

The Assembly met at 2 p.m.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. D'Autremont: — Thank you, Mr. Speaker. I would like to read the following petition:

To the Honourable Legislative Assembly of Saskatchewan
in Legislature Assembled:

The petition of the undersigned citizens of the province of
Saskatchewan humbly sheweth:

that back pain and other highly prevalent
neuro-muscular-skeletal disorders are extremely costly to
the Canadian economy;

that scientific evidence clearly illustrates that chiropractic
treatment is the most cost-effective and efficient therapy for
such disorders;

that in the face of an ever-increasing pressure to adopt
expensive new forms of high technology treatment,
chiropractic care has proven to be a low cost, low
technology, conservative, and safe form of treatment,
consistent with the true "wellness" model of health care;

that the government publicly asserts it remains committed to
the basic principles of medicare, namely universality,
comprehensiveness, accessibility, portability, and public
administration;

that the government is acting to destroy these principles as
they apply to chiropractic patients;

and that the government's proposed restrictions on this
therapy will clearly cost more both in dollars and in patient
disability;

Wherefore your petitioners humbly pray that your
Honourable Assembly may be pleased to cause the
government to reverse its decision to eliminate full coverage
and universal access to chiropractic treatment and that your
Honourable Assembly withhold consent from any
government proposal to discriminate against chiropractic
patients by charging them fees not assessed for any other
medical treatment.

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, these petitions come from all over north and
north-central Saskatchewan and I would like to present the
following petitions.

Mr. Goohsen: — Thank you, Mr. Speaker. I too have the same
petition as my colleague had, which is to do with the chiropractic
concerns. We have between 2 and 300 signatures today on
several pages. And they are coming out of the north-east corner
of the province mostly, and a

few other small towns, but it looks like about 15 or 20 different
communities. And I'll table those today on their behalf, Mr.
Speaker.

Mr. Toth: — Thank you, Mr. Speaker. I'd just like to read the
prayer into the record:

Wherefore your petitioners humbly pray that your
Honourable Assembly may be pleased to cause the
government to reverse its decision to eliminate full coverage
and universal access to chiropractic treatment and that your
Honourable Assembly withhold consent from any
government proposal to discriminate against chiropractic
patients by charging them fees not assessed for any other
medical treatment.

And as in duty bound, your petitioners will ever pray.

And, Mr. Speaker, I have a number of pages here signed by
individuals from right across the province actually — from
Estevan, Oxbow, and North Portal in the South, to Regina and
Saskatoon, Meadow Lake, North Battleford, Landis, Kerrobert,
Unity, and so on.

I so present these petitions.

Mr. Britton: — Thank you, Mr. Speaker. I too have about 10
pages of petitions. I'll not read the prayer as it has been done.
This covers a wide range too, Mr. Speaker, all the way from
Canora right through to Macklin, Unity, North Battleford,
Kildeer. And it's to do with the same petition, Mr. Speaker, the
chiropractic care people.

And at this time, Mr. Speaker, I would like to lay these on the
Table.

Mr. Martens: — Thank you, Mr. Speaker. I too have 15, 16
pages of signatures here on chiropractic care and they come from
Cadillac, Cabri, Admiral, Frontier, Shaunavon, Gull Lake, Val
Marie, Bracken, Webb, Vanguard, Simmie, Ponteix, Rush Lake,
Climax, Swift Current, Eastend, Shellbrook, Hudson Bay,
Guernsey, Warman, Humboldt, Muenster, and St. Brieux.

Mr. Boyd: — Thank you, Mr. Speaker. I have petitions with
respect to chiropractic care in the province as well. These ones
are from primarily the southern part of the province, Regina and
south, all the way over to the Shaunavon, Gull Lake area. Mr.
Speaker, I'd like to present those now.

Mr. Devine: — Mr. Speaker, I have several pages, probably
several hundred names on a petition that I will submit with
respect to chiropractic care. I'll just read the last sentence:

Wherefore your petitioners humbly pray that your
Honourable Assembly may be pleased to cause the
government to reverse its decision to eliminate full coverage
and universal access to chiropractic treatment and that your
Honourable Assembly withhold consent from any
government proposal to discriminate against chiropractic
patients by

charging them fees not assessed for any other medical treatment.

These petitioners are from North Battleford, Meadow Lake, Hafford, Turtleford, Edam, Marshall, Saskatoon, Prince Albert, Spruce Home, Emma Lake, more from Shellbrook and Prince Albert, Albertville, Weldon, Birch Hills, Shellbrook, quite a few from Hagen, Middle Lake, Spalding, Archerwill, Hudson Bay, Saskatchewan; Nipawin, Kelvington, Quill Lakes, Englefeld, Warman, Kinistino, Melfort, Guernsey, Pleasantdale, as well as several from Regina and Pilot Butte, Mr. Speaker.

Mr. Swenson: — Thank you, Mr. Speaker. I also have petitions today to present, nearly a dozen pages here, I believe, of people that are upset with the treatment of chiropractors in our province. And I just read the prayer part to you, sir:

Wherefore your petitioners humbly pray that your Honourable Assembly may be pleased to cause the government to reverse its decision to eliminate full coverage and universal access to chiropractic treatment and that your Honourable Assembly withhold consent from any government proposal to discriminate against chiropractic patients by charging them fees not assessed for any other medical treatment.

Today, Mr. Speaker, I have people from the communities of Battleford, North Battleford, Kindersley, Regina. I'm sure there are some from Churchill Downs on this page. Edenwold, Kronau, Kronau, Regina, Weyburn, Griffin, Hafford, Prince Albert, Holdfast, Lumsden, Southey, Belle Plaine, Southey, Regina, Bulyea, Earl Grey, Bethune, Moose Jaw, Silton, Disley — people from all over the province, Mr. Speaker. I do present.

Mr. Neudorf: — Thank you, Mr. Speaker. I too would like to lay on the Table for the perusal of the people of Saskatchewan petitions dealing with chiropractic services. I won't bother reading the preamble or the prayer. But be it known that these individuals expressing their concern come from such places as Hague, Saskatoon, Warman, Kindersley, Osler, Aberdeen, Meadow Lake, Battleford, Unity, Spiritwood, more from Mayfair and many, many more from Saskatoon and surrounding areas like Langham and Weyburn — even one from Weyburn on this one. So I would want to put these on record as well, Mr. Speaker.

Mr. Muirhead: — Mr. Speaker, I too would like to lay some petitions on the Table, the same as my colleague from Rosthern, about chiropractic care. And I won't read any of it . . . take the time, Mr. Speaker. I'll just cover a few of the outlines where they come from.

These are mostly from Saskatoon, Perdue, Dundurn area — that's my constituency, Mr. Speaker, quite a few from Dundurn. And then this page is also looks like Saskatoon, Warman, Martensville, more from Dundurn. And the last page looks like about the same, Mr. Speaker, from Saskatoon, Martensville, Dundurn area. Thank you. I lay these on the Table.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order, the following petitions have been reviewed, and pursuant to rule 11(7), they are hereby read and received:

Of citizens of the province of Saskatchewan humbly praying that your Honourable Assembly will be pleased to stop the funding of abortions in Saskatchewan.

Of citizens of the province of Saskatchewan humbly praying that your Honourable Assembly may be pleased to cause the government to reverse its decision to eliminate full coverage and universal access to chiropractic treatment.

PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES

Standing Committee on Non-controversial Bills

Mr. Neudorf: — Thank you, Mr. Speaker. Mr. Speaker, as chairman of the Standing Committee on Non-controversial Bills, I present the first report of the said committee which is as follows:

Bill No. 76 — An Act to amend The Superannuation (Supplementary Provisions) Act

Mr. Neudorf: — As chairman of the Non-controversial Bills Committee, I wish to report Bill No. 76, An Act to amend The Superannuation (Supplementary Provisions) Act, as being non-controversial.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move the Bill be waived in second reading and Committee of the Whole.

Motion agreed to.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that the Bill now be read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Mr. Neudorf: — Thank you, Mr. Speaker. As chairman of the Standing Committee on Non-controversial Bills, I present the first report of the said committee as follows:

Bill No. 77 — An Act to amend The Municipal Employees' Superannuation Act

Mr. Neudorf: — As chairman of the Non-controversial Bills Committee, I wish to report Bill No. 77, An Act to amend The Municipal Employees' Superannuation Act, as being non-controversial.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that the second reading and consideration in committee be waived on this Bill.

Motion agreed to.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move the Bill now be read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Mr. Neudorf: — Thank you, Mr. Speaker. As chairman of the Standing Committee on Non-controversial Bills, I present the first report of the said committee as follows:

Bill No. 80 — An Act to amend The Interprovincial Subpeona Act

Mr. Neudorf: — As chairman of the Non-controversial Bills Committee, I wish to report Bill No. 80, An Act to amend The Interprovincial Subpeona Act, as being non-controversial.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move the second reading and consideration in Committee of the Whole of the said Bill be waived.

Motion agreed to.

Hon. Mr. Lingenfelter: — Mr. Speaker, I move the Bill now be read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

INTRODUCTION OF GUESTS

Mr. D'Autremont: — Thank, Mr. Speaker. I would like to take this opportunity to introduce Mr. Fred Herron, the executive director of the Saskatchewan Teachers' Federation who is sitting in your gallery. And I'm sure that most of the members here are aware of who Mr. Herron is and would join with me in welcoming him here to this Assembly.

Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Chairman, I too would like to join in welcoming Mr. Herron to the Assembly today and add our welcome.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Future of Rural Hospitals

Mr. Neudorf: — Thank you very much, Mr. Speaker. Mr. Speaker, I direct my first question to the Minister of Health. Mr. Speaker, in anticipation of the Health minister's plan to radically change the lives of residents in rural Saskatchewan through hospital closures and conversions, a small group of people around Rosetown-Outlook area have been meeting to design a plan that complies with the Minister of Health's orders.

Mr. Speaker, we have received a copy of this plan, as have many others. And it confirms, Mr. Speaker, it confirms our fears that there will be massive rural hospital conversions and closures. The plan calls for the closure of the hospital functions of health care facilities in Dinsmore, Lucky Lake, Kyle, Mildred, and Elrose. No more hospital care for these communities. The plan also calls for the termination of any hospital care for Beechy —

something the Liberal leader predicted and supported during the last election. Madam Minister, can you confirm this information?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — No, I can't.

Mr. Neudorf: — Thank you, Mr. Speaker. Again to the Minister of Health. The Minister of Health has met with this group and has supported and encouraged this plan from square one. Madam Minister, this was done in anticipation of your so-called wellness plan. The plan which was designed under your guidelines means the only hospital left in this fairly large area are going to be in Rosetown and in Outlook. You have committed in this House that no changes will be made without direct public input from those that are going to be affected, Madam Minister. That means that you and this board must hold meetings in towns like Beechy and Kyle and Dinsmore. Madam Minister, for when have you scheduled those meetings, and will you honour their input?

Hon. Ms. Simard: — Mr. Speaker, the fact of the matter is, is we did have a meeting in Dinsmore at which many of these issues were discussed and the people at that meeting were not raising the unreasonable scare tactics that the opposition is. They were participating in a co-operative discussion about what the health care reform meant to them, and what the plans may be for that particular area.

There was no predetermination in that meeting as to what the particular situation would be in that area. There was no discussion of some of the things the member opposite has raised in terms of what it would look like in the end. They were talking about the health care reform. They were talking about how they could get together and co-operate, and how they might come together on a district basis — rural communities and urban communities talking about how they can improve the health care system in their area, unlike the members opposite who are trying to destroy any advancement whatsoever in the health care area through scare tactics, through scare tactics and fearmongering and pitting people against each other. This group of people were trying to co-operate and work it out for themselves.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. To the same minister, Mr. Speaker, and I want the public to notice how she skilfully and deftly avoided answering my question. Mr. Speaker, the Minister of Health at every turn is trying to wash her hands of responsibility. Even health care professionals, Madam Minister, are saying that you're passing the buck — that's what they're saying. This is your doing, Madam Minister. You are throwing people into the lion's den and then claiming it's up to the lion to say what is going to happen next.

Now, Madam Minister, you say the public in these small communities will have meaningful input. You're on record continually as saying that. Well I wonder, Madam Minister, because in the *Rosetown Eagle* you are quoted as saying that you want the group to proceed with these

plans immediately. That's what you're quoted as saying — to proceed with this immediately. In fact you want this whole thing up and running by next April, and that you will have funding necessary. That's what you're saying, Madam Minister.

How does this fact jibe with your promise for public input?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — The fact of the matter is, what the member opposite doesn't know is that the mid-west planning group has been having these discussions for at least two years — yes, and even earlier than that, even earlier than that — but very intensely for the last two years. Many people in that group feel that they are ready to get organized on a district basis. And if they are prepared to, the government will do what it can to accommodate them and assist them.

The government wishes to act as a facilitator with communities that are ready to move in this direction, and who obviously are far more advanced than the members opposite in their thinking.

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — That does not preclude community input and involvement. In fact what was taking place at Dinsmore was precisely that.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Madam Minister, hospital care is going to be taken out of Dinsmore, Lucky Lake, Kyle, Mildred, and Elrose. We want you to commit now for public hearings, that you will be at the meetings in those communities directly, just as your member from Shaunavon promised that you would be at Eastend in the middle of this month. I have not heard that you have been there yet, Madam Minister. The keys to the steamroller effect that the Premier has talked about has been passed to you, Madam Minister.

Closing the hospital function in these communities has monumental consequences, I say to you, Madam Minister. Without the hospital, the community cannot attract doctors. That's a simple fact, Madam Minister, and yet you claim otherwise in your wellness plan. Perhaps you can explain, Madam Minister, to the province, to all the people of the province, how doctors will come flocking to rural Saskatchewan under your new plan.

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — The members opposite, their purpose in life seems to be obstructionist and to try to destroy any hope for our rural communities to improve their health care system. That's their purpose in life, is to destroy the possibility of preserving medicare in this province. That's what the members opposite are doing with these outrageous scare tactics and fearmongering. That's what they're doing.

The fact of the matter is — and for the members'

edification because they were in government for 10 years and obviously never figured this out in spite of the fact they were faced with numerous studies on it — the fact of the matter is, is if you develop group medical practices within a district that the chances of getting more doctors in rural Saskatchewan increases substantially. Now I don't expect the member opposite to understand that today. He didn't understand it for the last 10 years. But this government is committed to creating larger population bases in rural Saskatchewan that can attract more medical professionals. There have been studies that have indicated that group medical practices are more viable and will bring more doctors to our small rural communities. Our hope is that we can achieve this.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. Madam Minister, fear is not what I'm talking about; fact is what I'm talking about. And the facts for these rural communities are now evident. That's all I'm saying.

These are not fearmongering tactics on our part. The plan has been disclosed for this area and there are the communities. It's as simple as that, Madam Minister. You should talk to a few doctors, Madam Minister, on this issue in rural Saskatchewan. I have.

In fact a Dr. Hindmarsh, Dr. Hindmarsh in Meadow Lake, a well known and respected physician, tells me that they're already experiencing difficulty attracting home-grown doctors to their community. And Dr. Hindmarsh gives the reason as the uncertainty and the ambiguity of the future of health care facilities that's causing the problem.

Those aren't my words; those are a doctor's words. Uncertainty and bungling in health care, that is what you are creating, Madam Minister.

Madam Minister, could you tell us what you will do to attract doctors to a community like Kyle or Dinsmore, should they lose their current doctor to hospital closures? What will you do, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — The issue of doctors in rural Saskatchewan has been . . . and the difficulty in getting doctors in rural Saskatchewan is long standing, very long standing. The fact of the matter is, is there have been problems right across this province throughout the entire 10 years that you were in government, in getting doctors. And you did nothing about it — nothing.

Not only did you not sufficiently encourage the College of Medicine to have a larger rural medical component, you did nothing about locum tenens. This government did it last November; you did nothing. You did nothing about encouraging group medical practices. You did nothing about creating a larger critical mass on which doctors could be hired. You did absolutely nothing. And the problem became critical when you were in government. And this government's going to try and solve it.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Mr. Speaker, Madam Minister lives in the past. Madam Minister lives in the past. You say we did nothing. Well, Madam Minister, it's precisely what you are doing in health in rural Saskatchewan that has brought you down to a 19 per cent popularity rating, Madam Minister. Do you realize that? From 55 down to 19. These are part of the reasons.

Now, Madam Minister, those were Dr. Hindmarsh's words, the member who has just resigned from your Health Research Board that you so fondly were reporting to the other day. The ambiguity of your program is the cause for lots of concern in rural Saskatchewan.

Madam Minister, the direct threat to the survival of rural communities is at stake here and I wish you would take your job seriously and remove some of that partisan rhetoric in your answers.

Madam Minister, sugar-coating that you apply cannot hide the fact that the removal of hospital care and physician care would be a serious blow to the communities that your NDP (New Democratic Party) are telling that you're trying to help. Without hospital care, without physician care, people are going to have to travel away from their communities. Where, Madam Minister, I ask you, are these people going to go?

Dr. Hindmarsh tells us that these people are going to go to the larger hospitals in Saskatoon. Is that part of your closure . . .

The Speaker: — Order, order. Order, order. I had made up my mind before I came in that I was not going to interfere with question period today at all. But I have kept track of the number of interruptions and I'm sure you don't want to know how many there are.

I ask the minister to please respond to the question.

Hon. Ms. Simard: — Mr. Speaker, the members opposite did nothing with respect to trying to attract health care professionals to Saskatchewan and to our community. They did nothing. They poured some \$489 million into capital construction which has increased in operating budgets by \$80 million in the province in the last 10 years. And they are only using something like one-third of the potential beds in that kind of situation, and they did nothing about getting front-line workers and doctors to our rural communities.

This is a problem that has been escalating very quickly over the last 10 years. The hope is, is that by organizing communities on a district basis where they share responsibility for getting doctors to rural communities, the hope is, is that through the development of group medical practices on a district basis and a smaller community basis, that when a small town loses its doctors, the larger community will have a responsibility for getting doctors to that smaller community.

That's the recommendation. Those are the plans. And I must say, Mr. Speaker, at least this government is doing something about it when the former government did absolutely nothing.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. Another question to the Madam Minister. What I would say to you, Madam Minister: if you and your colleagues and the Minister of Finance and the Premier had done nothing, that would be positive for rural Saskatchewan, let me assure you.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Now, Madam Minister, I asked you the question, and according to Dr. Hindmarsh, is telling me the communities like Meadow Lake are going to be sending their patients to Saskatoon, that is already overstressed. Those are not my words. That comes from the medical community, Madam Minister. You chose to ignore answering that question as well. And you got into your political rhetoric.

Madam Minister, I would just want to tell you in case you don't know, that the city hospitals are already filled to capacity — filled to capacity because of your cut-backs to those facilities. Nurses and doctors are being run off their feet, Madam Minister. Today in the newspaper we see headlines that say: stay in Royal University Hospital overcrowded and frustrating, says a youth; a young gentleman with pneumonia put into a ward at 103-degree temperature with young kids, with young children.

Tell, tell us what effect closing down rural hospitals in rural communities, the effect that it will have on the major hospitals in Saskatoon and Regina, that are already stretched to their limit. Tell us that, Madam Minister.

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — The member opposite knows that with respect to the Royal University Hospital, the pediatric wing closure has been taking place over several years under your administration. For summer, there have been summer wings that have been shut down, and this has been an ongoing thing in Saskatoon. And the fact of the matter is, is that is apparently going to be opened up in the fall. These are decisions that are made by those hospital boards. The member opposite fully knows that.

As to the Meadow Lake hospital, Mr. Speaker, the Meadow Lake hospital is not a hospital that's going to be closed. It's a hospital that's used to its full capacity. And as to what Dr. Hindmarsh says, I can't comment on that. He hasn't expressed his concerns to us. But the member opposite . . . And I don't believe what the member opposite says in many of these instances, because his rhetoric is as it is quoted in the Swift Current **Sun**. It says here: most of what we hear from the opposition lately is closer to ravings than rhetoric. And that is an apt description of what the member opposite is engaged in today — ravings. It's ravings, Mr. Speaker.

Mr. Neudorf: — These are not my words, Madam Minister. But Meadow Lake had eight doctors. It has six today. In a month it'll have five. And at that point, medical services will cease. Those are not my words, Madam Minister. Those are not my words.

And you say it's always the case in University Hospital. Here are quotes: but he conceded it was undertaken to save the hospital money. A further quote, he went a bit further: the closures this year have gone further because of budget considerations, Madam Minister. Your cuts — your cuts — that's what's doing that, Madam Minister.

When Wilkie, when Dinsmore, when Beechy closes their hospitals, the acute facilities, Madam Minister, whose decision will that be?

Hon. Ms. Simard: — Mr. Speaker, what we're asking communities to do is to get together on a district basis and to do needs assessment of their health care needs in the district. We are hoping that they will be able to come together. They'll be able to have consultation and discussions. They will be able to do needs assessment and make some determination on a district basis as to what their health care needs are.

Communities may explore options. They may explore options as to whether or not they want to convert some beds into long-term care. They may explore options as to whether they want to reduce their acute care component and put in a community health centre. They will want to look at what their needs assessment are and explore all potential options and have these consultations.

And I must say, Mr. Speaker, that as I go through the province, communities and stakeholders with whom I'm speaking behave far more maturely, far more intelligently, and far more competently than the members opposite with their ravings and their scare tactics and their fearmongering.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you for adding the applauding time to the length of question period, Mr. Speaker.

Madam Minister, you didn't answer my question. Who is going to make the decision to close the hospital? You didn't answer that. In your roundabout, rhetorical way you refused to answer.

I'm going to tell you who's going to make that decision, Madam Minister. It's the board. Right? The board is going to do your dirty work for you. They are going to make the decision. And what are they going to base that decision on, Madam Minister? Funding. You hold the purse-strings. They are going to be forced to make decisions dependent upon your refusal to adequately fund those districts. Is that not true, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — Mr. Speaker, if the members opposite had developed a plan for health care and a strategy — a long-term plan and a long-term strategy for health care 10 years ago — we wouldn't have the problems we have today in getting health care professionals out to our rural communities.

The fact of the matter is, is this government has put forward a plan that hopes to bring more health

professionals to many of our communities, that will ask communities to come together and determine what their health care needs are, that will ask communities to come forward with a plan for their area which they will consult with with the Department of Health.

The fact of the matter is, is the members opposite sat on their hands for 10 years and they did nothing. They did nothing. They had no plan for health care, no long-term strategy at all. And as an end they continued to chalk up the debt in this province to some \$15 billion . . .

The Speaker: — Order. Next question.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Mr. Speaker, I want the public to note that every time I come to the nitty-gritty part of her wellness plan, she refuses to answer the questions. She refuses to answer the question, who's going to order the closing of the hospitals? She refuses to answer the question, how can they do anything else except remain within the limits, within the parameters of your budget guidelines?

Because, Madam Minister, now I'm coming to the critical point and I tell you this, Madam Minister, that we are going to get a multi-tiered health care system in Saskatchewan because I asked you this question, I asked you this question: who is going to pay for services in Kyle or in Dinsmore when those services are no longer available? How will these residents be able to be assured of services within their own area? How will they do that?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — The fact of the matter is, Mr. Speaker, is there will be services in Kyle and Dinsmore. The members opposite are attempting to engage in scare tactics. There will be services. And if Dinsmore wishes to participate in the mid-west planning group and become part of the mid-west district, then Dinsmore will have a voice on that board and will have input to the decisions that the board is making. The board will make decisions for the district and will have an obligation and a duty to ensure that there are health care services in every single part of that district.

And the fact of the matter is, is by pooling their resources, by pooling their co-operation these communities, these communities within a district are going to be able to deliver a more co-ordinated and integrated approach to health care, a much more co-ordinated approach. And they will be able to do programming that the members opposite were never able to deliver to their communities when they were in power.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — I ask you, please don't evade this critical, important question. Answer it directly. Bernie Kirwan's, SARM (Saskatchewan Association of Rural Municipalities), rural communities want to know this answer. Madam Minister, your scheme, instigated by the colleague sitting beside you, the Minister of Finance and the Premier of the province . . . have told you to save

money. This scheme is about off-loading, down-loading. Madam Minister, I'm saying to you that if these people want services, if they want enhanced services within their own area . . .

Tell me, Madam Minister. You've gone on record, and the Minister of Social Services told me the other day that these boards would not have taxing powers. All right, I'm glad to hear that. I think everybody's glad to hear that. Will you also confirm, Madam Minister, that municipalities also will not have taxing powers. Will you make that commitment that you're not down-loading and forcing municipalities to pick up the tab that you are refusing to pay. Are the worst fears of Bernie Kirwan's not being realized, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — Mr. Speaker, the member opposite is quite right. These interim boards will not have taxing power. The member opposite also knows that we have set up or are in the process of setting up a committee consisting of the Department of Health, the Department of Finance, a representative from SARM, one from SUMA (Saskatchewan Urban Municipalities Association), SASCH (Saskatchewan Association of Special Care Homes), SHA (Saskatchewan Health-Care Association), and other health care organizations that will look at the issue of hospital levies and make some recommendations to government as to what will occur with respect to the hospital levy and municipal taxation.

The member opposite knows that, and he knows that full well. But he's quite right; these interim boards will have no taxing authority.

Some Hon. Members: Hear, hear!

The Speaker: — Order.

MINISTERIAL STATEMENTS

Licensing of Private Vocational Schools in Saskatchewan

Hon. Mrs. Teichrob: — Thank you, Mr. Speaker. It is my pleasure to introduce a green paper on the licensing of private vocational schools in Saskatchewan. Specifically, this document addresses the purpose of the licensing procedure and how the government proposes to improve it. I want to emphasize that the green paper process will include providing opportunities for those who want to make their views known to do so.

The Department of Education is responsible to license private vocational schools in Saskatchewan. Licence requirements are spelled out in The Private Vocational Schools Regulation Act and regulations. The purpose of the Act is to ensure that Saskatchewan students wanting vocational training can be confident they are getting quality training.

Students have a right to expect that their training will be up to date and that it will help prepare them for the world of work. They have every right to expect this whether they receive their training at a public training facility or a private one. The initial legislation was introduced with

this goal in mind. Minimum standards were established before the schools could be licensed by the province.

However the existing legislation is now over 12 years old. Times change. Our legislative tools for regulating private vocational schools may no longer be in step with the times. Specifically, we were concerned that the current Act does not provide students with enough protection from a consumer's standpoint. We also felt the legislation could be improved in terms of ability to quickly resolve disputes.

Lastly, we wanted the Act to be more responsive to questions of program quality in private vocational schools.

The green paper I'm tabling today outlines how we propose to address these questions. It will also serve as the basis for consultation on how we might improve the Act. The green paper represents the beginning of the process of improving the legislation. It not only defines what we feel needs to be done, but seeks the opinions of those most concerned as well.

I am confident the final product will be much improved as a result. An independent three-person panel will be established to conduct public hearings on proposed changes to the Act. Hearings will be held in Regina, Saskatoon, and Prince Albert early in the fall of this year. These meetings will be completely open. We expect to hear from the public at large, along with those most directly affected by the proposed changes — school owners and operators, instructors, and students.

People will have the option of making their views known in whatever way they are most comfortable — in person, in writing, or even by mail. At the conclusion of the public-meeting phase, the panel is to present its recommendations.

I want to re-emphasize that this green paper is intended primarily as a focal point for discussion. Nothing has been finalized nor will it be until we've had a chance to study the panel's recommendations.

I should also point out that the review process and eventual changes to the private vocational schools' legislation are taking place as part of a much broader exercise. I'm referring here to the various reviews under way or planned for all aspects of our post-secondary education system.

Mr. Speaker, this government recognizes the important contribution private vocational schools make to training in Saskatchewan. Through this green paper we hope to find a way of building on their strengths so that this tradition can continue. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

(1445)

Mr. D'Autremont: — Thank you, Mr. Speaker. I would like to thank the minister for sending over a copy of her address so that I could have a look at it.

We look forward to the participation of the public in this process. We're very pleased to see that the minister has been taking our advice that we were giving to the Minister of Agriculture, to go out and consult.

We believe that there needs to be a set of guidelines set out for the licensing of private vocational schools. It's important, Madam Minister, that these schools be dealt with in a proper manner and that they in turn deal with their student clients also in a proper manner. We have seen a number of these institutions over the last while fail, as businesses do, Mr. Speaker. But when such failures occur, it's important that the education of the students not be unduly disrupted or that they do not lose their tuition fees.

Madam Minister, we like the idea of a panel to go around and hear the representations from the public, but we do have some concerns. We will be watching to see that it's not the NDP contribution list that is consulted in setting up this committee, as we have seen happening in many, many of the other boards that are currently being put into place by your government.

We're pleased that public meetings will be held, that they will be open to everyone and not unduly formal. We believe it's important that people have the opportunity to express themselves and that everyone be heard, not just those who can present the best written brief.

Madam Minister, private vocational schools provide an important service in society and should be encouraged. We on this side of the House are prepared to work to see that those schools provide the best service possible to their students.

MOTIONS

Standing Committee on the Environment

Hon. Mr. Lingenfelter: — Mr. Speaker, before orders of the day and with leave I move, seconded by the member from the Melfort:

That a standing committee on the environment be appointed and empowered to examine and inquire into all such matters and things as may be referred to it by this Assembly, and to report from time to time their observations thereon; with the power to send for persons, papers, and records, and to examine witnesses under oath; and that rule 89(1) of the *Rules and Procedures of the legislative Assembly of Saskatchewan* be amended by adding the said committee to the list of standing committees of the Assembly: and the membership thereof shall consist of the following names: Calvert, Murray, Anguish, Lautermilch, D'Autremont, Trew, Scott, Crofford, Haverstock, and Boyd (and I'm not sure here whether it's names or constituencies I need in this motion, and I'll correct that if need be) and continue for the duration of this legislature but shall be effected from time to time by resolution of the Assembly, pursuant to rule 92(1).

I so move.

Leave granted.

Motion agreed to.

Hon. Mr. Lingenfelter: — Mr. Chairman, following along the same issue and by leave, I move, seconded by the member from Melfort:

That the Standing Committee on the Environment be authorized to review and report on legislation relating to the environmental issues as may be referred to it by this Assembly and that the committee shall have the authority to meet during the session when the Assembly is not meeting or between sessions to undertake public consultation, to meet outside the seat of government to hear testimony and to acquire research assistance as deemed appropriate by the committee.

I so move.

Leave granted.

Motion agreed to.

Mr. Cline: — Mr. Speaker, I wonder if I might beg leave of the Assembly to introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Cline: — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to all members of the Assembly, a gentleman seated in the west gallery who's a very distinguished representative of our country for the Department of External Affairs. And I'm referring to Donald Bobiash who's a good friend of mine. And his family happens to come from the community of Zelma which is I'm sure familiar . . . I'm sure all members are familiar with Zelma. And I can say that because my great-grandfather also homesteaded at Zelma.

Don Bobiash is from a farm there, attended the University of Saskatchewan, was a Rhodes Scholar for Saskatchewan, and is also a former employee of the Government of Saskatchewan, now working for the Department of External Affairs in Pakistan. And I'd like all members to join with me in welcoming Don to Saskatchewan and to the legislature today.

Hon. Members: Hear, hear!

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Consolidated Fund Expenditure Rural Development Vote 43

The Chair: — I would ask the minister to please introduce his officials.

Hon. Mr. Cunningham: — Thank you, Mr. Chairman. I have with me today Bill Reader, the deputy minister; Walter Antonio and Lloyd Talbot and Larry Chaykowski and John Babcock.

Item 1

Mr. Goohsen: — Thank you, Mr. Chairman. Good afternoon, Mr. Minister. I'd like to say hello to your officials. We've been here a few times already at this subject; we're almost becoming old friends.

I have a few questions that I'd like to just delve right into, Mr. Minister. I believe we had asked you some questions with regards to the question package that you had sent over, and that you might be supplying some follow-ups to us. If you have them, we'd appreciate having it now. If not, what I want today in order to — for some expediency of time — is to ascertain from you a commitment that you would give us the information on any of the questions that we happen to find that we don't have in our possession as we complete going through all of this pile of records and questions.

I have to admit I haven't quite finished it yet and I do have a lot of questions in here, but if you'd give me that commitment, then we could carry on to the rest of my questions.

Hon. Mr. Cunningham: — Yes, certainly we will try to endeavour to the best of our ability to answer any questions that we haven't fully answered.

Mr. Goohsen: — Thank you, Mr. Minister. Mr. Minister, would you also commit today, that you will not be eliminating the Department of Rural Development or amalgamating it with any other department within the foreseeable future?

Hon. Mr. Cunningham: — Mr. Chairman, that is not my role in life to determine. I think they'll be determined by cabinet and by Executive Council and by the Premier. We are looking at government reorganization and certainly there may be pieces and bits of government moved around. And the foreseeable future is a long time and I'm not prepared to make that commitment.

Mr. Goohsen: — Mr. Minister, I will be very happy to pass that information on to the SARM and to those people that will be affected. And I'm quite sure that they'll be very disappointed in you as their minister.

Mr. Minister, will you commit today that your government will not amalgamate any two or more municipalities unless they jointly request such an amalgamation in writing, and then only after a majority vote by the affected rate payers?

Hon. Mr. Cunningham: — Mr. Chairman, I've said many times in here that we do not have a grand scheme to amalgamate RMs (rural municipality). They will be allowed to make those choices. And we will be working with RMs to look at all ways that they can work together to reduce their costs, whether that be amalgamation or sharing equipment or whatever. And again it will be up to the RMs to make those sorts of decisions.

Mr. Goohsen: — Thank you, Mr. Minister. Mr. Minister, will you commit today that your department will not cut the Department of Rural Development by 30 per cent in funding in the next budgetary process, and that you will resign your portfolio if you do not stay within the 3.4 per cent cuts to the RMs that you have set forth in this year's budget as a projection for next year.

Hon. Mr. Cunningham: — Mr. Chairman, the 3.3 per cent budget cuts referred to third-party grants given to RMs. That was, as I've stated earlier, a target date. I think it's never been done in the past where third parties were given an estimate or a guess at what their next year's funding would be. It will allow the RMs to plan ahead somewhat and we will again try to finalize those numbers and pass it on to the RMs at the earliest possible date.

Mr. Goohsen: — Mr. Minister, in view of your tragic errors in the past year of performance or past eight months of performance, will you commit today to replace and reimburse RMs for the errors that your department have made in this year's calculations by cutting 18.3 per cent out of the grants to municipalities instead of the 7.4 per cent that you have written in the budget for this year?

Hon. Mr. Cunningham: — Mr. Chairman, we did not make any errors in our calculations. We specified to the RMs that their grants this year would be 7.4 per cent less than they were last year and they will come in right on target.

Mr. Goohsen: — That is the most extreme exaggeration that I've ever heard in my life, Mr. Minister. But I'll leave the municipalities and the people of this province to judge you for that answer. They also have calculators.

Mr. Minister, I would like to draw your attention to a memo from your deputy minister to the deputy minister of Finance that was provided to us by staff in your department. I'll send you a copy across as soon as we can find someone that can do that. I want to continue to read this while a page comes across.

First your deputy identifies a 150,000 annual saving that could be had if a contract was completed with WESTBRIDGE Computers, but indicated he needed the assistance of Finance and SPMC (Saskatchewan Property Management Corporation). Was this contract executed and have the savings been realized?

I may as well give you the three questions I have here and then I'll send that material over.

Will you also note in the memo that your deputy said the attached forecast was based on the PSC (Public Service Commission) not concluding a collective agreement that fiscal year. Just refresh my memory and confirm that you saved \$82,000 by ensuring that no wage increases were negotiated in the fiscal year 1991-92.

(1500)

And question number three. Now if you turn the page you will find and see a breakdown of the department's budget forecast for the end of 1991-92 fiscal year. First, is this

how the 1991-92 budget actually turned out and do you have with you the final version of this document? I want a copy of the final version to compare with this one. If a page will come over I'll send that over and I'll read the memo.

Okay, the memo goes as such:

Remaining 1991-92 Funding: I am submitting Saskatchewan Rural Development's strategy for reducing program services expenditures to the target level of \$23,719,200.

Although the department is committed to meeting its target, many of the expenditure reductions will result in a decline in services to our rural clientele. Restraint in staffing, travel, telephone and marketing costs will translate into 30% fewer client contacts through Rural Service Centres. Internal operations have been reduced to an even greater extent. Deferred maintenance in community pastures and at ferry crossings will result in longer term costs.

I wish to draw your attention to two measures which are in part dependent on the action of central agencies. The department is currently negotiating a 3 year contract with Westbridge which will reduce our mainframe costs by \$85,000 in 1991-92 with potential annual savings of \$150,000. We require the assistance of Finance and S.P.M.C. to execute the contract.

The department has also adjusted its salary forecast by \$82,000 on the assumption that the Public Service/Government Employees Collective Agreement will not be settled in this fiscal year.

The targeted expenditure level is reflected in the attached December special warrant request and our fourth-quarter funding requirements.

Now it is signed by one of your department people. And I won't read the name because I don't believe that we want to embarrass any individuals.

Will you please answer those three questions, Mr. Minister?

Hon. Mr. Cunningham: — Mr. Chairman, could I get the member to table that document so that I can answer the questions that he's reading from?

Mr. Goohsen: — I'll send the memo over. I've already tabled the other two documents that have the figures on them. If you want to just take them right on over to him.

Hon. Mr. Cunningham: — Mr. Chairman, the computer system was installed and we are on target with that. As the member opposite knows, there was no increase in union rates as of yet. The contract is not yet signed. We normally budget in the department to absorb any unexpected increases in union rates. And I think if there was another question there, I've missed it.

Mr. Goohsen: — Okay, you identified \$150,000 annual

saving. And I believe you say that because the computer deal went through you've made that saving. I think you've made a commitment as well that the \$82,000 was also made as a saving. The third question was that if you would turn the page you would see a breakdown of the department's budget forecast for the end of 1991-92. Now that's on those first two pages I sent you over. First is this, how the '91-92 budget actually turned out, and do you have with you the final version of this document? I want a copy of the final version to compare to this one.

Hon. Mr. Cunningham: — We do not have the final document, but we will get it for you. We don't have it with us; we will get it for you. We were very, very, very close to being right on target.

Mr. Goohsen: — Thank you, Mr. Minister. I will accept that commitment. I have another question that I will carry on to then. I have a couple of quick questions regarding order in council 92-934 whereby you transferred certain lands to the Meewasin Authority for the sum of \$100.

I'm not speaking in opposition to the transfer, but I think it is important that people know the real cost of the various transactions that governments make. Number one, Mr. Minister, was there an appraisal of the land? And if so, was the fair market value of the land transferred to Meewasin?

Hon. Mr. Cunningham: — Mr. Chairman, that land was land that the Meewasin Valley Authority needed for the Wanuskewin Park in Saskatoon. It was 1.7 acres I believe, and I don't think that we probably did a formal appraisal on it which would have cost us probably more than the land was worth. And certainly considering the cause, I think the value was in line.

Mr. Goohsen: — You've already answered the question that I would have asked, which is why not? I will carry on though.

Now, Mr. Minister, the Minister of Finance has made a big to-do about writing off capital losses or reductions in market value of assets held by the government. Where is the market value of this land transfer reflected in your department's budget?

Hon. Mr. Cunningham: — Mr. Chairman, this would not in any case . . . the value of land would not be reflected in the operating budget. I think the value of the land, the 1.7 acres is hardly a significant amount of our assets in any case considering the value of \$100 of the land.

Mr. Goohsen: — Mr. Minister, I suggest that the transfer of this land represents a grant to the Meewasin Authority which is fair enough, but a grant that far exceeds \$100 in value. I believe that it is absolutely the right of the taxpayer to know the value of the grant to the Authority represented by this transfer.

Hon. Mr. Cunningham: — Mr. Chairman, we do not, as we say, we did not have an appraisal on it. This land I believe is not high value land. It's probably waste land and \$100 may have well been more than it was worth. So I don't know that there was any significant transfer involved there.

Mr. Goohsen: — Mr. Minister, I would find it really hard to believe that any one point whatever acres near any major city would be worth less than a hundred dollars. I mean, let's face it. This is pretty close to a big major metropolitan centre in Saskatchewan. I want to ask you if there have been other similar transfers for less than market value. And if so, would you like to list . . . or I would like you to list those for me including the real market value and the recipient of the government grant of land.

Hon. Mr. Cunningham: — We can make that commitment. I think . . . and most of the transfers of land that take place at less than . . . or less than or at some deemed price would be within the departments of government. If we transfer an acre of land to Highways or a few acres to Parks and whatever, that sort of transfer takes place. And it's often not valued; we don't do an appraisal on it. So I can get a list of those sorts of things if you'd like.

Mr. Goohsen: — Thank you, Mr. Minister. I most certainly would like. And I'm going to suggest to you that I think there's considerable valuable amount of property that might be involved. And I think the taxpayers would like to know about this.

We'd also like to know, are you willing to request that the Provincial Auditor undertake an audit of all the land transfers and sales under your jurisdiction to determine exactly what the value has been transferred and to make a report on what accounting and reporting treatment such transfers would receive? Will you trust the Provincial Auditor to do the job for us, Mr. Minister?

Hon. Mr. Cunningham: — Mr. Chairman, the auditor does that every year.

Mr. Goohsen: — Thank you, Mr. Minister. Could you see to it that we have the results of that determination. I'll take that as a positive response.

I want to move on to the next set of questions, Mr. Minister. I'm now going to send across to you a computer print-out. It is in the original document that shows all the revenues of the department as at October 21, 1991. To start with I would like you to confirm that this is a legitimate document in that it is a computer print-out that was generated by your staff.

Hon. Mr. Cunningham: — Mr. Chairman, these appear to be working documents of our department from what we can tell. We don't have our computers hand-printed so we can tell whether they come out of our computer. But it seems to be information . . . this particular information I think is a list of a breakdown of our salary costs month by month, branch by branch.

Mr. Goohsen: — Thank you, Mr. Minister. There are still a number of people who know your intention is not only to do away with their jobs, but to do away with your own entire department of Rural Development. Now this document is accurate and I challenge you to show that it is not accurate if you happen to think it might not be. But I want you to provide for me the same print-out showing all

department revenues as of March 31, 1992, and again the year to date for June 31, 1992. Can you provide that for me?

Hon. Mr. Cunningham: — This document you gave me has absolutely nothing to do with revenues. But we can provide our revenue forecast at the beginning of the year and as of the first quarter.

Mr. Goohsen: — Thank you, Mr. Minister. I will expect to get that information from you and we will be pursuing that because it is important to our point. I will take your word on that and pass on to the set of questions, Mr. Minister.

I am now going to send you a copy of the detailed budget for the department prepared for you to show you the precise status of the finances of the department effective October 21, 1991. I wonder if I'm doing the same one that I just did here. Yes I am. Sorry about that. There's no use repeating the same question. I happen to have two copies. I was intending on sending you the top copy with those other lists and I didn't do that. My apologies, Mr. Minister. So we will expect to get those answers from you.

We have spent quite a bit of time going through your estimates and portfolio. While I would want to say just at this time, we haven't gone through the estimates on a point-by-point, item-by-item basis, I believe that with the information that you have provided us, that we can get a pretty accurate assessment of how your department is operating and what direction it is going in.

I will once again state for the benefit of the people in rural municipalities throughout Saskatchewan that as the critic for this department, it is my firm belief that this department is under very serious, very, very serious possibility of being eliminated totally, or at the very least, amalgamated with other departments. I believe that the information that you will provide us will prove that point, and I believe that if that doesn't happen at that stage it will be proven out in time.

(1515)

I therefore caution the minister that if this is his intent and if he does this move, he would be doing so against the wishes of the SARM, which is the parent body of all of the rural municipalities in the province of Saskatchewan.

I think you know the structure full well, Mr. Minister, and I think that you know full well that there have been resolutions passed by the SARM, which is the representative body that has conventions every year with representatives that can come from every municipality in the province, the voting delegates, and they have voted unanimously to keep their own department.

In the past few weeks, I want to point out to you and I have a lot of them in this set of files here, I have letters from many municipalities that have decided that they too believe that there is a threat to this very department. Without exception, every one of these letters from the individual municipalities that have written to me have pointed out their very strong opposition to any move to either down-size the department or to eliminate or to

amalgamate it with any other department.

It is very critical also to people with interests such as the critical wildlife habitat Bill that we have just changed the name of, but I'll refer to it in its old context in order for you to remember the fact that there has now been a commitment made in that very Act that the Department of Rural Development will continue to operate and handle the affairs of that particular land structure that is set up underneath that particular Bill. Those people are very concerned also that this department now remain in place because they expect this to be the department that will handle their affairs.

And so I caution you, minister, if you have designs on eliminating the department, take a look, consult with the people, talk to the municipalities, be very sure of your ground, because these people are deadly serious. They'll boot you out of here three years from now if you take away their department. They simply don't want it, and I don't think I can put it to you any stronger than that.

And with that I'm going to allow you to complete the estimates for today in Rural Development. And I assure you that in the next session when you come back with a new budget for next year, or if it's a minibudget this fall, whichever, at our first opportunity we will be challenging you on the basis of all the information that we will have had a time to study through by then as well as all of the new figures that you will be bringing in. And we won't be letting you off nearly as lightly as we are today.

Item 1 agreed to.

Items 2 to 13 inclusive agreed to.

Item 14

Mr. Devine: — Thank you, Mr. Chairman. Just a question that occurred to me as a result of question period today. And I wanted to know if the minister had any thoughts with respect to rural municipalities having to increase their taxes to help fund health care. And obviously they're worried about it, as it was here in question period.

Rural municipalities have had to raise taxes for education, and that's not real popular, and it's difficult to do, as you know. Is there anything that you could say to RM councillors and rural municipal government that would make them more comfortable with the fact that they're not going to have to raise taxes to keep their health care under the new wellness model. And I can be a little bit more specific.

If in fact there are decisions made where communities are going to lose their hospital or close a hospital or convert a hospital, and they're not going to have that acute care, but if they want it, then they could raise their local money so that they could keep it.

The two-tiered health system is something that worries people. In other words, those communities and rural municipalities that have the money maybe could have health care. Those that don't, don't. So there's going to be some really difficult decisions made about raising taxes locally if there's off-loading down at the local level . . .

(inaudible interjection) . . . If we want to maintain our integrated facility or maintain the health care stuff, we're going to have to raise taxes.

Is there anything that you could say that you have talked about with your Health colleague and with your Finance colleague that would enlighten the RM about this and RM councils?

Hon. Mr. Cunningham: — Well certainly the RM councils are concerned, and the SARM is concerned about anything that forces them to raise taxes. They have to collect taxes, and they're collecting them from farmers who are not in a good position to be paying increases in taxes. And health care costs are certainly one of the things that they're concerned about.

The mill rates right now . . . and the average mill rate across the province is for a municipality, for themselves, 46.6; for schools, 70.2; and for hospital, 4. So it's a very small portion right now.

I guess the only thing that I've discussed with the Minister of Health and the Minister of Finance and my other colleagues is that one of the advantages of the wellness model that will hopefully provide more services to rural communities and better service, but it will also do it in a very cost efficient way. And some of the things that we are contemplating doing, we anticipate some substantial savings in health care costs.

And from that point of view, I guess that should provide some comforts to the RMs. Because if we continue on the way we are with our health care system not running efficiently, somebody has to pay for that and it will have to come out of the taxpayers' pockets somewhere, whether it's the RMs or the taxpayers in general.

Mr. Devine: — Well, Mr. Minister, if you think this is going to save a lot of money — and I just want to clear this up — if you think this is going to save money because you are — I'll try to use the right words — consolidating health care services by closing some in various communities and you're making them go to some place else . . . Say they're closing all around Rosetown, as we heard today. Closing in Dinsmore, closing in Beechy, closing in Kyle, and closing in other communities, Lucky Lake, whatever, and they're moving to Beechy.

Now you're suggesting that you're going to save money because you're closing these other health care facilities. Now what I'm trying to find out is what if Beechy, for example, and in that rural municipality in that area, they want to maintain the health care facility. So they say, well we've got enough money. We'll raise taxes to kick in some money to maintain it. And that option is there for them. Then they could get into a situation where they are raising local taxes to pay for health care facilities that is not being paid for under the new wellness model by the general provisions of the Government of Saskatchewan.

Will that happen, and can that happen, in your view? And have you heard of . . . have you had discussions with your colleagues about that happening? Because obviously, Mr. Minister, you know what that means.

Then some communities that have some money or have some oil wells or have some gas or have some other capacity, are going to be able to afford health care, but those that do not, or have had drought or don't have the diversification, don't have access to the revenue and to the capital.

Therefore some municipalities, therefore some people will have one level of health care that they can afford locally and others will have to travel a hundred miles or others because they can't afford it. Now you're going to get this see-sawing and it's far from universal health care across the province of Saskatchewan. But it would be even far from universal health care within a rural area.

And that's what they're concerned about because when you get communities choosing which one's going to stay open and what's going to close, they're going to have that option before them.

Have you discussed with the RM and have you discussed with your Finance minister and have you discussed with your Health minister, the option of local communities, local municipalities, raising their mill rates to pay more for health care to keep a facility there or to enhance a facility?

Hon. Mr. Cunningham: — Mr. Chairman, to begin with, the Minister of Health has been communicating directly with SARM as have I been on many issues, and taxation being one of them.

The member from Estevan attempts to put words in my mouth here. The wellness model is not talking about closing hospitals. He continually talks about closures. What we're talking about with wellness model, and I think if you had listened in question period you would have heard that, is we're talking about people getting together to provide services that they need in their community.

And that is the thrust of the wellness model, is to get together to provide health based more on different principles of wellness rather than strictly on an illness, and work, co-operating together, to provide the services that they can't now get in the communities.

And one of the things that we anticipate is that it will likely be a cheaper way to deliver health care. That's an added benefit. And I think the possibility of local taxation increasing is much greater under the present system because if we don't make some health care reforms we are on to higher and higher-cost health care, and that I think ultimately, given the state of the provincial economy and the provincial . . .

(1530)

Just in conclusion, I think — as I was saying before the power so rudely went out on us — I think the old system that we have, the system that's fossilized over a period of years, if we don't make some reforms to our health care system, then I think we will have some huge costs and there very well might be some taxes ended up on rural municipalities to cover. I think certainly that there is no plan at the present to finance more of the hospital health

care costs through rural RMs.

Mr. Martens: — Thank you, Mr. Chairman. I'm just going to deal with this in a fashion that relates to rural municipalities. There was a health region — it was called health region no. 1 — in the south-west part of the province and was there from somewhere in the 1947-48 to about 1978 or '79. And in that period of time the municipalities put together a block of money that was allowed to be used as a back-stop for the medical care insurance in that period of time. And they put together in a bond \$200,000. Now that's a significant amount of money in that period of time. The municipalities did that and provided a service.

Subsequent to that, they had a specific mill rate that was requisitioned every year. Some years it would be, I remember, \$7; I remember \$28. The majority of that, however, Mr. Minister, went to deal with the dental services provided to children under 18 years of age. That service was provided that way.

The doctors on the other hand had a fee structure that was at 80 per cent of the level of provincial funding and that money then — on the 20 per cent — went to service all of the requirements by the health region to pay off all the bills plus provide dental services, plus other things that the health care region would provide.

Now in about 1977 that was all done away with by your former government. It was all squashed. It was taken away. And with that, with that — if you go to the Department of Health you'll find this to be accurate — with that, went about \$480,000 that went back to the Department of Health.

All of that money was put together by the municipalities, the taxes paid by people in my municipality and other municipalities. I think there was about 35 municipalities in total. All those municipalities contributed. When the health care change came about in the middle or late '70s, then that money was just sucked up by the Health department.

And what we're vitally concerned about, Mr. Minister, is that that same function will happen again, only in somewhat of a reverse.

Now you're going to get these big health care boards setting up and saying, okay now here's the program; we're going to give you 75 per cent of the funding required to keep Vanguard hospital open, Cabri hospital open, Ponteix hospital open, Kincaid, Mankota, Eastend, and Climax. All those hospitals are going to be funded at 75 per cent.

Who's going to pick up the rest? That's the question that we have fundamentally at the bottom of this. Who is required to pick up the rest? These municipalities are being asked by health care boards, hospital boards, some ambulance boards . . . and they're requisitioned for a certain amount of money. Some it's five mills. Some it's six mills. Some it's eight mills. And that, Mr. Minister, what we are having a problem.

Health care should not be funded by property tax. That's

where we have a belief that is absolutely, I believe, in every person's best interest. You just tell me what you think of that, and then I'll come up with some more scenarios about how the difficulty will increase as we go along in the system.

Hon. Mr. Cunningham: — Well, Mr. Chairman, the members opposite can come up with the different scenarios all afternoon. And as the Minister of Rural Development, I'm naturally very concerned about the development of the health care and the health care reform and the wellness model as it applies to rural Saskatchewan. But if you are into asking specific questions of health care regions and boards, it'd probably be better addressed to the Minister of Health tomorrow . . . (inaudible) . . . address concerns about increase in taxes. I guess that is hardly related to wellness.

I think if there was to be off-loading of taxes to the SARM or to rural municipalities, it could occur under the present system or under a reformed system. I guess what I'm saying is that we think that we can provide a better system with health care reform, and that really is unrelated to the issue of off-loading to RMs.

Mr. Martens: — Well, Mr. Minister, this goes even beyond that. And I'll point this out. Your staff will know that the RM of Riverside has about three times the assessment of Miry Creek or Saskatchewan Landing or Hazlet which are surrounding them. And the reason is, Mr. Minister, they have the oil in their municipality. And all of that oil just seems to come out of that one municipality. And they will have the freedom then on the basis of a mill rate attached to a requisition asked for by the hospital board that will be giving them an opportunity to say, we can have a health care facility.

And then you go to Rush Lake municipality or to Morse or to Riverhurst where there's absolutely no industrial development, and they will not be able to have one. So what you have is the city of Swift Current is going to have one, Cabri will have one because that's in that municipality, and nobody else will have one there. Gull Lake might not even have one because they don't have enough oil to generate the income for that.

And that's the kind of thing that we're talking about. Who in the south-west is going to have one? Shaunavon is the only municipality . . . Bone Creek is probably the only municipality with oil in its area. You go to Eastend, they're not going to have one. You go to Ponteix, Mankota, Kincaid, Vanguard, and Lafleche — they don't have any of that opportunity to develop that kind of an infrastructure for a health care facility because they haven't got the tax base.

You have to understand that rural municipal people, Bernard Kirwan included . . . and I heard him twice at SARM district meetings and your staff will have heard him too, say we have to be very careful about off-loading on the municipal tax base on property taxes because we have a serious problem coming from this government. The second thing he said is we have to be worried about health care. That's what he said at every one of the ones that I was at.

And that, Mr. Minister, is what we're pointing to in this instance. And it's necessary for you to be involved in the discussion because you're going to have a different level of care. And they're going to have to drive . . . it's a hundred miles from the border to Swift Current.

And how many people in an accidental basis are going to have health care? Not many of them. And I have lived, Mr. Minister, in periods of time when that telephone wasn't available to have health care, when the facilities weren't available for health care because you couldn't get that accident victim to the location where it was required for service. And what we have today is modern technology, and we're going to take all of that away.

And then it's going to come on the tax base, on the property tax base, and that's what we're worried about. That is the contention that we've made here right from the beginning of this discussion. And I think you need to be worried about it because Mr. Kirwan doesn't want to have it come on the property tax base either. In fact he wants to get rid of the school board on the property tax basis too. He doesn't want all that other stuff.

And then you add on recreation and all these other things. And, Mr. Minister, we want to preserve the health care that we've got. By putting it on the property tax isn't going to preserve it; it's going to ditch it. And that's what we're worried about.

Hon. Mr. Cunningham: — Well, Mr. Chairman, I guess it's the opposition's job to point out concerns. But I think the member is speculating and pointing out the worst-possible-case scenario of what might happen. There is no plan to move, off-load health care costs to rural tax bases. And certainly that presents . . . there would be problems if that were to occur.

And you know, that's something that certainly we've said we were setting . . . I think the Minister of Health will tell you if you ask her that we're studying the possibility of different funding methods and we're talking to people.

But to say that because the wellness model, we're reforming the health care system, somehow that means that it's all going to get dumped on local RMs and we won't be able to afford their hospitals, I think that is a connection that is not at all valid. I think again, if we can deliver better services for the same money or the same services for less money, that in the long run will mean it's a much, much larger possibility that it will be able to be funded provincially.

(1545)

Mr. Devine: — Mr. Minister, what we're asking you to tell us and to tell rural people is that your new wellness model won't result in higher taxes at the municipal level between RMs and between areas so that they are forced to compete for health care by raising their taxes because . . . Obviously if they're going to lose their hospital or they're going to close this health facility or some of it because you planned, as you say, to save all this money by consolidating in a few places and that's the only way you can do it, then they are going to be tempted to raise taxes to save their town health or to save their community.

What we want to know from you is that you're not going let that happen, so communities will not have to bear that responsibility to stay alive and maintain the health care services by raising their municipal tax rate. And it could go up. I'm sure you know — if you have any sense, and your officials would know it — it could go up 50 mills to 100 mills to save their health care system.

Now that is not universal health care, and you know that. That is not universal health care across Saskatchewan, because you're going to have communities competing with one another and people competing with one another. Those that are lucky enough to have the resources to raise the taxes will, and those that can't won't. Because what you've just said, you just said, well we're going to save money on the wellness model. That's what you've said. You're going to be more efficient. You're going to save money. Well you know what that means. That means you're going to have to close the facilities in Beechy and Dinsmore and Kyle and other places, so that in fact they go to Rosetown.

Now what's to prevent Kyle from going out and say, well I guess we have to jack up our mill rate to save the health care system in Kyle — or people in the RMs surrounding Beechy? And they want to know that. Because then you say, well I guess you'll have to do that if you want to save it. This is the new wellness model. You've said, I can't stop you; it's in your hands. Right? That's what you're going to say.

And if that's what you're going to say, Mr. Minister, you are going to have one holy problem on your hands because you don't have universal health care at all. And you'll have community competing with community, which will be pretty ugly.

Now you're the minister responsible for the rural municipal government. The head of the SARM and reeves and councils are saying as far as they can see there's no other way around it. If they want to stick up for their health care facility they're going to have to raise the mill rate or else it's gone. And you can say well, it's a lot more efficient. They have to drive to Rosetown or they have to drive to Saskatoon. But some of them will fight back and say I want to stick up for rural Saskatchewan or rural communities.

And incidentally, I mean I'm sure that you can believe I don't . . . and a lot of people on this side of the House fundamentally disagree with what you're doing. Because you have the technology now to run huge operations all over Saskatchewan; you don't have to have them all in Regina or Saskatoon and you know that. You can run Crop Insurance out of Melville; you can run multibillion-dollar hospitals out of any place.

But in any event, what we want from you is any words of assurance with some degree of specificity or some degree of authenticity that RMs won't be faced with this in your new wellness model. You're the minister responsible for RM government, municipal government. Can you give them the assurance that this will not be the case so you'll have this patchwork of health care because of patchwork of tax increases. Can you do that?

Hon. Mr. Cunningham: — Mr. Chairman, the member from Estevan has a holy problem as well. He just doesn't understand the wellness model. And you know, the idea that the wellness model is we're going to shut down all the little hospitals and make all the people go to the big hospitals to save money is not the wellness model. If you read the paper you would know that.

The wellness model is people getting together, communities getting together and deciding whether they want to keep their old folks in their homes longer and do that, because that's what the community wants, and convert a level 2 care to a level 4 care — whatever way they can work together to provide all the services that they need.

And we think that we can provide better services that way and maybe save some money at the same time. And I think again, if you want to promote problems for rural RMs, we'll keep on with the health care system, bury your head in the sand and say we're going to continue with the health care system the way it is. And as the costs escalate and the province can no longer afford it, there will probably be off-loading.

I think the wellness model will give some local control, some input, will provide better services for less money. And it doesn't mean closures. I have explained it. Read the paper and you would understand it. I think that is the . . . if you can't understand it and you want a real detailed explanation of it, ask the Health minister tomorrow and she will explain it to you one more time.

This is not a closure hospital plan to save money. This is a wellness model; this is health care reform; this has been respected right across the country as the new direction of health care in the '90s. It's the new medicare. I think you guys are in the same position as the opponents to medicare in the '60s, pounding on the doors saying we're going to lose our doctors. It's going to be the end of the world.

Don't run around doom-saying, get on side and have a look — at least have a look — at what the wellness model means so you know where we're going with it.

Mr. Devine: — Mr. Minister, I know that we have built hospitals, built integrated facilities. We've put them together. What we're concerned about is your whole approach which will cause communities and force them to raise taxes. And they are going to be off-loading under your model no matter any way you want to design it, that's the case.

You have said you're going to limit or stop funding level 1 and 2 care. Right? Now that's serious enough. You're going to stop level 1 and 2 funding. So people are worried about what is going to happen to the senior citizens with 1 and 2 funding in the rural communities, whether it's Beechy or Craik, or Davidson or Herbert or wherever it is.

Now you said that you're going to close or convert rural health care . . . acute-care health care facilities. Now what does that mean? — 1 and 2 isn't funded, they're going to have to close some of their hospitals, and you're

saying this is the new wellness model because they can all take the old folks to Rosetown, or they can take them to Swift Current; now they can close the hospitals.

You see what's going to happen? They're not going to like that. Even if you say, well it's your decision. What they're going to say is, well maybe we can come up with enough money to save ours. Which will mean . . . Can't you acknowledge, what you're setting them up for is for local people being forced to raise more taxes to save their seniors, their health care, their integrated facilities, and even their acute care.

There's nothing that you can show me about the wellness model that will relieve you as the minister of Municipal Affairs from facing higher taxes. And that will be unfair because some municipalities will be able to afford it and some can't. That's why people say, well why would an NDP government — of all people, that believe in universal health care — force this hodgepodge of various levels of service across Saskatchewan for Saskatchewan people? It's unfair.

And you should give us . . . or give them . . . say well, if that happens I will compensate; I will make sure that we have universal access. And even though your municipality doesn't have oil or doesn't have paper, doesn't have diversification or potash, we will make sure that your people have access to health care that is equitable across the province. And you have given us no assurance of that. You've dodged and ducked in here.

Can't you tell us that the people of Saskatchewan at the municipal level will have access to equitable health care without going into their pockets and raising taxes higher than their neighbours down the road? Can't you tell us that?

Hon. Mr. Cunningham: — Certainly I can tell you that. That's what the wellness model's all about: to get equitable health service into rural areas and that people can afford. That is what the wellness model is all about. By doing these health care reforms, we will have good health care, equitable health care available to everyone.

Right now we have areas where the rural health care is in some cases less than the urban health care. And I think that's part of the wellness model is to provide better health care. But I think, if the member wants to take up the wellness model, I can give you the assurance that there is no plans to increase . . . to off-load rural health care taxation onto rural governments.

I can give you assurance that as the Minister of Rural Development I do my best to keep in contact with SARM, and I do my best to defend and look out for the rural areas and the . . . all the rural people and the rural municipalities. But I also want to look after the rural people's health care. It's also my responsibility to be sure that we get . . . my duty to work for good health care in rural areas. And I can give the assurances that I will work for all of those things.

If you have specific questions about the health care, I suggest you address them tomorrow in estimates to the Minister of Health.

Mr. Devine: — Mr. Minister, well we're maybe making a little progress. I just want your assurance that . . . well no, I want to know that you understand the implications of what Health is doing to your portfolio.

Now you say you can stand there and say, I'll give you my assurance that we'll provide equitable treatment and so forth. The treatment is what we're concerned about. What if a municipality decides the only way they can save their health care system is to raise the mill rate by 50, 75 mills?

Then what happens? It's up a hundred times; what happens? Are you going to say, well I guess that's part of the wellness model? Would you say, I can't stop them from doing that? I guess if they thought they were going to lose their hospital in Beechy or whatever, I guess they can do that. They can raise their own money to save that health care system. Is that okay if they did that?

Hon. Mr. Cunningham: — Again, Mr. Chairman, the member is wildly speculating.

I think the municipalities certainly have a certain amount of autonomy. The wellness model, as you say, that's my responsibility to see that health care is out there. I think the wellness model is going to be great for rural Saskatchewan. I think it's going to provide better health care out there. And I think we will have universal access. I think we're the party that brought in medicare and I think this is a second stage of it.

And for the member to speculate about wild increases in taxes to RMs is ridiculous.

Mr. Devine: — Well, Mr. Minister, look. Maybe you can't answer the question and maybe you shouldn't, given the political implications. But it's not hypothetical to think that communities really want their health care system and the only way that they can save it under your system is to raise taxes locally. That's not hypothetical, because they're talking about it.

An Hon. Member: — Ridiculous.

Mr. Devine: — And the minister says it's ridiculous. There's no other way that you're going to provide universal access to all these people, take some of them away, without them thinking about, I could save it; if I could raise my taxes enough, I could contribute.

Now if they do that — and they're going to do it sure as I'm standing here — what will you do? And you say, oh that's fine. I guess it's your choice. You have a certain degree of independence which you've just finished saying. It's part of the wellness model.

Is that what you're going to say? Is that it? So we can go by . . . or anybody watching here, the president of SARM now knows. Well my goodness, if an RM wants to raise their money to save their health care system, they're going to be quietly encouraged to go do that.

That's what you're leaving them with. And there's nothing that you have in mind to prevent that. We just

want to acknowledge that. You're going to consolidate. And you're going to have this new wellness stuff, and it's going to move them here, and then they're going to have that choice.

What happens, Mr. Minister, if a RM or a couple of RMs decide to raise the mill rate, say 75 mills, 100 per cent increase, to save their health care system? What will you do?

Hon. Mr. Cunningham: — Mr. Chairman, that is the reason that we are not imposing the reforms on people. The Minister of Health has been criss-crossing the province, meeting with people, talking with people, getting communities together to decide what they want. And communities are not going to decide that they want to double their taxes if they can get the services in the cheapest way they can.

That, I think, will be one of the things that communities will decide. They will decide how they can deliver services cheaper. And we believe it will be cheaper. And therefore there is no plan to off-load taxes.

So I don't know why you would stand up and ask a hypothetical question about what might happen if taxes increase.

Mr. Devine: — That's what we thought. And that is one awful admission. There's the wellness model like we all wanted to see it. That the local people will have the independence and the autonomy to make up their own minds to raise their own taxes which, number one, will be unfair because it won't be universal. And those that can afford it will raise it. And as my colleague from Morse just said, and then the city people won't have to raise their tax levels to pay for rural health care, and you'll have such a fight on your hands between communities, between rural and urban people because of inequitable access to health care.

Well you just go try. You just see the kind of situation that you're forcing people into. Well you've got the greatest technology; you could have tremendous reform. You can have access to satellites, communication technology, transportation, and you're consolidating it in a few centres and then forcing people — forcing them — to fight their neighbours to save their health care system.

(1600)

You say well, it's their system; it's their autonomy. Well that's the answer that we expected. That's the answer. And you're the minister. You're going to preside over this where municipalities can fight with each other. It'll be fighting like sharks in a feeding frenzy for Heaven's sake, for their health care and for their very viability.

I know the jobs and the quality of life that goes with the health care facility in rural Saskatchewan. You go look at the ones that we built in Kyle or you look at them in other places and it's really important to the community. They're going to fight for their life for those facilities. And they're going to have to raise taxes. And then you're going to have a patchwork like a quilt. This area is high taxes; this one couldn't afford it; this has health care.

And then you're going to have the bigger communities saying and the cities, Moose Jaw or Saskatoon or Regina can say, well we don't have to raise taxes so much. Those rural people are fighting over what's left, pick the bones out there. You're going to have an awful system. And you've admitted it here.

That's the wellness model. It'll give more people access to more services at lower cost. We'll see, we'll see. You're going to run into people who are very, very determined to save their communities. And health care, as you know — you must know, living in Saskatchewan — health care to local people is really important. And you're going to force them to fight with each other to save what's left.

And they're going to do it with municipal tax rates; therefore you're going to be responsible for one of the most unequitable systems that you can find any place — and from a party that believes the opposite, that everybody should have equitable access. And you're going to force them or you're going to say, well it's your choice. You raised the taxes. Well and they're going to do it. But you're not going to fool them.

So the answer you gave here today, well it's their choice, is what I expected. And it's very disappointing, Mr. Minister, if that's all you've got for them in your new wellness model, as the minister responsible for Municipal Affairs, Rural Affairs, that that's it. That's it. You have nothing else.

Can't you say that if you have forced to raise your taxes to meet some of these health care obligations, we'll be there to help you. Have you got any hope for them at all other than this dog-bone fight?

Hon. Mr. Cunningham: — Again, there is no likelihood of anybody raising their taxes. I think the member opposite should realize that we're out there asking people to work together. It's the party opposite who was always out there trying to start fights. And again they're out there trying to cause divisions which they hope will be politically helpful to them.

We again are out there asking people, work together. All join together and let's provide a good health care system for rural Saskatchewan. Let's enhance our health care system. Let's adopt the wellness model. But the members opposite are out there saying, well let's get these communities fighting and we'll get some political gain out of it. That is the difference, I think.

Mr. Martens: — Mr. Minister, the truth of the matter is this: in the community that I live and the area of the people that I serve will have all of their health care services funded to Swift Current. Okay? Swift Current gets a new hospital, say, for developing the health care there. Who's going to get the funding to keep Vanguard open? And who's going to get the funding to keep Ponteix open? And who's going to get the funding to keep . . . who's going to provide the funding to keep those hospitals open? Kincaid and Gull Lake, who's going to pay for that?

And that's, Mr. Minister, is exactly what's happening. The city of Swift Current will not have to increase its taxes

because it comes under universal health care. It's got a hospital, and they will build another one. But those rural communities all the way around will not have . . . And you know what those people think? They don't like that.

And I'm going to read this into the record, because you got this letter too and you can go check to see who the lady is, but this lady wrote a letter as a result of, Mr. Minister, not me communicating with her not me scaring her, but there was a 50th wedding anniversary in this small community of Vanguard and the Minister of Health was there and the Minister of Economic Development was there and there was a gentleman there who used to represent the constituency that I live in. And he'd made some glowing statements how everything was going to shut down in Vanguard.

And the whole thing blew up. I have had letter after letter asking me to make that information available in this Assembly. I'm going to read you what this lady says, because it's very important:

Dear Mr. Premier:

You cannot seriously be considering allowing the Health minister to go ahead with her plans for rural health care in Saskatchewan. This gallant dumping of responsibility will have such severe ramifications it is impossible even to imagine the chaos that will result.

1. As each hospital, nursing home, etc., jockey for funding in the districts, communities will be pitted against each other, and even within communities, there will be strife. The effects of that will last for generations to come.
2. There will be no quality people on these boards. No intelligent person would even consider accepting any responsibility for the mess you will be creating.

And I didn't solicit this letter, Mr. Minister, nor did I create the atmosphere out there. But she wanted me to read this:

3. The cost to health care will be far greater than it is now, with the bulk of the money having been spent on these boards and administrations with little left for actual health care, Mr. Minister.
4. The deficit must be addressed and some changes will be necessary.

They're not afraid of changes, but be careful what you do. This fiasco will create an increase rather than a decrease in that deficit, Mr. Minister. Firstly, the plan itself will cost a very, very large sum of money to implement before you admit it is totally unworkable.

Secondly, as people lose their jobs, not just health care workers, but nearly every industry in the province, they will hopefully move out of the province to find work. If not, they will create a further drain in our welfare system. In either case, there will be an acute drain on the tax base, Mr. Minister. This alone will have a negative effect on the deficit.

5. The quality of health care will suffer. The best people in the field will leave the province rather than try to work under the stressful conditions the government is creating.

We had an example of that from Meadow Lake this morning . . . or this afternoon. No. 6, talking about health care taxation, Mr. Member from Swift Current.

People (patients) will not know where to turn for their health care needs. The very thought of trying to get help in an emergency situation in rural Saskatchewan makes my blood run cold. By the time the buck stops passing you will probably be dead.

Mr. Premier, I realize that this whole thing is political and the government is trying to get out of a very tricky responsibility. However, I would have expected you to learn from GRIP. Slow down. Take time to work out a concrete plan that can work. No one expects you to solve the deficit overnight.

We do expect to take responsibility — responsible steps towards a solution. Rushing into it will only make the situation increase instead of better. The solution will take time and hard work on the part of each of us, but we must begin with common sense.

And as I see this whole area of taxation bed itself down in what you say is equal opportunity, equal access for everybody, is a bunch of garbage.

I've seen it work before health care came in and I don't now want to have that. I have never been in a community that ever had no health care. And I don't want to go back to those kinds of conditions. And that, Mr. Minister, is what we're talking about — inconsistency in taxation throughout the south-west in all of Saskatchewan in order to provide the health care in a level format for the people that they serve in that community.

And that is what this letter to you asks you to address. And that, Mr. Minister, is a fact. If you'll go back and look, you'll find it. And it wasn't brought here to my attention because of myself. It was brought to the attention of this committee by the very fact that taxation is not going to be equal.

It will be less in Swift Current because the province will say, we'll fund it for everybody; put it in Swift Current. But who wants to keep sending their people from Vanguard, Ponteix, and Kincaid to Swift Current? Those people don't want that. They never have.

You know when I have received an equal amount of response and letters as I have received from Vanguard, is when a school was closed in my constituency. That's equivalent to what I received in letters from the Vanguard community, because they were told that they should shut their hospital down. And that is a fact, Mr. Minister.

And so what happens? The community will pick up the

tax tab. We've heard it from the Minister of Social Services. We heard it from the Minister of Health today: no it won't happen. But realism has to set in at some point in time, Mr. Minister, and that's the point we want to make.

Hon. Mr. Cunningham: — Well I hope realism does settle in soon. I think the Minister of Health is doing a very credible job of selling the wellness model and explaining it to people. I think if the members opposite would have taken the time to understand the wellness model . . . and that particular person may have not been contacted directly by you, but I think when members opposite stand up in the House and make statements about something they don't understand or refuse to understand, it creates a problem for us in explaining to people what the system is.

I think if you insist on sticking your head in the sand and refusing to do health care reforms, you will be the ones who will be sitting in an even smaller group over there after the next election.

Item 14 agreed to.

Items 15 to 17 inclusive agreed to.

Vote 43 agreed to.

**Consolidated Fund Loans, Advances and Investments
Rural Development
Vote 144**

Item 1 agreed to.

Vote 144 agreed to.

**Supplementary Estimates 1991
Consolidated Fund Budgetary Expenditure
Rural Development
Ordinary Expenditure — Vote 43**

Items 1 to 7 inclusive agreed to.

Vote 43 agreed to.

**Supplementary Estimates 1991
Saskatchewan Heritage Fund Budgetary Expenditure
Agricultural Division
Rural Development
Ordinary Expenditure — Vote 51**

Item 1 agreed to.

Vote 51 agreed to.

**Supplementary Estimates 1992
Consolidated Fund Expenditure
Rural Development
Capital Expenditure — Vote 67**

Item 1 agreed to.

Vote 67 agreed to.

(1615)

Supplementary Estimates 1992

**Consolidated Fund Expenditure
Rural Development
Ordinary Expenditure — Vote 43**

Items 1 to 16 inclusive agreed to.

Vote 43 agreed to.

**Supplementary Estimates 1992
Consolidated Fund Expenditure
Economic Diversification and Investment Fund
Rural Development
Vote 66**

Items 10 and 11 agreed to.

**Supplementary Estimates 1992
Saskatchewan Heritage Fund Expenditure
Agricultural Division
Rural Development
Ordinary Expenditure — Vote 51**

Item 1 agreed to.

Vote 51 agreed to.

**Supplementary Estimates 1992
Saskatchewan Heritage Fund Loans, Advances and
Investments
Agricultural Division
Rural Development
Vote 61**

Item 1 agreed to.

Vote 61 agreed to.

**Consolidated Fund Expenditure
Saskatchewan Water Corporation
Vote 50**

Item 1

Mr. Britton: — There's a few questions we'd like to ask, Mr. Chairman. Mr. Minister, I'd like to ask you, could you tell me why you didn't send back the written answers to the global questions that were sent over to you?

Hon. Mr. Cunningham: — I believe those should be over there now, I think. If they're not, I wasn't aware that we hadn't got them. If they're not, they should be there very shortly. We'll get them.

Mr. Britton: — Well thank you, Mr. Chairman. Mr. Minister, that'll help us a lot because I was wondering why we didn't get those. And that'll certainly help us to get through this a little more quickly.

Okay, you are on item 1, Mr. Chairman? Could you tell us, Mr. Minister, what exactly that is, that operating grant?

Hon. Mr. Cunningham: — This is page . . . pardon me, John. I'm still lost on where you're at here. Page 82? — at the top, number 1 there? Those are the numbers that are paid out from the Consolidated Fund to the Water Corp for operating money.

Mr. Goohsen: — Thank you, Mr. Chairman. Just before the officials leave, I would like to take this opportunity to thank them for all of their help with all of the questions that we've asked of them. I want to assure them that we will have a lot more questions for them next year, so they may as well sharpen up their pencils and get to work. And we'll try to keep them busy for the next year. But we do thank you and we appreciate it. And rural Saskatchewan appreciates your department and the work you're doing as well.

Hon. Mr. Cunningham: — Thank you, Mr. Chairman. I just want to thank the opposition and my officials — who have left already — but thank the opposition for the questions and the suggestions in the estimates.

Hon. Mr. Shillington: — Thank you, Mr. Deputy Speaker. I would thank the opposition for their co-operation. It was apparently the expectation that Sask Water be done a little later. We'll certainly have the officials here later. In the mean time we will proceed with, Mr. Chairman, will proceed with Energy and Mines, who are all here and ready and willing and able to answer the opposition members' questions. Sask Water will be dealt with on the conclusion of this.

Consolidated Fund Expenditure Energy and Mines Vote 23

The Chair — I would ask the minister to please introduce his officials.

Hon. Mr. Penner: — Thank you, Mr. Chairman. The officials that are here today are: on my left is Ray Clayton, the acting deputy minister; to his left is Dan McFadyen, the assistant deputy minister, resource policy and economics; to my right is Bruce Wilson, the executive director of petroleum and natural gas; immediately behind me is Lynn Jacobson, the director of personnel administration; and beside her is Les Beck, executive director of geology and mines.

Item 1

Mr. Britton: — Thank you, Mr. Chairman. Mr. Minister, I'm going to turn the questions over to the member from Arm River who's under a bit of a time restraint, and then will come back later.

Mr. Muirhead: — Thank you, Mr. Chairman. Mr. Minister, when we were discussing your estimates some time ago, we were talking about this quarrying problem for the Bakken family and you gave me a document on it last night. When we talked about it before . . . when we closed off, I went through by memory of the chronological order right through the seven or eight years and you said you also had that from the department. Is there a way that I can get a copy of that so we know we're all singing from the same song sheet?

(1630)

Hon. Mr. Penner: — Mr. Chairman, if the hon. member would be . . . We can get you this information but we

haven't got it right here with us. Can we get it over to you at some other time?

Mr. Muirhead: — Yes, that would be fine because it would help. I think this is not going to get resolved just today here. I just want to go through it as quickly as possible some of my concerns here. This document you graciously gave me last night, Mr. Minister, just a few of the paragraphs:

Most of the problems as related to the question of a surface access which is the responsibility of the agency responsible for administering Crown-owned service. (And then) The caveat placed on this parcel of land by the Minister of Agriculture was clearly effective when the land was sold to Conrad Bakken. On signing the caveat Mr. Bakken clearly acknowledged that all sand, gravel, and rock from this parcel of land was the property of the Crown.

Well they understand that and I understand that and we accept that and they accept those. And then we have a change, I understand. There's a change here in the second-last paragraph.

The change in administration of sand and gravel rights also requires amendments to The Provincial Lands Act. Once these amendments are proclaimed, the sand and gravel associated with Mr. Bakken's surface title will be administered by the Rural Development Department. A proclamation date is currently being targeted for early in the new year.

Is everything all done? Is this all in place? It just needs to be proclaimed. Is that all, Mr. Minister?

Hon. Mr. Penner: — Mr. Chairman, yes that's been taken care of. When The Crown Minerals Act was passed, these were consequential amendments to the other Act; and when The Crown Minerals Act is proclaimed, it will all be taken care of.

Mr. Muirhead: — Now the last paragraph of your document is kind of a shock to me and it's going to be a real shocker to the Bakken's, I'm sure:

Under this new statutory agreement, the caveat on this parcel of land will require review as this will be the only parcel of land in Saskatchewan where sand and gravel will be treated like a Crown mineral. The outcome of this review and the question of access to the sand, gravel, and rock in this parcel of land should be pursued with Rural Development.

Anyway, that's at a later time. Can you tell me why that is, that this quarter section will be the only one on this situation in all Saskatchewan? I just don't understand that, Mr. Minister, and I'm sure the Bakkens won't.

Hon. Mr. Penner: — Mr. Chairman, the member asks a very valid question. That is the only one in the province. And when that was placed on there . . . the caveat was placed on there, it referred to that quarter of land only.

But in the change of the legislation as we have now brought it in and it's been passed in this legislature, this caveat will be reviewed. And when it's reviewed, Rural Development will obviously want to take a look at this. And if it's reviewed and if the caveat comes off, then the minerals will go back to their natural state and not in the state that they are now.

So that's why we brought in this legislation. Without that legislation it would have stayed that way. And we brought in the legislation so that this would be possible to do this.

Mr. Muirhead: — Thank you, Mr. Minister. Now just so I have this straight. That means anybody owning land or anybody leasing Crown land that under the new . . . that the right of coring would be the . . . whoever has the surface rights would always have that right to coring. Is that what you're saying in this?

Hon. Mr. Penner: — Mr. Chairman, this is a bit of a complicated thing, but I think I can explain it to the hon. member. As long as that caveat is on there, the sand and gravel does not become part of a surface. Once the caveat is removed, then the sand and gravel becomes part of the surface, as it is in the case of freehold, part of the surface as it is in the case of freehold minerals.

So the point here is that the caveat has to come off before it becomes part of the surface. And this is something that Rural Development will take a look at as soon as the Act is proclaimed.

Mr. Muirhead: — Okay, I'm getting to understand that. But my question wasn't pertaining particularly to the Bakkens. I meant my question . . . Mr. Minister, are you saying that this new regulation change here would mean that anyone else out there that's renting . . . has their own land, own it or renting lands branch land that any quarrying on there would be a first chance for the person releasing that land? That's what I meant.

Hon. Mr. Penner: — Mr. Chairman, the answer is that that will be part of the surface once the Act is proclaimed.

Mr. Muirhead: — Okay, that's good. I thank you for that because that's been long overdue. That's been talked about for a long time. But the part of the Bakkens' problem here then goes strictly back to the old lands branch. Is that what'd you say? There is no problem here once this happens. Because the Bakkens' will be quite happy whenever that happens this winter or January 1 if they just have to deal with Rural Development over that caveat. That's all you're saying? Is that what you're saying?

Hon. Mr. Penner: — That is right, Mr. Chairman.

Mr. Muirhead: — Because I think that's where the problem has been. I don't know whether you're familiar with some of these here . . . the correspondence. And just give me a moment. You see, I don't know whether the Department of Energy even has the complete file or not. But here's where the . . . I don't think there'll be a problem with that caveat because Mr. Conrad Bakken was sent this letter on March 19, 1986. And I think it's very important that your people understand this so I think we can get off

this very quickly. This is written to Mr. Bakken regarding the east half of 13-23-1.

The Department of Agriculture, Department of Energy and Mines, the Department of Justice and the Department of Parks and Renewable Resources have reviewed in detail the possibility of selling the above land. As a result, I am corresponding with you to determine whether you wish to purchase the surface rights (to purchase the surface rights).

The province must retain complete control of the sand and gravel, as our legislation does not allow the province to sell sand and gravel except by a quarrying lease. Any agreement to sell the surface to you would accordingly be on the condition that the province continue to have ownership, control, and access to the sand and gravel, much the same as now. The province would register a caveat against the land to protect its interest in the sand and gravel.

So then at that time, Mr. Minister, there was a problem with the Squaw Creek Aggregate breaking the rules and regulations with lands branch. And also I have letters here to no end where there was a full right of any minister . . . I'm not blaming this administration. Ministers did have the right to have broken that agreement with Squaw Creek Aggregate, but it was never the minister's really fault. It was always this here continuous battle back and forth. Lands branch says, go to Energy and Mines; Energy and Mines would say, go to lands branch.

But here's what's in the next paragraph: Squaw Creek Aggregate Ltd.'s quarrying lease would have to be protected until it expires in April 1988. And that's signed by Jack Drew, the deputy minister of Agriculture.

And it was definitely the understanding, with no problem whatsoever, when the Bakkens come in and they were in the Walter Scott Building and they drew up this bill of sale, that after 1988 that caveat would only be there . . . It would always be there to protect the mineral rights, but it would be wide open for them to get a lease from Energy and Mines because Squaw Creek Aggregate, there was no way they were going to obtain a lease. That's always been the problem.

But if I have this kind of clear in my mind — and I think I have, seeing that this has happened — I think it will be no problem because Bakkens now owning the land, I'm sure there'd be no problem. Because I know where the note is, I know where the letter is — I haven't got it with me — that's pertaining to that and the bill of sale when that caveat comes off. Because when Neal Hardy was the minister of lands branch he said, if you can clean up your problems in Energy and Mines between the Bakkens and Squaw Creek Aggregate, that's not a problem; I'll soon lift the caveat.

So if that's what you're telling me, that all the Bakkens don't have to deal any more with Energy and Mines; it's strictly that caveat. Is that what you're saying?

Hon. Mr. Penner: — That's right, Mr. Chairman.

Mr. Muirhead: — Okay, I'm going to leave it there. I had a whole bunch of more letters and what not to go through, and I can see that it's not necessary. And I thank you very much, because you've clarified it in my mind. And I think when I go back to tell the . . . show that letter that your EA (executive assistant) wrote to me, Mr. Degenstein, and he wrote that part in there.

The only thing I want to say in closing, Mr. Minister, that when I talked to you about this case a couple times and I said to you very nicely that maybe that shouldn't have to be your problem now, that if I can explain this whole problem to your assistant or somebody, maybe we could save a lot of time. And I talked to Mr. Degenstein and he said to me that I'll get the file over. You and I will sit down and discuss it all, because I asked him to be sure not to listen to the one story. There's more stories than just the one coming from the department. There's the lands branch story. There's a lot to talk about. So he said we wouldn't bring Mr. Bakken in to just to meet with them, until him and I get through all the discussions on it, and then we'll have Mr. Bakken in.

And I was a little disappointed when I got a letter from him saying that there's no need for us to meet at this time. And I've seen that, Mr. Minister, with something that usually doesn't happen between . . . sent it to the minister last night here when an EA (executive assistant) didn't get back to us.

It's something that's always been in my 15 years here. It's a courtesy that we've always had, that ministers and MLAs (Member of the Legislative Assembly) and MLAs with their back-benchers give to one another, that we give ourselves all the time. And I feel disappointed that I didn't get a chance to sit down with your EA and cover this into a greater . . . more content to this. And perhaps we wouldn't have even brought this to the floor of the House, because I think he could've explained it to me.

And I just want to in closing, say thank you very much, and thank your officials for bringing this information to me. Because I think this solves the problem. And I'd like to thank you. And that's all the questions I have to ask.

Mr. Swenson: — Thank you, Mr. Chairman. I just have a couple of questions, Mr. Minister, and they deal with the south-east area of the province. As you know, the Shell oil company have a pilot project going in the Midale oil field with CO₂ injection. I understand that the Shand 1 power plant will be commissioned this weekend officially. And I'm wondering if the ability of that plant to have CO₂ gases stripped from the stack has been enhanced in any way, if there's ongoing conversations with Shell and others that would allow that to happen if the right economic situation works out.

(1645)

Hon. Mr. Penner: — Mr. Chairman, there's nothing on the Shand 2 plant now that can strip the CO₂, but not on that particular one, Shand 1. But Shell and SaskPower are engaging and have been engaging in discussions as to the possibility of building a unit on there which could strip the CO₂. And I guess — and I'm not familiar with the

SaskPower conversations — but I guess it would hinge a lot of the fact as to whether it would be economical to do so at this point.

And all I can tell the member now is that Shell and SaskPower are actively discussing the situation right now.

Mr. Swenson: — Mr. Minister, the Shell project, as I understand, has gone through another phase and it's currently on stream to the full extent of the pilot. Can you just tell the Assembly — and I understand that this is privileged information naturally to Shell oil company — but can you give us a feel for how it's progressing? Is it looking positive so far, or are they running into some technical problems? Is there anything that you can do to sort of enlighten the situation?

Hon. Mr. Penner: — Mr. Chairman, that's a very good question. And I don't have a very long answer for this because again we're not privy to a lot of the information. But early in '92 Shell started this CO₂ project, the injection of CO₂ into the wells.

And at this point, the information we have is that there is no CO₂ breaking through to other producing wells. So it's working at this stage, and they haven't had any real difficulties with it at this point.

So that's about all we know at this stage. I was there a month and a half ago or so, two months ago, when they had their official opening. And the officials that were there were optimistic that it was going to work, because they hadn't had any problems up to that point. And at this point we haven't had any information that they've had problems since then.

Mr. Swenson: — Is the government contributing monetarily to that project at all in any way?

Hon. Mr. Penner: — Mr. Chairman, no, we're not.

Mr. Swenson: — So to the best of your knowledge, there's been no agreement on a CO₂ supply negotiated between Shell and SaskPower or any other entity of government so far?

Hon. Mr. Penner: — No, Mr. Chairman, no. I don't know that there's any more than just discussions held. There's been no agreement, I can assure the member of that. But the discussions are ongoing and they may come to fruition and come to an agreement.

Mr. Swenson: — Has there been any other movement in negotiations — and I understand that the Leader of the Opposition and you talked a great deal about the AECL (Atomic Energy of Canada Ltd.) MOU (memorandum of understanding), or that portion of it. Part of that agreement dealt with the whole coal area and the ongoing attempts to reach a federal-provincial agreement on some coal research. And certainly Saskatchewan was in the running for perhaps a pilot project which would deal with coal gasification and the availability to strip certain gases and that type of thing out of the coal as it's used in electrical generation.

Is there anything further in those negotiations? Are we any

closer to a . . . I believe it's IGCC (Integrated Gasification Combined Cycle) technology?

Hon. Mr. Penner: — In response to that question, there is the Action Committee on Low-Sulphur Coal that was established quite some time ago. And they've had meetings but there's been absolutely no resolution at this point. Things have been rather slow in that area because the . . . having a little difficulty in getting the other provinces that are party to this low-sulphur coal committee to meet, and there's the B.C. (British Columbia), Alberta, and the Ontario governments. We've had some difficulty getting together with them. So there's been no action on that to date.

Mr. Swenson: — So I gather from this then that you're telling is that the renegeing by the Saskatchewan government on the MOU that was signed last fall has got nothing to do with this slow down that has occurred in the coal area, that this is a direct result of other provinces not willing to participate. Is that what you're telling me?

Hon. Mr. Penner: — Mr. Chairman, the cancellation of the AECL SPC (Saskatchewan Power Corporation) deal MOU has nothing to do with this. Other provinces have simply indicated that at this time they are not willing to proceed on a joint project. And they've also got fiscal problems and I guess that sort of limits their activity in this area as well.

Mr. Swenson: — Well I would just encourage you, Mr. Minister, given . . . And I'm sure you've been briefed on all of, sort of the attributes that Saskatchewan has with low sulphur coal, with power plants close to producing oil fields, with our leadership in certain areas of using coal, burning coal to develop electricity, that we're a natural.

And I know the pressures that the federal government is under. But there's a tremendous amount of possibilities there, Mr. Minister, that I think we could take part in, and I would hope that our reluctance in other areas isn't infringing on our ability to maybe grab a 2 or \$300 million project.

Here I would think that the federal green plan requirements are not going to go away. I'm quite amazed that those other three provinces have sort of let that slide because some of them have a great deal of difficulty meeting those requirements as we do. And we're now into '92 going on '93 with certain deadlines imposed by the green plan, and I would just encourage you to push that initiative as hard as you can. Because when you add it up, I believe Saskatchewan has more variable possibilities than any other jurisdiction in Canada to prove it out. That's all I've got to say on it.

Mr. Britton: — I have one question before we go on any further. Just before we get started, I notice there is a difference of 40 positions in person-years. Could you tell me where those positions went? And were they a total reduction, or just what happened to those 40 person-years?

Hon. Mr. Penner: — Mr. Chairman, those positions that . . . I think I understand what the member's asking. And if

they're not getting the answer that you're looking for, maybe you'll ask the question again. But those positions are in the revolving fund.

Item 1 agreed to.

Items 2 to 13 inclusive agreed to.

Vote 23 agreed to.

**Consolidated Fund Loans, Advances and Investments
Energy and Mines**

Nil vote.

**Supplementary Estimates 1992
Consolidated Fund Expenditure
Energy and Mines
Ordinary Expenditure — Vote 23**

Items 1 to 7 inclusive agreed to.

Vote 23 agreed to.

(1700)

**Supplementary Estimates 1992
Consolidated Fund Expenditure
Economic Diversification and Investment Fund
Energy and Mines
Vote 66**

Items 8 and 9 agreed to.

**Supplementary Estimates 1992
Saskatchewan Heritage Fund
Budgetary Expenditure
Resources Division
Energy and Mines
Ordinary Expenditure — Vote 1**

Items 1 to 3 inclusive agreed to.

Vote 1 agreed to.

**Supplementary Estimates 1992
Saskatchewan Heritage Fund Loans, Advances and
Investments
Energy Security Division
Energy and Mines
Vote 63**

Item 1 agreed to.

Vote 63 agreed to.

**Supplementary Estimates 1991
Saskatchewan Heritage Fund Loans, Advances and
Investments
Energy Security Division
Energy and Mines
Vote 63**

Item 1 agreed to.

Vote 63 agreed to.

Mr. Britton: — Thank you, Mr. Chairman. I would like to thank the minister and his officials for putting together the estimates that were quite easy to follow, and we thank you very much for your time.

Hon. Mr. Penner: — Thank you, Mr. Chairman. I would also like to thank the officials for assisting us in answering these questions. Also like to thank the opposition for the questions and for their co-operation.

The Chair: — On behalf of the members of the Assembly I thank the minister, the opposition members, and the officials for your participation this afternoon.

The Assembly recessed until 7 p.m.