

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 6, 1995

EVENING SITTING

COMMITTEE OF FINANCE

General Revenue Fund
Highways and Transportation
Vote 16

The Chair: — If the minister cares to he may want to reintroduce to us the officials who have joined us here this evening.

Hon. Mr. Renaud: — Thank you, Mr. Chairman. To my left is Mr. Clare Kirkland, deputy minister of Highways; to his left is Lynn Tulloch, director of finance; directly behind me is Don Metz, assistant deputy minister of operations; and to my right is Bernie Churko, assistant deputy minister of policy.

Item 1

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, it's good to get back at something important like highways and talk to you about the direction that you're planning to take your department . . . (inaudible interjection) . . . I certainly will be. As the member points out, we definitely have to get to work here and get something done.

Minister, I continue to get requests from people in the southern half of the province to find out what you're going to do about Highway No. 1. And it seems appropriate that having received thousands of people whose names are now on petitions that are being presented on a continuing basis to this Assembly, it would seem appropriate that you should address this question for those people and give them some positive direction and an absolute, definitive answer as to when you're going to double-lane Highway No. 1. Could you do that, Minister.

Hon. Mr. Renaud: — Thank you to the member from Maple Creek for that question. I guess if he sometimes has a petition that isn't full, I would certainly be willing to sign it because I really believe that No. 1 is a priority, as is No. 16. And we would like to twin it as soon as we can, and we will do that.

As you know, the federal government turned us down on the national highways proposal that we had. We were proposing \$50 million, to be matched by the federal government, and with that money we were to twin No. 1 and 16. Of course, as you know, that was turned down. So we will do it the Saskatchewan way. We will try to create partnerships with the private sector companies, like trucking companies, and work on No. 1.

It's very important to us because it's access to the Alberta border on one side and the Manitoba border on the other side. It's a busy highway and certainly the people along that highway, for instance people from Gull Lake, would certainly like to see it twinned. Truckers would like to see it twinned; travellers — tourists — would like to see it twinned; and certainly the Department of Highways and the province of Saskatchewan

would like to see it twinned.

Mr. Goohsen: — Thank you, Mr. Chairman. Minister, just for the record, what is the traffic count on Highway No. 1 from both sides of the province, coming in from Manitoba and from Alberta, and how would that differ from the numbers that would maybe be in the centre? We'll just pick, say, Moose Jaw or Regina, some place in that area. Could you give us those figures?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. The traffic count on No. 1, right at the Alberta border, the average daily traffic count is 2,000 vehicles per day, and at Swift Current it's 3,500 vehicles per day.

Mr. Goohsen: — Thank you, Minister. Could you give us that figure also for the Manitoba entry and, say, some place along the line by Regina out here?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. The average daily traffic count at the Manitoba border is about 2,000 vehicles per day, and right near Regina it's about 11,000 vehicles per day.

Mr. Goohsen: — Well, Minister, those figures, without making any more comment about them, ought to tell you that there's enough potential risk for life and limb that something ought to be done for those roads.

Now you alluded in your first answer to Highway No. 16 up North. And I'm glad you did that, Minister, because obviously Highway No. 1 should be a priority in this province but the people up North definitely do need to have that road fixed as well, and to such an extent that we do have some questions from people out in the province about these specific roads.

And we do have, through the auspices of our "Mr. Premier, I want to know" program, we have questions coming in from the people in the province. We would like to address one of these to you at the moment because it's pertinent to this discussion. This question comes from Donald Mann from North Battleford and it says, and I quote: I want to know when you plan to finish twinning the highways between North Battleford and Saskatoon. Some sections have been complete for over a year and are still not open.

Hon. Mr. Renaud: — Thank you to the member from Maple Creek for that question and to the constituent — I'm not sure if it was Donald or Don Mann — but certainly I would like to thank him for that question.

The provincial government and the federal government announced a joint program back in 1992 called SHIP, or strategic highway improvement program. Thirty-five million dollars was set aside to complete No. 16 from Saskatoon to North Battleford over a five-year period. The five-year period will end in 1998, so we expect that section to be completed by that time. In fact, we have some good news for Mr. Mann.

Maymont to North Battleford will be open this year.

Mr. Goohsen: — Thank you, Mr. Chairman. Thank you, Minister. I'm glad to hear that answer and we certainly will pass that information on to Mr. Mann and to as many of the other folks up there as want to know.

But just for those folks up there to know exactly what's going on on their road, could you give us the traffic counts on that road.

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. The traffic at North Battleford is about 4,000 vehicles per day and the traffic at Saskatoon is about 5,500 vehicles per day.

Mr. Goohsen: — Thank you, Minister. Now that's important to know. Obviously that would tell me that most of the traffic on that road is through traffic, that there isn't a whole lot of localized traffic such as indicated by your figures that you gave us for No. 1 Highway, which indicates that 11,000 near Regina means that we have an awful lot of in-province traffic generated right around the city, and of course not as many people coming and going. So that might lend to defeating your notion that you proposed in this Assembly the last time we discussed the Highway estimates, that notion being of course that you suggested that you didn't want to get too much in a hurry fixing No. 1 Highway because too many people would be leaving the province to go and shop in the other provinces. The reality is that you've only got 2,000 people at the edges, so not all that many people are coming and going; most of them are travelling No. 1 within the province. That's indicated by the higher traffic count at Swift Current, and of course the very, very high one at Regina.

So considering that that is in-province travel to a very large extent, all you're really doing is providing for a very dangerous highway situation for our own citizens. Therefore that road should get priority, and needs priority. Those kind of traffic counts, I suggest to you, would double if you fixed the road properly and took the danger out of people travelling on it.

Now, Minister, I want to go on to ask you another question from one of our constituents who has passed on to us a question for you through our "Mr. Premier, I would like to know" initiative. This question comes from Jim Lacey from Maple Creek, and I quote: the No. 1 Highway from west of Gull Lake to the Alberta border is a very unsafe piece of highway since it is single-laned. Our understanding was that it would be twinned by 1988. Even though the federal government backed off on their commitment, it doesn't mean that the Saskatchewan government should go back on theirs. That's the end of the quote.

I just want to say, Minister, that there is a possibility there that that 1988 figure might be different than that; that could be a typo, I don't know. But I read it to you exactly the way I have it on this sheet as it was presented to me. So I will ask you for your answer on behalf of Jim Lacey from Maple Creek.

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. First of all, you commented about the No. 1 versus No. 16 and I want to state to the member that they're both very, very important. If you look at accident rates and fatalities on the two highways, I would think that will determine our priority to No. 16 at that time. And certainly I will send you those figures so that you will have them for your information.

I want to tell Mr. Lacey — and I hope you did — that he is likely right that the highway was to be twinned in 1988. I'm not sure; we were not in government at that time. But you were in government at that time. And so I guess you should be explaining to him what you did when you were spending all that money you spent and not twinned Highway No. 1. I would have thought that instead of spending it maybe for the GigaText and things like that, that certainly would have been far wiser to spend it into Highway No. 1, I would think.

And you could tell Mr. Lacey that it's a priority with us and that we will twin it as soon as we can, and we'll continue to work in partnership with private sector. And as soon as we're financially able, we will certainly work on Highway No. 1. There's certainly areas of concern like the Tompkins hill area, and we know that improvements have to be made. And as we pay off our debt — our deficit is now balanced — as we pay off our debt and are able to afford more money into highways as we go along, certainly we will be giving it its due consideration.

Mr. Goohsen: — Thank you, Minister. I want to find out from you how much of a No. 1 Highway double-lane could you build for \$5 million?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. The distance between Gull Lake and the Alberta border, for an example, is about 108 kilometres, and the cost is between 32 and \$40 million, the estimated cost. It works out to . . . depending on conditions, of course, and there's a lot of variables here depending on bridges, depending on soil type, and that sort of thing. But I guess the general average would be about 20 kilometres for \$5 million.

(1915)

Mr. Goohsen: — Thank you, Minister. That's very helpful, because while that would be a pretty good, significant piece of road in 1995, just imagine what your government could have done back in the 1970s, when they blew \$6.5 million on a project called Nabu and totally threw the money away. They could have probably, in 1970 terms, they likely could have double-laned the whole road for that kind of money back in those days.

So getting realistic about this, Minister, we can't dig up your dead computer program, and we can't rescue money from the 1980s that I didn't really have much to do with because I really wasn't here at the time. So revisiting the past might be good fun and games in politics, and maybe we can have a little joke over that sort of thing while we're here. But the reality is now, Minister, we have to get down to brass tacks and the reality of

living in 1995. What is past, I'm afraid, is done and gone. The milk that has been spilt has long since soaked into the ground and it's disappeared, and we can't go and pick it up or fetch it back. So we'll deal with the realities of the world as they are now and we will seriously approach the problem that Mr. Lacey has presented to us.

In that seriousness I suggest, Minister, that you should deal with the problem in a forthright manner, upfront, and use some of the extra monies that you've got available to you and start to invest them where they belong.

In south-west Saskatchewan the government has received from leases sold to oil companies hundreds of millions of dollars over the past year over and above what was ever expected, over and above what was ever budgeted for.

You have a surplus budget position not only from those figures alone but also from the \$188 million from the GRIP (gross revenue insurance plan) accounts that you threw away and took away from the farmers. Threw away another \$300-some million I hear the other day, as you pushed it back to the federal government because you didn't live up to your end of the obligations.

Now with 32 to \$40 million as your projected figure to double-lane the highway, that 188 million that you threw away to the farmers could have built a lot of that road — all of it — maybe three or four times. And the 300 million that you cast away to the federal government, just the tax spin-off from that could have built the No. 1 Highway double-laned, not only on our end in the western-southern corner of the province, but also going into Manitoba. I would suggest — and very seriously — I think it could have been done.

You took in all that lease money and a lot of that money is spent by companies who need to use roads in order to do the job that they intend to do as a result of having bought those leases. Therefore I think you have a moral . . . and, reasonably, a commitment that has to be made to developing those roads so that those people can do their work.

So in light of all of those monies that you have available to you, is it not fair to say to Mr. Lacey and the people from the rest of Saskatchewan, who all use that road at some time or other, that you will in fact get busy and do it right away? Because you do have the money, and there's every reason in the world why it is justified to spend that money on that project.

Hon. Mr. Renaud: — Well thank you to the member for Maple Creek. I'm sure he's aware that Saskatchewan has 25 per cent of all the roads in Canada, a little over 3 per cent of the population to pay for those roads.

And certainly the people in Saskatchewan are very happy that we were able to balance the budget this year, but the debt is still there. It hasn't gone away. And that \$15 billion is still there, and we have to pay \$870 million in interest, and so each department shares a little bit in that responsibility. And we're going to chip

away at that debt now that we do have a balanced budget.

And in our four-year plan, we tell the people of Saskatchewan how we're going to chip away at the debt so that in fact at some point in time we will be paying less interest to Zürich and to Hong Kong and to Montreal and to New York. But we just can't wish it away, and the member from Maple Creek should know that. We can't wish away that \$15 billion debt; we can't wish away the interest. We have to pay it.

So certainly we will do as much as we can, year by year, to improve the roads in Saskatchewan. And the people are very understanding because they know where we come from, and they see where we're going, and they appreciate that honesty, and they appreciate that attempt. Certainly a lot of it is maybe fix and patch and fix and patch when we would really like to do a new road, but they're very understanding of that. And we will continue with that process until in fact we can afford that.

Mr. Goohsen: — Well, Minister, once again we are happy to say that there are some things that we can agree with you on, and of course balancing a budget is something that we naturally would agree with you having done, and we would even congratulate you for doing that.

But the reality is that there are choices to be made with the monies that you have available to spend, and you allude to debt being there and that it has to be paid and that's fair ball — we have to do that. Nobody would understand that better than a man like Jim Lacey who has worked all of his life very hard through the agricultural industry as well as being in business and working in and around the community of Maple Creek.

Nobody will understand better than Mr. Lacey would that the \$4 that you had as a debt in 1970 would accumulate just by the interest alone to probably \$16 billion . . . or \$16 by now, because 4 becomes 16 when you start to pay the interest and compound the interest through the 1980s and the kind of interest rates that we saw as a reality in life — revisiting the past again — and certainly we will have to get away from that at some point.

But we do have to point out to you, sir, that Mr. Lacey will understand that \$4 of debt back in the 1970s could easily have become \$16 of debt by 1995 if you compounded the interest on it and never, ever paid that off. And the reality is that no government ever did pay off the debt from the 1970s, which was \$3 or 4 billion, and of course that has, without any question, compounded through the years and has become our \$15 billion debt.

So the reality is that that is just an inflated figure which may not, in fact, be any more difficult for a government to manage in today's inflated dollars than, say, \$4 billion would have been in the 1970s. And I'm sure that a man by the name of Blakeney could explain that to you because I understand that he was rather good with figures and understood economy and economics quite well. So maybe you should revisit him some day and ask him about compound interest, and how it builds up,

and whether or not a \$4 billion debt back in the '70s was any more difficult to manage than a \$15 billion debt would be today.

All things being equal and considered I understand, from some of my colleagues, that back in the 1970s the entire budget of the province was only a small percentage of what the budget is that we're handling today. And of course that has to be a reality when you consider that we've gone from \$4.2 billion in 1991 up to 5.2, or something like that, that you're taking in, in revenues and spreading around the province today. Which only of course indicates that you do have choices.

Now to be sure, Minister, we don't want to neglect No. 16 Highway and the people up North; they obviously need a road as well. And the choice to fix that is not a bad one, it's a good one, and we want you to know that. But we do have another question to point out to you just for sure how many of the people in the province and up in that area really do look at these roads as being very important. So this question, Minister, comes from David Nicholson from Lloydminster. You perhaps will know him. And here is his question and I quote: I want to know when will the Yellowhead, No. 16, be four-laned?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek, and I will try and make my point once again. We were very fortunate to be able to come to an agreement with the previous federal government on a SHIP program, the strategic highways improvement program. It was a \$70 million program; 35 million went into Highway No. 16, and we are twinning from Saskatoon to North Battleford, and that will be four-lane very shortly.

We were hoping that we would complete that section under a national highways program. Of course you are well aware that on December 15 of this year the federal minister said no, they weren't interested in the national highways program, so we were left on our own.

We have 8.6 per cent of the national highways, the network in the province of Saskatchewan. And again I mentioned earlier, 3.7 per cent of the population. We certainly believe that the federal government has some responsibility in our national highways network. In the United States, for an example, their federal government pays 33 per cent of that infrastructure. The infrastructure on national highways network in Canada, only about 6 per cent is paid by the federal government, and that we do not believe is fair.

But we will continue to work on it in the Saskatchewan way. We will work on it through Transportation Partnerships Corporation. And we will attempt to utilize partnerships with the private sector industries like the trucking companies.

And in fact, hopefully some day soon — certainly we can't give dates or anything — whether that's 1 year or 5 years or 10 years, I can't answer that because of . . . I told you earlier that we were still paying the interest on our debt. But as soon as we can get at it, and the people of Saskatchewan know that, they

know that we will make every attempt to continue the twinning of 16 and No. 1.

Mr. Goohsen: — Well thank you, Minister. Well we're back to having to talk about how to manage money I guess. And I guess maybe it is time that you did talk to Mr. Blakeney and some of those folks and find out how to handle a dollar and how to make choices and decisions of where to spend money.

Everybody that I know has a mortgage on their house at some time in their life, or on a car at some time of their life. I doubt if there's 1 per cent of the population that doesn't have a mortgage to pay at some time in their life. I know I certainly have paid my fair share. And it's a question of making choices. It didn't mean that we went broke or that we quit farming back home or that we stopped doing our business or stopped feeding our families. We just got on with the job and we made the choices of how to spend the dollars.

And that's exactly what Mr. Blakeney will tell you if you go back and have a little chat with him about how to handle the debt that he left this province in back in the 1970s. He would tell you that's a price of doing business and you have to learn how to manage your money better and make the choices better as to where you spend your money to help the people of Saskatchewan.

So, Minister, having gotten to the point where you're not going to make any realistic commitments to the roads that we mentioned, perhaps we should talk about a few of the others, just to let you know what a disastrous state you and your department have allowed the highways in Saskatchewan to become.

I'm not sure how many numbered highways we have in the province but maybe as you answer this question you would also throw that in for me. Because irregardless of what the final number is, I suspect that I have a question on every highway in this province, about something being wrong with it. And that has to be a very sad scenario for the Department of Highways.

If every highway in this province comes across my desk as a numbered highway with a problem, then you are seriously delinquent in your department at getting the job of repairing. And fixing patch, as you put it, even hasn't been done. So I think we're going to have to have a serious look at what you're doing and, more realistically, what you're not doing, and the choices that you're making with the spending of the money that you have available.

Anyway, I do want to get on to asking you, sir, direct questions from the constituents of this province. This question comes from Isabelle George from Arcola, Saskatchewan. I quote. I want to know why the 30-mile stretch of road between Arcola and Stoughton on Highway No. 13 has been allowed to deteriorate to such a deplorable state. With the amount of big truck traffic hauling oil out of the south-east to fill provincial coffers, we should have the best roads in the province, not the worst. End of quote, Mr. Minister.

Hon. Mr. Renaud: — Thank you very much, the member from Maple Creek. First of all I want to state my firm objection to the statement that the Department of Highways are not doing a good job. I refuse to accept that.

The Highways crews in this province, under extreme circumstances this year, worked very hard. Conditions that were very, very wet; fall very, very cold; winters, we had a lot of roads in this province explode — and added traffic in certain areas, large truck traffic. Our crews worked night and day to fix those highways. And they are in very good condition under the circumstances that we had. So I want to object to that statement very strongly.

Arcola to Stoughton. That road definitely needs to be improved. There is no question about that. Because of the interest — and I told you this 100 times but I'm going to tell you one more time — because of the interest we pay, our budgets are a little less. So what we try to do is spend . . . or worry about the primary highway system first and the secondary highway second.

We know that this highway needs improvement. And as we get more money to spend on the secondary highway system, we will certainly take highway . . . the Arcola to Stoughton highway into consideration. As the province turns around and moves forward, we'll be able to reassess some of these secondary highways more quickly.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, your government has spent the last two months going through the process of developing a budget and bringing it to the province of Saskatchewan and to the people, and you've spent all of your time bragging about the fact that you've come in with surplus amounts of money. So the continued complaining and talking about the fact that you can't manage to do anything because you're paying some interest doesn't seem to wash very well.

And on one hand you say, oh we're all strapped, and we're all broke, and we've got debts and deficits and problems. And the reality is on the other hand you're bragging all around the province about the big surplus you got and all the money you've got to spend. And yet you can't seem to find it possible in your philosophy to make a decision to spend this money in the right places, the places where it deserves to be spent: out in rural Saskatchewan. And that means on highways as a starter to try and get things fixed up so that folks can't legitimately, legitimately talk to us about roads that are in such bad shape that you could almost lose a small truck in some of them.

(1930)

Now the truth of the matter is, sir, we've had semi-trailer trucks getting stuck on some of our highways to such an extent that the wheel hole marks in those highways would, if you could split a truck in half and set it in the ruts, disappear a truck. A small half-ton truck could easily be buried in those ruts. That's a reality in Saskatchewan. That's the kind of total disaster that our highway system has come to, and we stand here in all fairness

honestly trying to bring to you a list of the concerns and problems of the people of Saskatchewan and all you can say is that you can't figure out how to make important choices on where to spend money and that what a great job everybody's doing of fixing up the roads.

Well how can the folks make any kind of effort at fixing up the roads when you fire half of them. You got no crews left. You don't spend any money in your department because you haven't got any left. You allowed the cabinet to talk you out of all the highway money to spend on union trade-offs and deals with your big buddies there in the cities. And the reality is that you're letting these big surpluses sit around and not be allocated to the proper projects.

So, Minister, having said all that, just so you'll get the story straight for a change, maybe you'll work a little bit harder on the reality of how to manage a dollar and spend it in the right place.

But we do have to ask these questions on behalf of the constituents of the province, some of whom I suggest probably may have voted for your government but likely wish they hadn't. But I've got a question here now that comes from . . . I don't know if it's a Mr. or Mrs.; it just says B. Schindel from Yorkton. And it says and I quote: I want to know why our highways are so deteriorated.

Hon. Mr. Renaud: — Well I want to tell the member from Maple Creek that he should tell Mr. or Ms. Schindel that the province is now booming. I'm sure they heard the announcement of Cargill this morning and are really excited about that — many, many more jobs in the province of Saskatchewan, another industry moving into the province.

The oil industry is booming; the mining industry in the North is booming; the lumbering industry is booming; small machinery manufacturers — that industry is booming.

So the province is turning the corner, and it's moving forward, and people are coming back to Saskatchewan; again over a million people in the province of Saskatchewan. They're moving in from Alberta and Manitoba to work in the province of Saskatchewan. Of course that means more taxpayers as well. So as the province turns around, we'll be able to re-assess many of the highways that perhaps Mr. Schindel is talking about.

Mr. Goohsen: — Well, Minister, I open-armed welcome all the people back to Saskatchewan that are coming and will come. And I say that in all sincerity. I'm glad to have them come, and I'm here to welcome them with my arms open, and hug each one of them, and thank them for coming back to Saskatchewan.

But the reality is that, Minister, we've gone from 50,000 people on welfare in the last three years ago, up to about 82 or 4,000 now. Is it possible that the only increase in population that you allude to is the people that have come back to go on welfare because the Alberta government offered them free bus passes to get out of their province? And they came here because it was an

easier welfare system to get on to and therefore they have built our population on the backs of the rest of the taxpayers perhaps.

There's something, food for thought for you there, Minister. Now you say the province is booming, and it is in some sectors, and we're very happy about that. And the truth of the matter is that that's all the more reason why you should be allocating some of your choices of dollars spent into the right areas and highways happens to be one of those areas that you are neglecting.

For example, you talk about the great boom that's coming to Saskatchewan that is demonstrated by Cargill coming into the province to build a crushing plant. I'm really happy to hear that's happening. I'm a canola grower, among other things, and it's really good to see that extra competition coming into our province. Who could argue against that? After all, that's one of the best things that could ever happen to our province is to diversify. And we're really happy that's happening.

But we've got to look at the deal a little bit. You gave three and a half million dollars to this company to locate in our province — another choice of how you spend money and the contradiction of the way you deal with your whole philosophy. But when the past administration talked about spending money in order to attract business and build a tax base, you and you people were all against that.

You were against Saskferco, a company that incidentally was associated with Cargill. And you people stood in this very House and you cried day and night about how terrible that was. Now here you are planting those same kind of dollars in another company to come to our province.

Well, sir, as the Minister of Highways, I suggest you might have argued in cabinet to spend some of that money building some highways so that they, in fact, could drive into Saskatchewan to get the job done. You also talk about the booming times and certainly you're right. In the oil patch we have told you earlier today exactly that; things are going very well, both the south-east corner and the south-west corner of the province, and millions of dollars are coming in from those leases. Those millions of dollars are over and above anything you ever budgeted for. Those millions — hundreds of millions — of dollars are dollars that your government now has choices as to where you're going to spend them.

And I'm saying to you spending at least a portion of that money on highways is not only fair, it's right. And it is incumbent upon you to go to your cabinet and see to it that you get that fair share of that money and spend it on those very roads that the people of this province need. Now we don't need more people out in the country stuck in the ditches; what we need is more highways built to a safe standard so that people can come and go without taking their lives in their hands.

I have another question, Minister, that comes from a constituent of our province, and I would like to address that to you at this time. The question comes from Dave Snare from Carrot River. I

quote: I want to know about the Yellowhead highway problem. After travelling on that route myself, I see that 50 per cent of the problem is the attitude of the drivers. Where are the patrol cars? I have never seen any on my travels on that route. Are they scared of the bad drivers? Can your government set up a safe driving program for these people that have a problem driving safely on highways? I have seen problems even on the routes that are twinned. End of quote, Mr. Minister.

Hon. Mr. Renaud: — Thank you for the question from the member from Maple Creek and on behalf of Mr. Snare. I too, I guess, travelling on Highway 16 sometimes see the impatience of some drivers, as I do on No. 1, and often even on my way into Regina from Tisdale. And I do urge all drivers to drive the speed limit and to be careful and cautious when they are driving. It's impossible for the RCMP (Royal Canadian Mounted Police) to be everywhere at once, so there is certainly . . . responsibility has to lie with many of the drivers. And so I would urge they drive carefully and safely on our Saskatchewan highways.

Mrs. Bergman: — Thank you, Mr. Chair. I'd like to introduce to you and through you to the members of the Assembly . . .

The Chair: — Does the member have leave to introduce guests?

Leave granted.

INTRODUCTION OF GUESTS

Mrs. Bergman: — Thank you, Mr. Chair. I would like to introduce to you the 87th Cub Pack from W.H. Ford School in Regina North West. There are 24 of them here tonight with 5 leaders who have committed a good deal of their time to working with these young people. I will be meeting with them a little bit later in room 218 for a chance for refreshments and a chance to talk about their legislative experience. And I'd ask members of the Assembly to join me in welcoming them today.

Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Chairman. I'm sure that the Minister of Highways will be happy to say hello to these folks as well as I am. We're glad you came out to watch how we work in the House tonight. We're discussing the business of our highways in the province of Saskatchewan.

My sons have been Cubs in the past, so I guess a little advice to you, and I'll say stick with it because it definitely has prospered all of our family, and it will prosper you as well. I'll let the minister respond as well.

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. I too would like to welcome the Cubs from Regina North West. Wonderful uniforms. I think I should hire you all as traffic officers. How about that? Welcome to the Legislative Assembly.

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Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, I guess we have to get back to the realities of the world here and talk about why we have so many people with so many concerns about our highway system in the province of Saskatchewan.

It seems like when I started in this job in 1991 that we had a few folks that were mentioning to me, as the critic for the Department of Highways, that we had some problems out in the country. Mostly we concentrated on Highway No. 16, and then Highway No. 1 became more and more as a popular focal point, and I think justifiably because those are the two roads where we saw the highest counts of accidents and tragedy for people driving and getting into accidents and that sort of thing. So realistically, I guess that was bound to happen.

But it has been a total and absolute amazement to me how we have progressed, almost a doubling of concerns and problems brought to my attention each year since we've gone through from 1991 to 1995, where we are today, and it has just gotten to the point where we're receiving all kinds of people telling us about just about every highway in the province.

In fact just for the record, how many numbered highways do we have that carry their own individual numbers in the province, Mr. Minister, so that we can find out fairly whether or not we have a complaint about every highway in the province?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. We could stop and count them but it would take several hours. As I mentioned earlier, we have an \$8 billion infrastructure of roads in the province. Twenty-five per cent of all the roads in Canada are located in this province. And so there are many, many numbered highways. But certainly I would be pleased to get that number to you.

Mr. Goohsen: — Thank you, Minister; we will await that with anticipation because I honestly believe that in these piles that I've got here I have a complaint about every highway in this province. I'm going to be really surprised if you can find one that there's no complaint about.

Now you've alluded a little while ago, Minister, to the American system. And I'm glad that you did that because I quite agree with you. We don't always disagree, and I want to, for the record . . .

The Chair: — Order.

I'd just like to read from Beauchesne's, paragraph 336:

Although difficult to enforce on occasion, Speakers

have also consistently attempted to discourage loud private conversations in the Chamber, and have urged those wishing to carry on such exchanges to do so outside the House.

Mr. Goohsen: — Thank you, Mr. Chairman.

I wanted to compliment the minister on his observations of the world around us because I think it's important to our highway system that we look at programs that do work, not only in the allocations of money which of course he is falling a little short on, but in the way that highways are planned and the reasons why things are done the way they are.

The American system of course, as you said, includes a lot of highways built by the federal government. And that is because they know that it's important to tie a country together with a good transportation system.

Now in Canada, when we talk about transportation, we seem to always think just about railroads. Reality is that transportation covers the airways, the railroads, and highways and a lot of other ways of travelling. Even I suppose you could get down to a saddle horse.

But the truth of the matter is, Minister, that you are absolutely right. The federal government does have a responsibility to develop an interprovincial road system and a national road system. And they have fallen far short in Canada in doing that. And if they would take a look at the American system, they would find that it would be much, much better for the federal government to get involved and to build an infrastructure of highways . . . and travelling through this country . . . that would make things easier for people to get around. And it would develop this country to a tremendous amount . . . more than what we have been. It would help infinitely in Saskatchewan if we had that kind of approach to life.

And I quite agree with you and support you wholeheartedly in any attempts that you make to try to get the federal government to live up to their responsibilities of keeping this country united and put together with a good road system. That all goes hand and glove with so many of the other things that we talk about in terms of pulling our country together and making this nation work.

So, Minister, anything that you say along that line, I definitely support you. And if you decide to go to Ottawa some day, I'd be happy to come along with you and tell them just exactly that.

So, Minister, I want to get on with the questions from the constituents because I think it's important that we get answers for them on all of these specific roads. And I know that you're going to assure us about your attempts to go down to Ottawa to get some more help for us through infrastructure programs, and perhaps you do have in fact some plans on the table or maybe you are negotiating at the present time. And just while we're discussing that, would you tell us about those plans, if you have any, or if there is any action in the forefront for getting some

monies from Ottawa or some kind of a plan out of Ottawa. Would you like to discuss that with us for a few minutes, Minister.

(1945)

Hon. Mr. Renaud: — Well thank you to the member for Maple Creek, and I certainly do agree that there is need for federal government to understand the importance of our national highways network. There's savings in costs to the users. There's added economic activity. Of course there's less cost when it relates to accidents and to fatalities and to injuries.

And I note that you would join with me, and I appreciate that, on any trip to Ottawa. You may have to share in some of the expense because of the tight budget situation, but certainly I would invite you to talk to me about that.

I did travel to Ottawa on February 8 and talked to the federal minister and asked him to reconsider the December 15 decision, and at that point the federal minister said no, that there was no chance of that at this time. But we will continue to work, and I will be talking with the other western ministers of Transportation, and in fact all the Transportation ministers from across Canada, in the next while to see if there is something else that we can suggest to the federal government to have them reconsider their position on the importance of a national highways program.

Mr. Goohsen: — Thank you, Minister. I'm glad that I asked you about that because I hadn't realized that you'd been there so recently and been treated so shabbily. And if you are certainly in a situation where you need a little help financing your trips to Ottawa, you can count on us chipping in a little here and there, at least enough for a meal or two so that you can go back and plead our case for us.

I do wonder though, when you talk about national responsibility, why you don't make our case a little more strongly in light of the fact that we have so many federal highway projects connected with the Maritime provinces. Now they seem to have all kinds of money to share with the Maritimes to build a highway system out there. And maybe you have to throw that into the argument a little more.

What about this causeway or big bridge, or whatever the right word is, that's going to go to Newfoundland? Who's paying for that? I understand that that whole project might be federal money.

Certainly you might use those kinds of arguments to convince the federal government that western Canada deserves at least a passing glance from the eastern part of this country. Or perhaps you could tell us that you've done that. What have you done in that area, Minister?

Hon. Mr. Renaud: — Thanks for the question from the member for Maple Creek. Certainly the fairness of the budget is one thing that . . . the federal budget is one thing that we

complained about loud and clear, and certainly we feel that the national highways network across the country of Canada is in bad need of repair.

Saskatchewan, certainly we see here the national highways network as needing some upgrading, needing twinning. Other provinces have other concerns. Perhaps it's the condition. And if you talk to a truck driver that drives the national transportation network at all, he will say that the whole network is in need of repair.

So you know, I don't have any problems with other provinces requesting help from the federal government. But certainly we know our problems in Saskatchewan and we'll continue to work on fixing those problems.

Mr. Goohsen: — Well, Minister, when we're talking about these highway problems as they relate to our nation, we've just heard about the fact that we're going to lose the money from the Crow which . . . the Crow benefit. I think everybody understands and knows what that's about and knows how much money we're going to lose.

What they seldom talk about, though, is the fact that the federal government has indicated there will be \$300 million each year for side-effect problems related to the adjustment of removing the Crow benefit from western Canada. Now that \$300 million, it would seem to me, might be partly targeted towards our double-laning of Highway No. 1, for example, because quite realistically, an awful lot of canola and feed grains like barley leaves south-western Saskatchewan and goes to Alberta. There's a crushing plant at Lethbridge and of course that is a canola crushing plant. Lots of the seed from Saskatchewan goes there because it's as close to go there — and closer — for most producers than going to the plants up North. Now maybe when we get the new one in Saskatoon that may be another thing to consider.

But realistically, right now we've got a lot of feed grains going across on those roads, and they're being trucked with big trucks. And as a result, of course, we need those highways improved.

So you should qualify under that part of the proposal for monies to help to double-lane that highway. Do you think that's possible, Minister?

Hon. Mr. Renaud: — Well thank you to the member of Maple Creek. And he's right that the federal budget includes an amount of \$300 million of money to sort of move the grain transportation system into a mode of efficiencies, I guess.

Now the \$300 million apparently is over a six-year period. Of that, I would suspect that Saskatchewan's share would be perhaps 150, \$160 million, over six years. So that works out to about \$25 million a year.

And if we take a look at the pooling alone, the pooling cost to the producers in the province of Saskatchewan will be \$40 million a year. The added costs . . . or the costs that the alfalfa

industry . . . or the amount the alfalfa industry is looking for is \$14 million a year. So just those two alone would eat up that \$25 million almost twice over.

So as you can see, it doesn't appear that in that \$300 million there will be anything for the highway network.

Mr. Goohsen: — Well, Minister, I understand your reasoning and the way you did it. What I don't understand is why you would give in so easily. Realistically your highway system has a claim to some of that money, and in all fairness, you should be able to get some of it to spend on the highway system because it is going to be dramatically impacted by the change in the methods of payments. We're going to see a lot of trucks on our roads in a lot of different places, and with the eventuality of a lot of rail lines being abandoned, you certainly must face that reality.

So, Minister, I don't want to get into that part of the discussion too far just now because I've got a tonne of questions on transportation that relate to the Crow benefit and all that. But I want to have you concentrate a little more right at the moment on a few of these questions from the individual constituents, because I know that they are anxiously awaiting for your answers.

So I have a question here, Minister, that comes from Debbie Bodker from Moose Jaw. I quote: I want to know when the Trans-Canada Highway is going to be twinned. It is a real pain trying to pass a truck on the single portions of the highway, especially when one truck is tailgating the truck in front of it. It is also darn scary when one or more large trucks are tailgating you even though you are doing the speed limit.

Hon. Mr. Renaud: — I thank the constituent for that question. And again, I will repeat to her as I have to you, that a priority of this government is to twin the Trans-Canada. We are living in times of financial restraint, and I'm sure she's aware of that. She's also probably aware that the province is turning around. We're moving out of that; we've balanced the budget. And the province is booming, certainly. And so we will continue to look at the Trans-Canada as we move forward.

I want to speak a little bit about being a little tougher with the federal government in regards to the \$300 million. I guess you would be aware that, when the WGTA (Western Grain Transportation Act) benefit was cancelled on the federal Liberal budget, the cost to producers on shipping grain will double or triple in some areas. And so we believe that the farmers are the legitimate people that should claim any monies that the federal government would put forward.

Mr. Martens: — Thank you, Mr. Chairman. Earlier this afternoon, Mr. Minister, in visiting with the minister responsible for Community Services and rural municipalities, urban municipalities, she mentioned that you were the lead minister in relation to the Crow benefit and discussion about transportation and the Crow. Now I'm not sure whether she was giving you more credit than was your due, but in that respect, I

guess, there are some questions that we need to ask, continuing on from what our discussion was last week.

In the newspaper they talked about 800 to 1,000 miles coming off of the lines that are going to be . . . that are being held to the year 2000. Is that accurate or is that speculation? In your mind and the department of transport, what would those 800 to 1,000 miles of rail line abandoned do in relation to the elevator space available and the elevators that are on those lines?

Hon. Mr. Renaud: — Thank you to the member from Morse. Indeed the federal budget included some areas that concern us. I took the opportunity on March 1 to write to Mr. Young in regards to our concern about the abandonment of the grain-dependent branch lines. In fact branch lines, but the light steel lines in particular. There are approximately 6 to 800, about 600 miles in the province of Saskatchewan of light steel lines.

What is going to happen to those lines is that the federal government are going to do an analysis on those lines to be completed by November of 1995. If at that point in time they feel that there is no justification on keeping them, they will be able to be abandoned beginning January 1, 1996. This gives farmers, municipalities, communities, very little time to look at alternatives.

I know in my constituency, for an example, or the constituency just north of me, there's the Arborfield subdivision, for an example, and at the end of that line is an alfalfa plant. The alfalfa plant would like to expand, but of course as of budget day they are not willing to expand and I cannot blame them. So they're sort of in limbo, as many other communities are.

So what we asked Mr. Young is to delay that and to talk to communities, to offer some options and a plan prior to allowing these lines to be abandoned, and we're awaiting his reply.

Mr. Martens: — Grain-dependent, light steel lines — would you have an idea of how many elevators there would be on those lines?

Hon. Mr. Renaud: — Thank you to the member from Morse. I cannot give you the number of elevators. I don't have them, but I can get them for you.

There are 39 communities that sit on the lines — Zenon Park, Arborfield, Big River, Holbein, Reward, Salvador, Cactus Lake, Mawer, Central Butte, Lawson, Riverhurst, Weekes, Somme, Carragana, Porcupine Plain, Chelan, Bjorkdale, Meacham, Peterson, Benson, Griffin, Riceton, Gray, Estlin, Henribourg, Paddockwood, Rhein, Simmie; that's on CN (Canadian National) line. And on CP (Canadian Pacific) is Simmie, Esterhazy, Stockholm, Dubuc, Grayson, Killaly, Burr, Fulda, Pilger, Middle Lake, St. Benedict, and McMahon.

(2000)

Mr. Martens: — I think the last one is McMahon . . . (inaudible interjection) . . . Yes, the member from Swift Current

was probably born near there, too.

Probably the average would be about two elevators per location, if you took and averaged it out, because Riverhurst probably has three or four. If you have roughly two and something like that, you're probably losing . . . or the possibility of losing 80 to 100 elevators out of that system. When you talked to the Minister for Transport from Ottawa, were there any others that were being considered, rather than just the light steel?

Like the CN has the majority of light steel, as I understand it. And even from your list, the volume of towns was about a third CP and two-thirds CN. And so I would say the majority of light steel is on the CN, and that's where the biggest problem is.

What kind of response have you got from the minister about medium steel and the amount of elevators that could be lost on those lines?

Hon. Mr. Renaud: — Thank you to the member from Morse. As far as we understand, all other lines fall under the NTA (National Transportation Agency) rules.

Mr. Martens: — Okay. Then we have places like Shaunavon and the line that Shaunavon is on. And if you go to Meadow Lake, because you didn't mention those lines that run further to the north and further to the south, they then would be, from your observation, protected to maybe have construction of high through-put elevators on those lines.

Hon. Mr. Renaud: — Thank you to the member from Morse. It is my understanding that all branch lines, the prohibition orders are lifted on all of them. But the light steel have no NTA rules applied to them so there's no 90-day and then 60-day period for the communities to put in their complaints or their questions.

Under the NTA there's a process of appeal, but on light steel there is not that process.

Mr. Martens: — On the lines of . . . or miles of lines in the light steel, did you have a number that you gave earlier? Was it 800 or 600?

Hon. Mr. Renaud: — It's 600 miles, to the member from Morse.

Mr. Martens: — Have the Department of Highways, and through Municipal Affairs as well, any idea on the road costs? I know that there have been significant amount of real test places that the grain has moved along highways, especially in the South moving from Moose Jaw. And the member from Thunder Creek was talking about that earlier, moving from Moose Jaw south to the American border, or you go from Swift Current south to the American border, or you go to Gull Lake and south to the American border. Have you got any idea on what it has taken to re-establish the roads to even a respectable capacity for regular traffic? Have you got an idea of what those costs have

been?

Hon. Mr. Renaud: — Thank you to the member from Morse for that question. I guess if we do nothing and the federal government does nothing but what it's announced, we estimate the costs to be in the neighbourhood of \$50 million.

That's why we were asking for options. We would like to maintain some of the branch lines. We would like to have appropriate legislation that would give producers the option of short lines where it makes sense and we will continue to work with SARM (Saskatchewan Association of Rural Municipalities) and SUMA (Saskatchewan Urban Municipalities Association) in regional planning so that regions can develop their needs in that particular area, and this is the way we can see in protecting the roads as much as possible.

But if we're not allowed any of those options, the cost could reach \$50 million.

Mr. Martens: — Are you going to make any representation to the federal Minister of Transport on transition money of that \$300 million to do an assessment and put a price tag on the volume of dollars that is going to be required to keep those roads in a reasonable amount of repair because we're going to be moving grain a lot more than we ever have before on roads.

The interesting thing is not going to be on roads that are good roads. They're going to be those tarred roads that have to carry a whole lot of traffic. And in those outlying places in the province, that's all we've got. If you go to the south of the No. 1 Highway, the roads that lead from the American border up to the main line are tarred, most of them, or they're second-grade highways. And those are the highways that are going to have to carry that volume of traffic, and it doesn't stand up to it. What happens . . . and even on the good roads, with that added weight and the volume of traffic, they just break up. And even in wintertime they break up.

Are you going to make representation to the minister in Ottawa that that transition money needs to be identified and earmarked for corridors of some kind where this grain can move? And it may be of some significance to have short-line railroads — and I believe in it — but not all locations are going to benefit from them. So what you're going to have to do is have corridors where these grain terminals are, and that's going to have to be the way that you deliver the grain. Are you going to ask the minister for some transitional funds for that purpose?

Hon. Mr. Renaud: — Thank you to the member from Morse. As you are quite aware, the \$300 million is not designated just for Saskatchewan. The \$300 million transition funding . . . we estimate that we would receive, if it sticks sort of under the WGTA system, to get about \$160 million. Over six years, that equals to about \$25 million a year. But if you take a look at some of the additional costs to the producers, pooling alone will be \$40 million. The alfalfa transition . . . I know the alfalfa people were asking for \$14 million per year and there's a lot of other people involved in that so there is very, very little money

there to go anywhere. And it doesn't appear that any will go (2015)
towards roads.

And we're not, I guess, as fortunate as the Atlantic provinces where the one subsidy was cut off but in fact the federal government is now putting in 325 million approximately into their highways infrastructure. Well we were not that fortunate in the West and that's why we argued . . . one of our arguments to the federal government was the fairness of their budget and so we don't believe it's fair.

We're going to have to manage. We're going to have to work with SARM and SUMA because it's not only . . . You're right that the majority of the additional traffic, we believe, will be on the highways but there will still be additional traffic on municipal roads. So we'll work with SARM and SUMA and the Department of Highways to try and manage this as best we can under the circumstances.

Mr. Martens: — You mentioned pooling as a part of that 300 million. As I understand, it's \$20 a tonne to move that grain from Thunder Bay to Montreal on average. Is that correct?

Hon. Mr. Renaud: — The \$20 a tonne, I believe . . . the Thunder Bay to Montreal fee is on the traffic moving east and it's not on the traffic moving west. So I guess it wouldn't be \$20 a tonne in total but it's \$20 a tonne on whatever moves east.

Mr. Martens: — So that any of the grain moving into Thunder Bay — if I have this correct from you — any wheat moving into Thunder Bay from western Canada moves through the lakes at \$20 a tonne to get to salt water in Montreal. Is that correct?

Hon. Mr. Renaud: — Yes, approximately.

Mr. Martens: — Well I know that in some years there's been 12 million tonnes. There's some years, 7 million. What was the volume moved last year, or give me what was moved last year, and give me an average over the last 10 years.

Hon. Mr. Renaud: — To the member from Morse, we will get you those figures. We do not have them handy.

Mr. Martens: — Well you were talking about 40 million going into pooling from that account. If I have it figured out right, the \$20 times 7 million tonnes is \$140 million. Is there some that is going to be continued to be paid by the producer in lieu of that and . . . Well as I understand it from the paper, and I'd like to be corrected if they're wrong, or that to be corrected, the farmer is going to pay all of it from point A to Montreal if it moves east. And if that's wrong correct me; and if it's not wrong could you elaborate on it.

Hon. Mr. Renaud: — We have nothing concrete, to the member to Morse, on that except that the Canadian Wheat Board and the national grains bureau are talking and we believe about 4 million tonnes which would equal to about 10 to \$12 per tonne.

Mr. Martens: — Well I believe the highest year that they had was 12 million tonnes, so that would make \$240 million. Most of that money came out of the pooling from the Canadian Wheat Board. And the concern I have — and it's something that the Manitoba government will push for — and that is the pooling will become a part of the total volume of the Crow benefit.

And I'm not sure whether — I'll repeat that — the pooling of the grains and that is the . . . and the cost of moving grain from Thunder Bay to Montreal will become a part of the pooling, or is a part of the pooling; and they, in Manitoba, want that amount of money to be taken out of the Crow. It never has been before. It's always been taken out of the pooling account for wheat and barley or the grain board grains. And in all of the discussion that I ever had with the ministers of Transport and Agriculture, that was something that Manitoba government always wanted to have.

And, Mr. Minister, I'd like to know from you if that is still the case and if they're going to take a bunch of money out of that 1.6 million yet on top of that.

Hon. Mr. Renaud: — Thank you to the member from Morse. It is our understanding that the pooling is coming out of the \$300 million, that any compensation for that would be coming under that \$300 million.

And I just wanted to correct that 4 million estimate that I gave you before; that's just the Saskatchewan figure. Okay.

Mr. Martens: — Well that's quite a bit more reasonable, Mr. Minister. Because the dividing line is west of Regina here and that stuff moves east and the rest moves west, so the volume of grain would include a lot of what Manitoba will give yet too, and that could make two and a half million tonnes too. And so . . . Because that all moves there except what moves to Churchill.

Is there any consideration, because of the lines as it relates to the track at Churchill, is there any consideration in that being upgraded in any of this transition money?

Hon. Mr. Renaud: — Thank you to the member from Morse. What's going to happen with the \$300 million is still basically speculation, and I hope you realize that.

It is our understanding that there was an article in the *Winnipeg Free Press* today that suggested that some — an amount between 25 and \$30 million — would be going into Churchill, but we do not know if it's into the elevator or into the track or . . . In fact we do not know or haven't verified that statement.

Mr. Martens: — In the *Leader-Post* it had an article about repercussions seem endless. And there was information there that said that a farmer from Swift Current who paid \$14 a tonne will likely be paying 30. A person from eastern Saskatchewan,

which represents anything from Scott going east — actually would include Swift Current almost — the volume of grain moving from the south-west part of the province moving east or moving west, but the crop moving east would be about \$35 a tonne to get it to Montreal, which if you discount the \$20 a tonne, is 15 to move it to Thunder Bay. Would those numbers be pretty close to being accurate?

Hon. Mr. Renaud: — Thank you to the member for Morse. This is preliminary and the department is just working out these figures, but our earliest estimation: Estevan, for an example, the current freight rate is 11.80 — that's the producer's share — and with no pooling change, that would go to about 22.83; and with pooling change, it would go to about 34.64. Swift Current, currently 13.82 to the producer, it would, without pooling change, would go to 28.58; and with a pooling change would go to about \$32.38.

Mr. Martens: — What we have at this point is . . . or we need to start talking about what variable rates would do in relation to that. Is it of some significance to the federal government to have it move as cheaply as it possibly can? Because now I, as a producer, am paying the full shot.

Now how are we going to work — we being agriculture in Saskatchewan — going to work with a monopoly that has absolute control over the agenda, and setting regulations that are going to dictate for us a principle that I think needs to be followed? One is that the higher the volume, the longer the distance, the cheaper the rate. And that has to be established by some body because a monopoly is going to regulate and govern this, whether it's in the CN line or whether it's the CP line.

And would you have some information as it relates to how this would be handled or how it could be handled, or how your department is looking at making presentations on how to handle it.

Hon. Mr. Renaud: — Thank you to the member from Morse. We've always said, as we've been discussing this with the federal government, that efficiencies must reflect the cost to the producer. It's got to be least cost to the producer for a good system, and it's got to be from farm gate to the ship. And so we've always stated that.

We've also stated that there has to be true competition. The monopoly system would have to end in order that the producer does get the full benefit of any efficiency. And we continue to say that.

So from the ashes of the WGTA's death, there is supposed to be a new, competitive environment of some kind, and I guess we're sort of waiting to see what that might be. I guess we're a little concerned that the WGTA was gone without this plan being there. Because it would have made sense to me if the plan would have been there first, and maybe the reduction of the WGTA tied to efficiencies, least cost to the producer, which would have made a lot of sense to the farmers in the province of Saskatchewan. But that was not done.

So we've been saying that I think they put the cart before the horse here. And so that's one of the reasons I asked Mr. Young to delay in fact rail line abandonment, because I think he should step back, talk to the producers, talk to the communities, talk to producer organizations, municipalities, provincial road authorities, before making these kinds of decisions.

Mr. Martens: — Well you're right about the role of a monopoly-controlled entity. And I know enough about the CPR (Canadian Pacific Railway), and most people do, because I live along the CPR, and you probably know enough about the CN to begin to believe that there is a monopoly and there is no competition. And how can you get efficiency when there is none of the above?

And therefore is there some way that in your discussions with Mr. Young that you can make him understand that you need to have some regulatory function come into place so that it can handle that and determine whether that is going to be efficient? And that is very important in order to get any reasonable adjustment because you're going to have to have a different rate for Swift Current in relation to Thunder Bay and Estevan into Thunder Bay. And going west you're going to have to have a difference. If there's grain moves out of Estevan to Vancouver, that's going to have to be a different price than Swift Current to Vancouver.

And that's where you're going to have to have something to regulate this because there is no competition. There is no efficiency in the rail system; there never has been as it relates to the Crow. So if we're going to build it in, then we've got to build a regulatory body that is going to function in some way to regulate and control that, and then we go from there. But I'd like to know from you where that's going to be.

Hon. Mr. Renaud: — I certainly agree with the member for Morse that there's some regulatory functions here that we are very concerned about, and we've expressed that to Mr. Young. Some of those are the regulations for short-line railways. Can they in fact be an option to producers, to communities, and to rural municipalities and provincial road authorities in regards to a lower cost to the producer, lower costs on road maintenance, and the such?

Joint track usage is another area where we believe that competition in that case may actually give the producer less of a freight rate, and this would be beneficial to them.

So certainly we are aware of those. We are hoping that the federal minister is listening, because this is a very serious concern. The producers are just about to go into the field and they don't know a lot of these things and so we're very, very concerned. And farmers are not dreaming in technicolor when they realize this problem. They realize that there's a problem.

Mr. Martens: — You mentioned earlier that this \$300 million has some functions that are likely going to be paid out on the basis . . . pooling could be 40 million, alfalfa is asking for 14. On the basis that I've heard complaints from Quebec and

probably some from eastern Ontario on transportation, is there a reason to believe that some of this money might go to that? And if it is, then I would say that we really have to get our backs up pretty high because they've received a benefit of cheap transportation all of the years.

Their livestock producers have received the benefits of that freight rate and the livestock people in Saskatchewan have not received the benefit of that. And therefore it's been a kind of a backwards kind of a focus as to how Quebec and eastern Ontario have benefited, and the livestock sector and the western Canadian livestock producer has suffered under it all the time. And is, in your mind, some of that money coming from the transition fund going into paying . . . to have those Quebecers maybe be quiet?

Hon. Mr. Renaud: — Thank you to the member for Morse. As you're aware, the old Crow's Nest Pass Agreement was sort of the backbone or the cornerstone of Canadian farming. And it's a western Canadian payment or a payment to the railways in lieu of our difficulties in transportation, our distance to the ports. And it was put there for a purpose. In 1984 it was changed to the WGTA, but certainly we expect the full \$300 million of funding toward changing the system would come to western Canada.

**General Revenue Fund
Health
Vote 32**

The Chair: — Perhaps the minister could reintroduce to us the officials who have joined us here this evening.

Hon. Mr. Calvert: — Thank you, Mr. Chairman. I'm very happy to welcome again to the House, Mr. Duane Adams, deputy minister of Health; Ms. Andrea Smandych, who is acting manager of financial services; Lorraine Hill, associate deputy minister; Steve Petz, associate deputy minister; Glenda Yeates, associate deputy minister; and Maureen Yeske, executive director, health planning and policy development.

(2030)

Item 1

Mr. Swenson: — Thank you, Mr. Chairman and welcome, Mr. Minister, and your officials. I just have a few questions I'd like to pose to the minister tonight and then my colleague, the Health critic, will be resuming his discussions with the minister.

Mr. Minister, it was reported in the Moose Jaw paper of Saturday last that on Wednesday there's going to be approximately 70 lay-off notices issued to health care workers in the city of Moose Jaw. And this is a result of a million dollar shortfall in funding that was expected to occur with the local health board. And I'm wondering if you could shed some light on that for us tonight.

A million dollars disappearing on short notice and everyone

declining comment — from the health board, the Providence Place, Providence Hospital board. So I'm wondering if you could tell me why 70 health care workers in our community are going to be laid off and why this million dollar shortfall occurred.

Hon. Mr. Calvert: — Mr. Chairman, thanks to the member from Thunder Creek for the question. It is, as he knows, of very topical interest in our community. He will know from the article that appeared in the press that the staffing downsize — the loss of about 70 positions, full-time equivalents — is essentially a result of taking three buildings which have served the health care needs of Moose Jaw and district for many years, and moving those three buildings into two. Essentially what is happening, as the member is well aware, is that acute care services are now being offered totally at the Union Hospital site and the long-term care services which are now being offered both in St. Anthony's Home and in Providence Hospital are being consolidated in the new Providence Place. And so what is happening here is essentially the downsizing of staff relating to housekeeping and maintenance primarily.

In terms of the funding for the Moose Jaw district total and for Providence Place, in fact the funding is marginally up in this year's budget.

Mr. Swenson: — I find that explanation a little strange, Minister, because a number of health care professionals in the community who were making comments, who didn't wish to be named, obviously felt that they didn't want their names made public because of the criticism they were levelling. And the fact that most local people involved with the boards were declining comment on the shortfall tells me that there was something inordinate because the individuals on that board, most of whom the minister knows and who I know, have been in the past quite vocal about the things that they've been doing and quite frankly have not hung their heads in shame over commenting on those issues. And I'm wondering now why all of a sudden we have this silence, why we have people reluctant to let their names be in the media on this issue. If it was something that is totally within the ordinary, I don't think those comments would have been made.

People are very afraid that the new facility will not be properly used because of this cut-back and the fact that there is a shortfall in funding, and I think you owe the people in your community and mine a further explanation. You owe the taxpayers of this province.

We're talking about a building that cost tens of millions of dollars, renovations to another building that cost tens of millions of dollars, and some very significant changes to Moose Jaw and area through the Thunder Creek Health Board, and I don't think that explanation is suitable.

Hon. Mr. Calvert: — Mr. Chairman, I will further explain to the member, and I am surprised at his comments that people seem reluctant in our community to comment. That I don't believe is the case. People have made a number of comments

publicly and privately on the issue surrounding Providence Place, Union Hospital, St. Anthony's Home consolidation.

The member will recognize that this plan has been in the works for well over a decade. For the many years that he sat in the government benches it was approved in theory on many occasions and I am proud to be part of a government that gave this project the final go-ahead and we have seen the resultant construction.

Now when the member talks about a million dollar shortfall, I want to again remind the member that funding for the Thunder Creek/Moose Jaw district health board in this budget year is actually up over last year. I would remind the member that all of the existing programming will be moved into the new Providence Place.

Now as the member will know the building has been so designed to serve us over many years — not just for the next few years, but over many years — and has been designed to incorporate within its walls a whole wide variety of programming. At this point in time, there had been some recommendations for enhancement of programming. At this point in time those enhancements are simply not available given the fiscal realities we're all living with. That may be described as a million dollar shortfall. But I want to reassure the member that in total, funding is up and that all of the existing programming . . . it's up by . . . it's pointed out to me that it's up by 2.81 per cent and that all of the existing program — the geriatric assessment, the hospital, and adult day care — is in fact moving intact.

Mr. Swenson: — Well I guess, Minister, then if I have misunderstood, there's a lot of other people have misunderstood, the capability and the quality of health care that'll be delivered out of that particular facility in conjunction with a revamped Union Hospital because they do share many components which were not done in the past. We all applaud that. That has been a long-term proposition that even superseded my government in the 1980s. Those discussions had been ongoing.

Perhaps you could then tell the Assembly what those misconceptions are that people in our community seem to believe were going to occur that, as you say, cannot occur because of fiscal restraint. And perhaps that's where the problem lies. Perhaps people in Moose Jaw and district don't understand what they thought they understood because . . . Minister, I'm going to ask you to provide for a me a breakdown of the costs associated with the administration, with nursing, and with the long-care components of that hospital. And I know you don't have that with you tonight, but I'm going to expect you to provide those figures to me, and that will help me clear up some of the misconceptions, as you say, that exist in the communities.

So could you tell me what people were assuming that isn't going to occur?

Hon. Mr. Calvert: — Now, Mr. Chair, I'll repeat again for the member. The programming that exists, in fact with some enhancement to the existing programming in terms of staffing and so on, is moving into the new centre. Now there have been a wide variety of discussions in our community, as you know, and there is potential — I will agree and say — for yet further enhancements. There were further enhancements desired that we're simply not able to fund at this time.

Mr. Swenson: — What you're saying to me, Minister, is this: there's space in the existing facility, that if there was budget allowable, there would be other activities taking place in there. There would be further staffing taking place. There would be further patient care. There would be a more holistic health care delivery system in place for the community if you had more budget. Is that what you're saying?

Hon. Mr. Calvert: — I think that's a fair comment that the member makes and I think that would be true of almost any facility in the province, in fact. With added financial support, we can offer more programming out of almost any facility, but it is particularly true in this case. And some of the areas for certain that the Providence board has looked at seriously is quite a major expansion, for example, in day hospital care.

But again I want to reassure the member that most of the staff loss — and it's not a happy circumstance for any individual or any community to see this kind of staff loss — but most of that is related to the rationalization of three buildings into two. And if I may say, we worked with the district board, worked with the Providence board, and as you know, have worked provincially to provide as much mitigation as is possible in these kind of circumstances.

When Providence Place opens its doors, we know that building will serve our community, we hope, for many, many, many years. And I think we can only, we can only imagine now the kinds of programming that can and will be offered out of that facility over the years.

When the doors open, all of the programming that now exists in Moose Jaw . . . And some of it is very exciting, with the concept of the geriatric assessment unit, for instance, which is hoped to serve not just our community but the broader range of southern Saskatchewan, that's a very exciting and new concept in long-term care and geriatric care. So you and I, I'm sure all of our community, and indeed the province, can be excited about this new development.

Will there be changes and will there be enhancements in future years? I certainly hope so.

Mr. Swenson: — Well, Minister, you can empathize with people in the community because there are other events occurring that would make people believe that some of these things needed to happen. I am told that there is going to be 40 beds shut down in Pioneer Village; that a number of the other . . . (inaudible interjection) . . . Well you may shake your head. My 96-year-old grandmother is a resident there, and I can tell

you that every time I go for a visit I don't get to spend much time with her because I have to talk to other folks around there who are less than happy with some of the things that have transpired there lately, of which you're aware.

But if you'd knock 40 beds out of there, the pressures that are on many of the other facilities in the city are going to dictate that those folks are going to have to go somewhere else. If you do not have a day care component and if you do not have existing bed space anywhere else within the district to move these people, then you can see why people are upset and maybe they're having misconceptions about what your government was telling them was going to happen with the new facility of Providence Place.

And if it isn't 40 beds at Pioneer Village and a major restructuring occurring there, then how many is it? Because I know there's been plans made to create a bigger open space in order to do activities there. Now if it's not 40, what is it then?

Hon. Mr. Calvert: — Mr. Chairman, I'm going to commit to the member that we will get for him the exact number of beds and how the beds are going to work out in the Moose Jaw context. What is happening, I think as he knows in terms of the Pioneer Lodge circumstance, is some of the beds there are being converted so they may handle a more heavy level of care, level 3 and 4. Some of that conversion is happening at Pioneer Lodge to in fact replace some of the beds that will be lost when both St. Anthony's and the Providence close.

And so some of the beds at Pioneer are being converted to the level 3 and 4 care, which if I may say, knowing that institution as I do, there have been a number of residents there, I think, who have been approaching the level 3 and 4 care level in any event, and it's appropriate.

But we also know this, that with the work that can be done through, for instance, the geriatric assessment unit — and we've already seen, I think, some real, solid evidence of that in our community — with the work that will be done to the geriatric assessment unit, we know that the need for the heavier level care beds will diminish. There will be a diminishment of the need for that heavier level care as we continue to build the home-based and community-based services, and very particularly work with the geriatric assessment unit. This is already being demonstrated in our community and it's being demonstrated in other communities across Canada.

(2045)

Mr. Swenson: — Well, Minister, I'm sure you're familiar with the facility, but I think you need to take a walk around again because there is a waiting-list, as there is at Ina Grafton, as there is all over the town.

And there's a whole whack of them approaching 3 and 4. In fact I would estimate right now the residents up there, probably 50 per cent of them could be classified 3's right now if you wish to do that. And I don't see the need for those heavy beds going

away.

And I think one of the things that gave people in the community hope was that along with geriatric assessment where you take a look at the individual and their needs, that you also had things like the day care and others available.

And if you're telling me that those things are not going to be available, then we're going to have a lot of people in our community — and I would suggest other communities around the province because this isn't unique to Moose Jaw; we're lucky we have a new facility that is designed to do certain things, other people don't have that . . . but with the drastic reduction in the number of beds, which is going to occur because that building is smaller than the one it is replacing by far, and with reductions occurring in other facilities, that you're going to have a lot of senior citizens in that community that are going to need something more than a return to their own home, or being shipped somewhere else in the district. Which has occurred in other districts — away from their home community.

And I would find that very unpalatable if you have to start shipping former residents of Pioneer Village, or lodge, off to Central Butte, or Avonlea, or Craik, or something like that because that would be utterly bizarre.

And the numbers don't add up to me, Minister. I walk through those facilities, and I look at the individuals involved, and I don't know how in the world you can honestly say that you're just going to boot them out, and they aren't going to have any recourse to anything else. I don't know how you can explain that. And I'd like you to try.

Hon. Mr. Calvert: — Well I want to reassure the member, perhaps he didn't hear me earlier, that the existing programing — including the day hospital and the adult day care — is moving, and with some small enhancement, into the new building. So those programs will exist.

Now what is new and exciting in the Moose Jaw context, and in the context of southern Saskatchewan, is the geriatric assessment unit and program which is also moving as it now exists and is working in the Providence Hospital. Of course we're working with the Moose Jaw District Board, and with the Providence Hospital, and with Dr. Pillay, and the geriatric assessment unit to review its progress, and how it's functioning, and the results it's obtaining.

But we're very confident, very confident — and I think the member should share this confidence — that the work of that particular unit is going to play a very, very key role in providing the appropriate assessment leading therefore to the appropriate care for our seniors primarily. But not only seniors, there will be others in our community who will need supportive and long-term care.

So I want to repeat again for the member. The programing that now exists, with some enhancement, will move into Providence Place and we're looking forward very much to the work of the

GAU (geriatric assessment unit) and tying that work with the growing range of options that are available for people in their homes and in the community.

Mr. Swenson: — I'll ask you this question then. On the adult day care facility which has been run successfully out of the Providence Hospital, with the staffing cut-backs that are occurring, is there the ability, with the current staffing levels, to pick up a heavier load than currently exists at either Providence Hospital or St. Anthony's Home if, because of bed closures in other facilities, those people are no longer in the facility, they're no longer in a permanent care situation? Do you have the budget and the staffing component in order to allow those people to use Providence Place as they now currently use the other two facilities or, in fact, an enhanced ability to use Providence Place?

Hon. Mr. Calvert: — I want to make it clear to the member that those who are now occupying the long-term care beds will continue to occupy the long-term care beds. The geriatric assessment unit primarily is to deal with people who are now approaching the need for more supportive care, whether it be care in their home or care in a long-term care facility. The answer is yes, the staffing will be there.

There is now a physical plant that will serve us many years, and I expect that programing over those years will change within that physical plant, that it has been built in such a way to accommodate the possibility of change in service and change in role as the years unfold. With the GAU — geriatric assessment unit — and the other programing that's now being offered, we're working with the board, I say again with the Providence board, and with the staff of the geriatric assessment, that we'll be going through a review process to test its capabilities and see if it needs further enhancement or some other appropriate use of the money that we have.

Mr. Toth: — Thank you, Mr. Deputy Chairman. Mr. Minister, and to your officials, again welcome. I'm going to go back to . . . a few questions back to some of the discussion the other day, and at the end of our discussion we got into some respite beds and funding, and you had indicated that there was a funding increase for respite beds. I take it that we're talking across the province, globally. And what I'm wondering is how much of an increase, what was the increase, how many beds will this affect, how many additional beds will be funded, and where will the beds be located? I wonder if you could give us a bit of an overview, Mr. Minister.

Hon. Mr. Calvert: — Mr. Chairman, we're trying to get as accurate as information as we can for the member in terms of targeted funding for respite services and respite beds. In this budget there is an additional \$1.5 million and in the year succeeding, in that budget, there will be another \$1 million.

Now by our calculation, and again because this funding is provided to our districts and each district in their own context will decide the appropriate mix of respite and so on, but if we take an average, this amount of funding should provide for a

doubling of the number of respite beds across the province. The hard number we don't have here tonight. We can get the actual number for the member.

Respite, of course, as the member well knows, is key to providing support for those who will be caring for loved ones, sometimes a child, sometimes a parent, sometimes a spouse. The respite bed becomes an opportunity for the person who is being cared for to be cared for in a more institutional context for a few hours or a few days to give a rest, respite, for the caregiver. So it's an extremely important and key component of community-based care.

I'll give the member the best number that we have tonight. We are aware tonight of 144 respite beds across the province tonight — 144. This is our best estimate and we'll expect that to double to around 280, 288.

Mr. Toth: — Well thank you, Mr. Minister. Certainly some of the discussion we had last week was centred around — and I think my colleague, the member from Thunder Creek, raised that point too — the fact that in rural Saskatchewan . . . and that's an issue that's been brought to my attention on a number of occasions. In fact tonight it was raised again as I was talking to a couple of constituents out in my area.

The big concern, Mr. Minister, is the fact that because there isn't sufficient funding for respite beds, that we do have people moving from one community. And in a lot of cases they're being taken from the community that they've grown up in and they're being moved maybe 80 miles to a respite bed that happens to be open in one centre. They're there for a month, then they're moved down the road another 50 miles and then maybe 40 miles and back again. And it's just a vicious circle. And for a senior who is having a lot of problems remembering or maybe having memory loss and problems with say even Alzheimer's disease, it becomes very confusing. And families are just finding this very discouraging.

I'm wondering, Mr. Minister. You indicated that this money is going to the district boards and that the district boards will then determine where the funding will go. And I guess what I'm wondering, what I'm going to ask you . . . You're saying the district boards have the choice. Do the district boards really have that choice, or is there still going to be some directive coming out from the department telling the district boards where they can or may spend the money for respite beds?

If I could throw out something, Mr. Minister. We have a lot of facilities around our province, a lot of them that are still functional or operational; some of them that aren't actual hospitals any more but are termed wellness clinics. You announced the other day a substantive increase in home care funding. And what I'm going to ask you and what I'm wondering is why we couldn't take some of this money — if the rooms are already there; there are physical beds available — why we couldn't designate a few more of these beds as respite and for them to be used for that purpose.

And even in a community that doesn't have an active hospital but has a wellness clinic, what they've done is taken the old hospital, turned it into a wellness clinic. They do have rooms available. They do have a nurse on duty 24 hours a day. And it would seem to me that it would be actually quite convenient and it wouldn't be that much more costly to make a bed or two available in some of the local communities where they could be utilized.

And maybe, Mr. Minister, you could comment. Maybe you could look at that as an option, or maybe your department has; I'm not sure. But I would think that with what we already have in place, we could have looked at ways of finding more efficient ways to spend our dollars and spend it effectively versus just closing down centres or closing down facilities and taking away services.

Hon. Mr. Calvert: — To the member, Mr. Chairman, the member should understand that yes, the districts do have both the freedom and the responsibility to make those decisions, that the districts are and have assessed their needs and their populations, and they do have the responsibility and the freedom to make those decisions.

And yes, in fact most of the existing respite beds now will be beds in integrated facilities, and we would encourage this kind of use of the facility. The respite bed, providing short-term relief to care-givers and to individuals needing the care, in the course of a year could easily serve maybe 20 or 30 different families. And so they are a key component. And the answer to the member's questions essentially are yes.

(2100)

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, we'll certainly look forward to chatting with some of the local district boards to see, at the end of the day, if what you've told us is actually true, that they really feel that the funding has been allocated and that they do have the ability to then determine where it would be most appropriate to channel those funds.

And that brings me to one other question, and I guess we'll just move a little bit further, and we're going to . . . When we talk about district boards having that choice, a question that's been on the minds of people for the last two years is board elections. Now you've indicated that we're possibly going to see board elections this fall. I see a figure in *Estimates*, page 74, of some \$975,000 tacked in there. I would take that for board elections.

If there's anything that people in general are saying across the province, it's that they would like to see not just eight members, but all 12 members elected. And I think people are saying that, Mr. Minister, because they feel that if all 12 were elected, then the 12 members would be accountable to the constituents they serve versus the fact that, as you're proposing, as your government is proposing, four will continue to be appointed and I believe one of the four is also going to be the chairman.

And the perception is that if that indeed is the case, then the

direction is still going to come from the four appointed members and the elected board members really will not have the say or have the ability to have a say and really feel that they have a voice to address the concerns that are brought to their attention on a daily basis.

Mr. Minister, I wonder, would you mind clarifying for us the election process — when you anticipate seeing the elections take place, why you decided to not hold elections in conjunction with municipal elections last year, and the fact that if we go this year, Mr. Minister, where we're looking at an additional cost, where we could have tied that into the municipal elections.

And also the other question, it seems to me . . . And the question I'd like to know is what it cost for Mr. Stevenson to determine the boundaries or the ward system that we have put in place for our district elections when, I believe, we would have had the people, qualified people right in our own areas, that could have drawn up those boundaries fairly quickly and fairly efficiently without paying another individual \$500 a day just to determine that we need a ward system in electoral boundaries.

Now I know I've thrown out a number of questions and concerns and I'd like your response.

Hon. Mr. Calvert: — Mr. Chairman, the member did raise a significant number of issues there. We could spend, I think, a fair bit of time in this answer. I will try and highlight some of the issues that he raised and then I'm sure he'll want to come back for more detailed questioning.

He asks about the when of the health board elections, and we do anticipate those elections being held this fall. They will be held in this calendar year — we anticipate this fall.

He talks about the why of appointed and elected mix. Now the member will know that when we proposed the formation of regions and districts for health care delivery, as has been talked about in this province for many, many years — certainly during his time in government there was much discussion about regional or district delivery of health care services — when we made the decision to move in this regard, we then had to face the decision of governance of the districts. Now there were many people in our province, many people, and some who continue to argue that all of the health board members should be appointed, either by local government or by provincial government. There are those who take that view. I continue to get letters from those who take that view. There are others who take the view, including yourselves, that all 12 of the district board members should be elected.

We made the decision, and put that decision in legislation that was debated in this House at length, I recall, that the majority of the boards should be elected, to ensure that democratic input into health care decision making. And so the majority of every health district board in the province will be elected.

We made the choice that a third of the board, or 4 out of the 12 members, would continue to be appointed. We made that decision based on some of the arguments presented to us by many people in our province that there should be on those boards room to appoint so that we can ensure that the whole population and all of the interests of a community and a district are represented on that board.

Let me give the member this example: if, for instance, we have a district in Saskatchewan — and we may have many of them, for that matter — with a high percentage of seniors, if through . . . and let me say that seniors will have a particular interest in health care decision making. I think that's obvious. If, through the electoral process only, a senior is not elected, or someone who may well represent the interests of seniors is not elected, then it seems to us appropriate that a senior should be therefore . . . or someone who can represent the interests of seniors should be therefore appointed to that board.

I want to explain to the member, as with the current boards in their make-up, all of the nominations of people who will serve on the boards, all of those nominations will come from within the district. This will not be a matter of either the bureaucracy or we involved at the political level here in Regina hand-picking individuals. We will depend on nominations that will come, as we did in the first appointed boards, from the districts. They will be appointed, hopefully to balance interests that may not be present at the board level through the electoral process. We think that's both fair . . . it maintains the democratic majority in health care decision making, and yet it also, we think, will provide health boards that can be completely in tune with the issues and the population of their communities.

In terms of the election of the eight, the first historic election will occur this year — first time in Canadian history that there will be an election of health board decision-makers. Each district will be divided into eight separate wards. That work is going on even as we speak. The districts are now working in their own communities with people at the district level to determine the ward boundaries.

I want to correct the member at this point. The ward boundaries within the district are not being imposed by the province. They are not being written by the province. Mr. Stevenson did not describe the ward boundaries. The ward boundaries in each district are being worked out at a district level. Each district is now in that process. In fact I saw in the Regina *Leader-Post*, I saw a big ad just the other night where the Regina district is advertising to the people of this health district their proposals for ward boundaries, inviting public input and comment. That process is going on.

It is not, as the members can well imagine, just a simple process to fairly divide these various districts into wards. And we made that decision to use wards to ensure that all communities within a district can have, and sense that they have, fair representation at the board level. This year, in this calendar year, we will elect a board member from each of the eight wards.

However, in succeeding years and elections, the ward elections will be staggered. And so, for instance, if we number the wards odd and even, two years from now four of those wards will go back to the electoral process to elect for a four-year term. Half of the wards this year will elect members to the district board for a two-year term and half of the wards will elect for a four-year term, and that will then put us on the staggered process so that we can ensure continuity on the boards.

The member is correct. In this budget there is an amount of \$975,000 dedicated to the board elections. The member will know that one does not conduct any election in this province, particularly an initial, pioneering election, without some expenses. So that is correct; there is \$975,000 in this budget year dedicated to health board elections.

Mr. Toth: — Well thank you, Mr. Minister. Mr. Minister, it just sounds to me like you basically said that the people in Saskatchewan do not have the ability to elect fair representation on the boards. And that's the only reason that you are having four appointed positions. I think if you took a look at the board selection and the board make-up across the province and many areas over the past number of years, you'll find that people . . . there was pretty well a fair representation on the hospital boards in the past. And certainly a lot of that . . . there were a lot of changes coming place.

There were more people taking an interest in health care and becoming involved in district boards. And I happened to serve on a couple of boards where we did have quite a different make-up in age, from young to older, from male to female. And I think, Mr. Minister . . . And it's fine if the member from Lloydminster wants to ask some questions, she can stand up and ask some questions, there's lots of time for her to debate.

But I would like to say to the minister that people have been telling me, from day one, even prior to the formation of the larger districts, that they would like to have elected board members. That was going back to even when we had the boards as they were before. And I would also like to bring to your attention that many of the communities had changed, were in the process of changing from four separate health boards in their communities to one health board. And even in my area, Mr. Minister, hospitals were working together.

So basically you had almost a district concept in the way they were supplying services and the way they were buying equipment — it wasn't each individual hospital. But they were doing it together on, I guess if you will, on a mass scale so that they could cut some of the costs. So there were a number of ideas already out there.

Again I think, Mr. Minister, we should take into consideration that people themselves, I believe, want to have the process to elect. They want to have the ability to elect all the board members. And I believe that they can make fair and honest choices.

One question, Mr. Minister; is this election of board members

going to take place before or after the next provincial election?

Hon. Mr. Calvert: — Mr. Chair, the answer is for sure one or the other. If the member knows the date of the next election he knows more than I do. I know that the next provincial election will be held the next 18 months. I know that. And I know that the board elections to the district health boards will be held in this calendar year. I do know that.

I want to say — and I want to just go back to some of the member's earlier comments and then make further comments — I think in his earlier comments, and I forgot to address it while I was on my feet earlier, I believe he made a comment to indicate that the chair of the boards would be coming from those that are appointed to the boards. That is not the case. That is not the case. I'll underline the word; that is not the case.

After the boards have been elected and then the appointments have been made, it will be up to the boards to choose their own Chair from amongst their membership, the same kind of process that goes on in school boards, I believe. So I want to just underline that, that the board Chairs will not be appointed; they will be selected from within the context of the board.

Now the member knows and says in the House tonight that the people of Saskatchewan have desired more democratic input into health board decision making. Agreed. He said he was hearing that while he was yet in government. And I guess I would ask, well then why, why didn't you take some steps to move in this regard? You did not take steps in this regard.

We have taken the historic step, the first jurisdiction in all of Canada to so open health board decision making to this very democratic process. We're very proud of that. We're very proud of that . . .

An Hon. Member: — Oh, that's a bunch of nonsense, really. It's a bunch of nonsense.

Hon. Mr. Calvert: — Well the member from Rosthern says that elected health boards are nonsense. Well he sits in his seat, Mr. Chair, and says elected health boards are nonsense. He says that the process has not democratized the system. I invite him to get on his feet and say that elected health boards are nonsense.

I know there are some in our province who take that view. Yet, as I said earlier, receive correspondence from some who believe that health boards should be appointed. We don't share that view. We share the view that there is a role for democracy in health decision making and that we have struck what I think, and we think, is the appropriate balance.

(2115)

Mr. Toth: — Thank you, Mr. Chair. Mr. Minister, I just want to bring to your attention . . . first of all, thank you for the clarification because a lot of people were quite concerned, and that was the impression that they were left with, as far as chairmen of the boards.

But, Mr. Minister, you made the implication that the government I was part of should have started an electoral process. And I'm not saying they shouldn't have, but I think there were some changes that needed to take place. And I indicated in a few moments . . . or just a few moments ago, that there were some changes, actual changes taking place.

But you can go back to . . . actually Graham Taylor was the first minister who suggested to communities that it was time they consolidated their boards into one health board, so we didn't have boards fighting amongst themselves — the home care board or the care home board or the hospital board or the ambulance board, such as we had before. And I can say in the constituency of Moosomin that basically prior to 1991 many of the communities had moved to a one-board concept. That one-board concept then opened itself to government then saying, well then we go one step further, and we elect these boards. Now that was there, but there wasn't anything as far as bringing forward a forum of having elections at the time. But we had gradually moved into that.

What we've seen today though, Mr. Minister — and I reiterate just in some of the discussions this evening — most people do not feel that under the present system they really have direct access or an ability to address many of the concerns that are taking place in their communities. The feeling is they don't really have the ear of the district health board representative that they used to have when they had the local boards up and operating.

Hopefully after the election of district board members, people will find or will feel that they have at least more of an opportunity to be upfront and to address some of the concerns that were raised.

But I come back to one other point, and you pointed out, as I indicated earlier, an expenditure of \$975,000 for board elections. Now it would seem to me, Mr. Minister, that last year when you appointed Mr. Stevenson at \$500 a day to determine whether or not we should have a ward system, all you were doing was playing politics in the area of health. And you appointed Mr. Stevenson to tell you what you wanted to hear, something that you had already told him, that you were going to have . . . design a ward system in our district boards.

And, Mr. Minister, I've talked to you. You can talk to SARM. You can talk to SUMA. Even last spring, a year ago in the spring, they had already ideas out and motions brought forward whereby you could set up boards if that's what you wanted. They could have been established, as you say, even as we talk. We have people from SARM and SUMA, I know out in my area, that are presently working to design boundaries to accommodate ward elections within the districts.

Now what I'm saying to you is we could have saved \$975,000 by having had those ward elections last year. Now what I'm wondering . . . A couple questions, Mr. Minister. What did it cost the people of Saskatchewan to establish a phoney commission with Garf Stevenson running it, to come back with

a recommendation that you already knew, a recommendation that we should have a ward system? And because of that process and that commission, we weren't . . . and your government was not able to allow for the election of elected board members last fall, as would have been possible if you would have gone to the people locally at that time. What were the costs of that commission?

Hon. Mr. Calvert: — Mr. Chair, to the member from Moosomin's specific question about the cost of the Stevenson Commission and work that Mr. Stevenson did for us, we will get — by tomorrow? — or the next time we're sitting in estimates, we will get you the exact number. But I know for a fact that that commission came in significantly under budget.

Now the member makes a claim, makes a claim in the House tonight that somehow if the district board elections had been held with municipal elections last fall that there would have been no cost. Well that is just not true. There would be significant cost. I hope the member supports the concept that we will have wards within our health districts. Now these wards do not, will not, correspond with municipal boundaries. Our districts are not coterminous with municipal boundaries. And there would have to be, there will have to be, a separate electoral process in each and every ward.

Now we're talking 30 districts. We're talking therefore 240 wards. Now to conduct elections in each of those wards does not just automatically correspond with the municipal polling stations. And even if we'd have gone . . . by example, as you know, education, the boards of education appear in the municipal process. I'm only going to take both the city of Saskatoon and the city of Regina. For those two cities alone, the school board costs in elections were \$400,000 — \$400,000 in those two cities alone, for the school board portion of the election. So it's not a matter of just joining in for free. If one were to go with the municipal elections, there would be equal costs.

Now I think it can be and should be argued that the health districts . . . we're only now — and it's a complicated bit of work — we're only now working through the ward divisions. And I'm sure you did not want us to impose those ward divisions from the centre but to go through the process we're going through now. I think it's obvious that that process simply could not have physically been done in time for the last round of municipal elections. But it is erroneous to believe that somehow, if health board elections were simply held with municipal elections, there would be no cost. There would yet be, and still be, substantial costs.

Mr. Toth: — Well, Mr. Minister, I don't think anyone is saying that it would have come for nothing or come free, that we'd have had that ability. There's nothing free these days. But I think you could have certainly found a substantial saving by having combined the elections and the election of district boards. Now I guess at the end of the day, though, the reason we didn't have district board elections last year was because of the fact that you had determined that there would be a ward

system set up. Now I'm not sure if that determination or if that decision was made just a year ago, which meant there just wasn't enough time to put the process in place, or, for that matter, when you started talking of . . . when you first established these district boards, whether you had determined at that time that you were going to have some elected positions. And I'm certain just on the basis of your arguments and just in the past few years and certainly in the past about a ward system for local government, that that would have been a concept already on your minds regarding district health boards.

And I would think, Mr. Minister, that that process could have been instituted from the time you asked for and set in place the district health boards, asking them to also look up and set up a process whereby there would be a ward system so representation would come equally throughout the district. If that process had been followed, Mr. Minister, I would suggest to you, you could have had the process in place, you could have had the ability to have district health board elections in conjunction with municipal elections the last time around.

And I think it was there. I'm sure that as . . . and, of course, I recognize you weren't the Health minister at the time when all these decisions were being made. In fact you were involved in cabinet, I believe, but a lot of these decisions you didn't have a direct involvement in. But I think that had some of those decisions been made originally, I think the process was already there, the determining factor was there. Had it been done, there could have been some savings. We could have had board elections by now.

And before I get into another subject, maybe it seems to me the minister has a response and I'll allow him to respond before we change the train of discussion.

Hon. Mr. Calvert: — Well not to repeat the arguments . . . I think we've had a good discussion about it. I do want to point out, though, that the member in some of his earlier comments talked about some members of the public feeling they don't have access, perhaps, to the district boards. There has been almost a revolution in community access to health care decision making through the process of the last two and three years.

For example, for the first time again in our province's history, health care decision makers are actually going to their communities in wide open public meetings to conduct what we've called needs assessment — going out and actually talking to people and saying to people, what is your view? What do you believe that we should be doing to improve the quality of health in our communities, in our families, and in our province? For the first time in history, the districts are going to communities in public meetings and saying, what are your views through the whole needs assessment process?

There have already begun the rounds of public accountability meetings where the district boards are now required by law to go to their communities again in public meetings, to report on their budgets, to report on where they're going and also to report on the health status of their district. Again, this is

pioneering in Saskatchewan — the first time that this has been done.

And so the public access to health care decision making . . . and then add to that all of the various advisory groups and committees that exist almost in every district situation. When you put those together, there is more public input, more public accountability in health care, than we have ever known in the province of Saskatchewan, and I think that the people who have worked so long and hard on these initial district boards deserve only our praise and our thanks.

Mr. Toth: — Well, Mr. Minister, I was going to move to another topic just for a minute before we possibly looked at adjourning and wrapping up for the evening, but it seems to me, Mr. Minister, you've made some assertions that the system is a lot more open and accountable. Well that's not what I'm hearing.

In fact one of my colleagues had a problem with his vehicle the other day and had to call for a taxi, and when the taxi driver heard who he was and where he was from and what he was doing, all the taxi driver, from the point of his residence to the Legislative Building, talked about health care.

And it wasn't all that pleasant. He wasn't all that happy with what's taking place, and he's talking of the city of Regina. And what I'm bringing out is the problems in health care, and the concerns that I hear raised on a daily basis certainly aren't just conditions and problems and services that people feel they have lack of access to or fewer services than they had even three years ago. And that's not just confined to rural Saskatchewan; it's even in the larger centres.

And as I indicated the other day, I've taken the time just to drop in and visit constituents and visit in a hospital and visit with people, and what I found in certain cases . . . you'll talk to one person and they've been more than thrilled and pleased with the service they've received while they've been in the hospital. On another occasion, you've run across an individual that has been totally disgusted with the type of service and the way they've been cared for.

And in fact, Mr. Minister, I ran into an individual just on Saturday evening . . . I talked to a constituent who happens to be a fairly close resident, who spent almost six . . . basically they spent the last six months in and out of hospital because the type of care they received after what was supposedly a minor operation.

And for you to stand in the House tonight, Mr. Minister, and tell us we've got a better system, I would suggest to you that there are many people across this province who would say that we do not have a better system, that the system we have today is not meeting the personal care of individuals. In fact we're showing a lack of concern for the care of individuals in the province of Saskatchewan. And that's why, Mr. Minister, I think that maybe you should rethink the election.

And I think it's time — as was pointed out the other day — I think, Mr. Minister, you throw the election out totally on all 12 board members and allow the people of the province of Saskatchewan, whether they be in the city of Regina, or Saskatoon, or all the other district health boards across Saskatchewan, to have the ability to elect all board members. And as far as accountability, I don't know how boards can really be as accountable as you're talking up, when the fact is you are telling boards these are the parameters you can operate in, and these are the services we expect you to offer to the residents of your district, but at the same time you keep taking away the funding. And they just don't have the funding to provide the services that most of the residents of the province of Saskatchewan are experiencing or looking for.

And so, Mr. Minister, it seems to me while on one hand you say it's a better system than we had before, what I'm hearing, Mr. Minister, it certainly isn't that Utopia — if I could use that word — that people are expecting in health care. And people aren't asking for everything to be handed to them. People aren't saying we want all these services handed to us on a platter. People realize that the cost . . . it's costly to maintain a solid and sound financial health care system. And people are willing to offer and to make some offers. They're willing to pay for, and willing to be involved in, the health care system and health care delivery services across this province.

So I think, Mr. Minister, there are many people across this province who do not totally, and will not totally agree with you, as to the assertions that we have a more open, more responsive, and more accessible form of health care in this province. And I think, Mr. Minister, before I move on to another area, I should at least allow you the opportunity to respond because I'd like to take some notes so I can come back with some more questions next time.

(2130)

Hon. Mr. Calvert: — I thank the member for the invitation to respond, if only briefly.

Listen, I and no member of government would suggest that we've reached Utopia in health care delivery. But now I do remember sitting my time in the opposition benches; and as I do today — probably more frequently than the member does — I did in opposition, and that was to receive concerns from individuals for whom the system may have not served them as well as it might. But I want to tell the member, and I want to tell the members of the House, that today in Saskatchewan there's been 10,000 people in long-term care and the vast majority, the vast, vast majority of those 10,000 people have been very well cared for today in institutions across Saskatchewan. I can tell the member that there have been literally hundreds of people, literally hundreds of people will have approached our hospitals, our emergency wards, and the vast, vast majority of them have been very, very well served, very well cared for. Now they don't . . . their stories don't get told in this House. Their stories don't get on the front pages of the newspaper. But there are thousands of people on a daily

basis who are being well served by the health care providers in our province. And to suggest that the providers are not doing a good job, the member wants to be very, very careful about that.

Now in terms of how the system has changed: we know that by simply adding more resources to the system, we are not improving the quality of health care in our province. We know that. We've learned that — that we have to change. And if we're going to make medicare and universally accessible health care available in the long term, we need to make it financially sustainable. And some of those decisions have been very difficult to make. But we've made the decisions, we've changed course, and we have now put ourselves in a situation where we are well positioned to maintain in this province both universal medicare, quality medicare, and medicare that we can know will be there for us, for our parents, and for our children well into the new year — into the new century.

Now, Mr. Chair, I want to share this with the member because he said that no one views the system as having improved over the last two or three years. I want the member to listen to these words because I think he will recognize the author of these words. I am here quoting Mr. Ted Azevedo as he is quoted in the *Nipawin Journal*, Wednesday, February 22, 1995, just a couple of weeks ago. Mr. Ted Azevedo, president of a national seniors' organization and a long-time supporter of seniors' issues said this in the *Nipawin Journal*, and I quote:

We have to say a thank you to the Romanow government and the minister of health. It was 25 years ago that I was fighting to get home care and less hospitalization and institutions (but) the government of the day wasn't in favor. Everybody wanted new hospitals and care homes. It took (us) a long time . . . to smarten up.

Quote, Mr. Azevedo:

"I'll only encourage the people who run the health boards . . . to save the millions of dollars we should have saved years ago" . . .

"We still have to do a little more for some people with no one to look after them," he said, (but) "We're very glad the government is taking a better stand to keep people healthy."

Some Hon. Members: Hear, hear!

The committee reported progress.

The Assembly adjourned at 9:36 p.m.