

May 31, 1993

EVENING SITTING

COMMITTEE OF THE WHOLE

Bill No. 42 — An Act respecting the Creation and Supervision of certain Crown Corporations

The Chair: — I would ask the Associate Minister of Finance to please introduce his official.

Hon. Mr. Penner: — Thank you, Mr. Chairman. The official I have with me this evening is Scott Banda, the associate general counsel for CIC (Crown Investments Corporation of Saskatchewan).

Mr. Goohsen: — Mr. Chairman, by leave I would like to introduce some guests before I begin.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Goohsen: — Thank you, Mr. Chairman. Mr. Chairman, I am happy to introduce to you and through you to the members of the Assembly, my two daughters who are in the Speaker's gallery. Alice has just graduated from Minot State University where she came through the honours program in speech pathology, and Kathy is a pharmacist over in Moose Jaw.

They found the night life so boring in Moose Jaw, they decided to come over to Regina to find out what a real wild place this is, and of course, they picked the Legislative Assembly to find the most excitement in town.

And so with that, I would ask you to please welcome them to the Assembly.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

**Bill No. 42
(continued)**

The Chair: — If I might, from the Chair, I hope it doesn't get that exciting tonight.

Clause 1

Mr. Goohsen: — Thank you, Mr. Chairman. I guess now we have to go to work and try to prove to the people in the galleries that there is something useful goes on here. I'm not too sure if that's going to be accomplished or not, but we'll give it a whirl.

Mr. Minister, as we all will recall that the folks who are watching these proceedings tonight, from the outside part of the world, you will know that we did go through this Bill extensively, as we do, in the Crown Corporations Committee. Unfortunately, for the rest of the world around us, folks are not as likely to have been able to follow the process and to know what

work was done. And just to compliment the process a little bit, I will say that a lot of work was done and the public should recognize that an awful lot of time and effort went into the process to try to make this a better Bill.

Unfortunately though, from a point of view as an opposition person, we were disappointed that the amendments in the large part that were presented by the opposition were voted down by the members of the government who have of course the majority of people in the Crown Corporations Standing Committee.

I think though that the question has to be raised, Mr. Minister, why in the process of going through the committee where the public would not become aware of the natural confrontation that we as opposition have with you the government and back and forth and that sort of spirit of adversarial approach I guess that we accept, in the committee there should have been — and the member has said it — there should have been cooperation because the general public wouldn't of course see what went on.

You wouldn't necessarily have been capitulating to giving us credit for anything. You simply would have had to accept the fact that we might have helped the process to give you a better Bill. And considering that most of our recommendations were based on advice by the auditors, it seems odd to me that you wouldn't have encouraged your members who held the majority in the government side of that committee to go along with trying to make this into a better quality of Bill for the general public to be able to accept and to serve society in general in a better way.

I'm going to read one of these out just to give an example, and I'm going to just pick one at random. I'm going to pick no. 11, and I'm going to read it into the record. I hope I pick a good one, but it's just the luck of the draw here, Minister. And then I'd like you to comment on the thing, and this one in particular as well as the rest all together, why you would see fit not to support putting some of these kinds of amendments into the Act to make it better.

No. 11 reads:

Resuming consideration of section 34, it was moved by (the member from, I won't say his name — it was our other member):

Amend clause 34 of the printed Bill by adding immediately after the words "every designated subsidiary Crown corporation" where they appear in subsection (1) thereof the words:

"and every subsidiary body corporate".

A debate arising and the question being put, the motion was negatived.

Okay, now I'll let you respond to that and explain to

the general public why you wouldn't allow a simple little amendment like that to be put in to try to alleviate the worries and the concerns of the auditor, as of course he was doing in the . . . I think there's something like 13 or so amendments. I didn't count them exactly today, but there were several of them that were presented. All of them were voted down by government members except for one. Would you please respond, Mr. Minister?

Hon. Mr. Penner: — Mr. Chairman, I wonder if I could ask the member from Maple Creek to clarify which amendment? I thought he was talking about amendment no. 11? That is the amendment? . . . (inaudible interjection) . . . We'll just check that.

I'm sorry, Mr. Chairman, but I would ask the member to clarify it because we have some difficulty relating section 34 to the amendment that he was reading. So I wonder if he would mind clarifying that for us so we could give an answer.

Mr. Goohsen: — Okay, I guess if you have your Act in your hand, if you don't have the *Hansard*, then if you look under number 34 of the Act and consider that we would:

Amend clause 34 of the printed Bill by adding immediately after the words "every designated subsidiary Crown corporation" where they appear in subsection (1) thereof the words:

Okay? And here's the words that we wanted to substitute:

"and every subsidiary body corporate".

Have you found it?

Hon. Mr. Penner: — Thank you, Mr. Chairman. I think we now understand what the member was referring to. The answer to the question is that, first of all, we do not control all the body corporates that the member is talking about, and I'll give you an example. For instance, SaskTel International is one that we do not control; it's a subsidiary of SaskTel. And in order for them to disclose their financial interests and their financial business which sometimes is of a very confidential, commercial nature, could jeopardize the company, and that's why we're not adding that particular amendment to that section.

Mr. Goohsen: — Thank you, Mr. Minister. I want to do another one if I can find that they are the same ones — here we are — just to get the public an idea of the kind of things that you are considering to be unfair or not acceptable to be included in the Act so that people will know the kind of things that the auditor is recommending that you are of course turning down because we of course in opposition became the tools both of our own requirements as well as a tool of the auditor. So moved by the member from Moosomin again here:

Amend clause 34 of the printed Bill by deleting subsection (2) thereof and substituting the

following therefore:

Now it's on the same part so you should be able to just follow down through the Bill.

"(2) Notwithstanding **The Tabling of Documents Act, 1991**, CIC shall submit to the Minister, and the Minister shall lay before the Assembly on or before the April 30 following its fiscal year end:

- (a) the report and financial statement required pursuant to subsection (1);
- (b) a summary of its operating and capital budgets; and
- (c) its non-consolidated financial statements."

Now, Mr. Minister, that was voted down in committee by your government members. We felt that it was a fair and reasonable request by the auditor to have these kinds of things done. And we would like an explanation to the public why you would refuse to go along with the auditor's recommendation that these kind of points should be followed. I think you owe it to the general public to explain to them why you wouldn't want to have this kind of openness for the general public, especially when you consider that you have gone for a year and a half in your mandate saying that you are going to be an open and accountable government.

And this certainly would have opened the door for the auditor to give the impression and the perception that the government is open and honest. Even though they might be open or be doing everything right, the perception that there could be something wrong might be misconstrued in the way that the Act is presently going to be passed.

And with these points in it, all of that could have been removed. It was sort of like making sure that the perception was correct rather than being false.

(1915)

Hon. Mr. Penner: — Well, Mr. Chairman, in response to the member's question, as we did in 1991 and in 1992 in our CIC annual report, financial report. We did table the non-consolidated statements and we set the precedent and we will continue to do that. We see no need to put that into the Act. Once the precedent is set it'd be pretty difficult to change.

But I think the fundamental question that the member is referring to here is whether we should be treating the Crowns as line departments. The Provincial Auditor obviously feels that there is some need for the Crowns to be treated like line departments. We, however, disagree with that. The Crowns have always been different from line departments, right from the time of their inception back as early as 1944, whenever the Crowns were first established.

They've always been treated differently than line departments and they've reported differently. They have not had to table all those documents in the legislature as the line departments are. And we maintain that the Crowns should be treated differently than line departments because they are in a more . . . well they are a commercial venture in most cases and for them to have to do the same thing as a line department may sometimes jeopardize the business that they do.

So our decision has clearly been that we will not treat the Crowns as line departments. We will treat them differently as Crown departments . . . as Crowns have always been treated.

Mr. Goohsen: — Well thank you, Minister. I appreciate the fact that you made that explanation. I'm not so sure that the general public will accept that explanation as being the one that they would expect to hear. It seems to me that most folks in our society have grown to a point where they simply don't trust governments any more. They outright say in every survey, they don't trust politicians any more. And I'm afraid that the record has to reflect that there are more than a few things that have happened that would indicate that people are less than trustworthy of the administration that we're dealing with here.

The truth of the matter is, Mr. Minister, that folks are not willing to take you at your word. And when you say, we did it before so we're always going to do it good now, that might be okay for you because everybody understands that you are a fine, Christian gentleman whose word is his bond, and you are without question going to live up to that. But we see how quickly cabinet ministers turn over for some unexpected reason, in the past, and as has happened in your government in the past few days.

There's no reason to expect that you or I might not possibly have a heart attack and die, or something could run over us, whoever. Maybe one of your colleagues would get you with a bicycle. But the real truth of the matter being that the next — and this is the bottom line — the next person to take your position might not be so honest and so conciliatory towards the process.

So why, Minister, would you leave it up to the doubt? Why not put it in fact into the legislation so that it is absolutely bound in the sacred enshrinement of the document itself, making sure that nobody can play games with the process. It would be written down that what we have done we intend to do, and we shall do it — not we will do it because we have a precedent. Put it in the legislation; let people know that you're open and honest. Absolutely no reason why you should get hurt by this politically. I can't see where it would do any harm to you.

You're building a process here where people will doubt the accountability of CIC and they will doubt the accountability of the Crown corporations to the general public. And that's important, because even though you say they have a different role than the line

departments, is it not true that it is your philosophy that Crown corporations are owned and controlled by the government and that business should be run that way, and therefore it becomes the property of the taxpayer and should be accountable to the taxpayer.

Now that's your very philosophy. Personally I see a lot of things in the Crown corporations that the private sector could probably run better. But you don't say that. Your government says you can do it better through this process. You say that that process is better because it's accountable to the people because the people own it and control it, but yet there is no accountability. You're creating a super-Crown here where one Don Ching will be one man in this province who will control 40 per cent of the entire budget of this province — 40 per cent of the entire working of this province under one man's thumb.

Now if that isn't ultimate control by one person that requires accountability, especially when you hear who the person is and all the things that he's been involved with in the last few days and all of the problems that he has caused for Federated Co-op, now there is reason enough for the general public to demand that this individual be put in control of a department that is absolutely airtight in the legislation towards the direction and the goal of accountability.

And, Mr. Minister, I'm sure that you see that. And the minute you're no longer the minister you will say, I wish we'd have put that in there because your one-term government is going to regret when somebody else like the independent member appoints somebody else to take control of your Act and appoints somebody else — a friend of hers or somebody else's — to be in control of 40 per cent of the province's wealth.

And you're going to say, what did I do? We should have controlled that when we wrote the legislation. Because they won't treat it the same way you are. And it's a problem, a big problem.

We put in 12 amendments based on the auditor's recommendations and you turned them all down for politically partisan reasons. You were afraid that somebody in the general public might find out that we suggested it and you'd have to give somebody else credit besides yourself. And that wouldn't have had to happen. But you are destroying the credibility of your own government for partisan political reasons by not incorporating a lot of these amendments into the Act and appeasing the requirements of the auditor.

I want you, Minister, to explain to the general public how it is that you think that this province will benefit by having one Don Ching in control of 40 per cent of the wealth of this province.

Hon. Mr. Penner: — Well, Mr. Chairman, I'm not sure I'm going to answer that question because I don't think that the legislature and the Committee of the Whole here is designed so that they can take shots at someone who is not here to defend himself. And I have confidence in my president of the Crown

Investments Corporation. He's a competent individual and will be able to manage the affairs of the Crown corporations very, very adequately. And if the member has something specifically that he wants to charge the president with, then I think he should come clean and say that, rather than make general statements and insinuations.

I would like to make a statement however that I think the members opposite should pay attention to, and that is what the Provincial Auditor says about the accountability of Crown Investments Corporation and the Crowns. The auditor says that the CIC report, financial report, is the most open and complete report that he has ever seen, that we have instituted a lot of things which make this report open and accountable to the people of Saskatchewan.

And we will continue to do that whether the minister changes or not. This government has a commitment to openness and accountability, and we will continue to do that.

The other point I want to make to the member is that he seems to indicate that the members on the Crown Corporations Committee on the government side are not competent and credible people. He seems to indicate that the only two credible people there were the two members from the opposition. Well I happen to disagree with that, that the members on the government side listened very carefully to the amendments that were proposed. They debated them, they discussed them, and they decided in their wisdom that these amendments were not necessary to enhance this Act and to increase the accountability of the Crowns.

Mr. Goohsen: — Well thank you, Minister, Mr. Chairman. The answer leads to another question. If the members were so independently able to make up their own minds, how come they looked at you every time they voted and how come half of them were replacements at every meeting and not the same people showed up for the meetings?

Hon. Mr. Penner: — Well I guess, Mr. Chairman, it's pretty tough for me to say why they looked at me, you know maybe I'm just an interesting person and they want to look at me. I don't really understand that. But I want to say to the member that just because it wasn't the same group of people there every time doesn't diminish the credibility or the accountability of those people. These people are flexible and can sit on this committee and understand what's going on and vote intelligently on the amendments that were being proposed.

Mr. Goohsen: — Well, Mr. Minister, you can fool some of the people some of the time but you can't fool all of the people all of the time. And there isn't anybody in this province that is so naive as to expect that one government member would dare go against you and your thoughts in that committee room and vote anything but what you told them or they'd be out of their seat so fast their heads would spin and they wouldn't be in the NDP (New Democratic Party) any

more and they wouldn't be in this Assembly unless they moved to an independent spot with their chair.

Nobody is going to pay that price to come up against you and your will and so the reality is, sir, that you decided for partisan political reasons that you would not accept good advice from the auditor, channelled through opposition amendments to this legislation that could have never made it good legislation but at least could have made it accountable. And it will never be good legislation because having a single Crown corporation that can control 40 per cent of the wealth of this province is absolutely a disgrace. It is a disgrace to democracy and it's a disgrace to this province. And it will come to haunt you, sir, because this man, Don Ching, is not going to be able to handle this in the way that you hope and he will be covering his tracks before very long and I guarantee it. You watch and see. Mark my words. Repeat me next year or the year after if I'm wrong.

You repeat me if something doesn't happen that he decides that there are things here that the general public would be better off not knowing because he was involved in something that may not appear to be as good as it really was in reality. So he will choose not to report it. It will happen as sure as the sun comes up in the East.

Mr. Toth: — Mr. Chairman, a couple of questions here. First of all I'd like to make a few comments. Number one, we had a fair discussion in the . . . down in Crown Corporations Committee as to whether the Bill should have actually left this Assembly and gone to Crown Corporations.

And Mr. . . . the minister was in the committee. I'm not exactly sure what all the details were but the minister talked about the support the Provincial Auditor gave to CIC, and yet in consultation with the auditor, the auditor recommended that Bill 41 be referred to the Public Accounts Committee. The Public Accounts should have opportunity to discuss the effect the new Act will have on the ability of the Legislative Assembly to hold the government accountable.

And then he also recommended Bill No. 42, The Crown Corporations Act, be referred to Public Accounts. This Bill proposes changes that may also affect the ability of the Assembly to hold the government accountable. And for an auditor to suggest that what Bill 42 is going to do is going to take away . . . or take away the ability of his office or the public to really . . . or the government to really be accountable for CIC, I think there was some major questions there.

And I'm partially concerned . . . or:

. . . particularly concerned this Bill proposes changes that override The Provincial Auditor Act. These changes may affect the ability of my office to serve the Assembly.

Now, Mr. Chairman, a number of questions were raised in committee. Number one, the first question

which was . . . we weren't exactly sure and I wasn't privy to the consultation that took place, but why the Bill was sent down to Crown Corporations Committee. And we had discussions in our own caucus where the fact that we believe that it would have been more appropriate to send the Bill to the Public Accounts Committee.

And that's the very point the Provincial Auditor was bringing out too, because of the fact that the Provincial Auditor is an active participant in Public Accounts whereas in Crown Corporations the auditor was invited in as a witness for a period of time.

Now the minister would argue that his colleagues indeed took the time to aggressively look into the details of the Bill. And I would suggest to you that there was no participation of any of the government members on the details other than to support the minister on every one of the amendments they brought forward.

And when you look at the Bill and some of the discussion that took place between my colleague and the Minister of Finance, the Minister of Finance in response . . . or my colleague, the member from Morse, wrote the Minister of Finance and suggested that Bills 41 and 42, on recommendation from the Provincial Auditor, go to the Public Accounts Committee if indeed they are moved out of this Assembly.

(1930)

Now it would seem to me, Mr. Chairman, that it would have been more appropriate to address all the details of Bill 42 in the Assembly because of a greater accountability and greater public access to all the discussion that was taking place. And in regards to the response my colleague received from the Minister of Finance, the Minister of Finance did agree and the government agreed to send Bill 41 to Public Accounts, but sent 42, Bill 42, to the Crown Corporations Committee.

And the reason we had a problem with that, Mr. Chairman, is because of the fact that the Crown Corporations Committee is actually chaired by a government member. Basically that committee can be manipulated and controlled by the government members more so than the Public Accounts Committee where the chairman is an opposition member and has the ability to question and quiz the government a little more effectively, especially on a Bill with this . . . the intensity that this Bill created, and in light of the number of the concerns the auditor brought forward and the fact that the auditor is an active participant in the Public Accounts Committee.

Now one has to wonder what the purpose of Bill 42 really is. That was one of the questions that the Provincial Auditor raised. And I would like the minister to explain exactly what Bill 42 really is.

Now I expect that after he's finished explaining it, he'll be just letting us know again it gives the . . . he'll be

giving his interpretation of what he really means by Bill 42. But I think if we'd have had the ability to sit here in the House and address all the questions that the auditor . . . and if it would have gone to Public Accounts, we would have received a great openness because the auditor would have been a more active participant.

Now I wonder if the minister would at least take a moment to explain what — and I guess I may as well phrase it — what he sees as the real purpose of Bill 42.

Hon. Mr. Penner: — Well, Mr. Chairman, let me first of all comment that the Provincial Auditor was at the Crown Corporations Committee during the entire hearings. At least all the time that I was here, he was there. And some instances he was asked for input and other instances he was simply there as an observer.

When it was all finished, I had the impression that the Provincial Auditor was satisfied with the outcome of the Crown Corporations Committee meetings in dealing with Bill 42. I think we're hearing some objections here now simply because they didn't get their way in Crown Corporations, so now they're proceeding with some objections.

Let me point out the purpose of The Crown Corporations Act, and I will be very brief on this because we could spend a lot of time. I could do the whole second-reading speech again and that would give you the purpose of The Crown Corporations Act, but I'll do it in very short, summary form.

The Act is prepared to do the following. First of all it's to define a Crown corporation. And I think this is important that we understand what the definition of a Crown corporation is. It clearly sets out the function of CIC, the Crown Investments Corporation, as the holding company of the Crown corporations that exist in Saskatchewan.

Thirdly, it places a duty of care on the directors and officers of the Crown and makes them liable for the Crown's actions. It establishes conflict of interest guidelines for directors and officers. It creates a clear reporting structure for the Crowns sector.

The Crowns report to CIC, to the CIC board, and to cabinet. And that's the route that the reporting goes. First the Crowns to the CIC, then to the CIC board, and then ultimately to the cabinet.

It increases the accountability of the Crown sector as suggested by the Provincial Auditor and as evidenced by this dismal situation that we had in some of the Crowns before. It requires timely filing of annual reports within 90 days of year end.

And finally, it prevents the establishment of secret Crown corporations by requiring that all new Crowns be created by order in council, and consequently reported . . . subsequently reported to the legislature.

That in summary, Mr. Chairman, is what the Act is designed to do.

Mr. Toth: — Another major question that was raised by the auditor, and I'm not sure if he really specifically raised it in committee, but, Mr. Minister, what are the changes from the current Crown Corporations Act?

Hon. Mr. Penner: — Mr. Chairman, I will attempt to answer this question. However this is going to be very, very sketchy, for the simple reason that this is basically a new Act, so that it's difficult to outline the changes that are there from the old Act.

But let me just go through these as we have tabulated them here. I think a lot of them were in the explanation that I gave earlier but I'll give it again.

This Act now defines the Crown Investments Corporation and its responsibilities. It sets up a clear reporting structure. And I outlined the reporting structure before. It's from a Crown to CIC; CIC to its board; and from the board to the cabinet.

There's a whole new part in this Act that deals with directors and officials. It distinguishes clearly between a Treasury Board Crown and a CIC Crown. It provides greater accountability, as I mentioned before, in at least three different areas. One of them is in the timeliness of the annual reports; one is the purpose and objectives of the Crown have to be tabled in the legislature if a new Crown is being established; and all major investments that are being made require an order in council. The investments cannot be made or purchases cannot be made without an order in council if they are major. If they're smaller ones they can, but if they're major ones they cannot.

That in very brief, summary form outlines the differences in this Act and the old Act.

Mr. Toth: — Mr. Minister, as well, and I'll give just a couple questions here probably somewhat similar that were brought to our attention as well. How do the changes improve the government's ability to manage; and number two, how do the changes improve the Assembly's ability to hold the government accountable for its management of these important public enterprises?

Hon. Mr. Penner: — Well, Mr. Chairman, again the questions are fairly broad and I'll just try and give a brief answer to each one of them.

The member asked about how this would provide better management of the Crowns. Well we think it'll provide better management because since CIC is the holding company for all of the other Crowns, we will have a coordinated approach to the other Crowns. And the Crowns will report to CIC with their budgets, their plans, and so on, and the rates that they want to charge. And CIC will coordinate these so that there will be a more effective reporting method back to the legislature.

How to report back to the legislature. Well Crown corporations report to the legislature through their annual reports. And the Crown Corporations

Committee can take as much time as they want to talk to the different Crowns and to the heads of different Crowns and the ministers in charge of those Crowns so that they are fully satisfied that they have the information that they need.

The legislature also will be served with annual reports on a timely basis and with CIC being the holding company and responsible for the other Crowns, when CIC reports to the legislature you will find that there'll be a more coordinated and comprehensive method of reporting to the legislature.

Mr. Toth: — Mr. Chairman, Mr. Minister, the minister talks about CIC reporting in a timely fashion. And as my colleague indicated, there were a number of amendments raised and brought forward addressing the accountability of this corporation being formed by Bill 42.

A number of the amendments were brought forward based on suggestions from the Provincial Auditor who was looking for greater . . . calling for strengthening of the accountability factors. And he raised a number of areas.

And yes, there was one amendment brought forward that the government members agreed on, and that was putting a time period to have the reports tabled before the Assembly. I believe that was a 90-day time frame, and an area that certainly a lot of government members have talked about over the past number of years and suggested we should have.

Minister referred to as well the fact that the auditor was at all the committee meetings. And that's true. And I didn't say that he wasn't. The fact is though, the auditor was there as a witness, not to be a participant, a full participant as he would have been in Public Accounts.

And I think it would have been . . . The reason we raised the points earlier was if the auditor would have been able to be a full participant, he could have explained some of the rationale for his reasons why he was asking the opposition to bring forward a number of amendments — amendments that would require CIC to table its summary of operating and capital budgets in the Assembly or require CIC to table its non-consolidated financial statements, or amendments to require the government to provide information about the reasons for making significant investments in corporations, for investing public money, amendments to require the government to provide information about the reasons for keeping significant investments in corporations on an annual basis, and to require financial statements for each and every subsidiary be provided in the Assembly on a timely basis. And there were a number of amendments that the auditor brought forward that certainly my colleague and I raised in Crown Corporations Committee.

A question I would like to ask, Mr. Minister: do the Crown corporations pay all their dividends into CIC and then from CIC into the Consolidated Fund?

(1945)

Hon. Mr. Penner: — The answer to your question is correct, is yes, that they do pay them to CIC and then CIC pays to the general fund.

I'd just like to make a comment or two regarding the member's comments. The Provincial Auditor and Crown Investments Corporation are not in conflict, as the member seems to suggest. We both want the same thing. And I trust that the members opposite also want the same thing, and that is accountability to the legislature and consequently to the people of Saskatchewan.

We disagree however on the process, and we will probably always disagree on the process. In this case the Provincial Auditor made some recommendations that we did not agree with. This does not mean to say that we're not interested in accountability. We think that we have provided accountability through the Act, and the Provincial Auditor has some other ideas. And I respect him for his other ideas, and he's obviously at liberty to bring those forward.

We, however, chose not to incorporate his ideas into the Act. At some subsequent, future date, these may be incorporated into the Act but right now we chose not to do this.

The member also mentioned the timeliness of the tabling of reports. We don't think that those dates need to be written in this Act because there's a tabling of documents Act which already states that the reports have to be tabled on a timely basis, which is 90 days after their year end. So it would simply be duplication. We could write them in here, but it would serve no useful purpose because it's already in a different Act.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, it seems to me that one of the recommendations the auditor made in his auditor's report was that all Crown corporation dividends should have been paid to the Consolidated Fund, and then the Consolidated Fund would then pay out to CIC based on the demand or the need from CIC for any funding. And by doing that, Mr. Minister, you would have then been more accountable to the public and to this Assembly and also to the Provincial Auditor.

Now the fact that you've chosen just to pay them all into the CIC, it basically puts dividends from the Crowns, a large portion of the provincial Crown corporation funding, in the hands of a few people, as my colleague, the member from Maple Creek, had indicated. And so I find it interesting, Mr. Minister, that you would argue today that you found it convenient not to adhere to a number of the recommendations the Provincial Auditor brought forward.

And yet it wasn't that many years ago that many of your colleagues here in opposition were in support of everything the Provincial Auditor was bringing forward and recommending. So I find it interesting

that today you would find it convenient now not to accept all or a number of his recommendations, and I wonder if you have a response.

Hon. Mr. Penner: — I think the member, Mr. Chairman, will recall when I was reporting to the Crown Corporations Committee, I indicated very clearly that this government was anxious to work with the Provincial Auditor, not against the Provincial Auditor. But that doesn't mean to say that you will agree with the . . . that these two parties will agree with each other all the time.

I think that there's one fundamental difference between the way we see the Crowns and the Provincial Auditor sees the Crowns. And subsequently now the members opposite see the Crowns that way too, although when they were in government they saw it differently.

We do not see the Crowns as being line departments. They do not report in the same way that a government department would, for a lot of obvious reasons which we discussed in Crown Corporations Committee. And probably the most fundamental reason why they do not report as line departments and disclose their budgets and their investments and their plans in as much detail as a line department is because they are commercial Crowns. And by disclosing this information they're simply giving their competitors an edge that they should not have.

Now in a case of SaskTel where we have very, very fierce competition from outside of the Crown corporation now, we have to be careful that we do not disclose information that will give the competitors an edge on SaskTel.

So the fundamental difference here is simply that we do not see the Crowns as line departments and they aren't going to be treated that way. And we've said to the Provincial Auditor that that's the way we're going to . . . that's the way we're going to operate. And I think he is ready to accept the fact that that's the way we're going to operate.

We're going to be accountable. We're going to be open. We will table our reports to the legislature on a timely basis, full disclosure of everything that goes on in the Crown through the annual report. And we've got nothing to hide. It's just that there's a difference in which way we're going to report to the legislature.

Mr. Toth: — Well, Mr. Chairman, and one of the minister's colleagues talks about a new concept. Well I guess time will tell. The minister also indicated a little earlier that yes, we're going to disagree on the fundamental ideological differences, and there's no . . . we all are aware of that as well.

But regarding Bill No. 42, and this major Crown Investments Corporation, Bill 42 creating this CIC.

There are a lot of people that . . . and the media were . . . the question that's being asked is who's keeping tabs on the Crowns? And time will really tell if indeed this

is a more open way of running government.

Now I think when you look at the . . . according to the article here, we see the fact that the CIC is going to be in the hands of a number of the Premier's former cronies. Mr. Ching is going to be the president. Mr. Dombowsky — and we all know where he came from. He came from the Potash Corporation of Saskatchewan. I also see the firm's general counsel is Scott Banda, son of former NDP MLA (Member of Legislative Assembly) Dennis Banda, and it's also nice to know that there are some lawyers still willing to pick stones.

But when you look at the whole process and the format, Mr. Minister, I don't think there's anyone — as the media have even brought out — will argue the fact that there's still a number of questions. And those questions will always be there. At the end of the day, time will tell if indeed this is a more accountable . . . and there's greater answerability to this Assembly; or if, as the last statement basically brings out here, we're going to see that in the end all this has been is a holding company for funds to run the 1995 general election on.

And at the end of the day, we will see. We will know whether or not this has been accountable. But it would seem to me, Mr. Minister, what we've created is just another area whereby the government can upfront and in the open and to the public say they've got a more accountable process in place. But in reality, it is another way for the government to manipulate and to hide the funds or to maintain control over the funds without the public really having access to it.

So, Mr. Chairman, those were a number of the concerns that we raise. We raise them in committee. We raise them tonight just to make sure that they're out for the public to be aware of them. And I guess, Mr. Chairman, with the number of members in the Assembly that the government has, there isn't really a lot that we can do to stop the Bill. However we just wanted to make sure these points had been brought forward in a public way. So we'll move on.

The Chair: — Just before we proceed, the members will know that there were a number of amendments made in committee. Those amendments were agreed to by the House. When we come to a clause where there has been an amendment made, I will simply ask for agreement on the clause as amended.

Clause 1 agreed to.

Clauses 2 to 4 inclusive agreed to.

Clauses 5 to 7 inclusive as amended agreed to.

Clauses 8 to 21 inclusive agreed to.

Clause 22 as amended agreed to.

Clauses 23 to 28 inclusive agreed to.

Clause 29 as amended agreed to.

Clauses 30 to 32 inclusive agreed to.

Clauses 33 to 36 inclusive as amended agreed to.

Clause 37 agreed to.

Clause 38 as amended agreed to.

Clauses 39 to 44 inclusive agreed to.

Clauses 45 and 46 as amended agreed to.

Clauses 47 to 59 inclusive agreed to.

The committee agreed to report the Bill as amended.

Hon. Mr. Penner: — Mr. Chairman, I'd like to thank the official, Scott Banda, for coming over this evening and thank the members of the opposition for their questions.

Mr. Goohsen: — Thank you, Mr. Chairman. Mr. Minister, we would add to your sentiments at thanking the officials for coming in. We know they didn't have to work too hard tonight, but they certainly did have a lot of work during the whole process of this Bill going through the standing committee. And we do thank them for their input and for their candour, and we thank you all.

(2000)

Bill No. 85 — An Act to amend The Saskatchewan Medical Care Insurance Act

The Chair: — I would ask the Minister of Health to please introduce her officials to the committee.

Hon. Ms. Simard: — Thank you, Mr. Chair. To my left is Ms. Glenda Yeates. Glenda is an associate deputy minister responsible for insured services. And to my right is Mr. Gerald Tegart, a lawyer with Justice.

Clause 1

Mr. Neudorf: — Thank you very much, Mr. Chairman, and Madam Minister. I think there is certainly a consistency running through your government's Acts and your direction in which you are heading in many areas.

And the member from Rosetown says thank you. Unfortunately my comment was not necessarily intended as a compliment but rather to the detriment to the people of Saskatchewan. And I think this medical care insurance amendment Act or to amend that Act is an indication of what I'm speaking about.

Madam Minister, the way I understand this Bill and according to some of the explanations that we have received, is that a purpose for this Bill is to de-insure lab services provided by pathologist-supervised, privately owned — in other words commercial — laboratories under the medical care insurance Act.

And then you say, these services will still continue to be provided but paid for under a different authority.

My question to you is, who is going to and what is this different authority that you are referring to? And furthermore, that there is a clause that de-insures laboratory services provided in the province by pathologists and pathologist-supervised private labs, and it eliminates the fee-for-service payment mechanism for those services.

Now, Madam Minister, my subsequent supplementary question that I would like to tag on as you answer my previous question is what are specifically the services that are being de-insured? Could you list them for me in . . . some of the more prominent ones. And if the list is too long, I would also prefer if I could get a copy of that list.

Hon. Ms. Simard: — Mr. Chair, first of all I want to make a point that services are not being de-insured. Fee for service is being de-insured. In other words we will not pay for lab services on a fee-for-service basis. The services however, will continue to be provided through some other arrangement, other than fee for service.

The services that are not going to be provided for by fee for service are essentially all those services that are provided by pathologists in labs for the . . . in labs in other words, in the lab-testing area. Now as to the details of that, there may be further details on that in regulations but it's essentially all the services that are provided by pathologists in labs.

Mr. Neudorf: — Madam Minister, when you say labs, what type of labs are you referring to in terms of privately owned and privately operated labs or public labs?

Hon. Ms. Simard: — The only ones . . . in other words, all lab testing done in large commercial labs. Testing that's done in small, doctors' offices that have a very limited range of tests actually that are done in those offices are not de-insured on a fee-for-service basis. It's testing done in large commercial labs and also the testing done in hospitals and through the public sector will all be handled by district boards and they will be looking at contractual arrangements with public facilities and private facilities.

Mr. Neudorf: — You mentioned that there would be some other . . . in lieu of fee for service being paid that these would now be paid through other arrangements. Could you elaborate on that?

Hon. Ms. Simard: — We will be funding the district boards to provide lab services and the district boards will then make arrangements with people in the lab sector to provide the services. What sort of arrangements they make, it will probably be done through contract but it will depend on the various circumstances and it will be up to the district boards to make these arrangements with the individuals in the lab sector.

What will not occur is that we will not pay large commercial labs on a fee-for-service basis.

Mr. Neudorf: — Will you pay for small commercial labs?

Hon. Ms. Simard: — We will pay for small, physician office labs.

Mr. Neudorf: — Okay, now just in your own words then, Madam Minister, distinguish for me, please, the difference — or differentiate between a small, doctor's lab and a commercial lab. I fail to see that significance. Does it take two doctors and having a pathologist doing their testing for them? Is that when it becomes a commercial lab? What is your definition of that?

Hon. Ms. Simard: — The difference is that in a small lab, a general practitioner's lab, there's a limited range of services that they do and they do it in association with the patients that we see. The other arrangement that exists in the province are pathologist-supervised, large labs. And the fact that it's supervised by a pathologist means that that is essentially all that that specialist does, is lab testing. And these labs tend to be large in the province.

So general practitioner labs, in other words labs within a doctor's office, will continue to be paid for on a fee-for-service basis, but then there's a limited range of testing there. The large, pathologist-supervised labs we will no longer contract on a fee-for-service basis.

Mr. Neudorf: — But this limited service that's available in these labs, I asked you before, could you give me an indication as to what these services are that we're talking about, the ones that are covered and the ones that are de-insured? I'd like a list of those.

Hon. Ms. Simard: — We don't have the list 1 and 2 here, but we can undertake to get you the list of those services; it's list 1 and 2 services as opposed to list 3.

But I want to make it clear again that we are not de-insuring the services that are done in pathologist commercial labs. What we are de-insuring is the fee for service. Those lab services will continue to be provided to the public at public expense through the district boards contracting with the public sector, and in some instances with the private sector.

Mr. Neudorf: — Is that a mandate that the boards are going to have to follow then? You're saying that the district boards are going to make that contract with these labs. Now is it within their parameter to make that decision? Is it within their jurisdiction to negotiate the best price possible? Is it going to be district by district or is going to be province wide? What's the approach on this?

Hon. Ms. Simard: — The mandate that has been given to district boards is that they provide cost-effective, efficient, quality lab services, and as well, they maximize the public sector investment in the public sector infrastructure that has already been paid for by

the taxpayers.

What will happen is, there will be some sort of mixed system that comes out of the process with a reduced role for large commercial labs. But there will be still some role for them for play, and that will be worked out on a district-by-district basis with the mandate from these districts that they have to provide cost-effective, efficient services; and they also have to look at maximizing the public investment that is there and making the best use of it.

Mr. Neudorf: — Why are you saying, Madam Minister, that there will be a reduced role for the so-called private labs?

Hon. Ms. Simard: — Because we are asking the district boards to maximize the investment the taxpayers have already made. There are hospital labs that are not being used fully and could be used to a greater extent in the province, so we're asking our district boards to look at that and try to maximize the investment that's already been made there.

So they will have to do an analysis of the lab system within their district and come up with an arrangement that will be the best from the point of view of cost efficient, but also looking at maximizing that public investment.

Mr. Neudorf: — Well we'll certainly pursue that in a little while, Madam Minister, that issue.

You made a point earlier on, about three to four questions ago, that essentially it was going to be a decision on these district boards. Now there's a common theme there that concerns me, and that is in response to my colleague from Wilkie, I believe, and the last time that you were up for estimates.

The question was asked, what amount of money is this particular board spending? And you said, I don't know; go ask the board. Apparently now . . . you look quizzical on that, so let's just pursue that and I'll give you an opportunity to explain exactly what your stand on the district boards' accountability is concerned.

And quite specifically, Madam Minister, I'd like you to address the larger picture, which is the district boards are going to be spending an awful lot of taxpayers' money. And as all the boards come on stream, I would suggest to you that almost a third of the entire budget of this province is going to be spent directly or indirectly by these district boards.

(2015)

Now I want your assurance, Madam Minister, that I can get up in Committee of the Whole as we are doing right now, or in estimates when the Health estimates are up, and ask you any specific question about any of the health issues that arise in this province and any amount of money that is being expended on behalf of the taxpayer. I want your assurance now that you will not give me that standard answer of oh, I don't know; you'll have to ask the district board. Because, Madam

Minister, I'm sure that you will agree that that is not in the best interests of accountability.

So I would like your reaction at this time on that issue.

Hon. Ms. Simard: — There's a distinction that has to be made here. Some of the questions I was being asked were things like, well how many people are there in communications on the Saskatoon Health Board? How many people are working in this particular area?

The government has never micro-managed every hospital in the province. Never. It's never happened. And we're not going to do that either. And the fact that we have one board instead of four, doesn't mean we're still going to micro . . . that we're going to start accepting responsibility for micro-managing those hospitals when that was never considered to be the government's responsibility but was the board of governors of hospitals' responsibility.

That doesn't mean that the government isn't responsible for making sure generally that the taxpayers' dollars are being spent responsibly and for making sure that hospitals are fulfilling their mandate to the public which is to provide high-quality health care services.

So obviously the government has to respond to questions of general policy direction and questions of quality of care and so on. But it doesn't mean that the government is going to know all the details of all the personnel and all the little things that are going on at the district level, nor should it get involved at that point. I think the district boards have the responsibility and the obligation to do that sort of micro-managing. So there's a difference between policy decisions and operational decisions of that nature, and I want to make that point.

Now with respect to the responsibility of district boards, district boards will be responsible to the government to ensure that all provincial standards are maintained. It'll be responsible to the government to make sure that certain services are provided and they're provided at a certain level. The Department of Health will be monitoring and evaluating that.

And as well, the district boards have an obligation to the citizens in their district and has to put forward a budget every year, as well as a report on the health status of people, as well as any other information that the general public within the district wants which, as the member opposite fully well knows, is really a first for Saskatchewan because hospital boards have not had those open public meetings in the past. So now we will have that sort of open public meeting at the district level but not just with respect to hospitals, with respect to special care homes, home care and all the other services that district boards will be paying for.

So yes, the government is responsible for policy. It's responsible for evaluation. It's responsible for monitoring, and it will continue to answer questions in that regard. But it is not going to take over the decision-making power of the district board and

micro-manage and make all the decisions for the district board. So there has to be a balance here between giving more community control, more power to district boards, and the government accepting responsibility for general direction.

Mr. Neudorf: — Well, Madam Minister, all I can say is that that's an awfully scary, scary answer if that is the role that you're prepared to supply and those are the kinds of answers that you're prepared to give us for questions that we have on how you're spending the taxpayers' money. You say that all you're going to be interested in is general policy issues. Those are your exact words. You said all that you're going to be concerned about is general policy issue, and you're not going to get concerned about the operational aspects. Those were your statements.

You say you're not going to be concerned about micro-management. Now I'm not quite sure, Madam Minister, what your definition of micro-management is. Like are you talking that you're not going to care about a million dollars here or there? Now could you explain what you mean by micro-management? Because that concerns me.

Madam Minister, we are responsible as legislators here to account for every penny of the taxpayers' dollar that is being spent. And I think, and I just ask you again, I want your assurance that we will be able to ask you questions and that you will supply those answers.

And I don't think that you would want to be there and say, well I don't know what's going on because it's a decision of the district board. That is the complaint that we have had right from day one, that what you're doing now is you're offloading. You're offloading responsibility. You just simply shrug your shoulders and say, well that's not my responsibility; the district boards have been appointed to look after that and so therefore I don't know what they're doing and I'm not quite sure what money they're spending in which area. That is my concern, Madam Minister.

Now I guess what I would want from you is a delimitation or delineation of what do you mean by micro? I mean can I ask you questions above a million dollars? Anything less is too micro for you to be bothered about?

The accountability process, Madam Minister, I want you to address that issue again because, well maybe I'm not following exactly what you propose to do here, but your terminology about general policy versus operational policy and micro-management system that you feel you're not responsible for — I just want you to be a little bit more specific about what you are referring to.

Hon. Ms. Simard: — I have mentioned to the member in my preceding answer that the government has never run each hospital in the province, and it will not do so in the future. It's never run each hospital. It has not micro-managed every hospital situation.

However, if a problem arises in a hospital or if there's some expenditures that don't look appropriate, the government gets involved. But it doesn't micro-manage every situation.

The member opposite was asking me about how many communications officers in there. We can undertake to provide that information if somebody wants to know how many communications officers. But we don't readily have access to it, because we don't micro-manage these . . . the Saskatoon Health Board, for example, and tell them they can have one communications officer, 400 nurses, two physicians. We don't do that. Nor did you when you were in power. So there is essentially no change, is the point we're making here.

What communities are telling me is not that they're afraid the government is offloading the responsibility. They're telling me that they're pleased to have more community control and input into the development of health care services. That's what the health care policy is designed to do. It's not to offload responsibility.

The government will, and I said in my answer to you, the government will continue to be responsible for the expenditure of monies. It will set policy; it'll set goals; it'll set guidelines; it'll do evaluation; it will do analysis. It will enter into operating agreements with district boards to be sure that the right services are provided. And it will monitor and evaluate and take responsibility for making sure there's quality assurance in our health care system.

It's much broader than what you're attempting to paint it and what you're attempting to say that I said. And if my comments earlier weren't clear, there is essentially no change. We will be responsible for services provided in hospitals and all other health care areas; however, district boards will make the day-to-day operational decisions, as they've done in the past, without interference from you when you were in government.

Mr. Neudorf: — Well, Madam Minister, when you get up and say that essentially there are no changes, that's precisely what concerns people in Saskatchewan right now, that they cannot keep up to the changes that are occurring. And we on this side of the House want to be as sure as possible that those changes that are occurring, albeit they may be good and albeit that maybe they are necessary, that we want to maintain a handle on them, that we want to be able to maintain accountability.

Now don't just slough it off and use the district board as an excuse, Madam Minister, that you don't have to answer questions and give answers.

I will take you up on one comment that you made, Madam Minister, that you do have the ability to access that information and supply it. And I full well realize, and I don't expect you to have detailed information even on the current boards that have been established, and I would not expect that of you, but I

do want the assurance that we can ask those questions and we will be supplied with the answer, albeit next week or at least in due course. That is the concern, Madam Minister, that we are having.

Furthermore, what I would like you to do now, Madam Minister, is to follow up on a point that you were making. Precisely you want to maximize the taxpayers' dollar and you want the board — that was one of the mandates of the board as I understood you to have said in one of your earlier answers — to maximize the taxpayers' dollar. And as a corollary it would seem to me you concluded that that would mean not having too much to do with commercial labs.

Now that was the inference. You carefully avoided and diplomatically avoided in saying that directly, but I'm putting words in your mouth right now which you can refute if you want to, and then we'll get on to that discussion.

Precisely, Madam Minister, I would like you to detail how much then the government will save by de-insuring these services or whatever route you want to go. You seem to take some exception to my terminology when I say that you're de-insuring services, and you say, well only fee for services, whatever.

But your own Bill says it de-insures laboratory services. Next clause it says, the clause de-insures laboratory services provided in the province. So I mean these are the terminologies that your Bill itself is using. So what I would like to know is how much money is the government going to be saving by de-insuring these services and if possible, Madam Minister, a breakdown on the particular services, per service as well.

Hon. Ms. Simard: — The estimate that, in terms of cost savings — but I'm not going to say it's from getting rid of the fee for service completely; it's from a total rationalization that's taking place in the lab system — is approximately \$10 million that we intend to save annually.

I should also point out to the member opposite in case he's unaware of this, that in '91-92 budget which your government put together, you de-insured private list 3 labs to come into effect October 1, 1991 and then you never proceeded with implementation. I guess you were waiting until after the election. So this shouldn't be anything new to the member opposite.

This was on your agenda. It was built into your budget. And it seems to me that what you said you'd save was 3.75 million for that portion of the fiscal year from October 1, '91 on to March 31. I'm sure the member opposite is very familiar and has participated in cabinet discussions about whether or not de-insure . . . list 3 labs should be de-insured and is quite familiar with what the government is doing.

Mr. Neudorf: — Thank you for that \$10 million answer, Madam Minister. Were all the services

previously provided by both the private and the public laboratories?

Hon. Ms. Simard: — Yes, all services were provided by private and public labs in the past.

Mr. Neudorf: — Well then, Madam Minister, how much does it cost per private lab per service?

Hon. Ms. Simard: — I want some clarification on the member's question. Are you asking, what is the cost per test in a private lab? . . . (inaudible interjection) . . . Yes. Well, there isn't one cost per test in a private lab. It varies from the beginning to the 1,000th. It depends on the whole range of things. And the department indicates that the cost per test varies, and it depends on what kind of test it is and which number of that test it is.

(2030)

So what is important in the analysis is the overall cost to the system and how we can best rationalize services in an overall context.

Mr. Neudorf: — Well, Madam Minister, I guess the question that I have to pose now then is, so you have the overall cost of the system, and you have the overall number of services performed. Surely there's an average figure that you can give me. That's all I'm asking for.

Because subsequent to that, and while I'm on my feet, I'll ask the next obvious question which is, then let's compare that to the public lab. So what I'm asking for now is for you to do both of those.

Hon. Ms. Simard: — Can't do a comparison directly. And the point is, is that in the public sector we have already made a substantial investment in equipment and in infrastructure. And this is why we want to maximize that investment that's already been paid for by the taxpayers. And to make a direct analysis, from this is what we pay here and this is what we pay here, is totally erroneous because what it doesn't take into consideration is the money that the taxpayers have already paid and that has to be used and maximized to the fullest extent possible.

Mr. Neudorf: — No, no, no, no, Madam Minister, that's not how it works in the real world. You've got the cart before the horse here. I know I'm enough of a businessman to know that, yes, you may be accurate insofar as telling me that there is overhead cost. You've had capital investment. You've got the facilities, granted. Now you say we want to maximize that. But, Madam Minister, any businessman will tell you that capital expenditure on any ongoing business is usually the lowest cost that you're going to have in conducting that business. It's not your initial capital investment normally that determines the outcome of a business. It's your operating costs, your daily, ongoing costs. They don't jump up and grab you as immediately as a capital investment will, but certainly over a number of years, a period of time, it's the operating costs that eat up a business — not just the

capital investment. I think you would agree to that, Madam Minister.

And that is why I wanted a comparative figure between the operating cost which is basically the per-service fee of a private lab as opposed to the public lab. And you're quite right, and I'm glad for your candour in admitting that you cannot really compare apples to oranges. But I submit to you that's exactly what has been done in your determination that you want to maximize the taxpayers' dollars in laboratory fees. You have been comparing apples to oranges because you cannot, in all fairness, compare the cost per service in a private lab and say, oh but the public lab can do it more cheaply because one costs \$2.60, and the other one costs \$2, when you have to capitalize the costs on that particular service as well in the public service which is being paid for through other means. That's the whole point, Madam Minister.

So I'll ask you again, and I'm sure that you must have the figure for me. What is the cost per service on an average? Now I know what you're saying about . . . it depends on whether it's the first test done or the 500th test done because of economies of scale. I think that was your point that you were trying to make. But there must be a comparative figure that we can use, ignoring the capital costs then on the public laboratory side.

Hon. Ms. Simard: — The Department of Health advises me that trying to get to an average cost per test and compare them would be comparing apples to oranges simply because these large commercial labs do many different tests than what hospitals are doing and you don't get, you don't get . . . well you can't come to an average cost per test. That sort of comparison cannot be made accurately.

Now we do know that there are tests . . . like there have been some examples, but there again it gets very difficult for me to bring them forward because it's difficult to make these kind of comparisons. What I am advised by the Department of Health — and that is clearly the advice you got when you were in government — was that there is a \$10 million operating cost saving as a result of the measures that we are proposing. And in 1991-92 it was set at 3.750 million when you were in cabinet; that's what you envisaged the savings to be from October 1, '91, to March 31. I'm assuming at that time that your government believed that this was the proper way to be proceeding.

Mr. Neudorf: — Madam Minister, when the dispute over private and public labs was going on, I know that the public lab employees were going around the province boasting that they could do the same services as the private labs were doing and they could do it for 640 per cent less than the private labs could do.

I'm just wondering, in your estimation, is that the case? And I'd like to have you respond to that. I think you know what studies I'm referring to.

Hon. Ms. Simard: — In response to that question, I want to say once again to the minister that it is impossible for us to do those kind of comparisons. And whether it's the public sector or the private sector that's attempting to do them, we do not believe that those kind of comparisons can be done accurately.

What we do believe, however, is that we have an accurate, overall systems comparison that indicates to us that there are operating costs of some \$10 million to be saved by moving in the direction that we're moving and by transferring the whole package to a non-fee-for-service basis and by maximizing the public sector.

Mr. Neudorf: — You're talking about this \$10 million saving all the time. What are some of the pitfalls or the negative aspects of that type of saving? Because surely a saving like that has to be achieved at some expense — expense through service, expense through speed — those kinds of things.

Now you're refusing to give me any comparison. And I think I know why you're doing that, Madam Minister, simply because if you were honest with me, if you were open with me, you would probably have to have indicate, yes indeed, on an operational aspect, of a fee-for-service aspect, the private labs would probably do very well, thank you.

So what you're doing is you're rolling in the capital costs involved in the existing labs and so on, and saying well my goodness, if we didn't have these labs being busy doing this kind of things it would be a debt cost to the government, so therefore we can rationalize that and say by utilizing those facilities and the personnel and the wages that you're paying them, that we're actually going to be saving money.

I don't think you're being quite upright on this one or forthright on it. I think there's a lot of hidden things going on here and that's why you just continue to talk about apples and oranges instead of giving us precise comparison.

Hon. Ms. Simard: — The member opposite has, in his question, answered it as well to a certain extent. He has recognized that we will be making better use of staff and we will be doing that by moving in the direction that we're moving. He's recognized that we will be using more fully the equipment that has already been paid for and we will be doing that.

There will be job loss as a result of taking \$10 million and saving \$10 million. That's recognized and I pointed that out when the original policy statement was publicly filed. There will also be some fewer bleeding stations. However we will still have physician GP (general practitioner) labs for them to be able to take samples of blood if they feel it is necessary.

So the member opposite made a statement that private labs do very well. And I just am wondering where he was at in '91-92 when his government decided to de-insure list 3 labs and wrote it into the budget.

Mr. Neudorf: — Madam Minister, how many private labs currently offer these services in Saskatchewan?

Hon. Ms. Simard: — Mr. Speaker, there is one in Saskatoon. There's two firms in Regina, one in Prince Albert, and one in Lloydminster.

Mr. Neudorf: — Thank you, Madam Minister. And how many of these private labs provided this service before your government instituted and determined that there would be a public-lab-only policy in Saskatchewan?

Hon. Ms. Simard: — The Department of Health does not know what the corporate take-over has been with respect to the lab sector. I understand that it started back in the '80s some time and that there have been a number of smaller labs taken over. But as to the exact turnover, it's not something that the Department of Health has followed and monitored on an ongoing basis.

I want to indicate the member said public-labs-only policy. We have not said it's a public-labs-only policy. We have said we want to maximize the investments that's there and we want district boards to look at cost efficiency, effectiveness, quality, and where possible, maximizing the facilities and staff that are already being paid for.

(2045)

Mr. Neudorf: — Well, Madam Minister, I don't think my terminology is going to be all that far out in the final analysis and you would very well know that. How many employees, Madam Minister, are there in the public lab system currently?

Hon. Ms. Simard: — Mr. Chair, I've asked the official to get the details of that information. And if the member opposite has another question while she's attending to that, I'd be pleased to try and answer it.

Mr. Neudorf: — Madam Minister, I asked you how many employees there are in the public lab system and I also want to know how many employees there are in the private lab system currently and prior to the MDS shut-down. I'll need that information for some subsequent questions.

How many labs have been closed, Madam Minister, over the last few months in Saskatchewan?

Hon. Ms. Simard: — The member opposite should know that none of the labs have been closed as a result of this policy. However, one of the companies has been rationalizing its bleeding stations as a result of the policy. But the lab itself hasn't been closed.

Mr. Neudorf: — Could you expound a little bit about the rationalization or the bleeding stations, exactly what we're talking about in terms of numbers of jobs, positions? Are there some completely gone that were open at one time or are they all in conjunction with the lab itself or are they collection points? Could you

elaborate on that?

Hon. Ms. Simard: — We don't know just how many collection points have been shut down but there was some collection point shut-down in Saskatoon. I'm advised that it may have been six but we don't have the exact figure, and we can undertake to get that for you.

As to any of the decisions made in that regard, of course it's internal policy to the private lab. By shutting down the collection sites, they would then pick up the volume in some of their other centres within the city.

Mr. Neudorf: — What is the difference between, Madam Minister, the wage of a union lab technician and a private lab technician? At the same time, could you equate to me their qualifications?

Hon. Ms. Simard: — We don't know what private labs are paying. That would be their pathologists. That would be an arrangement that's made, the private labs make and we don't have access to that information.

With respect to the public labs however, we can access that information. We don't have it here right now, but we can undertake to get it for you.

Mr. Neudorf: — I did ask you another section on that question which dealt with the qualifications of the technicians, be it in the private and/or in the public sector.

Hon. Ms. Simard: — We'll undertake to get the qualifications of technicians in the public sector. In the private sector, we don't manage their business. We don't know what the qualifications of their technicians are. However we can get you that information with respect to the public sector.

Mr. Neudorf: — Well, Madam Minister, don't you as a Department of Health have a concern about the qualifications of individuals who are going to be doing all these kinds of tests, where the patients come in? Surely there's got to be some kind of quality assurance that the people who are going to take blood out of my fingers and assessing my health status are going to be totally qualified. Surely there's got to be some standard.

Hon. Ms. Simard: — We do have quality assurance guidelines and there are minimum standards that have to be met with respect to qualifications. We can undertake to provide you with that. But there's a range of qualifications that a person can have, and we don't know. They have to meet the minimum standards, but we don't know what standards they actually meet in the private sector because we don't go in and check over all their employees.

So there is quality assurance and there are minimum standards with respect to qualifications and we can undertake to get that for you.

Mr. Neudorf: — Well I want to get back to the quality

control, Madam Minister. You don't go in and check their qualifications. You don't go in and check whether they have the qualifications necessary to tell me that I have a certain disease or don't have a certain disease. And certainly the doctor is going to depend upon that.

Now you're telling me that you don't know what those standards are? And first of all, are they going to be the same? You seem to say that you know what the public is, the public sector, but you don't know what the private sector is.

Well I would suggest to you, Madam Minister, there shouldn't be any difference. I want to make sure that if I go to a public lab it's going to be as good as a private lab. Can you give me that assurance?

Hon. Ms. Simard: — The person in those operations that's responsible for the quality is the pathologist. The pathologist is governed by the council of the College of Physicians and Surgeons and has to make sure that there is quality.

We do not go in and monitor all their employees. The pathologist is responsible for making sure that the quality of those tests are accurate and accepts responsibility for the firm that the quality of those tests are accurate and is responsible to the College of Medicine with respect to monitoring professional responsibility and with respect to his area which would be lab testing.

Mr. Neudorf: — Madam Minister, can you assure me that the quality of the labs performed in the public . . . or the work of the lab technicians in the public sector is going to be as good as in the private sector? You haven't addressed that.

You haven't addressed the issue of, is there a constant across the province? You indicated to me before you didn't have any idea of what the private sector was all about. Now are they the same or are they not? Are they answerable to the same pathologist and the same pathologist standards or not? Just answer the question.

Hon. Ms. Simard: — The member opposite always has to extrapolate with a bottom line that is totally inaccurate and misrepresents everything that's being said. Well it's very typical of the members opposite. This is always the way they approach it — make a general statement that's totally inaccurate based on a false assumption and then from there start to pose your question.

We have never said we don't know what goes on in the private sector. We've said that the quality assurance is there, that there are minimum qualifications for technicians, that pathologists are responsible. He knows that. He was in government before. You didn't do it any differently.

Now the fact of the matter is is that publicly we have a very similar situation where pathologists are responsible to make sure that the lab testing meets the quality standards, and they're responsible to the

College of Medicine . . . the College of Physicians and Surgeons rather, and responsible through The Medical Profession Act which is the way doctors are monitored and governed with respect to all services.

In physician offices, we don't go in and monitor every physician and find out whether what they're doing is accurate. If the public is not satisfied with what's taking place or if there's problems, it can be referred to the council of the College of Physicians and Surgeons which is one of their quality assurance bodies and to make sure that quality services are being provided by physicians. The same applies in the public sector.

Mr. Neudorf: — Well, Madam Minister, the point I was trying to get you to make and admit to is that yes indeed, the public sector lab technicians and the results are at least equivalent to that of the private sector. And I think that what you have just done now is assured me that yes, there is a constant level of expertise and competency that is expected from either in the private or in the public sector. So I will accept that assurance, Madam Minister.

First of all, or subsequent to those questions, could you indicate to me how many job losses there have been in the public lab system and in the private lab system?

Hon. Ms. Simard: — Our estimate is is that after the rationalization takes place in the lab sector that there will be approximately 100 to 112 jobs lost, but that's just a guess. And it will depend on what sort of arrangements are made and what district boards, how they decide to deliver their services and how they rationalize the lab system within the context of a district. So that's an estimate but it's only that at this time.

Mr. Neudorf: — You see, there you go again saying that it's going to be the board's decision. You can't answer it because it would be up to the district board to make that decision. You're not responsible, Madam Minister, yet in the very same decision you have said to the boards, turn your attention to the public labs because you're supposed to maximize the taxpayers' dollars to the fullest potential. And that can only be done by using the public labs.

So essentially recommending . . . and I don't know what other persuasive means that you have of making sure that the public sector labs get the business, as it were. We're going to pursue that in a little more . . . in a moment as well yet, Madam Minister. Now what I want you to do is to indicate to me what you intend to do, let's say a year from now.

Are you willing, Madam Minister, to commit that there will be an independent review commission or an independent review committee that will sit down in one year's time and look back over the past year to see precisely what developments have been, what the trends have been, and that you will give an open and honest answer to the public about the results of this experiment that you are performing, and that you will commit to following the best deal for the taxpayer of

this province subsequent to that independent review. Would you commit to that, Madam Minister?

(2100)

Hon. Ms. Simard: — The member opposite should know that we are establishing a management unit of the department that is going to be doing this evaluation on an ongoing basis. So it isn't a question of doing it . . .

An Hon. Member: — Who was doing it? I didn't get the first part.

Hon. Ms. Simard: — What?

An Hon. Member: — Who was going to be doing that review?

Hon. Ms. Simard: — A management unit is being established provincially in order to monitor and evaluate lab services on an ongoing basis from the point of view of quality and efficiency. I want to remind the member opposite again, who seems to be opposing this policy, that he was a member of a cabinet that debated and discussed and determined to put in their budget the de-insurance of private list 3 labs.

He was a member of a cabinet that debated and discussed that. And if he's saying he didn't debate it and discuss it, where was the cabinet when that budget was being put together?

Mr. Neudorf: — Madam Minister, you're part of the Treasury Board and cabinet yourself. And you full well know that you would not be doing your job as a cabinet minister if you didn't go out and look at all options possible and discuss and debate. Of course we did. But did we take the action? That's the other question.

An Hon. Member: — You weren't around to answer.

Mr. Neudorf: — You see, that's the whole problem here, Madam Minister. Oh, we weren't around; you're right for that. And boy, do the people wish that that was not the case after what you're doing to the health system, I can assure you, Madam Minister.

So yes, yes, I admit that, Madam Minister. We debated a lot of things in cabinet just as you are doing. And that's part of the role of a cabinet minister, is to view all options and then determine what the best course of action will be for the citizens of this province. That's the name of the game, Madam Minister.

Now I want to turn slightly to a different topic and that is the de-insuring of services outside of Saskatchewan, Madam Minister. Does this Bill de-insure all services outside of Saskatchewan?

Hon. Ms. Simard: — I want to remind the member once again that these services are going to be provided in Saskatchewan, but we are de-insuring them in the sense that they will not be paid for by

fee-for-service, but they will still be paid for through public funding through some other arrangement.

Now outside of Saskatchewan, people will be able to obtain lab services in the same manner they had in the past. If it's on a fee-for-service basis, the government will continue to pay for it on that basis. The only time they will . . . the government will not pay for it is if a physician from within the province is ordering tests outside of the province in a situation where the test could be provided in Saskatchewan. So, and you know, and that of course has to be taken on a reasonable basis.

Obviously if someone has to go out of the province for treatment or is an emergency, then the service is going to be insured on a fee-for-service basis. But if a physician is trying to send someone out of province on a fee-for-service basis, that won't be allowed unless it's not available in the province and it's absolutely necessary to do that.

Mr. Neudorf: — Madam Minister, does this Bill contravene the Canada Health Act?

Hon. Ms. Simard: — No, because the services are still covered and still paid for.

Mr. Neudorf: — Madam Minister, I have a copy here of . . . and this is from MDS. Now we seem to have been talking here that the public-funded labs are more efficient. You have basically rested your case solely on the fact that the infrastructure is in place anyway, that you've got the body there and that you've got the equipment.

I think that's an extremely weak argument, Madam Minister, a very weak argument, simply because if the costs of the tests are going to be more expensive, on an ongoing basis the operational costs, it doesn't take very many years when the advantage of your capitalization is outweighed by the extra cost on an ongoing basis on the per test.

Now you refuse to give me those comparative figures because you say you can't compare apples with oranges. I have here a copy from MDS Laboratories, and the figures here are developed from the data that was included in the Kilshaw report.

Now, Madam Minister, I'm sure that this letter that I got from Forbes Hunter is something that you must be aware of as well, and you must have had some kind of communication with this gentleman from MDS as well. And there's a whole list of different services provided that included here.

But hematology, for example, in the provincial labs are none done. In the private labs, there's 2.4 million-and-some-odd ones. In the hospitals, there's 5.9. Biochemistry, microbiology, and there's a whole list of these kinds of services that are being done. The total tests in the Provincial Lab, Madam Minister, were 2.6 million; the total tests in private labs were 7.5 million; and in hospitals, over 14 million.

Now, Madam Minister, the total funding for that was seven and a half million went to provincial labs, 20 million to private labs, and 43 or 44 million to hospitals. The important and the significant feature here, Madam Minister, is that if you break that down to costs per test, which is a figure that you didn't have or didn't want to share with me, we find that the Provincial Lab comes in at \$2.81, the private lab comes in at \$2.70, and the hospitals come in at \$3.03.

So, Madam Minister, if you want to take umbrage with these figures that I'm quoting to you, you can do that and I will not be able to refute your arguments, simply because what I'm taking now are the statistics that were sent to me by the private lab organization of MDS. And their calculation, according to the accompanying letter, is based on that Kilshaw report, from the data that it contains.

So, Madam Minister, what I have here would seem to me that . . . and I grant you maybe this is a debatable fact, but on an ongoing basis, while we're talking about millions of tests . . . as a matter of fact, if I add the total number of tests together that we're performed in this province, it's 2.6, 7.4 — that's 10 — and 14 is 24. It's very close to 25 million tests — 25 million tests that occurred according to these statistics. And yet the private labs were cheaper than both the hospital and the provincial labs.

The point I'm trying to make to you when I talk to you about operational costs is that it doesn't take very long, very many years and your advantage over the capitalization issue becomes a very minor issue I would suggest to you, Madam Minister.

Have you taken those kinds of things into consideration?

Hon. Ms. Simard: — The savings are not just based on capital estimates. They're based on operating estimates as well, as I indicated to the member earlier.

An Hon. Member: — But you didn't say that before.

Hon. Ms. Simard: — Oh yes I did. Read *Hansard*; you'll see it's in there.

Now with respect to . . . If the member opposite is interested in hearing the answer to the question he raised, I want to make this point. To try and make the kind of comparisons that you've just put forward is impossible.

An Hon. Member: — I didn't do it; they did.

Hon. Ms. Simard: — Well it's impossible. And I'll tell you why: because the private labs do different tests than the provincial lab, and different again from hospitals. There are a number of different tests that can be done on hematology, for example, and other areas. They're different kinds of tests. That sort of analysis is simply not accurate because we're talking about different tests.

Mr. Neudorf: — Well, Madam Minister, I guess we're

in a stand-off here. You're saying one thing, with the help of your officials, and I'm saying another thing with the help of the expertise and the professionals out there in the private labs in the private sector. So I guess we got a stand-off here.

The only difference between you and me right now, Madam Minister, is that you're the Minister of Health and I'm the critic. So you wield the power. You make the decisions. And so therefore we obviously will not be able to accommodate the private sector here, because you've got some kind of a philosophical motivation behind this, I would suggest to you.

Because, Madam Minister, further to what I've been doing so far, this is a letter that has been sent to me by a physician, by a doctor. This is one of the front-line troops. And I'm going to read parts of the letter to you for your edification. And yes, you do have a copy of this; he also sent you a copy, this physician. He says:

We are writing at this time in regards to the upcoming review of the medical laboratory service.

So obviously this gentleman had opportunity to have input before you made your decision and you simply decided to ignore it.

As medical practitioners . . .

And again, Madam Minister, I'm not standing up here as an expert in this. I'm relying on the people out in the field for my information and I pass this on to you.

As medical practitioners we have had direct experiences with public and private medical labs. We are also acutely aware of the need to control medical spending and expenses.

So he acknowledges that and certainly I acknowledge that. But again I think it's the motivation that where we are having a difference of opinion. He continues:

We are aware of the present lobbying effort being put forth by the SGEU and are dismayed by inaccuracies and half-truths presented within this effort. Having reviewed the actual costs involved, we have no doubt that private labs are at least as cost efficient as public labs and maybe more cost efficient.

So he's very conservative in his estimation there.

We have definitely found that the private labs are more efficient in providing good medical care. We have found that the private labs provide quicker and more efficient results, and that a greater degree of patient and physician teaching is achieved. As physicians we have received invaluable help from the private labs in interpreting and utilizing the lab results. This has resulted in better health care and an overall saving of health dollars (Madam Minister).

This is the opinion of one of the experts out in the field

that utilizes labs. He's obviously not a lab expert but he is a physician that utilizes the results of the labs and the lab technicians. So, Madam Minister, what is your reaction to a doctor like this that says they are at least as cost efficient, maybe more so, and yet they are very responsive and very efficient and effective in supplying our needs. What is your response to that, Madam Minister?

Hon. Ms. Simard: — With respect to the member's concerns about the quality, for example, of lab services, I want to point out to the member once again that the College of Physicians and Surgeons monitors quality of labs and lab testing, and that there will be a central provincial management unit in government that will be constantly monitoring and evaluating quality and accessibility. So those areas will be looked after through the College of Physicians and Surgeons and through the Department of Health — quality and accessibility.

As to comments that it's cheaper in the private sector than the public sector, I've repeatedly said tonight that to try and make these kind of comparisons is an impossible task, that we know that there are staff already hired and facilities already available in the public sector that aren't being used to full capacity. And if we're being responsible to the taxpayers, they should be used to full capacity. And that's what we are proposing to do.

Mr. Neudorf: — Madam Minister, the long and the short of what we have been discussing tonight . . . And you have not been able, by any stretch of the imagination, to convince me — and I'm sure any of the viewers — that what you're telling is the way it should be. You have not presented any evidence that supports what you're saying. The facts are not there. You will not give them. You will not share them. I know you have them, but you hide behind the apple and oranges theory.

(2115)

The conclusion I have come to is that your decision and your conclusion is based upon a fundamental premise that has very little to do with cost efficiency, but a whole heck of a lot to do with political ideology and political philosophy.

And I think, Madam Minister, that the biggest motivating influence behind your decision to de-insure medical services, the laboratory services in the private sector, has been based largely on the lobbying efforts of the SGEU (Saskatchewan Government Employees' Union) and that this is another prime example of your government's determination to have union-only policy permeating your government, permeating throughout the economic structure — be it the water project in Melfort or be it the highway projects that we have throughout this province or be it the various SaskPower projects where tenders have been left and then whoops, okay, we'll kowtow to the union bosses and the union leaders. And even though one project itself will expend over a million dollars of the

taxpayers' money, that to you is a small price to pay for your ideology and the paying off of your union-boss friends.

That, Madam Minister, I suggest to you is one of the underlying themes and the underlying motivational force behind de-insuring of private labs in this province. And I say that does not befit you well, Madam Minister.

Hon. Ms. Simard: — Mr. Speaker, I wish to point out to the member opposite that the Kilshaw report had recommended that funding be moved to the district boards. And if you move funding to district boards, you no longer pay it to pathologists. You pay it directly to the district boards. Also the head of economics at U of R (University of Regina) was part of that panel and part of that recommendation.

I think it's also important to know and for the public to know that there's been a very substantial growth in the cost of lab services in recent years, an overall increase of some close to 37 per cent in the past five years. And I think that's very significant. And therefore the government moving to save \$10 million in the lab sector is a very prudent and wise step to take on behalf of taxpayers, and as well making sure that we maximize the investment in the staff that we're already paying for is another wise step on behalf of taxpayers.

We are setting up a management unit to make sure that accessibility and quality is maintained on behalf of the public. And I believe that the lab initiatives that have been taken in this province are very progressive and very responsible to the taxpayers of this province and to the people who will be receiving health care services.

Mr. Neudorf: — Madam Minister, on a number of occasions you've expounded upon the \$10 million saving that you are anticipating. I want you to give me a copy of your precise calculations where you have arrived at that \$10 million figure, your research that you've done to make that policy determination. Will you commit to getting me a copy of the precise calculations that you used to arrive at that figure?

Hon. Ms. Simard: — We can do that.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 86 — An Act to amend Certain Health Statutes and to repeal Certain Other Health Statutes

Clause 1

The Chair: — I would ask the minister then to introduce the officials who have now joined us.

Hon. Ms. Simard: — Yes, first of all, Mr. Chair, to my immediate left is Mr. Duane Adams, the deputy

minister; and Mr. John Labatt, the executive director of mental health services branch — he's not here; Gerald Tegart from Justice; Lorraine Hill, the senior associate deputy minister to my immediate right; Danni Boyd, the senior executive director of community services branch and former executive director of SADAC (Saskatchewan Alcohol and Drug Abuse Commission); Diane Neill, legislation officer; and Barb Shea, the executive director of the prescription drug plan, are the officials that are available tonight.

Mr. Neudorf: — Thank you, Mr. Chairman, and Madam Minister and officials. This Act may be cited as The Health Statutes Amendment Act. On first blush it looks to be rather insignificant, but when you read on this Act repeals The Alcohol and Drug Abuse Commission Act, The Department of Health Act. It amends The Prescription Drugs Act, repeals The Saskatchewan Health Insurance Act and The Tuberculosis Sanatoria and Hospitals Act.

In other words I guess what we're seeing here, Madam Minister, is a trend that bothers many people in this province, namely that the substance abuse programs within this province are potentially in danger of being phased out. I say that, Madam Minister, because you've been talking about amalgamating services and streamlining certain aspects of your department.

But what this Bill 86 does, what it purports to do is to take away the independence of SADAC, and that is the fundamental statement I think that has to be made. SADAC's independence is in dire jeopardy here. The employees of SADAC are the ones that are telling me that. I wouldn't say that on my own because I don't know enough about SADAC from my own experience to be able to make a statement like that . . . but when the employees of SADAC say that's what happening and they say please don't mention our names because there's only a few of us left and we need our jobs.

Now, Madam Minister, we as an official opposition have been asking you questions in the past — not in the recent past but a few months ago about SADAC — pertaining to SADAC and such treatment centres as not only SADAC but the Whitespruce Youth Treatment Centre and also the Calder Centre. And every time we have asked you questions about that, you have said, well just hold on; information is forthcoming.

Well so far, Madam Minister, we have simply not been satisfied with your answers, and I might add that the employees of SADAC in particular are also not satisfied with your answer. They simply tell us what this Bill is going to be, is another nail in the coffin for addiction treatment in Saskatchewan. It's not my words; that's the message that is being delivered to us from SADAC. And I notice that one of your officials is the past CEO (chief executive officer) of SADAC, according to your introduction.

So, Madam Minister, in this treatment process there has already been a significant reduction across the board in the treatment centre. We know for example

that \$240,000 was cut to Myers House, and I have right here a *Leader-Post* article from July 25, 1991 where when we were contemplating doing this you as the opposition said, oh no, you cannot do that because those treatment centres are too significant. They play too an important role in treating substance abuse. As a matter of fact you told reporters, you told supporters of Myers House, as a government you said that the long-term plan is to keep the facility open until after the next election. That's what you were telling them — keep the facility open until after the next election and then they could hope that the NDP would win that election and restore funding.

And I noticed the member there is beginning to blush because I will make the next quote where it was said, a promise that an NDP government would provide money to keep the facility open, was made at press conference two months ago by Regina Centre MLA Ned Shillington. That's the quote, Madam Minister. Yes, that's the quote.

So that's probably why the supporters of Myers House voted for you, because you made that promise and they believed you. But then again you are also the same minister that said there will be no new taxes two years after we have been elected. And you, Madam Minister, said we'll spend more on health and we'll spend more on education. That's why you folks are over there. That's why you were elected. You made those promises and the people believed you.

Now I'm going to resist the temptation to become more political and pursue this because we could spend the rest of the evening doing that, so I will resist that. But that point has to be made, Madam Minister, that you said, and your cabinet colleagues said, Myers House will be open because treatment of substance abuse is important to us and we will find the money. That's what was said. You can't retract that. That's what was said.

So having said that, Madam Minister, there was also another \$1.1 million in treatment services that have been cut — \$1.1 million. You can refute the figure if you want to say it's 1.01, but that's an awful lot of money that is being cut, Madam Minister, and that's not being cut on administration. That is being cut on treatment services, Madam Minister. That's what I'm being told. That cut of \$1.1 million is on actual treatment services, front-line services that are being removed — not to streamline the operation and cut administrative costs — but actual treatment services. And then we ask . . . wonder why the the folks out there and even the employees of SADAC are beginning to say, where is the priority of this government.

They have told me that they fear a complete removal of addiction services in Saskatchewan. Madam Minister, that's what SADAC employees are telling me. Not me — I'm not the one that's saying this — it's the employees themselves, the front-line people who can sense and feel the throb of the essence of the program. And they are extremely concerned.

Now if they are wrong, if I am wrong in purporting and transmitting this message to you, please get up then — please get up — because the real concern that we have is that you have an ulterior motive here in your rush to work on the deficit and that this will be another victim in your deficit restructuring. That SADAC is going to be gone.

(2130)

Because quite frankly, Madam Minister, that's what this Act does. This Act destroys SADAC. This Act destroys SADAC because it's no longer an entity on its own. It's being absorbed by osmosis, or whatever process you want to describe, into the Department of Health. And it's going to get lost in the shuffle. That is the concern, Madam Minister.

Now again, if you can get up and tell me absolutely — absolutely — that the essence of SADAC, Whitespruce, is going to be . . . is going to remain, that it will continue, then this Bill is going to get very short shrift and we'll be going on to some other business in this legislature. But I want an absolute commitment on your part that there be not a dollar reduction in services rendered to the people out there that need those kinds of services, whether it is SADAC or Whitespruce, but that that total commitment will continue. Will you do that, Madam Minister?

Hon. Ms. Simard: — First of all, Mr. Chair, just so that I can explain to the member, the rationale for bringing SADAC under the Department of Health is really twofold. First of all there is an administrative saving of some 270,000 by the merger.

Secondly, the health care reform policy is to coordinate and integrate services, which is what we are proposing to do with all health care services — public health, mental health, all of the services. We're proposing to coordinate and integrate them in a fashion that hasn't taken place before.

I have repeatedly said since the summer of 1992 that addictions counselling, and I should say on the request of people in the field as I travelled throughout the province and talked to people, that addictions counselling would be part of the services delivered at a district level.

And we want to be able to do that. We want to be able to achieve that coordination of those services because it's very important that we provide a single point of entry for people in Saskatchewan rather than them having to access a physician and then perhaps a mental health worker and then finally they'll end up at a facility and some provision of addictions counselling.

We are hoping through the coordination of services throughout the province that we can provide a better service for people, and alcohol and drug addiction counselling and treatment will be one of those services that we want to be able to access and provide more fully than what we have in the past.

So the philosophy associated with it is twofold. There are administrative savings but also it's part of the coordination of services. We intend to be setting up a provincial advisory council within the Department of Health that will have representatives on it who will be setting policy directions and monitoring the delivery of addictions, drug and alcohol addiction, services and treatment throughout the province. So it will be given important status in the Department of Health in order to make sure and preserve the priority of those services for Saskatchewan people.

So it isn't just a question of bringing it into the Department of Health and forgetting about it. That's not the intent. The intent is, is to bring it in the Department of Health, to coordinate it more fully with other services so that we can make sure that we're providing a higher quality of service, and to profile it within the Department of Health.

I think it's also important to note that SADAC has been directly responsible to the Minister of Health, and the Minister of Health and the officials from the Department of Health have assisted in the administering of the SADAC program in the past. And what is happening here is not a reduction in their independence, but rather a profiling of the addictions counselling and making it clear that it is a health issue and giving it a high profile in the Department of Health.

So the intent isn't to decrease independence or somehow belittle services and do away with them. It isn't that at all. It's the contrary.

I do want to point out to the member opposite that there have been reductions in this area as well as in other areas in the health care budget. So there are reductions in alcohol and addiction counsel that have been built into the budget and we've talked about them before. The reason for that is that we're using our services at about a 70 per cent capacity. And so there's been under-utilization of treatment services in the province, and we want to be able to analyse the services that are being provided and the services that are available and to move it to a capacity where we are using about 90 per cent of the services that are being delivered as opposed to the 70 per cent.

That under-utilization costs the province about \$1 million a year. So it's very important that we maintain high quality addiction, alcohol and addiction treatment and counselling. And at the same time, we have to maximize the services that we're using and make sure that the under-utilization that's in the system is pinpointed and somehow dealt with.

Mr. Neudorf: — So, Madam Minister, what you did in that exposé is actually confirm the worst fears that I was talking about: that you are determined to cut down the budget that has been in the past as far as drug and alcohol abuse has been concerned.

You say we have an under-utilization, that we're only utilizing 70 per cent and you want to reduce that down, the under-utilization, to 90 per cent. So that

means a substantial amount of money less that you're going to be putting into it.

So, Madam Minister, the first part of your question . . . or your answer, I was going to say, well that \$270,000 you're purporting to save in administration by doing away with SADAC as a separate entity and rolling that into the Department of Health, I was going to suggest to you is a good start in spending more money on this problem that is throughout our province. But now at the tail-end of your answer you said, oh no, well we're only utilizing 70 per cent.

So, Madam Minister, are you telling me now that you're going to cut the substance abuse program by \$270,000 and in addition cut more so that you can raise the utilization rate of the services available to 90 per cent? Is that what you're saying, Madam Minister? And exactly how many dollars less are you prepared to spend on substance abuse?

Hon. Ms. Simard: — I think it's important to note . . . there's two points I want to make. And that's, first of all, the member has said SADAC staff are telling him they're unhappy with this Bill. We also have spoken to SADAC staff and there are a number of people who are very supportive of integration and addiction services with broader health reform. And as I indicated to the member opposite, I heard that throughout the province. Virtually every place I'd been there would be SADAC staff in the meeting or in the audience who would make the point that it was absolutely necessary that we integrate and coordinate those services. So I think that's important.

The member opposite should also understand that when we talk in terms of under-utilization, we're not necessarily talking about reducing services and not looking after as many people as we have in the past. We're talking about utilizing the facilities that we have and the staff we have more fully because there's only 70 per cent utilization right now.

Mr. Neudorf: — The minister made comment, Mr. Chairman, that she has talked to certain members of the staff at SADAC and they are gleeful about what you're purporting to do. I would suggest to you, Madam Minister, that it would seem kind of ironic if one of the staff members was going to take you to task and chastise you face to face about the step that you were being . . . even contemplating. And I think you realize, Madam Minister, that people meeting you face to face under those kinds of circumstances are not going to create a hassle for themselves by confronting you, and I think you understand that as well.

Madam Minister, this Bill 86, in addition to the things that we've been talking about, gives you some rather sweeping powers because it's going to give you the right to do whatever you want, including cutting funding through the amounts of grants, subsidies, loans, charge levies, and the like.

Madam Minister, considering that addiction treatment is vital to the well-being of Saskatchewan,

Saskatchewan families, what assurance can you give these people that addiction treatment will remain the same in the province? Can you give them any assurance that the scenario that I have outlined, that SADAC is dust, that it's going to be swallowed up within the tentacles of the massive Health department and it will be virtually impossible for anyone to maintain a grip as to what's happening in reality to the drug and alcohol abuse programs that we have . . .

I asked you this at the outset of this, Madam Minister, and you skirted the question. And I'll ask you that again. Will you commit to maintaining the programs that are present now and enhancing wherever possible and wherever the need is in the future?

Because certainly, Madam Minister, the problem as it stands right now is not going to go away. We know, and I'm sure that you recognize as a government, that the stress levels of many of our citizens is rising, and it's rising dramatically as we have economic and social pressures being put upon our citizens. And we know that a certain percentage of those citizens are going to seek relief from that pressure and that stress through other than the normal process, which is just simply to put a stiff upper lip and go forward. And they're going to resort to some of the drugs that are available to relieve those pressures.

So there is going to be an increased demand for these systems. And rather than cutting back and curtailing, Madam Minister, what we are being told is that the need is ever increasing. And again, I want you to give that assurance that that support system will be in place.

Hon. Ms. Simard: — The member opposite should be aware, as I indicated earlier, that there will be a provincial council within the Department of Health to profile drug and alcohol addiction services, and to make sure that these services are being delivered throughout the province in a proper fashion.

And our commitment of course to the people of Saskatchewan is to improve alcohol and addiction services as we move through health reform. And as I pointed out to the member opposite, there are people working in the field — not people necessarily in administration — but working in the field, the counsellors themselves, who have expressed enthusiasm about moving to a district system with coordinated and integrated services. Those are the people working at the grass roots, Mr. Member.

So I think that it's important to note that there is a feeling that if we coordinate and integrate services, that we can improve the quality of drug addiction and alcohol addiction services to the people.

We also want to move to a more community-based system. We believe that we can provide better services in the community in many instances, rather than under-utilizing some of our institutions. And so that will be part of the health reform and part of the analysis that will be done in the months to come as to where we can improve upon those services and how

we can improve upon the services that are available to people who require this treatment.

So our commitment is not to maintain status quo blindly but to improve services for Saskatchewan people. And there is a general recognition by counsellors in the field that a more coordinated, integrated system and in some instances more community-based services would improve the quality of services to people. We still have to maintain in-patient treatment services as well, and we need a stronger combination of the two systems in Saskatchewan.

Mr. Neudorf: — Madam Minister, before making these changes did you consult with Alcoholics Anonymous to see what their feelings were on this issue?

(2145)

Hon. Ms. Simard: — People who support the philosophy of AA (Alcoholics Anonymous) have been involved in the consultations and support the integration process. So there has been consultation on an ongoing basis with people who are supportive of the philosophy of AA.

Mr. Neudorf: — You didn't answer my question . . . (inaudible interjection) . . . Then I don't understand AA if you said you answered my question. If I understand AA, would you expound upon . . . you talked to people who are supportive of the AA. To me that means you didn't talk to the AA but indirectly people who support it.

Hon. Ms. Simard: — The AA as a group do not come forward with political or public opinions. They don't get involved in that and therefore you can't go to that group and say, what's your opinion on this? But you can consult with individuals of that community and that has been done on an ongoing basis.

Mr. Neudorf: — I appreciate that explanation, Madam Minister. Did you consult with any other professionals, Madam Minister, that deal with addictions of this kind on a regular basis? And I refer specifically to perhaps representatives from Whitespruce Youth Centre or the Calder Centre or the Pioneer Lodge. Did you consult with any of these groups, Madam Minister, and did they all agree to every aspect of your promotion?

Hon. Ms. Simard: — Mr. Chair, the department advises me that there have been a number of discussions with people such as the chairman of SADAC, and I'm advised that she supports the proposal. The Calder Centre, that's our staff that, the Department of Health staff, in effect that's at Calder Centre, and it's our understanding that it's supported in that regard.

There's also been an announcement made, as the member opposite knows, on this issue, as the amalgamations that were going to take place, and that announcement was made prior to the budget coming

down. And we have had as far as I'm aware, no negative input with respect to the proposal. The hon. member, Associate Minister of Health, and Ms. Danni Boyd, attended an interagency meeting on the issue of the amalgamation and the agencies there did not express concern about what we were doing other than to ask how they were going to get involved at the board level because they wanted to get on to that as quickly as possible, and wanted to be able to make a contribution at that level.

So the . . . I don't believe there were discussions with Pioneer Lodge, but it's my understanding that there have been ongoing discussions with many people involved in the alcohol and drug addiction services, such as members of the Whitespruce board — I'm not sure they talked to all members, but some of them — the Calder Centre people, the interagency meeting that took place and so on.

We have not determined any major objections to the move. There obviously will always be some people who object to a change, but as far as we've been able to determine, it is viewed as being positive by most people that we have talked to.

Mr. Neudorf: — You see, Madam Minister, the concern that many people have is that in your desire and your rush for deficit control you're ready to do almost anything. And this is the concern that we're getting out of Whitespruce and SADAC.

But, Madam Minister, you just finished telling me that the director of SADAC is in total agreement with what you're saying, with what your plans are. That surprises me because that's not the information that we've been getting from the staff of SADAC. So again I say, that surprises me.

And I want you to understand, Madam Minister, that there are many, many studies I'm sure that you are aware of and your staff is aware of, that stress the significance and the importance to continue the best level of services required for substance abuse programs, studies, Madam Minister, from doctors, researchers, James Million, Frances Hamm, the National Institute on Alcohol Abuse and Alcoholism, and Canada's Drug Strategy Baseline Report. And all of those have one common theme, Madam Minister, that if addiction treatment centres are not equipped to give proper addiction care, there is going to be a long-term cost both in physical, human, and monetary issues, that the long-term cost is not going to be cost-effective.

And too often we've seen examples of that, of your government, where in your desire to save money you are prepared to do things that in the long term and in the long run are going to be counter-productive. And you're going to have more accidents, you're going to have more family violence, and you're going to have reduced productivity and the resultant crime rate increasing, Madam Minister.

As far as Whitespruce is concerned, my understanding, Madam Minister, is that Whitespruce

had a surplus of close to half a million dollars last year. Now the employees of SADAC have already informed the opposition that this money did not in any way go back to improving the facility whatsoever. In fact, the money disappeared. Could you explain for me please just exactly what happened to that amount of money? What happened to that amount of money?

Hon. Ms. Simard: — Yes, there was a surplus I'm advised, of a half a million dollars last year because the facility was being under-utilized. So the money isn't taken back. What happens is the grant this year is reduced by that amount to reconcile it with the utilization that took place last year.

Mr. Neudorf: — Right. So if they save money then you cut back next year and bring it into the system.

You say it's under-utilized. Just out of curiosity then, Madam Minister, could you explain the referral system to me. Is it the same today as it was two years ago, three years, or five years ago? On what basis are patients referred to that centre?

Hon. Ms. Simard: — Mr. Chair, with respect to the referrals, what has happened is the Department of Health and officials from the Department of Health worked with SADAC to make sure that young people were being assessed more appropriately than what occurred in the past throughout the whole system, and also that Whitespruce would be more responsive to the needs of young people.

And as a result of that, they went from 17 admissions for a 30-bed facility, like is being funded for a 30-bed facility, to 23 to 24 admissions for a 30-bed facility. So referrals, there has been a change in the referral policy, I'm advised by the Department of Health, that has improved the system and has actually increased the number of admissions to Whitespruce.

Mr. Neudorf: — Madam Minister, the number of drug and alcohol related admissions, as you have just indicated, are on the rise and that's been the case for several years — the number for drug and alcohol related admissions. And you just confirmed that. How many people were admitted into Whitespruce last year on an in-patient basis and then also on an out-patient basis?

I have a series of questions here, Madam Minister, that are kind of rapid-fire, informational type, so I will be able to base my judgement on your answers.

Hon. Ms. Simard: — We don't have those numbers here at this point and we will get you that information. We think it's gone from about 17 to 23 or 24 but that is without seeing the actual data. And we can verify that or give you the corrected data if that's not accurate. The other thing is there is no out-patient services out of Whitespruce.

Mr. Neudorf: — All right. I'm kind of surprised that you wouldn't have that information being that that whole issue is kind of controversial and I suspect you were anticipating questions along this line. And I will

take you for your word, Madam Minister, that you will be supplying that information for me.

Madam Minister, how many individuals were admitted into the Calder Centre in Saskatoon also? And I'll ask you the same question on an in-patient, out-patient basis.

Hon. Ms. Simard: — We'll get you that information.

Mr. Neudorf: — How many were admitted into the Pine Lodge on an in-patient, out-patient basis.

Hon. Ms. Simard: — We'll get you that too.

Mr. Neudorf: — Well I'm going to have a very difficult time here summarizing this issue tonight if I haven't got the basis for doing that summary. Are there any other alcohol or drug addiction treatment centres in Saskatchewan that I haven't mentioned that I'm not aware of that you may be aware of, and how many were admitted to those, if any, on an in-patient, out-patient basis.

(2200)

Hon. Ms. Simard: — There are 33 different programs and rather than reading them off in the legislature, I'll get the department to send that information over to you. But I have several sheets of paper here on the different programs that are available.

Mr. Neudorf: — Madam Minister, are these programs that are funded at least partially by your department? And also indicate to me that if there are this many programs, what is the basis for the referral to these various institutions? And then yes, I would appreciate you sending over that list.

Hon. Ms. Simard: — I am advised that these are all funded by the government. As to the referrals, it is a whole range of anything is referred to them. It could be a self-referral, it could be a family referral, it could be a referral by someone in the workplace, it could be an employee assistance referral, it could be any of these referrals to these places. And as I indicated earlier, it's all funded by the government.

Mr. Neudorf: — I'm sorry, Madam Minister, I didn't catch the last phrase that you talked about. Madam Minister, you said there were 33 of these different agencies to which people could be referred. On what basis is it determined that this person goes there, and this person goes there, and this person goes there? Who makes that determination? Is this by the individual, by the self-referral, or by a doctor, by a friend, by the department officials? Who makes those determinations?

Hon. Ms. Simard: — With respect to the out-patient services. It will . . . there isn't any specific referral system. It's anyone who shows up there, referred in any manner.

With respect to in-patient services, there is an assessment done at the out-patient service or through

an employee assistant counsellor or individual who does the assessment, and then they would be referred to an in-patient facility when that assessment is made. I'm advised that the one exception is St. Louis, and in that case you need a second impaired driving offence in order to be referred there, and the courts are involved in that process.

Mr. Neudorf: — Madam Minister, what I would like you to do is to confirm for me your commitment to addiction services, to those people who are suffering from many of the substance abuse problems. Will you confirm, Madam Minister, that you recognize that any short-term cost savings have inherently the danger of being a long-term cost, that money saved now without adequately addressing the problem is going to be ineffective, is going to be counter-productive, and will indeed increase the hazards to the welfare of many, many people in this province.

I've been trying to, over the course of the evening, to get a handle on the numbers that we're talking about, and I really haven't been that effective in determining perhaps the number of alcoholics that are facing a problem in this province or other drug abuse people. You have been indicating to me and trying to give the impression to the people of this province that it's not really such a big problem, that you're overstocked, that we've got more facilities and more personnel on hand willing to combat this problem than we have patients. And I don't agree with that and I don't think the people of this province buy into that as well.

I could ask you the question about those 33 facilities. I didn't know there were 33 facilities . . . (inaudible interjection) . . . oh programs — pardon me — perhaps. What type . . . You know, when I was minister of Social Services I was very often accused by you people in opposition of that day that we had some good programs out there but we did our best to hide them. Oh yes, that's exactly what we were being accused of. Because if we advertise them, then the uptake would be greater.

So I'm going to turn the tables on you right now and say, are you doing your best in promoting the services that are available or are you doing your best to hide them in this shuffle so that the uptake will even be less last year simply because people are not aware of the programs that they can access.

That's a concern that's been . . . and I'm repeating it because that's the most repeated concern that we are hearing as an opposition, that what the government is trying to do now is save money. And they're going to put SADAC, and they're going to put it under the envelope of the Department of Health which is a monstrosity — as you will admit — of bureaucratic nightmare and just get lost in the shuffle. And thereby you're going to be able to save \$10 million. You talk about saving \$10 million. That's a concern that these people have. I don't have that concern because I'm not familiar enough about it.

So again, as my critic role, I'm passing on the concerns that are given to me by the people out there. I'd like

you to address that.

Hon. Ms. Simard: — Mr. Chair, I indicated earlier and I'll indicate again: through district health reform, we will be making this information more available to communities. District boards will have to go to their communities and the residents within their district and provide a status report on the health status of people. That will include the whole issue of addictions counselling and treatment.

So through health reform we will be profiling these services and allowing for more input by communities. I think that can only enhance people's awareness. And the member had asked the question about people don't know about these programs. That's the whole purpose of health reform, is to make it easier for people to access the programs that are there. And this will be in the hands of communities and I have every confidence that they will make sure that residents of their communities will access the programs when needed.

The Department of Health will be profiling addictions treatment through a provincial advisory council in the department that will give it that kind of profile in the department. It isn't going to simply get stuck in the department and lost. It's going to be given a profile position, as I indicated.

So the member's quite accurate; we are committed to improving the quality of services through health reform and through profiling it in the Department of Health and making it clearly a health issue. Because that's what it is, is a health issue.

Mr. Neudorf: — Well I don't disagree with that at all. I think you're right on that one, Madam Minister.

So let me then just be crystal clear so that everyone who is listening and has a concern on this issue understands fully what you are saying. You've just told us now that you're going to do the best through this health reform of yours to increase the profile of services available. Is that correct? I think I understood you to say you're going to be increasing the profile so that the communities out there will know what kind of programs are available.

Then, Madam Minister, I can only assume that if you will be increasing the profile of programs available, that the uptake will be greater; that we will have more people with alcohol problems and drug problems coming forward and saying, I need treatment, or their friends will be identifying individuals that need treatment. So not that we're going to have more "drunks" out there, but rather there will be a greater identification of those that need this kind of service.

So then I ask you, Madam Minister, is it not a logical conclusion that instead of cutting \$500,000 off that you save in Whitespruce because of under-utilization, that you shouldn't have taken that away? Because your anticipation should be that because of the higher profile there will be more coming forward that need this help. So why would you cut? Why would you cut

that funding by that amount? That is a question that I want you to undertake.

And certainly by what you have said and because of the higher profile that you have just identified, the need for SADAC will be there. So that you will be able to get up now in response to my comments and say categorically: Mr. Member, we will not be doing anything to dismantle SADAC because it's needed. So I'm looking forward to that reassurance.

And, Madam Minister, further, I think the people of this province are looking forward to your assurance that Whitespruce will continue and that there's no danger of you shutting down Whitespruce. And I compliment you on that.

So, Madam Minister, with those comments and with those assurances that indeed you are committed, you are committed to maintaining a high quality service that we have, and not only maintaining the services that we have available now but enhancing them — because you've made the commitment that you're going to make your programs that are available, make them more readily available, make them more accessible, profile them higher so that people will be able to access them more readily and be aware of them quite frankly, Madam Minister — so if you're giving me those assurances and if you're giving the people of this province those assurances, I want to take this opportunity to compliment you.

Hon. Ms. Simard: — Mr. Chair, I want to once again reiterate that by bringing the control and participation closer to the community level, I believe that we will increase the profile and enhance services in this way. The community people will become more involved in the delivery of the services and bring them to the attention of people within the community, that there will be early intervention in many cases where it doesn't occur now. And when there is early intervention, it is less costly to the system over the long haul. And it's more effective and provides a higher quality of service for people. So if we can raise the profile at the community level, through district boards, it becomes less costly and more effective.

The services can be of a more community-based nature if we're involved more in early intervention. And we see that, of course, through out the entire health care area, that there is a need to review institutional services and move toward more community-based services. The need has been illustrated time and time again that that real possibility exists in the health care system. And it also exists in the area with respect to addictions treatment and counselling.

So we will be doing a review of all adult institutional services in determining whether there's a more appropriate way to deliver these services within the community. It's important to maintain a strong, in-patient treatment component. But it is also important for us to review the services that are being provided in that regard. And I made that statement earlier.

I do believe, however, that through early intervention — and that is the objective — we can provide a better service for the people of Saskatchewan.

Mr. Neudorf: — Thank you, Mr. Chairman. I wasn't going to get up again but I have to address your latest comments, Madam Minister, because it's only a lawyer that could put the terminology in the way in which you just presented yourself and the message, and the message that you have clearly demonstrated. I won't say double-talk, but what you were doing is very diplomatically delivering this message. This is the message that you just delivered. Whitespruce is gone; SADAC is gone. And I say that, Madam Minister, I say that because you are emphasizing the community-based services. Well what does that tell us? You're not going to be shipping anybody . . . shipping is not the right word.

An Hon. Member: — Sending.

Mr. Neudorf: — Sending isn't the right word, either. Okay, for a moment here I'm lost for words about getting people to go to these treatment centres. Referring them to the treatment centres is what I was looking for.

(2215)

You used the terminology, for example, review the institutional services. Well that can only mean one thing. That can only mean one thing, Madam Minister. So if you're going to close Whitespruce, why don't you just get up and say those facilities are gone; we don't really have that kind of need any more, or at least it's not paramount in our minds. So let's quit this double-talk and be forthright and just simply say the way things are, Madam Minister.

Or — and you're smiling and laughing, having a great time — then get up and say, Mr. Member, you're totally off the mark; those institutions, that kind of service is going to remain because it's an essential component of the overall treatment centre. Make that commitment.

Hon. Ms. Simard: — I have told the member opposite that we are fully committed to improving the quality of services that are available, and the member opposite laughs at that. And I want to say this, that we are going to be reviewing all adult institutional services as we are doing throughout the entire health care sector.

We are reviewing institutional services and not to do that, to be black and white, as the member opposite is, which is keep all the institutional services and don't change anything and then you're okay, but if you suggest you're going to do any kind of a review, obviously you're closing everything. You either keep it all or you close it all — black and white — that's where the member opposite is coming from.

The only way we are going to be responsible to the public is to do the kind of review of institutional services throughout the entire sector, not just with

respect to addictions counselling but in the acute care centre as well. That has been ongoing over a period of several years now, I might add, and we are continuing that process and that will be done in this area as well.

The commitment is to improve the quality of services, to try and deal with more early intervention, but it doesn't mean that we're going to close our eyes to the institutional issues, turn a blind eye and walk away from any of the tough decisions that may have to be made as a result.

Mr. Neudorf: — I don't think, Madam Minister, that you have reassured very many people tonight.

Clause 1 agreed to.

Clause 2 agreed to on division.

Clauses 3 to 8 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 53 — An Act respecting Natural Resources

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

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

Bill No. 42 — An Act respecting the Creation and Supervision of certain Crown Corporations

Hon. Mr. Shillington: — I move this Bill be now read a third time and passed under its title.

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

Bill No. 85 — An Act to amend The Saskatchewan Medical Care Insurance Act

Hon. Mr. Shillington: — I move this Bill be now read a third time and passed under its title.

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

Bill No. 86 — An Act to amend Certain Health Statutes and to repeal Certain Other Health Statutes

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

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

The Assembly adjourned at 10:24 p.m.