more time on research, that there's an increasing demand on research and they need space. They say that some of the money that goes for research is pulled off in administration costs.

I know that a lot of the money that they get from research is dedicated to them from outside agencies, such as some corporations, and some of it is dedicated from the global funding. I want to know if there's any money goes directly from the Department of Education to research.

(2045)

Hon. Mr. Hepworth: — There are a number of sources for research funds for the university. Some would come, some small amount would be for specific programs, specific research would come from Education; substantial allotment out of Agriculture, which you may want to pursue with the Minister of Agriculture — the agriculture development fund. I think even Economic Development and Tourism has funds there for a chair. There's in fact negotiations under way relative to an entrepreneurial chair at the university. There is the Van Vliet chair that's been established. There's funding out of our budget for school improvement projects and research relative to that with the College of Education. There's funding in Agriculture, as I recall, for VIDO (Veterinary Infectious Diseases Organization).

Actually, I don't have a summary list across the departments of the research funding, but I can give you an example from my days in Agriculture. Under the NDP, they had a agricultural research program that predated the ag development fund that was called farmlab. And it provided \$25 million over five years. The ag development fund provides something like 150 million over five years. So if you're asking, does our government have a commitment to research and to agricultural research, the answer is yes, Mr. Chairman.

Mr. Kowalsky: — I want to ask specifically, with respect to your department, how much money goes to research from your department? Let's leave the other ones out and we'll ask those questions in Agriculture.

Hon. Mr. Hepworth: — The specific research that we would be somewhat involved in was the project I talked about, the school improvement project with the College of Education.

Over and above that, as you will know, universities enjoy, and we respect, their autonomy. And I used the example the other day, talking over my desk here, that we send them the cheque for 100, 110 million — for example, the U of S — today, somewhere in that neighbourhood, and it's up to them to decide how to spend it. And they do, on teaching and research and extension and those kinds of things.

A report at the University of Saskatchewan would probably give us the information in more detail as to sources of research and where it was expended . . . or sources of research funds and where it was expended. I know as well that their fund raising efforts in the private sector and NRC (National Research Council) grants, SRC (Saskatchewan Research Council) grants, all those kind of things are also significant.

Mr. Kowalsky: — Okay, I've found out that there's one project, the school improvement project, that you've given money for, for research. How much money in the last year?

Hon. Mr. Hepworth: — There are two \$50,000 grants: one for this leadership component that I talked about earlier, and one for curriculum development — two that are \$50,000 in size each.

Mr. Kowalsky: — With respect to money that's coming to the province from the federal government through the established program financing scheme, what I'd like to find out now, Mr. Minister, is exactly how much money is coming for education from the established program financing federal funds, and how much have they gone up in the last three years?

Hon. Mr. Hepworth: — I will provide the hon. member with what numbers we have at our disposal tonight, and if there's some others that we can provide, then maybe you can indicate and we'll see what we can do at providing them.

I think the essential argument that we're dealing with here is that I had the exact numbers for the federal contribution in one year and the federal contribution in another year, and the spending that we might do provincially is somehow . . . has there been a failure for us to pass on allocated federal funds to education. I mean, I think that's the essential argument.

And to show you that we are, although I don't have the absolute numbers, I have percentages for you. From '82-83 to '87-88, Saskatchewan spending on post-secondary education increased by more than 48 per cent. Now if the Saskatchewan entitlement had increased by more than 48 per cent, one could make the legitimate argument that we weren't passing on or using all the federal money that should have been allocated to education. The reality is that we increased ours by 48 per cent, whereas Saskatchewan's total entitlements under the EPF (established program of financing) rose by only forty-two and a half per cent over the same period. So, although I don't have the exact numbers, I've got the percentages there for you. Our spending went up by 48.

If the federal spending had gone up by 48, it would have been . . . we'd have been exactly passing it on. The reality is federal entitlements, that were passed on to us, only went up by forty-two and a half. So we are doing more, or we're over and above the federal entitlement. So not only we are passing that along and spending it on behalf of Saskatchewan children and Saskatchewan young adults, but we are doing even more than that relative to education. I think that's the argument that we're essentially debating here tonight.

Mr. Kowalsky: — Would it be possible for you to provide me with the figures that would substantiate that in terms of dollars that are coming into the province from the feds, and the dollars that are being spend here in post secondary education?

You will recall, perhaps, the Johnson Report, I believe it was called, in 1985, which made some claims that provinces — and I think the province of Saskatchewan was included — was funded considerably, or spent considerably less of the money that they got from the . . . less than the money that they got through the established program financing for education. And this is . . . if it isn't . . . If it is a myth, it certainly deserves to be exposed; and if it isn't a myth, it certainly deserves to be addressed. So I was wondering whether or not you would be prepared to supply some of that data, Mr. Minister.

Hon. Mr. Hepworth: — Yes, Mr. Chairman.

Mr. Kowalsky: — Could I get those perhaps within a couple weeks?

Hon. Mr. Hepworth: — Yes. We'll undertake to get them to you within a couple of weeks or even sooner if we have a . . .

Mr. Kowalsky: — Now I want to deal specifically with some of the events resulting . . . or particularly referring to the University of Saskatchewan. We've went through a rather stressful time there, and I contend that the stress is not over again have taken a strike vote and a strike option in the fall.

Quite clearly the movement at the government level to put the strikers back to work did not really solve the existing problem at the university. I think you will acknowledge that and I will acknowledge that, Mr. Minister.

So I'm asking the minister if you're contemplating any changes, any structural changes to the university at all, any structural changes to administration or to the board, any financial or funding changes to the university. Have you got any new directions in mind for the university to help and address the problems that the universities are facing internally at this time?

Hon. Mr. Hepworth: — Well, Mr. Chairman, I think the member's questions and comments are well intentioned because the situation as it exists at the University of Saskatchewan is an unsettling one for all, I think. But given the delicateness of the situation, that there is still a

contract outstanding. I think I would be ill-advised to make any comments about my thoughts or my government's thoughts, if you like, relative to the situation there.

The one comment I would make, however, because I would want it clearly on the record is: in response to your question about, do we have any plans for restructuring administration, it is not the Government of Saskatchewan that determines the administration and who shall be the administrators and chief executive officer and the president, etc., of the university; it's the board of governors. And that falls within their purview, and that's as it should be.

Mr. Kowalsky: — Are you giving any thoughts to restructuring the mandate or the board, make-up of the board, in any way at all at either of the universities?

Hon. Mr. Hepworth: — I suppose the only thoughts that are running through our minds at this point in time are not unlike yours in that I think it's in everyone's best interest, and certainly we would like to see the contract, to see that settled. I don't know as I can offer any further comment at this point in time at all.

(2100)

Mr. Kowalsky: — When I talk to people at the university including people in administration and including students and including professors, there's various reasons that seem to surface as possible irritants. Some of them are spaces. In some cases we see fights or struggles between departments. There's some feeling that perhaps the professional colleges are getting more funding as opposed to the liberal arts colleges. Now I know that's an internal matter and I don't want to meddle in that any more than you do, Mr. Minister, and that's the way it should be.

There's the problem of student crowding, the problem of the work-load for the professors, and we've seen students, significant numbers of students, which have ended up, some on administration side, some on faculty side as they've gone through the strike, so that we see them attempting to work out their internal problems.

The contention that we had made, and I guess that I continue to make, is that one of the irritants, certainly, is the funding ratios that have happened. And I would hope, Mr. Minister, that you would consider as perhaps the department's contribution to alleviating situation there, would be to strive to get that ratio, which has decreased — the number of dollars per students had decreased — by 23 per cent since you came to government . . . And I know you put more money in, but we dealt with that before and I don't want to go through that entire argument again.

But it ask that question, or this series of questions, to see whether or not you were indicating any structural changes, when I believe quite strongly that one of the major things that you could do as a government is just try to keep those funds at the per student level up as high as you can.

I don't expect a reply to that, so I will just carry on to

another item that I've dealt with. I started dealing with this again once at the end of the day and then it was 5 o'clock, so I have to rephrase the question.

You may recall, Mr. Minister, where I asked you a question about the autonomy of the university and how you intended to deal and keep the relationship between the university and the government, particularly in view of the fact that your Deputy Minister, I believe, sits in at some of the board of governor's meeting, particularly in view of the fact that you have six appointed members.

My discussions with some of the board members, the universities, they indicate to me that when a new board member comes on to the universities, that even though the member may come on with a bias, its isn't long before the member is sort of co-opted by the university atmosphere and the rest of the board members. He assumes himself or herself as being a university board of governor first and then an appointee of a government or an elected person from some particular body. And that's the way it should be, Mr. Minister.

There is a threat that was brought to my attention, and I want to bring it to your attention because it was brought to my attention on two different instances. It applies particularly to Saskatoon and to my riding in Prince Albert, and that is the threat of a possible closure of the School of Human Justice and social work. Now those two institutions have done tremendous jobs in our community, and I know they've done tremendous job in the community of Saskatoon.

In addition to the teaching that they've done, the community-based approach that they have used has allowed people in our university, in our little universities in Prince Albert — and I'm sure it's done the same in Saskatoon — to actually involve people who are professionals, working at the jails or working among disadvantaged people in social work, to continue their education and not to get burnt out. It's been a tremendous thing. You know, burn-out at a university, pardon me, burn-out at a penitentiary or at a jail or in social work is a real problem, as it is in teaching. And one of the things that the U of R (University of Regina) has done is help to overcome that.

Now what is the threat? Right now the universities find themselves in a situation where they may have to contemplate cutting back on programs. They boosted their student-teacher ratios as much as they can; they filled their classrooms as much as they can. I know that when you're situated here in Regina it's very easy, and it's the easiest thing to do is to cut off an arm that's some place further away.

Now what I wanted from you, Mr. Minister, is a specific commitment, if I could, that your department or any member of your department that might be in discussions with the U of R in their programs cuts would not be singling out any particular department, as I have heard rumour — and I won't put it any further than that — that it's this particular area that should be cut. Could you give me that commitment?

Hon. Mr. Hepworth: — Mr. Chairman, yes.

Mr. Kowalsky: — I want to ask you now, Mr. Minister, about student summer jobs. We know that the number of student summer jobs that the Opportunities '88 program is providing is now less than it was a year ago — it has gone from 10,500 to 4,387.

Do you have any breakdown as to how many of those students that got these jobs are from U of S, how many are from U of R, how many are SIAST (Saskatchewan Institute of Applied Science and Technology) students, or is there any kind of breakdown of that type?

Hon. Mr. Hepworth: — The issue being, Mr. Chairman, student employment, the two universities, and those students that may have had employment as a result of the Opportunities '88 program. We don't have any numbers, and the reason is that even if indeed such numbers are available is because it's not under our portfolio. It's under my colleague, the Minister of Human Resources, Labour and Employment.

Mr. Kowalsky: — The comments and the concerns that I've had expressed to me have been that the student . . . that under this summer program, being as how there's only 4,300 of them this year, that the university students tend to grab then up quicker because their academic years ends sooner, whereas the SIAST students quite often don't have their programs ending at that time — some of them, as a matter of fact, go through continually. But the SIAST students would certainly like to see some proportion of those programs available to them, perhaps in proportion to their population or something like that. But they generally tend to feel that they are sort of left out of these programs. Have you had any of that type of concern brought to your attention?

Hon. Mr. Hepworth: — I can quite honestly say, and in checking with my officials, it's not something that's been brought to any of our attention. If it is indeed a problem I'd be happy to look into it. And it may well be that the issue's been raised with my colleague, since he's the one who administers the program. But if there's some follow-up I could do for you there, perhaps by way of correspondence, I'd be happy to do so.

Mr. Kowalsky: — That would be appreciated. I think that it's the kind of a thing that's a growing issue rather than one of immediate urgency, but it's one that could develop into a bigger issue. If it's addressed at this stage, I think the students would feel quite good about it.

I want to ask a question with respect to student representation on the SIAST board. Have you made a decision as to how that student representative on your board will be selected?

It is my understanding that the students' group wishes to be given the responsibility of selecting their representative. It is my understanding also that you have indicated to them that you would like to retain the prerogative of selecting that representative. I would suggest to you that student representative, if it should be a student representative, should be responsible to the students as opposed to the minister.

Could you give me an indication that you will set up . . . whether you will set it up the way the SECTIS (Student Executive Council of Technical Institutes in Saskatchewan) — or formerly the SECTIS — representatives have indicated?

Hon. Mr. Hepworth: — I can say, Mr. Chairman, certainly to the degree that I was involved and certainly to the degree that my officials were involved, that we've tried to co-operate as fully as possible with the students and student associations, and particularly SECTIS.

The reality is, because I did make the commitment in writing and to you and to them that we would have a student sit on the board — and we do have a student that will be sitting on the board — the SECTIS student umbrella organization did not go through an electoral procedure to provide us with an elected board member, if you like. But they did submit names for our consideration and from that list, from their list, we have put one on the board. As I said earlier, that board will be announced shortly.

The second point I would make here is that if SECTIS or whatever a student organization might look like or will look like or whatever the umbrella organization might be — I don't want to presuppose anything — if they decide on a procedure different for this next year than they had last year, because it's only a one-year appointment, that's fine by me. It's whatever they would prefer. We'd just like to co-operate with them fully, but they didn't go through an electoral process this time. They just provided us with some names. And it was partly because of the transition, if you like, from the several institutes to the new form of autonomy where they did indeed have to seat on the board.

Mr. Kowalsky: — Next I want to ask a question with respect to tuition fees as they have applied and been changed to administrative management and accounts programs at the Woodland Campus.

What happened in this case is there is a number of students who are enrolled in this program and they were told, like anybody else, they were all told that they had to pay tuition fee of \$942. The method of collecting the fees was to pay \$3.17 for each of the 297 competencies. Then as they went through this program — and some of them are half-way through it. You know it's a progress as fast as you can system; some of them are three-quarters of the way through, some of them might be just half-way through. The program at the same time has been undergoing revision so that the number of competencies has been reduced to 245, and this is right in mid-stream. So what's happened is the Woodland is intentioning . . . Woodland's intention is to charge the same tuition fee, but now to increase the number or the number of dollars per competency.

(2115)

Now the perception here is — and I think there's some reason for understanding and being compassionate with the perception — is that now the students are going to get fewer competencies and they have to pay more for them. Not only that, but they are going to have to pay some

money retroactively for the competencies that they have already paid for — \$3.17.

Now I submit to you, Mr. Minister, that this isn't a pile of money when it comes to the department, that it actually comes down to, for a department amount, it comes down to peanuts. But what is happening is the perception is that all of a sudden you've got to pay more, and the students probably don't mind paying more for competencies which would be compressed now, but they certainly do object to paying more for the competencies that they have completed already because there is a new way of spreading the same tuition fee, the tuition of \$942.

And what I'm wondering is: would you be prepared to reimburse Woodland so that their budgets wouldn't be out, because I know their problems. They have to provide, show a budget entry of \$ 942 for competency. Reimburse them for those competencies that the students who have taken them under the old system paid so that the students don't have to do the make-up retroactively, because they feel that they bought a program and all of a sudden the program's price had gone up retroactively.

Hon. Mr. Hepworth: — The hon. member, I think . . . Indeed these concerns, are as you've suggested, and I don't doubt what you're saying particularly. In fact, what I will do is I will ask the board to examine what you are saying, and if indeed there is something that they can do that makes this fairer — that's the issue — then I'm sure that they'll want to address the question. So I'll ask the board to take a look at that.

Mr. Kowalsky: — Yes. I think the administration has sort of addressed it internally. I think that one of their problems is they may be coming back to you as a minister or to your department for a make-up of those few dollars. I don't think that that amount of money would probably be more than a thousand dollars.

And I tell you that thousand dollars will buy you a lot of goodwill if the students that are in there don't have to pay for those back competencies . It will mean that you'll probably lose 3 or 4 or 10 dollars per student per course — whatever it is. I won't amount to that much, but they would certainly appreciate that, Mr. Minister.

I want to ask now a question with respect to Woodland again, and this is with respect to the money that you spent — well spent — on a day-care centre there, the day-care lab, but which you put, in your wisdom and in your planning of the program, you put in the 40 . . . You put in the space, and it's a beautiful space. I hope you've seen it. I know that even the Premier of B.C. saw it and thought it was good, except he thought it was dangerous that maybe people should go there and actually learn something about day care.

Now we've got the program. You've got the students. You gave a commitment to students; your department gave a commitment to students when they came in. This was prior to the election in '86 if you remember. You gave them another commitment in early '87 that that day care would be open, and then you gave me a commitment in this legislature last year that it would be open by at least, oh, the end of the year, I believe were your statements

of '87.

And every time I've gone back to Woodland and I ask the program, well how's the day care lab, and they say, well we haven't received the licence for it. Now the licensing happens to fall under the Department of Social Services. I've written letters to the Minister of Social Services and he tells me that he has some kind of "concerns." Obviously, he didn't make those concerns known to you, as the Minister of Education, prior to putting that in.

Now what I want to know, Mr. Minister, is what kind of relationship have you got with him? Or what have you done so far to get that program in there? You know it's really a discredit to the college and it's a discredit to the system and certainly to the Department of Education that that program, that that particular day-care centre isn't in there.

I know for a fact that there have been surveys taken, that there are students available. There is nobody that I've talked to in the school — and I think you probably even agree with this — that thinks that the day-care lab there is not a good idea and it shouldn't be in there. But unfortunately it isn't in there because, I submit, what's happening is that the Minister of Social Services had got some idea in his head that publicly-funded day cares aren't a great thing.

Now if that's not the truth, then I want to hear something that might be or what his ideas really are. Actually I don't care what his ideas are. What I want, Mr. Minister, is I want you to get after him to get that licence into Woodlands.

We've got students from all over the province that have had to go out to take their practicums. It's been an increase in costs. They've had to take their supervisors and travel them to Yorkton and Swift Current and wherever to take their practicums. They could have taken them right there.

They've been forced to go from a competency-based system to a modified, competency-based system because they are unable to, at the time when they are ready to take the practice session of reading to those children or playing games, or setting up puppets for them, and practising it, and having that immediate feedback so its inefficient for the students. The day cares in the Prince Albert area have been very good in that they've lent their spaces to the school for some of this. But eventually their patience will run out, and besides what they want is they want qualified people.

Mr. Minister, what are you prepared to do, and what have you done to get this particular licence through?

Hon. Mr. Hepworth: — Mr. Chairman, I think, there, I would have to admit that if there's some blame to be attached relative to myself or my colleague, the minister, for not having resolved this issue earlier, I would accept that as a criticism. I think it's a legitimate enough one.

But having said that, the reality is there are discussions that are currently under way between the Department of Education and the Department of Social Services aimed

at a resolution to the issue you raise. If those discussions had concluded to the satisfaction of everyone, it wouldn't be an issue here today. The reality is: those discussions are not yet concluded and hopefully we can have some resolve and have some resolve soon. But I accept your criticism about the delay.

Mr. Kowalsky: — Do you, yourself, have a personal commitment towards that day-care centre?

Hon. Mr. Hepworth: — I think, Mr. Chairman, if ones goes back in the history previous ministers had made announcements relative to day care. I, myself, I think in response to a question from you last year talked about day care and the establishment of a day care at the, what was then called the northern institute of technology.

Mr. Kowalsky: — I take it then that you do have a personal commitment. I think you also have a personal commitment to the students. I would like you to advertise in the paper, the next time you advertise for spaces there, that the Minister of Social Services refuses to give a licence to this particular day-care program — to this early childhood program, to the centre. Because he is causing the Department of Education all kinds of trouble on this one.

An Hon. Member: — A lot of grief.

Mr. Kowalsky: — A lot of grief. A lot of grief. And if you want my support or if you want me to put in the \$10 to put that ad in, I'll do so.

Mr. Minister, with respect to the condition of the Saskatchewan archives. You know that the archives in Saskatoon are in a deplorable condition and there was a press release . . .

An Hon. Member: — That's in Maxwell's shop.

Mr. Kowalsky: — Excuse me, the minister mentions that the archives are not in his department?

I have a series of questions that I want to ask you with respect to the property management corporation. I'll just read the questions and ask if you will supply me with the information on that later. The questions are: I would like an itemized list of facilities, that is offices, compounds, parking lots, etc., that are provided to your department by the management corporation. Can I get those?

Number of square feet or . . . (inaudible interjection) . . . The minister says, yes. The number of square feet, or in the case of parking lots, the number of stalls in each of the facilities which was outlined in question one. Can I get those?

An Hon. Member: — Yes.

Mr. Kowalsky: — The minister says yes. In those instances where the facility is not leased, would you indicate the amount which each department is paying the property management corporation for its use today; how much it was paid; and how much was paid in the '87-88 fiscal year . . . (inaudible interjection) . . . Not sure. Not sure?

Number four, in the case of all facilities outlined in the above questions, would you indicate the use each is presently being put to in one or two words. And would you provide an itemized list of services being provided by the property management corporation and the amount being charged to the department for those services today. And as well, how much was paid in the fiscal year '87-88? I'm talking about things such as mail service in dollars, amount of money spent on government automobiles, furnishings. Agreed, Mr. Minister?

Hon. Mr. Hepworth: — I had responded to one of your colleagues by letter, in fact today, on some questions relative to property management corporation and facilities. And I'll have my officials examine the record and respond to your questions a fully and as appropriately as we can, given that some of the information may have some implications for market values and hence there may be some confidentiality from that perspective. But what I would give you the assurances of, unless that's concern, we'll provide the information as fully as we can.

Mr. Kowalsky: — I have one more set of questions on SIAST. I'll defer first of all to my colleagues from Saskatoon University.

Mr. Prebble: — Thank you very much, Mr. Chairman. Mr. Chairman, I want to come back to the question of the University of Saskatchewan, and ask the minister a question about the serious underfunding crisis that his government has brought upon the University of Saskatchewan in the past few years.

Mr. Minister, you'll be aware that this crisis is reflected both in a decline in the quality of education in many university programs, particularly in the College of Arts and Science, as a result of the overcrowding in the class-rooms, the inability of that college to hire permanent new faculty members, the inadequate library facilities that are available to students and faculty at the university.

And also, Mr. Minister, that crisis in underfunding that your government is largely responsible for has of course resulted in the quota that has to be imposed on entry to the College of Arts and Science.

(2130)

Mr. Minister, this year it is expected that in September the University will have to turn away students who have less than a 76 per cent average. And that is surely appalling that a qualified student with an average as much as 10 percent above 65, which was the original requirements for entry to the University of Saskatchewan, a student with an average as high as 75 per cent is likely to be turned away from the College of Arts and Science.

Now, Mr. Minister, my question to you relates to whether or not you are prepared at this point to recognize that the funding situation at the University of Saskatchewan is so critical and so serious that your government has got to relent on your decision, this year, to only increase

funding by 1.9 per cent in a year when inflation is running at 5.5 to 6 per cent. And, Mr. Minister, surely at this point, given the crisis in labour relations at the university, given the crisis in accessibility to the University of Saskatchewan, and given the crisis in quality, you will have to acknowledge that additional moneys in this budget year, Mr. Minister, have got to be put up for the University of Saskatchewan and for the University of Regina.

And, Mr. Minister, before I ask you to respond specifically to that request, I want you to look at your own record for a minute. You've been making what I consider to be a number of very inaccurate statements about your funding record.

I want to remind you of that record, Mr. Minister. In the year 1984-85, when inflation was running at 5.8 per cent, you provided the University of Saskatchewan and the University of Regina with a 4.9 per cent grant. In '85-86 when inflation was 4.4 per cent, your grant was actually slightly above inflation, at 4.9 per cent. But in '86-87, Mr. Minister, when inflation was 4 per cent, your grant was only 3.2 per cent; and in '87-88, when inflation was 4.6 per cent, your grant was zero per cent. And now, Mr. Minister, this year, with inflation at almost 6 per cent, your grant is 1.9 per cent.

In other words, Mr. Minister, you have fallen short by more than 10 per cent if you compare your funding levels in the University of Saskatchewan with the consumer price index since 1984-85. That's the practical reality, Mr. Minister. And in addition to that, Mr. Minister, you will be fully aware of the fact that during that time period there have been very sharp increases in enrolment at the University of Saskatchewan, so in fact the loss has been far in excess of 10 per cent, more in the range, Mr. Minister, of at least 20 per cent once you account for increased enrolment. My question to you, Mr. Minister, is: will you now acknowledge that this underfunding situation simply can't continue any longer, and will you address it right now, here, this week, in these estimates, Mr. Minister, by coming forward with at least an increase of 5 to 6 per cent for the University of Saskatchewan in this fiscal year?

Hon. Mr. Hepworth: — Mr. Chairman, I would suggest to you, and to all Saskatchewan students, parents, residents of this province, that the hon. member is, quite frankly, being irresponsible. He opened up the question and continually used the words crisis, underfunding crisis, serious underfunding crisis. That is just hyperbole, it's just overblown rhetoric, it's inflamed rhetoric. As one of my colleagues says, it is garbage.

What useful purpose is served in the debate here tonight, where we could intelligently discuss university funding, by such terms? He knows those terms are incorrect, Mr. Chairman. He has been incorrect in this legislature before, he has had to apologize because of incorrect data and his is incorrect again tonight, Mr. Chairman.

How does he square? I ask you, Mr. Chairman, and I ask the hon. member: how does he square an independent study, the council of Ontario universities, how does he square their numbers that put our spending, full-time

equivalent, based on full-time equivalents, our spending in universities in the year '86-87 — which is the year I have their numbers for, and I provided it to the hon. member from Prince Albert — how does he square his statements, and I quote him, "serious underfunding crisis," how does he square that with the council of Ontario universities who put Saskatchewan in second place in terms of expenditures based on full-time equivalents? I would like him to answer that question.

Mr. Prebble: — Mr. Minister, your comments are really so inappropriate that they don't deserve a response. I think, Mr. Minister, that the members of the faculty and the students at the University of Saskatchewan will be shocked to hear that you don't consider that there's a funding crisis at the university, because I can assure you that they do, Mr. Minister. And I think that you should closely review the position that you've taken because you're leaving the University of Saskatchewan in an untenable situation, Mr. Minister. And I deeply regret your comment this evening.

I want to ask you another question, Mr. Minister, and that relates to your comments with respect to the Johnson report which I was also very surprised to hear. Mr. Minister, following your comments, I got a copy of the Johnson report out of my file, 1984-85. I think that report, as I recall, was submitted in March 1985 to the Government of Canada. And Mr. Johnson looked at the percentage of moneys in each province for post-secondary education, and specifically for universities and colleges that were being provided by the federal government. And for the province of Saskatchewan in the year 1984-85, and I quote from page 6 of Mr. Johnson's report, Mr. Minister. He indicated that the province of Saskatchewan received 90.3 per cent of all their funding for universities and colleges — and in the case of colleges in our province, I presume he meant our technical institutes — 90.3 per cent of that was received from the Government of Canada, Mr. Minister. Presumably then, only 9.7 per cent was provincial money and that was in 1984-85.

Now I just read you, Mr. Minister, the figures for the last five years in terms of your funding record. And I pointed out to you, Mr. Minister, that your government fell more than 10 per cent short in comparison with the consumer price index versus the amount of money that you put into the University of Saskatchewan. And in the last two years, Mr. Minister, in effect, we've had a zero per cent increase and only a 1.9 per cent increase. Now, if in 1984-85, Mr. Minister, 90.3 per cent of the moneys that were going into our universities were federal dollars, and you've provided virtually no increases in the last two fiscal years — only a 1.9 per cent increase over two years — then, Mr. Minister, are we to conclude that at this point in time in terms of provincial funds almost no moneys are going into the University of Saskatchewan?

Now, Mr. Minister, if you don't agree with that assertion, then I ask you to table the information on which you refute Mr. Johnson's claim. And otherwise, Mr. Minister, I ask you to acknowledge that in fact we're seeing consistently less and less provincial money to go into the University of Saskatchewan and the University of Regina and our technical institutes, to the point where certainly

well under 10 per cent, and perhaps even less than 5 per cent of the funds are coming out of provincial coffers.

Hon. Mr. Hepworth: — Well, relative to the Johnson report, as ministers before me at the Canadian ministers of education council have noted, and as I would not for you, that report has been dismissed and disacknowledged by every province in the country — every province. So you can place all the credence you want into it but you have no support based on whatever political ideology across the country.

The observation about we have more students — and I think that's great; I think it's wonderful that we have more and more young people having the opportunity to go on to post-secondary education. I don't see it as a problem; I see it as a tremendous comment on the importance that society attaches to furthering their education.

And indeed for universities, each student represents some additional revenue because of the tuition fees they pay. Yes, that doesn't cover it all, that's why we have university grants. As well I acknowledge that it creates some problems in terms of capital construction; and then the issue becomes one of: well, has our government responded. The answer is yes. To back that up, one only has to look at the capital grants, or the University of Saskatchewan, the University of Regina over the last decade and more.

When we look at the NDP years — the ones that you would so proudly point to . . . For example, I'll pick years, say, through '77-78, through '81-82. The capital expenditures that your government, your administration made, that the NDP made: 508,000; 560,000; 690,000; 969,000; 802,000. What were the similar numbers under the Progressive Conservative years? — 3 million; 5 million; 5.2 million; 5.7 million.

Your arguments are, quite frankly, fatuous. You consistently try to make a case for a serious underfunding crisis. There is nothing to underpin your arguments — nothing at all — absolutely nothing. We have independent studies put us in second place . . . (inaudible interjection) . . . Would I like to be in first? Sure . . .

An Hon. Member: — What about the libraries?

Hon. Mr. Hepworth: — The hon. member asks, what about libraries? The numbers there on the capital side and on the acquisition side put the . . . The NDP were virtually spending nothing, and that's why we had to bring in and put in place the university renewal development fund.

I read the expenditures into the record last time we were in estimates about the NDP expenditures on libraries. There was never a number in a million. And I'll put another number in the record for you. We spend more in one year on capital funding on our universities than the NDP spent in six years.

You know, you people consistently paid lip service to our universities — no cash; lip service. You allowed the equipment to deteriorate. You never replaced the equipment. You never built new buildings. You never replenished and put in place the new technology that

they so often needed.

Our government has an enviable track record in Western Canada, and indeed across this nation when it comes to university funding, and I am proud of it and I won't retreat one step from your fatuous arguments.

Mr. Prebble: — Well, Mr. Minister, I think anybody observing this debate will notice how you've ignored my question and worked around my question once again, Mr. Minister. And that's your privilege, but I'm sure that the people watching tonight and those who read the *Hansard* will not be impressed.

Mr. Minister, I want to ask you one final question in light of our time constraints tonight. Before I do, I want to again express, as my colleague, the member for Prince Albert has expressed, my disappointment at the cuts that you have made in funding to the bursary program and the refundable loan program, Mr. Minister.

It's appalling that 4,500 students who received bursaries and financial assistance that did not need to be repaid, in the 1987-88, this year are not receiving that assistance, Mr. Minister. That is a real step backwards in terms of accessibility, particularly for those who are less financially fortunate and need assistance.

But, Mr. Minister, the final question I want to ask you tonight relates to my responsibilities as Social Services critic, and it is with respect to school lunch programs in Saskatoon and Regina and other elementary schools where there's an obvious problem with respect to child hunger.

(2145)

Now, Mr. Minister, the Minister of Social Services has responsibility for much of this area, but some of this responsibility also falls on you. Mr. Minister, in the case of Saskatoon, the public school board has approached your department asking for moneys — only a small amount of money, Mr. Minister — to allow them to set up a school breakfast or school snack or school lunch program in some of the public elementary schools in Saskatoon where the problem of hunger is the most prevalent.

And, Mr. Minister, time and time again in this Assembly members on this side of the House, including myself, have brought to your attention the fact that there are now some 17,000 children in Saskatchewan that are having to depend on food banks at some point in the year. Those are the figures of 1987, Mr. Minister.

And my question to you is: in light of the fact that the Saskatoon school boards have told you that they can put on a snack program for only 18 cents per child per meal per staff; and in the case of Regina, the Regina Child Hunger Coalition has pointed out to you that a snack program can be put in effect for 19 inner-city schools at a cost, Mr. Minister, of only some \$48,000 for a year, and that a major feeding program for some 900 students in need with a daily meal can be put into effect, Mr. Minister, for only some \$68,000 in the course of a year — so in the case of Regina only \$108,000, and the figures are similar in Saskatoon, Mr. Minister.

My question to you is: why can you not, Mr. Minister, find from your department budget \$108,000 for Saskatoon, \$108,000 for Regina, and similar moneys where they may be needed in other parts of the province, but certainly not in excess, Mr. Minister, on a province-wide basis, not in excess of more than half a million dollars to deal with this problem — this urgent problem of children coming to school hungry and unable to learn because they are hungry, Mr. Minister.

Surely from your budget for rental of empty office space you can find the funds that are necessary for your departmental budget to put into place half a million dollars to finance a school breakfast or school lunch program where it's needed throughout Saskatchewan where children are hungry.

And I ask you tonight, Mr. Minister, are you prepared to come up with that half million dollars and put it in your budget before we pass these estimates?

Some Hon. Members: — Hear, hear!

Hon. Mr. Hepworth: — Mr. Chairman, we went through this in some detail in a previous session of examination of the Education estimates, so I will not give a lengthy answer, except to say this: (a) our government recognizes that there are children at risk. He has mentioned one category, hungry children. To that end we provide \$200,000 of funding now through the community schools programs for school boards and some several . . . into, I think, 16 schools across the province, something like that.

And thirdly, in so far as what more might be done relative to that whole category of children at risk, discussions are under way between the Departments of Health, Social Services, and Education.

Mr. Kowalsky: — Will you be able to provide me within a week or so which programs have been moved and which ones have been cancelled at the SIAST institute in the last year? . . . (inaudible interjection) . . . Thank you. The minister says yes. I mentioned . . .

Mr. Chairman: — I'd ask the minister to respond so it's on the record.

Hon. Mr. Hepworth: — Mr. Chairman, yes. And while I'm on my feet, the hon. member, my officials provided me with information which I will pass along to the member from Saskatoon University who asked me to use the proceeds from these thousands of metres of empty square footage that Saskatchewan Education has that would alleviate some problems in society. I would report to you and to all members of the legislature and the Saskatchewan people that we have empty space in the former co-op creamery building in Humboldt and the Kuziak building in Yorkton, totalling 31 square metres, Mr. Chairman.

Mr. Kowalsky: — Earlier this evening, Mr. Minister, I gave you two concrete suggestions of what you could do before you turn over the entire governance of SIAST to the board — what you could do. One was with respect to a

minor payment with respect to fees. I expect to get some information from you once you've looked into that. The other was with respect to the day-care centre.

I have one more concrete suggestion to give you, that if you implement, that if you did, Mr. Minister, would go a long way to improving morale at the institute, and not only at the institute but would perhaps restore a little bit of business ethics to the business world — something that is quite lacking under this particular government.

And I'd talk specifically now about the printing contract that was given to Datacopi — Datacopi, a company out of . . . I believe it's based out of either Saskatoon or Regina; I think the printing is done at Regina — and particularly in the way that it's done.

My suggestion to you, Mr. Minister, is that when this particular contract comes open — there has got to be a closing date on it, I ask you when it is — when it comes open, that you put that thing on a complete open and honest tender. And I'll tell you why. Because what happened was when the people were . . . the officials were planning the institute, they first . . . You hadn't yet gotten into this privatization kick of yours, and the people there planned to have all the printing done in-house. They have the capabilities still, I think, of getting them done in-house, providing they had access to a little bit of equipment.

But what happened then was there was a recommendation that — after your government came down and said, no, we want to privatize some of this stuff, we want to privatize the printing. There was a recommendation that went out of the school by the officials — and you can deny this if you want, but I think I'm correct on this — that the printing contract . . . First of all, the recommendation was that it be done in-house; and secondly, that it go out to some kind of a tender, that it was at least an honest tender.

But what happened is, there was a tender that went out that was so sophisticated looking that only one company really responded to it. When I checked with a couple of printers — and this involves hundreds, tens of thousands of dollars — when I checked it out, they said, well look, we couldn't do it. And I said, well what exactly does it mean, when I went back to the institute. And all it meant was that you had to press one button that would send over an imprint over to the plant, or you could press button two, which would give you the piece of paper, and then that paper would go over to the printing plant. It could be done either way. But the program . . . or the tender specified the use of this particular sophisticated equipment.

And I contend that you gave it to Datacopi, or you made that tender that way so that Datacopi, which happens to be owned by Donlevy & Company, which happens to be the PC printer. And I contend that you did it that way so that they would be the only ones that could respond to it. The problem was if they'd have at least delivered on the contract, but no, the stuff that kept coming back did not live up to the terms of contract. Many a time the material came back overdue — over the three-day turnover period. Probably, if it was done in-house or even in the

city, the turnover time would be probably less than 24 hours in most cases. And you know, when you're teaching in an institution and you need some programs, the type that do there, you need them instantaneously, you don't need them three or four or five days ahead of time from when your order them.

In addition to that, the cost was that much greater than it could have been. It went up to 7 cents from 4 cents. So what I would ask you to do, Mr. Minister, is before you leave, before you turn it over, if you would open that contract up openly so that all printers in Saskatchewan would have a good shot at it.

Hon. Mr. Hepworth: — Many of your facts are wrong. We responded to this question in the House a month or six weeks ago. The contract comes up in three months . . .

An Hon. Member: — Three years.

Hon. Mr. Hepworth: — . . . in three years rather. And I'm sure the board will undertake normal business principles when it does come up for renewal. But other than that, I've answered the question previously. I think many of your facts are wrong. And indeed the right choice was made, and I'm satisfied that it was made. And I know that you and I will have to agree to disagree on this one.

Mr. Goodale: — Thank you very much, Mr. Chairman. I have five or six questions that I would like to address to the minister tonight. Several of them are rather short points that I'm sure the minister can respond to briefly. A couple of them may take a little bit of extra time, and I hope, if the minister is in the mood, perhaps, to try to wade through to the conclusion of his estimates tonight, we might see past the clock at 10 o'clock and try to wrap it up, but that's obviously up to the minister and the good nature or otherwise of the government House Leader.

Mr. Minister, I'd like to start with this issue of the cost sharing arrangements between the Government of Canada and the Government of Saskatchewan for post-secondary education in Saskatchewan under the EPF, or the established program of financing system. That system, as you know, began, I believe it was in 1977, and I wonder, Mr. Minister, if you would not agree that at the outset of that program in 1977 the basic intention was that there should be, ideally, a 50-50 cost sharing arrangement for post-secondary education between the Government of Canada and the various provinces across the country. Everyone would know, looking at the statistics, that that 50-50 arrangement has by no means been achieved. But I wonder if the minister first and foremost would not concede that the spirit of the EPF system was essentially that 50-50 expectation with the cost of post-secondary education being shared more or less equally by the federal and provincial levels of government in this country?

Mr. Minister, I would then direct your attention to the statistics that you, yourself, have used in this House this evening — not the numbers that were used by the official opposition and numbers which you have disavowed, but I refer specifically to your own arithmetic where you said earlier this evening that in the last few years EPF — that is federal money to Saskatchewan for post-secondary

education — has increased over the last number of years. And I forgot the time span you used, but I think it was the last three or four years, by about 42 per cent, and that at the same time, overall Saskatchewan funding for post-secondary education increased by something like 48 per cent. And you were trying to make the point that basically that meant the federal dollars were being passed through and used for post-secondary education funding in this province, and on the basis of the statistics that you cited that assertion about the federal being passed through is obviously correct and that is good.

But, Mr. Minister, would you not agree that those same statistics, those same numbers that you used would show that 90 per cent of the increase in funding for post-secondary education in Saskatchewan in the last number of years has, in fact, originated with the federal government? If the federal funding is increased by 42 per cent and provincial funding overall has only increased by 48 per cent, well 42 is about 90 per cent of 48, and it would seem to me that the larger share of the new funding is coming, indeed, from the Government of Canada, and that the province of Saskatchewan is not matching the level of federal funding that is being made available.

(2200)

And if that trend continues, Mr. Minister, do you not agree that we'll get to the situation in this country where the lion's share of all new dollars for post-secondary education are, in fact, going to federal dollars, and the provincial share will constantly decline as a percentage of the over all commitment?

Hon. Mr. Hepworth: — First of all — and we've gone through this, I think, three times now tonight and I'm happy to do it again — there's no agreement amongst any province to accept the Johnson report and 50-50 and all those kinds of things. And in fact, I mean, I think if one pushes that view, then I think it's — well, I won't say it.

Let's take your argument though. Let's suppose that it was 50-50 and we've increased ours by 48 and they've increased theirs by 42. That doesn't take you to 90-10. I think you don't understand what the numbers really represent. I don't accept 50-50. I told you that has never been the case.

But just to use your example: if we were at 50 per cent each, and they, the feds, increased theirs by 42 per cent and we increased our spending by 48 per cent, you don't end up at one being at 90 per cent and the other being at 10 per cent. I think your arithmetic — there's a failure there and I'm not criticizing you, because I think it's what your basing it on and you don't have the proper base.

Mr. Goodale: — Well, Mr. Minister, could you then please clarify for me the statistic you used earlier this evening when you said that the funding for post-secondary education in Saskatchewan has increased by some 48 per cent in the last number of years.

Are you talking about the total number of dollars that appear in these *Estimates* that go to post-secondary education? Is your assertion that these blue books, year after year — I think the last three- or four-year period you

were referring to, but if you look at that period of time you will find that the numbers in the blue books for post-secondary education have increased by 48 per cent. Would you confirm that that is the statistic you were referring to.

Hon. Mr. Hepworth: — Yes, our spending has gone up by 48 per cent, and during the same time the federal spending has gone up by 42 per cent.

Mr. Goodale: — I think, Mr. Minister, the fundamental point that either you or I are missing — and I'd welcome clarification on this — that in your 48 per cent of total provincial funding is included the 42 per cent that's federal. It's not that the 42 is added to the 48. The 42 is included within the 48, and therefore the largest chunk of the increase — 42 out of the 48 — comes from the Government of Canada and does not come from the Government of Saskatchewan.

And if the minister has any argument to advance to contradict that, I'd be happy to hear what it is.

Hon. Mr. Hepworth: — Well, let's take another run at this because you're not right. If all we had done is, if you like, stood still as a provincial government, and only passed through the federal increases, then it would only have gone up by 42 per cent. But that is not what happened. In fact, it exceeded that way — a substantial amount . . . I mean, because the argument that we're trying to determine here is, are we passing through federal dollars or are we not? And the answer is we're doing that and substantially more.

Mr. Goodale: — Mr. Minister, you say the argument is, is the Government of Saskatchewan passing through the federal dollars? I say that's not the argument. On the basis of your statistics, I have conceded the point that yes, you are, in gross dollar terms, passing through the federal dollars. The question is, are you keeping up your side of the bargain in matching those federal dollars? And obviously you aren't. And that's where I think the difference in the point comes.

Mr. Minister, I'd like to move on to a second area. This is a very technical question and I think even a written answer would be satisfactory if we don't have time to get into it tonight. And I would like to ask you specifically about the student numbers at the new technical institute in Saskatchewan.

I would like you to tell me, if you could, how many students were taking courses, in total, at all of Saskatchewan's technical schools in the academic year prior to the establishment of SIAST. And secondly, how many students are at SIAST in its first full academic year? How many students were there before, taking all of the technical schools together, and how many students are there now, at the new institute?

And I wonder, in providing with me with the answer, Mr. Minister, if you would be able to tell me what is your projection for the coming academic year in terms of students attending the new technical institute. And do you have projections into the future beyond the next academic year? Are you, for example, trying to project

what the student numbers at technical schools will be five years from now or 10 years from now? And I wonder if you could explain the system that is used by the department for doing that forecasting. How do you make your projections for next year and, say, five years from now and 10 years from now in terms of advance planning and preparation at the technical schools?

Hon. Mr. Hepworth: — Yes, I'll provide that. In fact, I'll be happy to provide that to you in written form and in detail as you've requested because it's, from our standpoint, it's very good news story.

Mr. Goodale: — Thank you, Mr. Minister. One further technical question, and I refer to now a totally separate subject. I refer to Bill 3, the Act that was passed in this legislature dealing with the strike at the University of Saskatchewan. And you will recall, Mr. Minister, that the Act provides, under certain circumstances, for the provision of a report by the mediator to the Government of Saskatchewan in certain circumstances.

Now as we know, the circumstances of that situation are still unfolding and the story is by no means yet complete. But I wonder, during the period of time that this legislation was in effect, did the mediator at any point provide the Government of Saskatchewan with any written documentation as was contemplated as at least a possibility under this legislation? Was anything in writing every filed? And if there was some written report or communication as contemplated by the legislation, would the minister be in a position to table that with the legislature to let us know what the mediator in fact said at any point during that period of time that the legislation was in effect?

Hon. Mr. Hepworth: — I can't really answer your question fully. I would have to consult with my colleague, the Minister of Human Resources, Labour and Employment, because of the way the legislation was structured. I don't know what was reported formally or informally, verbally or in written form, but I can undertake to provide you with a fuller answer than I can tonight on that.

Mr. Goodale: — Mr. Minister, perhaps part of the difficulty is the section of the Act that contemplates the filing of a report is section 5(1) and during . . . that particular section suggests that a report may be filed if the dispute is not resolved. But during questioning, when that legislation was going through the House, in response to questions about the Act it was suggested that there might be a provision for interim reports or progress reports, and so forth. So I would be grateful if you could do the consulting with any of your colleagues that need to be asked, and let us know if there is anything on paper that flowed out of that legislation.

To another subject now, Mr. Minister, again totally unrelated to the one that I've just dealt with. This has to do with the major school repair schedule for your department for the current fiscal year, for 1988-89. As you will know, a number of specific representations have been made to you on behalf of some school divisions that believe there are schools in their divisions requiring some pretty important capital repair work. And I think

specifically of the Borderland School Division that I know has made certain specific representations to you; there may well be others.

I wonder again, in written form if you're not in a position to do it tonight, if you could tell me what school repair projects will be undertaken this year with funding from your department in any of the Borderland, Assiniboia, or Wood River School Divisions.

Hon. Mr. Hepworth: — Yes, I undertake to provide you that as quickly as possible and in writing.

Mr. Goodale: — Thank you, Mr. Minister. I move on now to another question that directly relates to Assiniboia-Gravelbourg constituency, and that is the present status of the College Mathieu in Gravelbourg. The minister obviously must be working on some kind of a financial package to deal with the rebuilding work that must be undertaken there, and undertaken very quickly.

On the Monday after the fire, in this legislature, the minister responded very quickly and very positively to the propositions that were put to him about the need to rebuild the College, and to do so both quickly and generously. In terms of all the funding agencies that are involved here, one can think of obviously the insurance funds that come into play, the private donations that will become part of the picture, some of the special contributions that may be coming forward such as the one already offered by the province of Quebec. There is obviously a big funding component from the Government of Canada, and there is a major funding component to be expected from the Government of Saskatchewan.

I wonder if the minister's in a position tonight to give us a progress report on where that situation stands at the present time? What arrangements are in the process of being negotiated? Just exactly where does it sit at this moment, and when would the minister anticipate a total package being together so that that project can proceed at the earliest possible moment?

Hon. Mr. Hepworth: — Well there's been virtually daily discussions relative to rebuilding College Mathieu. And as you rightly pointed out, I gave the commitment that we would, in so far as the provincial undertaking and what we could do to see that rebuilt, do it as expeditiously as possible. And I was happy to see, within a matter of a week, the minister in charge of SGI made sure that some insurance money was made available in so far as that could be helpful.

I, myself, the Premier has met with them. In so far as the provincial government, we've already said that we will be providing financial support. What else we are doing relative to that, and very importantly, is that we're in negotiations with the federal government, and in fact Tuesday of next week we'll be seeing M. Bouchard in Quebec City to have further discussions on federal contribution to this project.

Mr. Goodale: — Is it safe to say, Mr. Minister, that you would expect to have a total package together, with each one of the players knowing exactly what they're expected

to do in terms of a financial share, say, before the end of June? Is that reasonable to expect, that a definitive game plan would have been settled in the negotiations by the end of this month?

Hon. Mr. Hepworth: — That would be our hope, by the end of June. As I just mentioned a moment ago, obviously we're into some negotiations and some discussions with the federal government, including my meetings next week in Quebec City. But the time frame you've suggested wouldn't be an unreasonable one.

(2215)

Mr. Goodale: — Mr. Minister, in terms of a school like College Mathieu, of course academic momentum and continuity is critically important. And it's very important, of course, in the coming academic year for the college to be able to maintain its class offerings, maintain the kind of academic programs it has been offering, and also maintain its level of enrolment, and perhaps even improve on that level of enrolment.

Therefore, the interim arrangements that are put into place to bridge the physical situation, from the old buildings that burn down to the new buildings that will be constructed, that interim bridge is very important.

And I wonder if there's anything the minister can say tonight on what the government has in place to ensure that that bridge will be there and that there will not be a physical impediment in the '88-89 academic year that might slow down the college's momentum or impair its academic continuity from one year to the next while this new building is being built.

Hon. Mr. Hepworth: — I think this project really brought the community of Gravelbourg and the surrounding communities together. The educational community responded across Saskatchewan, making available textbooks and whatever else they could.

There's been financial assistance from provinces, even including Quebec. When I met with the College Mathieu on Friday, three weeks ago I guess it was, I pledged to help in every which way we could. I would say that, relative to making sure that they've got class-room space and that kind of thing, College Mathieu has that well in hand.

We offered up any empty space that the government might have, if you like, that might be available, and assistance relative to portable classrooms and those kinds of things. So indeed their insurance, as I understand it, even had a provision for that interim period. So I think it's been heartening to see the response, the helpfulness by many, from nearby and from far afield. My sense is they have it well in hand. That was their first concern, and I've been happy to date with what I've seen.

Mr. Goodale: — Mr. Minister, I'm pleased to have your continuing, encouraging comments about College Mathieu, and I trust that you and your department will stay totally on top of that situation as it unfolds in the coming year.

I have just one other area, Mr. Minister, that I would like

to raise with you. It's one that could take some considerable time, but I'll try to compress it into one question. And that has to do with the provisions in the budget for the alleviation of the burden of the business tax — not in this fiscal year, but in the next fiscal year — with the government putting some \$10 million on the table as an incentive or as a carrot, if you will, to try to entice local governments into doing certain things in order to qualify for some dollars out of that \$10 million fund, and thereby the cumulative effect being the potential reduction in a portion of that business tax burden.

I would like to ask the minister this question: first of all, is it expected that that enticement or that incentive applies equally to local school boards as it would to local municipal governments; is it your expectation that school boards are supposed to participate in this. If that is your expectation, then you must have in mind that in the present operations of at least some school boards there are certain wasteful practices, there's certain inefficiencies, there's certain cost savings that ought to be made. If you think school boards are going to participate in this, then you must think there's something they can participate with, and that would be the identification of these so-called savings through the eliminations of waste and inefficiencies, and so forth.

I have been very fortunate to be associated with a lot of school trustees over the years, and I haven't seen a lot of fat and waste and inefficiency in their operations — at least not the ones that I'm personally familiar with in my own constituency. I wonder if the minister could indicate where exactly he expects these savings to be achieved. Where's the waste; where is the inefficiency? Where do you expect school boards to cut in order to qualify for a portion of that \$10 million fund? What advice would you offer to the school boards in where they ought to make their cuts?

Hon. Mr. Hepworth: — It's a complex subject that you've raised and an important one and it's one we take seriously. My quick comments would be that, relative to that, just so there's no fear and paranoia unnecessarily generated amongst trustees and parents, is that the business tax initiative outlined in the budget is not at all meant to be an initiative to jeopardize educational funding — point number one.

Do trustees and school boards have an interest in what's designed? Yes, and we've had a voluntary consultative approach going on relative to that with the trustees. And as well, the Minister of Urban Affairs, who is leading on that initiative, has invited them to be part of this consultative exercise in a formal way because we are more than disinterested or uninterested observers. So those would be my two quick comments relative to that question.

Mr. Goodale: — Mr. Chairman, I would love to argue that final point with the minister for a little while tonight, but bearing in mind the hour, I will leave the point there for this evening, and I'll take it up with him again on another occasion.

Item 1 agreed to.

Items 2 to 18 inclusive agreed to.

Item 19 — Statutory.

Items 20 to 28 inclusive agreed to.

Item 29

Mr. Koenker: — Yes, Mr. Minister, an item of great concern to the people of Saskatoon, given the expansion in the north-east of the city, is the schedule that you're on with respect to the completion of new schools for the north-eastern portion of the city. I'm wondering if you could comment on whether you are on target for the five new schools that the Saskatoon Board of Education has planned for that area in the next five years.

Hon. Mr. Hepworth: — Mr. Chairman, to expedite the matters, as I do want to answer your question because we've had a very good working relationship with the Saskatoon school boards, there's been a number of project approvals, and I will not only provide you with what has gone on but what is in the planning or priority stages, and what has been submitted by the various boards for approvals. And I'll give you as good and as full an understanding of capital projects as I can, but I would ask if I could do it in written form for you.

Mr. Koenker: — You could do it in written form, Mr. Minister, if you can outline your own trajectories for those schools — the Broad Acres School, for example; the Hindmarsh School; a third and a fourth elementary school; and finally, and most importantly, a collegiate for that north-eastern corner of the city. If you can put your own timetable into place alongside the city's timetable, I'll accept that. Can you give me that assurance?

Hon. Mr. Hepworth: — We can give you the best account we can, but of course, you recognize that it's school boards that come to us with projects that they wish to build. It's not a top down; it's a bottom up.

Item 29 agreed.

Items 30 to 37 inclusive agreed to.

Vote 5 agreed to.

Consolidated Fund Budgetary Expenditure Education Education Development Fund — Vote 64

Items 1 and 2 agreed to.

Vote 64 agreed to.

Consolidated Fund Loans, Advances and Investments Education Vote 141

Vote 141 agreed to.

Supplementary Estimates (No. 2) Consolidated Fund Budgetary Expenditure Education Ordinary Expenditure — Vote 5

Items 1 to 4 inclusive agreed to.

Vote 5 agreed to.

Mr. Chairman: — I'd like to thank the minister's officials.

Mr. Prebble: — On behalf of myself and the member for Prince Albert and my other colleagues on this side of the House, I'd like to extend very sincere thanks to your officials for the assistance that they've given us today and in previous days in these estimates in terms of providing information to many of the questions that we've asked. And we thank them and we look forward to debate again another year.

(2230)

Hon. Mr. Hepworth: — I too would like to join with the hon. member in thanking my officials, not only for the help they provided me during this examination of the *Estimates*, but indeed for the effort and the hours and hours that they put in during the course of the year. Saskatchewan education and Saskatchewan children, Saskatchewan parents are well served by these officials, and I'm grateful for their support.

And I too would thank all members of the opposition for their questions relative to the examination of the Education *Estimates* for the year '88-89, and I look forward to further debate on the weighty issues that face our children in the future.

The committee reported progress.

The Assembly adjourned at 10:32 p.m.