

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 8, 1995

EVENING SITTING
COMMITTEE OF FINANCE

General Revenue Fund
Women's Secretariat
Vote 41

Item 1

Mr. Toth: — Mr. Chairman. Madam Minister, coming back to a question I think we kind of ended up on, and I'm not sure if I got the full answer or I missed it. Regarding the contractual employee in that position of 79,000, we were asking for the terms of the job, job description, benefits, where this person would be, and who the individual is.

Hon. Ms. Crofford: — We went into a fair bit of depth on this during the last estimate on this particular area. And that would be Faye Rafter. She's on secondment. And I think that you probably have that information, although it was awhile ago now.

Mr. Toth: — And just one clarification. You said she's on secondment. Is that . . . did you give a length of period that that secondment is for?

Hon. Ms. Crofford: — It's to November '95.

Mr. Toth: — As well, in your global estimates you mention that there were 10.7 employees — at least that's what I note on the globals. But in the *Estimates*, we note that on page 131 that you actually show 12.5 for this year, 13 for next year. I'm wondering where the difference comes in. Was it a typographical error or what's the difference that you're showing?

Hon. Ms. Crofford: — That would be the actual as opposed to the approved. And we actually have less people than we were approved to have.

Mr. Toth: — So what you're saying, Madam Minister, then, is there's actually 10.7 working. You were approved for 13 but you only have 10.7 drawing salary at this time?

Hon. Ms. Crofford: — That would be accurate. There are some vacancies and some are filled on a temporary basis, so it doesn't add up to the full amount.

Mr. Toth: — I think you indicated earlier that the department has salaries of 611 for last year and in your globals you're showing us a figure of \$473,000, and we're just wondering where the difference is, if you could explain what the difference is. Is it the number of employees not currently working or does this call for the . . . 611 would be what it would be if you had the 13 employees? And the 473 is what the actual with the 10.7? Is that what we're looking at?

Hon. Ms. Crofford: — Yes, that would be accurate. It goes back to the previous explanation. And because there have been less people and some vacancies, there's been less expenditure.

Mr. Toth: — And have we got . . . I asked you about travel a little earlier. Is this all the travel of the department that was listed? Earlier we were talking somewhere in the neighbourhood of around \$10,000 and I think there were four different trips outside of the province. Would that have been all the travel at that time listed? Will you check that, please.

Hon. Ms. Crofford: — Yes, that would be accurate.

Mr. Toth: — Regarding your staff, Madam Minister, this year we note, as with last year, no ministerial staff is reported. Is there . . . in your office you don't have anyone that actually is responsible for the Women's Secretariat?

Hon. Ms. Crofford: — One of my staff provides liaison, but it would be a very minimal function.

Mr. Toth: — So basically then, that staff person is just covered under your normal office expenses. There's no real allocation out of the Women's Secretariat for that staff person.

Hon. Ms. Crofford: — Yes, that's right.

Mr. Toth: — I notice under termination and new employees, Valda — and I'm not sure if I'm going to say this right — Dohlen was terminated as a research officer 3 and rehired as a senior policy analyst, her wage going up 664 a month, or 19 per cent; the research officer 3 position was not refilled. Given these facts I wonder if you could explain how Ms. Dohlen's job description differs between her previous and her new position and specifically what new work does she do?

Hon. Ms. Crofford: — In her previous position she was temporary and that was largely a position that involved collecting data and kind of straightforward research work.

There was a competition held. She was the successful applicant in the competition for the policy analyst position, and this person has a more significant level of involvement both in interdepartmental committees and the development and design of policy.

Mr. Toth: — You mentioned, Madam Minister, that there was a competition held. How many people applied for the position?

Hon. Ms. Crofford: — We'll have to provide you with that information but I think there was quite a few.

Mr. Toth: — Madam Minister, if there's one item or one concern that a lot of people have when they're applying for positions, especially positions in government . . . and I realize they endeavour to make every position appear to be open and available. I find from different individuals who have applied for government positions that at the end of the day, while they've

applied, made application, it seems that the job was already filled from within prior to . . . And I'm not sure. I'm not saying that this one was, but in many instances would it . . . if there's a person within the office or a person who has had a position and in this case an individual who had a temporary that would fit the bill of a job description that you need, rather than putting in a number of individuals within your department . . . or yourself, do you feel that this individual would probably just be the appropriate person to maintain that job description; wouldn't it be more appropriate just to put . . . immediately move that person into the position rather than opening up, and then giving that position to that individual in the first place? And so a lot of people whose hopes were basically lifted when the job opportunity came open, they're thinking, well we just wasted our time. And I think that's one concern that's out there, and I'm wondering what your views may be on that, in circumstances like that.

Hon. Ms. Crofford: — I think you're absolutely right that every job interview should be a real interview and every ad that's put out should be a genuine search for the best candidate.

In this particular instance seven people were interviewed. And certainly it wouldn't have been necessary to interview seven people to give the appearance of fairness — one could have interviewed three people or four people.

The other comment I might make is because this is rather a specialized field, you may get people with research background but not necessarily research background pertinent to this particular area. So it wouldn't surprise me that whatever qualified them for the temporary position would have also been a factor in their receiving the permanent position.

Mr. Toth: — Madam Minister, you communicated that this person had been moved from an office 3 position . . . research officer 3 position. Will this position . . . or has this position been refilled? Or who has taken over — if it hasn't — who has taken over the duties of that past position of research officer 3?

Hon. Ms. Crofford: — Yes, the position was advertised and it's being implemented as a part-time, job-sharing position. So the candidate who got the position fills 50 per cent of that position and I don't know if there's more information you need than that.

Mr. Toth: — You said it's a part-time, and generally when it's part-time, shared . . . did I hear you say shared position? Would that mean that another person was hired or someone in the office is basically picking up the rest of the job description?

Hon. Ms. Crofford: — One of the other staff in the office opted to work less hours so this is basically a filling of that position to full time.

Mr. Toth: — I was just going to add, Madam Minister, that I think there are individuals who are willing to do part-time work and I know there are in our community. Certainly they've worked it well in the health care field and maybe that's

something that Women's Secretariat could also look at. Maybe not all women. Some women may want to be part-time home-makers, would like to still have a job outside, and job-sharing may be an option.

You talked about equal pay for equal work and pay equity and all this. And the fact that if there is a job-sharing opportunity available, I'm sure that you wouldn't have any trouble at all finding individuals who are willing to get involved and take the job-sharing position.

Basically what it does is adds that little income to two homes rather than one, if there are people willing to do that. So I would commend you for having at least . . . if the indication was that that person would like to share that job or that's how the job came out, for having made that opportunity available.

Regarding your office space, I note from the globals the office space is increased by 66 square feet this year, an increase of 16 per cent. This is in spite of the fact that your staff levels are essentially the same as last year. Is there any specific explanation for the reason for the increase?

Hon. Ms. Crofford: — That would be the added space for the sexual harassment unit.

Mr. Toth: — That's an additional unit that you've now added to the department, I take it.

I wonder, Madam Minister, if you could detail the names and purposes of all manuals or other publications of the department as of March 31, '95, and also detail the audience for the manuals and whether or not it is publicly available through the library. And this information, Madam Minister, if it happens to be fairly lengthy, could be sent across. It's not necessary that you take the time to just read it into *Hansard*. That would be fine with me.

Hon. Ms. Crofford: — We'd be happy to do that, particularly if you agree to display it in your constituency office.

Mr. Toth: — Well, Madam Minister, will it arrive before the election is called? We might have to display it in our committee rooms, I guess.

Regarding committees and reviews. You've listed the Saskatchewan Women's Advisory Council is costing 14,400. Would you break this down according to per diems, travel expenses, and accommodations? Is that available, please?

Hon. Ms. Crofford: — The costs are basically a per diem, and they cover their own travel and accommodation costs out of that. For the chairperson it's 155 a day, and for the members it's \$110 a day.

Mr. Toth: — What's the mandate of this council? And did it address its mandate in this past year? Does it table a report? How often would it meet? Where does it meet? Does it have any spending authority or control over any grants that the

secretariat may have?

Hon. Ms. Crofford: — The advisory council has no granting powers. They met approximately five times — we'd have to check to be exactly sure whether it was four or five, but five — tabled a report with recommendations based on meetings that they held with women within their geographic areas.

The report that they produced addressed itself to issues like stronger involvement of women in economic development, more integration of women's history in education curriculums, problems of disabled parents who have children, perhaps who aren't disabled but the parents are, and the difficulties of parents accompanying their children to events and what not and participating in the community. And as well the need for more mentoring programs in Saskatchewan.

Mr. Toth: — Regarding the questions on advertising and communication, I notice your advertising spending more than doubled over the last year. I wonder if you could explain the dramatic change. Is it a matter of arriving at . . . drawing closer to an election and letting more people know about what the Women's Secretariat is doing?

Hon. Ms. Crofford: — I regret to say no. This was all related to educational work done on implementing new legislative initiatives like the sexual harassment under occupational health and safety.

So really the work that they do is to advance areas where perhaps the rules have changed or further educational work needs to be done around a particular item that has been recognized as being important. So it would have no political content in any partisan sense.

(1915)

Mr. Toth: — Madam Minister, it just appeared that . . . or appears the secretariat, over the last couple of years, has been somewhat dormant, and this year we've entered into a number of projects. Could you explain why the change? Is it just a reflection of the . . . more of the requests and the objectives that you're looking at coming to the fore and the secretariat now understanding their mandate and moving forward?

Hon. Ms. Crofford: — I guess it's not much different for the Women's Secretariat as it is for any person who is new to a system, in the sense that it takes time to build the linkages and the networks throughout the system. And certainly in the time that the secretariat has been in place, it's grown in its relationship to the government and its agencies in the kinds of tasks that it takes on. So I think it would just reflect its growth within the whole organization.

Mr. Toth: — Madam Minister, it's noted that the secretariat has generally been modest in computer purchases, which is appropriate, I believe, given the small staff. This year however we see more than a quadrupling of your usual spending by shelling out nearly 18,000 for equipment, which works out to

about 1,800 in computer spending for every employee. I wonder how you justify this expenditure at this time.

Hon. Ms. Crofford: — The ability to utilize computers as they're intended in a modern business environment has generally required that all of us upgrade our equipment somewhat from what we might have got along with in the past.

Because of the substantial research role of the secretariat, as well as the educational role, they quite often have to tailor material, where you may have the basic information that's computerized, but you're tailoring it to various areas. So quite often the information has to be redone to suit particular workshops and particular situations. And so the various people that are involved in the educational work needed the capacity to do that.

Mr. Toth: — Madam Minister, one of the set of purchases was a group of laptops that were noticed. How many were purchased? How much did each one cost? Who uses them? Why was this deemed necessary? And how does this further the mandate of the secretariat? And how does the availability of laptops in the secretariat compare to other places in the public service or in the private sector?

Hon. Ms. Crofford: — I'm not able to compare it to other places in the public service, but I am able to say that this supports the out-of-city workshops that take place. No doubt you've participated in workshops where quite often the workshop generates materials which then form the basis for the next round of sessions at the workshop and so that would be what they would use these for.

Mr. Toth: — Thank you, Madam Minister. So basically what you're saying is these laptops are taken and secretaries use them in recording information from workshops rather than having to lug a major computer with them.

How many new computers were purchased and what equipment did they replace in the offices?

Hon. Ms. Crofford: — There were three computers purchased at 2,500 each and monitors at 1,320 each to replace old equipment. But if you want us to be more specific than that, we would have to put that together for you.

Mr. Toth: — Would you mind doing that, Madam Minister, and just forwarding that to us through the normal channels rather than worrying about that for tonight.

Thank you, Mr. Chairman.

Item 1 agreed to.

Item 2 agreed to.

Vote 41 agreed to.

Mr. Toth: — Thank you, Mr. Chairman. I'd like to take a

moment just to thank the minister and officials for having taken the time to come and review these questions and the responses, and I thank them for having sent the globals over ahead of time so we could review them, rather than trying to go through them directly in committee. Thank you very much.

Hon. Ms. Crofford: — Yes, and I'd like to thank the officials for providing me with information today and I thank the member for his questions.

**General Revenue Fund
Energy and Mines
Vote 23**

The Chair: — I'll ask the minister to reintroduce his officials to the members of the committee.

Hon. Mr. Lautermilch: — Thank you very much, Mr. Chairman. Today I have with me Ray Clayton, the deputy minister of Energy and Mines; Dan McFadyen, assistant deputy minister of resource policy and economics; George Patterson, executive director of geology and mines; Bruce Wilson, executive director of petroleum and natural gas; Lynn Jacobson, director of personnel and administration; Doug Koepke, manager of accounts. I also have from the Saskatchewan Energy Conservation Authority, John Mitchell, the president; and Crystal Smudy from the Saskatchewan Research Council.

Item 1

Mr. Devine: — Thank you, Mr. Chairman. Mr. Minister, I wondered if you could take the time to detail the travel undertaken by the minister's office. When we're looking at the questions and preparations from the globals, perhaps you could give me the dates and destinations and purposes of the trip. And in Energy and Mines, it probably wasn't you so much as your predecessor. But I'm sure you wouldn't mind telling me where he went and what he did, what each trip accomplished; the names and positions of anyone accompanying the minister on the trip — I think you'll probably have the cost of each person per trip; the hotel meal and other expenses; the travel agency used; the cost of the agency and whether the work was tendered; and the total cost of all travel. We'll start with that, Mr. Minister.

Hon. Mr. Lautermilch: — Thank you. Mr. Chairman, I guess I'd just ask the member if he would want us to pass it across to him as . . . we can give it to you now. Or do you just want it passed across?

Mr. Devine: — Well perhaps you can pass it across so that if there's something unique that I see here while we're going through the estimates I can ask you more details about it. And then I'll have it and you'll have it.

Hon. Mr. Lautermilch: — We'll pass those across directly.

Mr. Devine: — Well while you're digging up those, maybe we can give you another one. Mr. Minister, with respect to fees and

charges in Energy and Mines, there are considerable . . . I wonder if you could also get your officials to provide the details of your fees, all of your fees and charges, in terms of the type of the fee; the amount; the change in any fee since last year; the revenue collected from each fee and in total; the date each fee was instituted; the purpose of the fees; and who the fee is submitted to.

Hon. Mr. Lautermilch: — Thank you. Mr. Chairman, and to the member from Estevan, we would be more than willing to pass across all of the fees for this that you have requested. You will know that there are scores of them and it will take our officials some time to put those together but we'll have those put together and we'll send them to you as soon as we can have them put together.

Mr. Devine: — Would the minister, just to give me some guidance, would you be . . . do you think you'd have your travel data by the end of the evening, or are you expecting that you'd need a couple of days? And how about the fees and the charges, how long do you think that would take?

Hon. Mr. Lautermilch: — Yes, Mr. Chairman, I've just passed on to the Clerk the travel data that you requested. My officials tell me that it would take a couple of days to put together the fees in the kind of detail that you've asked for.

Mr. Devine: — Thank you. I also have some questions with respect to legal actions. I wondered if you could ask your officials to pull together the detail of all the legal actions against, or taken by, the department in terms of the plaintiff; the principal lawyer and firms; according to which it was heard; start date of action and appearances made; purpose of the suit; settlement or liability, if any; cost, either total or to date, as applicable.

Hon. Mr. Lautermilch: — Mr. Chairman, we will put that all together and send that over to you. I'm not sure, can we get that tonight or . . . (inaudible interjection) . . . We could have it for you tomorrow.

Mr. Devine: — Thank you, Mr. Minister. Also in terms of contracts and employees, I wonder if you could have your officials detail all the 11 contract employees, giving their names, terms, job description, benefits, office locations, and principal residence locations.

And similarly, with respect to reporting on your personnel, in spite of the fact that you lost one in-scope permanent employee, your costs for this area rose by nearly \$50,000. I wondered if you could just take the time to explain that, please.

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. And to the member from Estevan, I'll be passing across a list of the contract employees that you asked for and the nature of the contracts and any comments, and I'll send that across to you now.

With respect to personnel and incremental personnel, as the

member will be aware, we certainly have had a busy year with respect to oil and gas activity in the province and the incremental personnel that you refer to would be part and parcel of being able to provide good service to our clients so that we can process their requests in a timely fashion.

(1930)

Mr. Devine: — Perhaps the minister could tell me, does the number of in-scope, temporary employees — we've been given 42 — represent the total for the year or just coincidentally the number who happened to be present on March 31, '95?

Hon. Mr. Lautermilch: — Mr. Chairman, that is the number as of March 31, 1995.

Mr. Devine: — Does the minister expect any changes in the number of in-scope, temporary employees? It happened to be the number in March 31, '95. Do you think that it will change, particularly given light of the, perhaps, downturn in the oil and energy business? It looks like it's kind of slowing up a little bit. Would he see any change in the number of employees, either in scope or out of scope?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I can say to the member from Estevan that we're not expecting, within the next few months, any changes in terms of that number. We figure it'll remain fairly constant.

But I would want to say to the member from Estevan that with respect to the number of employees that we have and our ability to serve our clients, we will have on staff the number of employees that it will require in order to ensure that we give good service and good, positive service to our clients. Quite clearly, if the demand for the number of temporary people within the department decreases, we would lay people off, as they are temporary.

If we were to find that — as we have — an increase in activity, we would hire the number of staff that would be appropriate to serve the needs of the people who we do business with.

Mr. Devine: — Well, Mr. Minister, your costs for in-scope, temporary employees rose nearly \$60,000 in spite of the fact that it looks as though you only picked up one additional employee. Could you explain this increase in cost for one employee, and particularly for a temporary employee?

And similarly, your out-of-scope, permanent employees have been reduced by one, yet your costs here have risen by \$102,000. I wondered if you could explain that.

So you have a hundred and sixty-some thousand dollars increase in expenditures for a part-time employee and a permanent employee that have been let go, yet your expenditures increased \$160,000.

I wonder if you would explain the one out-of-scope, temporary position that you created this year, and what was this person's

position and what did this person do.

Hon. Mr. Lautermilch: — Mr. Chairman, if I could just ask the member from Estevan what numbers he is comparing here so that he could just help us out a bit in order to give him the facts. Which numbers are you comparing?

Mr. Devine: — Well maybe this will help. There seemed to be some discrepancy in the total number of employees that you've provided us. In the answers to the global questions you provided to us you say that your total employees for the year was 233; however in the budget estimates, your 1994-95 staff utilization was reported to be 224. Which is the correct number and why the discrepancy? And then if there are some changes as a result of laying off and temporary, or adding or subtracting a permanent employee, why the significant increase in cost?

And I can go back to give you an example. Your out-of-scope, permanent employees have been reduced by one evidently, yet your costs have risen by \$102,000. That's the information that I have before me. Your costs for in-scope employees rose nearly \$60,000 despite the fact that you only picked up one additional employee. Sixty thousand seems like a lot of money, for a part-time employee, in additional cost and I just wonder if you might just review your staff requirements for the year and explain any variation in the increase in costs. And if our numbers don't jibe perhaps you could just explain to me why the costs have risen. And you did earlier, by saying that you had extra work, an extra employee, which is fair enough. That's the kind of thing I'm looking for.

Hon. Mr. Lautermilch: — Mr. Chairman, I guess in order to answer the member, what I would say that, quite clearly, we budgeted 224 employees in the budget figures. The demand led the staff to determine it was appropriate to hire incremental staff which would, quite clearly I guess, suggest an incremental cost in terms of the department's budget to have those incremental staff on board.

And I would want to say, and the member will know, that with part-time employees, temporary employees, they will come and they will go. At some point in time there will be more employees than perhaps there will be at others. And as I've indicated to you, as of March 31, 1995, we had 42 temporary employees on staff. I wouldn't expect that that would be the number throughout the course of the period you described because the demand will create an increase in the number of employees, and quite clearly, if we aren't requiring that many people on staff, we would let them go.

The numbers though, as I've indicated, are accurate — 233 — and the budget forecast was 224. The difference in terms of dollars would be the amount as employees come and go. You couldn't attribute them to just one employee. It would be an aggregate amount, and as you will know, those numbers fluctuate up and down.

Mr. Devine: — All right, well that's fair enough, Mr. Minister. So if we took the extra nine employees and we look at the extra

amount spent from your estimation . . . I'll go back and look at it. It's just sort of a global picture for nine more employees. So if we're looking at increased expenditures we can just attribute it to the increase in staff. I assume that's what you're trying to say.

Could the minister tell me what positions fall under the "other" category of employees and why did this rise \$40,000 last year?

Hon. Mr. Lautermilch: — Mr. Chairman, our officials are putting that information together, and if the member wants to go on with another question, we can get to that in a few minutes. We've made note of that, and our officials will put that information together for you.

Mr. Devine: — Thank you. Mr. Minister, evidently your in-province departmental travel fell by about \$28,000. Your out-of-province departmental travel shot up by 34,000 so that your overall travel costs are up by \$6,000 or about a 32 per cent increase in out-of-province travel.

Could you explain this increase, and particularly this dramatic increase in out-of-province travel?

Hon. Mr. Lautermilch: — Well, Mr. Speaker, as you will know, a lot of the business done by this department is in Calgary, and certainly that will be part of the out-of-province travel expenditures. Many of the oil and gas companies are headquartered there. And it has been the practice of myself, as minister, and previous ministers in this portfolio, that we maintain a close connection with the industry, simply because we want to encourage them to invest in our province, encourage them to develop our resource. And I think that it's most appropriate that we maintain a close contact with industry.

One of the . . . I guess one of the comments that I have heard from industry players is that they're very much satisfied with the way the Department of Energy and Mines does business with them. They have open access, and they have free access to the department, and when they require meetings, our officials are more than willing to attend to business either in Calgary or on many occasions they come to our province.

So I would want to say that it's a cost of doing business. I think the numbers that you raise, although important to all of us that we keep the costs of government down, it's an important aspect, an important part of doing business. And I think the industry has been very well served by the interaction with the department in the past year.

Mr. Devine: — Well that's fair enough, Mr. Minister. But it's a healthy increase in out-of-province travel, and it certainly wasn't all to Calgary. From the information you gave me, you went to Manitoba — or one of the ministers did, maybe the minister before you, from The Battlefords — went to Victoria, another trip to Victoria, trip to north . . . or to New Brunswick, trip to Edmonton, another trip to Vancouver, a trip to Toronto. And there were one, two, three trips to Vancouver. So he was all over the place. And 32 per cent — is that correct? — 34, 32

per cent increase in out-of-province travel and a whole bunch of it, well over half of it, wasn't to Calgary at all. So it had not much to do with head office people in Calgary. It was everywhere from the Atlantic to the Pacific and everything in between.

I just raise it, Mr. Minister, because it seemed to be a dramatic increase in out-of-province travel associated with the minister from the Battlefords. And unless you've really picked up an awful lot in the last month or so . . . it wasn't to Calgary. It was almost to every place else but, in terms of the frequency of visits to Manitoba; Victoria; Victoria; Bathurst, New Brunswick; Edmonton; Vancouver; Toronto, and so forth. So I just point out, Mr. Minister, it seemed like a large increase in out-of-province travel.

In terms of your reclassifications, there seem to be a fairly large number of reclassifications this year. I believe there's about a dozen. Could you explain that, Mr. Minister?

(1945)

Hon. Mr. Lautermilch: — Well, Mr. Chairman, first of all I guess I would just want to say to the member from Estevan that the activity that he probably recognizes and will acknowledge in his own riding — the riding of Estevan — in terms of the oil and gas activity there, would indicate that the expenditures and the work of the department and the minister has been a very positive benefit. And I think that might just be experienced by the amount of activity, the amount of full hotel rooms and restaurants as people are developing that resource in the riding of Estevan, would indicate that that in fact has been a very positive expenditure.

I want to say that, as the member will know, the Energy minister of Saskatchewan has taken, and continues to take, a leadership role in the development of the energy industry and energy initiatives in Canada, and is the Co-Chair of the council . . . or is the Chair of the council for the past year; was the Chair of the council of energy ministers, of energy and mines. And I think that you will know that some of these trips were due to the minister's duties as the chairman of that committee.

You will also know that there has been ongoing dialogue with respect to carbon dioxide emissions and our targets as it affects global warming. And some of these meetings that took place were to deal with that at the ministers' conferences that were held throughout the country. With respect to . . . and I want the member to know that these were in fact, and will be in fact, one-time expenditures just by the nature of the role of the chairmanship of that committee.

With respect to the reclassifications, in some instances, as you will know, members of the civil service can request a reclassification based on the change of their duties, increased demands and increased workload. Some will be turned to the Public Service Commission for review, and in some cases there will be in fact reclassifications.

So basically that's the nature of the reclassifications within the department, and certainly I'm of the belief that both the department and the Public Service Commission will be very diligent in terms of scrutinizing the roles and the duties of public service employees, and where reclassification warrants, will be approved.

Mr. Devine: — Well, Mr. Minister, with respect to reclassifications, the cost of those reclassifications, I believe, is \$14,644 which works out to about \$1,220 per position. That's a pretty hefty raise or a pretty hefty amount for an average raise. Would you care to comment on any justification you'd have for that size of an average pay increase?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told by my officials that when a reclassification occurs, there's an automatic increase of 8 per cent on an employee's salary, and I'm assuming that if this is broken down that that would equate to the 8 per cent with respect to the reclassification. Now some of the employees may have a larger salary level, some may have a smaller salary level, but a reclassification — the end result will be that there is an 8 per cent increase.

Mr. Devine: — That's standard Public Service Commission rules, that when you reclassify, the minimum raise is 8 per cent. Is that correct?

Hon. Mr. Lautermilch: — I'm told that's the case unless you hit the top of the range.

Mr. Devine: — Would you say, Mr. Minister, that that's the typical case, that that is . . . that that's the rule? When the Public Service Commission, regardless of departments, when you reclassify somebody they will at least get 8 per cent increase in salary unless they bumped up against the top which is as high as they can go unless they get a new job.

Hon. Mr. Lautermilch: — Mr. Chairman, I'm advised that the member from Estevan is correct.

Mr. Devine: — It appears from the terminations that the entire ministerial staff last year was . . . well left your office. Could you perhaps tell us where they went, and were they paid any severance? And in particular, what were the reasons for, and the benefits given upon, the departure of, perhaps, Mr. Ian McCuaig, an MA (ministerial assistant) who was listed as resigning?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told by my officials that the ministerial assistants' positions that have been terminated and are listed — many of them here, as I see, accepted a position in different agency — would mean that the former minister of Energy and Mines' ministerial assistants would be transferred to his new duties, in this case to the Department of Labour, and would then be paid as ministerial assistants under the Department of Labour.

With respect to terminations, with respect to resignations, I can't speak to where in fact those employees may have accepted

other employment. I don't have that information, and I don't believe that the Department of Energy and Mines would have that information available. But I can tell you that the terminations here would mean transfers, in this case, to the Department of Highways . . . I'm sorry, to the Department of Labour.

Mr. Devine: — So, Mr. Minister, am I to understand this correctly, if we wanted to trace this around as ministers move from department to department and this takes place, we will always go to the minister's new department to find out where the people from his last department moved to? And in addition, in terms of severances or upgrading or reclassification that would take place as he moves employees, is it your advice that always we should go to the minister's new department? Because if we move onto Labour, for example, and he says, no, no you got to get that from Energy, then we've got ourselves a problem. So I'm just trying to, best I can, to find out what Energy and Mines paid any of these ministerial staff; if there are any severances, did it cost you any money. You back-filled with new people, obviously. Did you give any of those increases in positions, increases in reclassification? How did it wash out, Mr. Minister?

Hon. Mr. Lautermilch: — Mr. Chairman, I can tell the member from Estevan that all of the information from Energy and Mines with respect to the ministerial assistants will, as a matter of how they function, be transferred to the new department. And in this case all of the records with respect to the MAs have been transferred to the Department of Labour. That information would be available through the Department of Labour. It's a matter of transferring the records with the MAs as they go with the minister and with his new duties to a new department.

Mr. Devine: — Okay, so is it fair to say, Mr. Minister, that when we're into Labour estimates, I can get all that information from the Minister of Labour? You say, yes. All right.

Can you tell me where your people came from in terms of back-filling all the positions that moved on with him? There was a lot of empty spaces. You had to fill those with somebody. I guess you're the appropriate person to say, well where did they come from, and what did it cost because we can't leave a vacuum here. So did you back-fill all of the positions that followed the minister of Energy when he went to the Minister of Labour? And what has it cost you? What did you pay them? Where there any severances paid to people that were let go, etc., etc.?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. Let me first speak to the ministerial assistants who work in my office. They came over from Saskatchewan Property Management Corporation. There have been no changes. They're still in their same duties as they were doing in Property Management Corporation. They're now employed by the Department of Energy and Mines in the same positions, and so that process continues.

You asked with respect to resignations. I am told that there was,

in the Department of Energy and Mines, one resignation, a ministerial assistant 2, and the severance was, I'm told, two months' salary in lieu of notice for severance.

Mr. Devine: — Two months' salary in lieu of notice. Was that for Mr. Ian McCuaig?

Hon. Mr. Lautermilch: — Yes, it was.

Mr. Devine: — Is that a typical severance, two months' salary? Could you tell me what his salary was?

Hon. Mr. Lautermilch: — I'm told by my officials that that is in keeping and in line with the ministerial assistant regulations. That is standard practice throughout government.

Mr. Devine: — So Mr. Ian McCuaig was asked to . . . resigned his position, or was asked to leave. Perhaps the minister could explain the rules there. Is there . . . and he was given two months' salary. Could you tell me as well just to confirm that . . . And where did he show up? Is he working in the public service or did he follow the minister of . . . former minister of Energy over to Labour?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told that to the best of our knowledge we are not aware that he is working within the civil service. To the best of our knowledge he is not. And I can only say that the salary in lieu of notice, two months, is standard ministerial assistant practice.

I can tell you that Mr. McCuaig had not worked in my office, he worked in the former minister's office, and I'm not aware of the circumstances under which he left the office. I just have before me what I have transmitted to you earlier this evening.

Mr. Devine: — Well I'm sure it's your responsibility, Mr. Minister, but I imagine you have several officials with you that were there and are still there. Any information or any light that could be shed on the reasons that Mr. McCuaig was asked to leave and to pick up this two months' salary is just of interest to the taxpayer. What happened to him, why did he get paid this money, and where did he go? Maybe you don't have the answers to that but we'll just leave them unanswered. We don't know what happened to him, we don't know where he went, and we don't know why it happened. Is that what you're saying?

Hon. Mr. Lautermilch: — No, I think it's fair to say that the arrangement between the employee and his . . . and the minister were not working out and for that reason the termination took place. So with respect to that there's not much more I can tell you. There may be some details that I'm not aware of and that you may not become aware of but I think it's fair to say that the arrangement that the minister had with his employee didn't work out. He was terminated and was paid two months' salary in lieu of notice.

Mr. Devine: — All right, well I guess we can ask the Minister of Labour about that. So you're saying, Mr. Minister, all the people that you brought in when you became the Minister of

Energy, your staff, the people brought in, did it fill the full 12 positions that . . . or maybe it wasn't 12 . . . The full composite of ministerial staff that was moved out, terminated, was it completely back-filled by your staff? All his staff went out and yours came in? The minister is nodding, yes, it was.

And you paid them the same as you had before? No reclassifications? Mr. Chairman, we'll assume that when he shakes his head that means, no reclassifications. Thank you.

Under the non-permanent employees, there's a listing for an Andrea Coulling as a junior secretary in the MA classification system. I wonder if you could explain the circumstances around the hiring of this employee in your office.

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I can say that one of my employees was on sick leave for an extended period of time, my senior secretary. She still is on sick leave and in her absence, the intermediate secretary and the junior secretary were promoted to fill in. And the employee that you mentioned was brought in on a temporary basis to back-fill in place of the junior secretary. That employee has left my employment to pursue other initiatives and in my office right now I only have the acting senior and the acting intermediate secretary.

(2000)

Mr. Devine: — Thank you, Mr. Minister. I wonder if you could give us some details on your vehicles. Who uses each of the department's 16 leased vehicles and the purpose of the vehicle and if you could give us the annual cost for each of these leases so that we could summarize the use of the vehicles in your department?

Hon. Mr. Lautermilch: — Mr. Chairman, we have, as the member has indicated, a total of 16 cars in the department. One is used by the field supervisor director in Regina. One is a general pool car in Regina. We have three in Kindersley, three field cars in Kindersley; those are all assigned to employees. We have three in Swift Current. We have one in La Ronge. We have two in Lloydminster, and we have five in Estevan — all assigned to employees of the department, for a total of 16.

I should mention, Mr. Chairman, that three of these are 1994 models. Two are '93 models. One is a 1992 model. Four are 1991 models, and we have six cars that are older than 1991. So you can see that we have done everything in our power to squeeze as many miles as we can out of the fleet. It becomes, I guess at some point, a question as to whether the cost of maintenance for an older car are worthwhile continuing and whether or not it would be prudent to purchase new vehicles. And I would say that this is something that we are looking at across government, not only within the Department of Energy and Mines.

Mr. Devine: — Are these vehicles leased, and if they are, could you give us what's left on the lease, the cost of the leases; who they're leased from; the length of the lease; or are they outright

purchased — that information.

Hon. Mr. Lautermilch: — These are all CVA (Central Vehicle Agency) cars purchased through SPMC (Saskatchewan Property Management Corporation), purchased by SPMC.

Mr. Devine: — Thank you, Mr. Minister. You have provided us with a list of all the space leased by the department. Could you go through each of those and give us the lease cost for both last year and this year, also give the total accommodation cost of the department for this year and last year.

Hon. Mr. Lautermilch: — Mr. Chairman, I would say to the member from Estevan, as a matter of policy . . . and I think he will know that this situation hasn't changed from the days when he was the premier and was ultimately responsible for Saskatchewan Property Management Corporation . . . don't divulge the cost per square foot of leases. We can pass to you the aggregate amount, and our people are putting that together.

But I think you will agree with me that people do business with Property Management Corporation on a confidential basis. These are tendered properties. And because of the competitive nature of the real estate industry, I'm sure that you will agree with me that people doing business with the government would rather not have the details of their arrangements with government made public.

I can say to you that in the time, the two years, that I was the minister in charge of Saskatchewan Property Management Corporation, we attempted to deal with people who wanted to do business with government on a fair basis. We tendered leases and tried to get the best bang for the buck in all of the leases, and at the same time still being fair to the people who we did business with.

So I would just say to the member, as a matter of policy we don't divulge the cost per square foot on individual pieces of property. We've given you the aggregate . . . we will give you the aggregate amount and we have listed the areas where we hold property.

Mr. Devine: — Fair enough, Mr. Minister. If you can put together the aggregates, we'll take it from there.

In terms of committees and reviews that you reported to us, there were significantly fewer than last year. Could you tell us the current status on the following: the management committee of the Canada-Saskatchewan Partnership Agreement on Mineral Development; the Committee of Provincial Geologists, and the National Geological Survey Committee; the Saskatchewan Energy Conservation and Development Authority; Energy and Mines—Industry Oil and Gas Review Steering Committee; Energy and Mines—Industry Fiscal Regime Subcommittee; Energy and Mines—Industry Regulatory Administrative Subcommittee. If the committee is still active, I wonder if the minister might report on its activities and costs during the year.

Hon. Mr. Lautermilch: — Mr. Chairman, I can . . . To the

member from Estevan, the ones that aren't on the list have largely been wound down I am told by my officials. With respect to the list that was forwarded to you, the 1, 2, 3, 4, 5 different committees that are still in operation, if you want, I can read into the record what the responsibility of those committees are. Or if you want to take it as read, having given the information and passed the information to you, whatever is your wish. But the ones that aren't listed, I'm told, have been wound down and are no longer functional.

Mr. Devine: — Just so I understand, the list that I read here, you're saying that they are wound down? . . . (inaudible interjection) . . . Oh everything is wound down, except what I've just read. So those that I've read are active.

Well you could send me their objectives, but I wondered if you might comment on anything of any particular interest that you think noteworthy on any of the committees that are active. I've got a couple of questions on some specifics but . . . Have they reported? Are they providing you with particular information that you think is valuable? Anything new in the industry? Any new suggestions from fiscal regimes? Mineral agreements? Just anything of note before we look at them in general?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I guess with respect to the committees on the list that have been passed on to the member, the Saskatchewan Geological Survey Liaison Committee, which is basically to advise geological surveys on geoscientific programs, is ongoing. It's a process that continues to function.

The Saskatchewan air quality task force has, I am told, a report prepared and it will be available shortly. The Saskatchewan mining task force has a report done and I'm told as well that it's role is ongoing.

Initiatives to secure future viabilities of mining in our province. The Oil and Gas Conservation Board, which resolves oil and gas issues and disputes, has a role and that continues as well. Energy and Mines—Industry Natural Gas Pricing and Reporting Committee is a role that is ongoing as well.

We have just recently sent a letter to industry with respect to its role and how they interact with the government, with respect to simplifying the rules by which industry operates in the province. I think that the work has given some clear indication to us where there are areas that we may be able to simplify the interaction between industry and government. So that role is continuing and I think plays a very positive role in terms of attracting and welcoming industry to Saskatchewan. I think it's created and helped create a good place to do business.

Mr. Devine: — Thank you, Minister. I expect when you send it across that you can give me the costs of running each committee that is ongoing, or include that if you will please in running the committee.

And for those that are wound down, perhaps you could just have a brief explanation when you send it across why it was

wound down and delineate any wind-down costs and if there are any final reports associated with any of those that have closed up. And I'm sure that your officials can do that.

You have one new committee reporting to us, the Energy and Mines—Industry Natural Gas Pricing and Reporting Committee. The only thing is that the start date you have listed for this committee is June of '93. In spite of the fact it's been around for two years you've never bothered to report it to us here in estimates before. I wonder if you could ask your officials to be as thorough as possible when you're reporting it here. I don't have to perhaps underline the importance of us seeing the annual reports of committees.

(2015)

So if it hasn't reported since '93 we'd like to know what it's been doing. And maybe your officials could take care to provide us with a summary of the costs of the committee, what its mandate was, what it's found out, what its activities are, and the current status of that committee. Particularly given the gas prices that we've looked at and some of the controversy around gas prices.

Gas has been declining and yet natural gas costs to the taxpayer here in the province have been going up. I'm sure that the committee, if they've been looking at any of that, might have some interesting information to provide to the public.

Hon. Mr. Lautermilch: — And I will report to the member from Estevan that the Industry Natural Gas Pricing and Reporting Committee was in fact a subcommittee of a larger committee that was put together from government and industry, and that was the royalty and administration committee. This subcommittee had not completed its work. It was ongoing and it was felt then that there was a necessity to complete the work, part of which we believe will culminate in a much more simple way of reporting and dealing with industry as it pertains to the Department of Energy and Mines.

So that role will be ongoing. The work of that committee becomes public certainly as we transform the regulations and transform the way we do business with the industry. It's a matter of ongoing dialogue.

But the reason that it hasn't reported — as it was indicated or as it was reported to you in the document that we sent across — is simply because it is in fact a subcommittee of the royalty and administration committee, which has completed its work, as I've indicated, other than the role and the mandate of this subcommittee which continues to function.

Mr. Devine: — Well I suspect that that subcommittee will report when it finishes its work and we'll look forward to getting the details of their work.

I wonder if the minister could give us a complete list of the current committees, in terms of the salaries of those committee members, the per diems and expenses associated with the ongoing and active committees. And I'm sure that he can and

I'll just ask him to do that and to send it across.

Also, I wonder if the minister would ask his officials to detail all manuals that you have published over the year, including the name, the purpose, the intended audience, the costs, and whether they've been sent to the Legislative Library.

And the same with publications. I note that you've done quite a job on your publications spending. You've managed to spend between one and a half to two-thirds less on all your major newsletters and publications without cutting the number of copies you distributed. I would be interested in how you accomplished that efficiency and why the costs were as high as they were in the first place and how you managed to cut them.

And as with the committees in review section, there seemed to be some publications missing or are the reports for the oil and gas revolving fund no longer being published? If they are, what were their costs and their distribution?

Hon. Mr. Lautermilch: — Mr. Chairman, with respect to the costs of the committees that were listed, the only one where per diems are paid is the Oil and Gas Conservation Board. This is a board whose members are paid through the department for the work that they do. The costs of the other ones are internal, department staff who apply, as part of their working day, their knowledge and their expertise to the working of the committees. And from the perspective of industry, the stakeholders for the most part willingly join at their own cost because they're quite comfortable, and want the dialogue, and want the work to continue to proceed with the department.

With respect to in-house . . . or with respect to publication costs, I am told by my officials that the computer technology, as it has been advancing and progressing, has been able to allow them to do much more in-house work than was the case prior to the equipment that they have, that can now handle the kind and the quality of work that they would want to put out. And the other aspect is that the tendering process has certainly made industry more aware and more competitive and has decreased the costs of the publications across the department. So two areas. One, in-house computer technology and the ability to do the work in house; secondly, the competitive industry of nature, as most of this work is now tendered.

Mr. Devine: — Well that's fair enough. And it's interesting that you would talk about computers, Mr. Minister, because that's the next line of questioning, and there's some interesting questions to be answered.

Computers are one, or perhaps one, area where you can abuse spending in government because it's not real easy to track. It seems very easy for departments, perhaps, to mystify superiors or ministers into thinking they need a ton of additional computer equipment every year. Consequently, this is an area that we look at quite seriously at budget time. It seems that your department may not take this quite as seriously as it could.

We asked for a detailed list of computer-related purchases,

including precisely what was purchased for precisely what purpose. However this year, like last year, Mr. Minister, we received a response from your department that was very vague, to say the least. We have here responses like, computer software programs to perform specific operations — quote, unquote — not detailing what they're for, what operations, targeted for what purpose. It just doesn't tell me or my research staff very much. So for starters, I'd like your officials to prepare for us a list of all computer software purchased, stating exactly, precisely, what the software is and exactly what it does. Do you think, Mr. Minister, that would be something you could ask your officials to do/

And likewise, everywhere on our question no. 12 where your officials have answered "computer equipment" as the description of what they've bought, we would like a precise description of what they bought and what the purpose is. I wonder, Mr. Minister, if you could undertake to provide that as well.

I would make the positive comment that you have improved this department's habits since last year with regards to tendering computer purchases, and I think that perhaps the tendering has worked and perhaps the tendering of various kinds of publications has also worked as well. And I would certainly endorse your officials and your policy if that's been the case, that it's caused your costs to drop.

Although your computer spending remains stable at around \$290,000, it still remains one of the highest computer budgets outside of the Department of Health. Can you explain why this ongoing expense is that necessary and that large?

Last year your department reported 138,000 of its computer budget as spent at the last minute, even though they couldn't tell us what they spent it on and the supplier they listed was "unknown at the time." Could you tell us now what was purchased with this money and who the supplier was?

I guess what I'm trying to say, Mr. Minister, on one or two occasions, it seems like you've really adopted some significant efficiencies, and I would just encourage you to take that a little bit farther because it looks like you can make significant progress. In the last couple of years it's been very fuzzy and my research staff and my caucus colleagues have been, frankly, unable to really track what you've been doing with your computers. And I'm sure that if we asked them politely, they can probably do a better job of providing you the information and then providing us. So would you be prepared to answer and address those questions and send them across at your earliest convenience?

Hon. Mr. Lautermilch: — Mr. Chairman, and to the member from Estevan, we will put together the last year's expenditure and the details similar to what we have provided. I would say that the officials indicate that they were caught in a bit of a time bind and had to move on some of these purchases and didn't have the information together.

I want to say to the member from Estevan that quite clearly, as indicated in the list of purchases — I don't know how many pages here, six, eight pages — with respect to computer equipment and all of the things that go with computers, you will note that they have been tendered. I can't note here an instance where they have not been, and I think you're right that it probably has created some cost efficiencies within government and in particular within the Department of Energy and Mines.

With respect to the workload that the department has, I think as you will note there is . . . and you will recall, there is a great degree of detail in record keeping. A lot of records have been transferred from manual to electronic computer systems. The nature of a computer . . . or a portion of a computer purchase may not be the same in the beginning of the year as it would be in the middle of the year and as it would be in the end of the year.

We have tried to cut the costs of our computer purchases by maintaining flexibility in terms of the roles and what those specific pieces of equipment do. So in order to give you a detailed analysis of what a particular computer has done over the course of the year, or might do over the course of the next year, I think, as you will admit, would require many, many hours of work. And I would suggest the fact that they've been tendered would mean we've got very cost-effective purchases.

I can say without equivocation that I have seen the Department of Energy and Mines to be very fiscally prudent. And in a lot of cases even in spite of the fact that they would have wanted to see incremental expenditures for pieces of equipment that might help them better do their job, they have been very prudent in terms of their purchases and their requests to Treasury Board. And I can assure you that I would far sooner have the employees of the Department of Energy and Mines spending time working with industry to determine how we can attract incremental investment, more investment, how we can simplify record keeping, and I think the purchase of these computers will assist in both areas.

And I just say to the member, the information that we've supplied I believe to be adequate. Certainly there can always be room for more information irrespective of which department, but I just say that the amount of work involved, I'm told by the officials, would be overwhelming in terms of trying to track what computer did, you know, what particular function at the beginning of the year, whether it changed to the middle.

I just suffice it to say that we have indicated the purchases, the aggregate amount of the purchases, the individual purchases. We have indicated that they've been tendered. And I think the people of Saskatchewan would be more than pleased with the accountability that's been displayed here today.

Mr. Devine: — Well thank you, Mr. Minister. I don't think however it's too much to ask for what the software that you've purchased is used for in a general sense. We just got some very vague answers on software programs and various software components, and I believe that you could . . . It would be much

more interesting reading as well if you could say, well we purchased this, and the software, the latest can give us this, or we've tendered that, or we've got this package for these particular tasks, recommended by industry. It would be interesting to talk about. So I think that if you could give us some of the specifics on the software packages, those that know a lot about software certainly will be able to tell whether it's reasonable or not and feel a little bit more satisfied. The minister's shaking his head and I'll let him respond.

With respect to polling, Mr. Minister, you undertook a survey regarding mining this year. Could you tell us the results of the survey, why it was commissioned, what benefits you got from it, and anything that you can share with the public.

Hon. Mr. Lautermilch: — Mr. Chairman, and to the member from Estevan. I will indeed ask the officials to put together in a general sense . . . and I have an understand that you're looking for . . . I have I guess a better understanding of what you're looking for now. And I think, by your request, you're agreeing with me that it may not be appropriate to put the amount of detail in each individual one. But I think with respect to software, we would be willing to put together a response to your question so that you would be satisfied that the expenditures are of a prudent nature and are there to assist the department in doing its work.

My officials are putting together the mining survey. And I haven't had the opportunity to look at this. If you want to go on with another question, and while you're doing that, I'd have the opportunity to have a look at this.

(2030)

Mr. Devine: — Thank you, Mr. Minister. I would like a little bit of information on our royalty structure. And one of the questions we were talking about previously was, as you recall, Mr. Minister, was upgraders. And I wanted to know about how much money in royalties we collect in a barrel of heavy to moderate heavy oil. And then if upgraders use 20 million barrels, you know, what's the royalty coming in on that much oil?

I wonder if your officials could tell us the royalty on a barrel of oil, heavy oil, used for upgraders or the combination heavy and medium oil that is used in upgraders. What's the typical royalty take on a barrel of that oil that would be used in either one of the upgraders?

Hon. Mr. Lautermilch: — Mr. Chairman, I can say to the member from Estevan that I was aware of this previously, and I guess I'd forgotten about it.

With respect to polling, it was part of an omnibus poll that was done by government. And some of the questions are fairly general — asking questions, as an example, what in your opinion are the primary benefits that the mining industry brings to Saskatchewan? Do you disagree that northern . . . agree or disagree that northern contractors should be given priority when

mining contracts are awarded — those kinds of issues.

I'll pass this across to you so that you can have a closer look at it. This is all public information. As you will know, we make available to the general public the polling information on a regular basis. And I will just ask the Clerk to pass a copy of this on to you.

As your question is related to royalties, I can say that the aggregate amount in 1994 was 29.8 million in Crown royalties and freehold tax, net of the New Grade natural gas royalty tax rebate of 1.3 million and 5.7 million in corporation capital tax surcharge. I would also say to the member from Estevan that the revenue estimates — I'm told by the officials — provided, are based on Saskatchewan crude feedstocks of twelve and a half million barrels, an average price of \$15.37 Canadian, an average royalty tax rate of 16.2 per cent, and an average corporate capital tax surcharge rate of 3 per cent.

Mr. Devine: — Thank you, Mr. Minister. You're saying that you . . . just so I understand it, 12.5 million barrels of oil for '95? — '95-96? Is that right? And a price of \$15.30 per barrel Canadian? And the royalty rate was 16.2 per cent and a 3 per cent surcharge? Was that twelve and a half million barrels the total, or was that all oil? Could you just elaborate on that, please?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told that the twelve and a half million dollar barrel figure . . . or twelve and a half million barrel figure is 1994, and that is Saskatchewan crude, net of any Alberta crude and net of any condensate.

I would want to also remind the member, before we get into this again, that this is not incremental revenue. This is not incremental revenue, and we have to understand this because I think I'm already seeing the direction that the member from Estevan is taking on this debate. And we've been through this, I guess two occasions that I can recall, before. So it's '94 figures, and he would want to know, and want to be reminded, that it's not incremental revenue.

Mr. Devine: — Well fair enough. I just wanted to know if the twelve and a half million barrels, '94, was all of the oil, all of the Saskatchewan oil. That's the total, that's everything; just to confirm that. And number two: how much of Saskatchewan oil would go into the upgrader? Could you give me ballpark on both of those.

Hon. Mr. Lautermilch: — Mr. Chairman, the twelve and a half million barrels for 1994, that is Saskatchewan crude. That's Saskatchewan. That's it.

Mr. Devine: — Pardon me, the next question. How much would the upgraders use of Saskatchewan oil?

They use about 50,000 barrels a day apiece — ballpark. In fact they're a little more than that. Some comes from Alberta; some from Saskatchewan. Is it half? Would half of it come in?

Hon. Mr. Lautermilch: — Mr. Chairman, it's becoming a long day and I guess it takes a little while to get my figures together here, and I'm trying to subtract 12 from 18 and somehow I get 4 and my officials tell me it's 6, and they're right, upon reflection.

The total number that goes, as reported by Crown Investments Corporation, into NewGrade is around eighteen and a half million barrels. The amount of Saskatchewan crude is around twelve and a half million, so the differential is 6 million. So in terms of Saskatchewan crude, twelve and a half million is what I'm told by my officials goes into the NewGrade upgrader.

Mr. Devine: — Well it is confusing, Mr. Minister. Fair enough. You're saying that twelve and a half million barrels goes into NewGrade from Saskatchewan and about the same would go into the Husky upgrader? Is that about the same? And then I want the total oil that we get royalty on coming from Saskatchewan — both upgraders. And then the total, non-upgrader and light oil, the whole shebang, please.

Hon. Mr. Lautermilch: — Mr. Chairman, the amount with respect to the Bi-Provincial is 7 million barrels of Saskatchewan crude, so if you add the twelve and a half million that goes into NewGrade and the 7 million that goes into Bi-Provincial, you've got somewhere just under 20 million barrels last year.

With respect to the total amount that was produced in our province, it was around 108 million barrels, 108.

And I want to again, as I've done earlier in these estimates, Mr. Chairman, I want to caution the member from Estevan to keep in his mind that this is not incremental production, this is not . . . or not incremental revenue. And I mean I know where he's going and I know what he's trying to do and I just . . . I sat back and I thought about the other night when we did estimates and how it's so incredible that the member from Estevan can take a small thread and he grasps a little thread from here and he puts it together and he weaves that one in with the first one and then he brings another one in. Before you know it he's got a little patch there, and before you know it he's woven a blanket, and before you know it the blanket gets bigger to the point where he can wrap himself around a little thread and develop that into an argument.

And I know what his argument is, as well. His argument is, as well, had he not made the massive investment in the two provincial upgraders, that we would have lost revenue on some 20 million barrels of oil, and I say to him he's wrong. I told him a couple of weeks ago he was wrong, I tell him tonight he's wrong, and I would tell him if we're back in estimates tomorrow that he's wrong. And I will also tell him before we get into it that I am not going to agree with him that the investment that he made in these two projects was prudent, because I don't agree with that.

And I want to say to the member from Estevan, before we carry on with this debate — and I can already sense where it's going — that I want to caution him the people of Saskatchewan don't

agree with your premiss. And I want to also say that I don't want to get into the political debate here but I think it's important for the member to know that members on this side of the House don't agree that the investment was prudent at the time. And we don't agree as well that it has proven to be prudent today in 1995.

They were some very risky investments and I want to say that we're doing what we can and all we can to work with both Husky and with Federated on both of these projects to ensure that we can make them successful over a long period of time and that we can gain some kind of return on investment, although it may not be as much as we would like to see, but that we're not going to see the people of Saskatchewan lose hundreds of millions of dollars in these projects.

So I only say to the member opposite, I know where he's going. You will know that we disagree with your hypothesis and I will say to you that I don't think the majority of the people of Saskatchewan agree that you were prudent in these investments.

And I think that was evidenced in the election in October of 1991. So I don't want to rehash old business deals, and I know you want to leave this House after this term of government feeling comfortable with what you've done, and I understand that. But I want to say to you, member from Estevan, that you can't expect me to agree with you. I didn't agree with you when you made the investments. I didn't agree with you when you campaigned on the investments in 1991 and I don't agree with you now.

(2045)

So in spite of the fact that I know you're a master at weaving this little thread, and through this little thread putting together a few more, and finally and ultimately building yourself a blanket that you can cloak around you — it might give you a feeling of well-being, and I recognize that that's your prerogative as a member of this House — but I just say to you, don't expect members on this side of the House to agree with you. And I can tell you that you wouldn't want to expect me to agree with your arguments because I didn't buy them before, I don't buy them now, and I won't buy them next year.

Mr. Devine: — Well I appreciate the compliment coming from the member from Prince Albert. His bouquets are gratefully received. What I want to know is maybe his . . . I don't have a calculator with me but his officials might have. You would have . . . I think that you were kind enough to give it to me before, the amount of royalties that we had on the type of oil. Sure. Yes I do. I've got it here. The amount of money associated . . . I wonder if you could just calculate for me the amount of money associated with 20 million barrels of oil that would go into these upgraders.

It's about 20 million barrels. You said about 13 and 7 million. The royalty . . . the price you're saying is about fifteen thirty and the royalty on that is about 3 per cent, so that's about three fifty a barrel. Is that about right? Times 20 million barrels. Is

that 60, \$70 million that you would get out of the oil that is into the upgraders?

Hon. Mr. Lautermilch: — Mr. Chairman, let me say to the member from Estevan, with respect to the Bi-Provincial upgrader, we generated \$1.003 million in Crown royalty and freehold taxes. That was \$1.003 million. So put that into perspective and take that across the board in terms of the feedstock that went in and the amount of Saskatchewan oil that went in. We generated \$1.003 million in revenue.

Mr. Devine: — Well it used 7 million barrels and the NewGrade used 12, so that would be about twice that, 13. So you're looking at over \$3 million in royalties. And money, if it's \$1.3 million in royalties that would go to Husky or with the Bi-Provincial Husky upgrader, then it would be what, a couple of million dollars go into the NewGrade. I thought I said between 3 and \$4 million. Is that correct in terms of the royalties on 20 million barrels of oil? I mean you must be able to calculate it. What's 17 — 16.2 — per cent of 15.30 per barrel times 20 million barrels. You must have a calculator there and I'm sure you could provide that number for me.

Hon. Mr. Lautermilch: — Mr. Speaker, let me go through, as I know it, the agreement that you cut when you were the premier in terms of the agreement with Bi-Provincial. We put in . . . there were \$7 million of feedstocks. The royalty tax rate that you agreed to was 1 per cent, which generated revenue of \$1.003 million on Crown royalty and freehold tax. That's what was generated. That's out of 7 million barrels of oil. Now this is your agreement that we have lived up to. The spirit of this agreement — the taxation rate of this agreement — it's what it generated in revenues, 1 per cent, \$1.003 million.

Mr. Devine: — Fair enough, Mr. Minister, I just want to complete it. The royalty on Bi-Provincial you said is a million dollars; what's the royalty we're picking up on NewGrade? It looks like about twice as much oil, so probably what, a couple of million dollars. That's what I'm saying — what's the royalty on 20 million barrels of oil that's used by these two upgraders? And ballpark, it's got to be 3 to \$4 million.

Hon. Mr. Lautermilch: — Mr. Chairman, out of Bi-Provincial, as I've indicated, there's a revenue of \$1.003 million. Out of NewGrade, there's revenue of \$29.8 million with respect to Crown royalty and freehold production tax which, I guess, speaks for itself — in the neighbourhood of \$30 million.

Mr. Devine: — There's \$30 million in revenue from the oil that is used in NewGrade? Just so I understand that — \$30 million in revenue?

Hon. Mr. Lautermilch: — Mr. Chairman, the figure in NewGrade is \$29.8 million.

Mr. Devine: — It's fair to say that we have over \$30 million in royalty revenue coming to the province, through to the Department of Energy and Mines, as a result of oil that is

pumped and goes into the upgraders. And if that's accurate, would the minister describe . . . is that '94-95 or 1994? Or what's the time frame for those figures?

Hon. Mr. Lautermilch: — Mr. Chairman, that is the estimate for 1994. But I want to take the member back. You can't discuss, in isolation, the amount of revenue from these two initiatives without also involving in the debate the amount of investment that was made. Because they're not one in isolation from the other. And I know you like to do that.

You like to do that with respect to the sale of Potash Corporation of Saskatchewan and what was returned and what was written off — like to forget the write-offs. But I want to say to you that I ask you not to forget the investment that the people of Saskatchewan have put into these projects. Crown Investments Corporation has invested a total of \$293.8 million in the NewGrade Energy upgrader.

So I think what you need to do is you need to understand that the revenue that's generated is not without cost because we've had massive investments in both of those. We've got a massive amount of dollars at risk in both of those projects. But I also want you to remember that this is not an incremental revenue. It's not right to say that had the upgraders not been in existence that no heavy crude would have been sold. That's not proper. It's not correct.

Now you may buy that and this may be part of what you're weaving, but I want to remind you that you've got a massive investment in both of these projects. And if you looked at the return on investment — very minimal in both instances, and a fairly major gamble in both instances — and you've got to remind yourself that you made that big investment and it's going to have to be paid off one way or the other.

I want you also to remind yourself that of the one upgrader we have a return on royalties and taxation of \$1 million on 7 million barrels of oil. So, Mr. Chairman, I ask the member to have a look at all of the facts when we're discussing this issue because you can't isolate the revenue that comes as a result of the royalties from these two initiatives without looking at and building in the fact that you've made one heck of a big investment and you put a heck of a lot of government money, people's money, at risk in terms of the both projects.

Mr. Devine: — That's fine, Mr. Minister, and Mr. Chairman. That's precisely the point that I was trying to make here a week or two ago, that they are . . . You can't look at them in isolation; you have to look at them together.

And finally, Mr. Chairman, I think you were here that night. This minister kept saying that you can't look at them together; you have to look at them in isolation. This minister has just finished saying, you got to look at them together. Well, Mr. Minister, I agree with you. Finally you have agreed with me that you have to look at them in the total package.

And I think that's only fair. I would never expect to have you

admit that I did anything that you particularly liked. So I mean we're not kidding ourselves politically here that you say, well now that was a pretty fair idea, although I have heard you whisper in the halls, I think, that you think the fertilizer project with Cargill is profitable and it looks pretty good — and even some members have admitted that — or maybe Crown Life's all right, or a few others.

I'm just asking you questions about what the royalty is going into the upgraders and we're finally getting somewhere. It's about \$30 million forecast for 1994. Now that's a lot of money. That's a lot of money. And 30 million coming back can probably generate, at 10 per cent, a \$300 million investment, which is kind of interesting when you look at the numbers we have to deal with.

So I appreciate the information that you've given me, that the royalties for the province generate something in the neighbourhood of 108 million total. I assume that's '94-95, 108 million. Twelve million barrels going into the NewGrade upgrader, 7 million barrels going into the Bi-Provincial, and our royalty structure price is 15.30 a barrel, royalty 16.2 per cent plus 3 per cent. And you can find the \$1 million or 300,000 to the Bi-Provincial and the larger 29 million and whatever to the NewGrade upgrader. But those are large numbers.

Now you obviously, politically, wouldn't want to connect the oil going into the upgrader . . . being associated with the upgrader. I mean I can understand that because that's kind of a long stretch. Oil going into a processing thing shouldn't be linked to something that's processing. I mean it's quite logical for me to understand why you wouldn't want to do that.

But it's like canola crushing, and it's like a lot of other things we have been encouraging. And I know — and I say this respectfully — some politicians on your side of the House have had it difficult in terms of really appreciating value added, and what value added does for not only adding value to the industry but what it does for production. And as we see in fertilizer use and as we see in now paper manufacturing and as we see in synthetic crude and refined crude and as we see in process products — and in many, many products now in Saskatchewan — it makes a significant amount of difference and particularly if you can take raw product and use it in there.

The minister might not want to call it incremental. I know exactly what it is, and I know the amount of oil that you can pump and the amount of product that you can make without having paper mills and pulp mills and without having upgraders.

So, Mr. Minister, I appreciate the information you've given me, and obviously you can do whatever you like with the information. And I will just say, the oil going into the upgraders generates a lot of royalties. It's there. And if it isn't there, it's associated with some water pump then some place else because it obviously can't be linked to the upgraders. But maybe it's being used by the upgraders. Maybe that's something that might be relevant.

Mr. Minister, could you tell me the amount of gas — and I'm sure that you know the natural gas . . . and I know it can't be seen as incremental, Mr. Minister, according to you — but the amount of gas that a fertilizer plant the size of Cargill might use and what the royalties might be on that kind of gas?

Hon. Mr. Lautermilch: — Mr. Chairman, let me say to the member from Estevan, as it relates to the use of natural gas, I'm told by department officials that they use very little Saskatchewan natural gas. Most of it is purchased elsewhere. And as you will know, deregulation has allowed that. TransGas, SaskEnergy, has become a distributor and has a distribution system, but I'm told that the upgrader buys very little Saskatchewan gas. Most of it is purchased from outside the province.

So in terms of Saskferco, most of the gas is purchased outside of the province, so we have no idea of determining exactly how much that would be.

Mr. Devine: — And so you don't know the amount of natural gas that is, number one, used by the fertilizer plant; and number two, how much it is used here in Saskatchewan, or how much Saskatchewan gas goes into that plant?

(2100)

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told by my official that the specific amounts are confidential, and I'm sure he will understand that we would want to maintain confidentiality as it relates to Saskferco or any other corporation. I am told that they use in the neighbourhood of about 15 bcf (billion cubic feet) on an annual basis. And as I've indicated, the vast majority of that is not Saskatchewan gas. And I think it's important to keep that in mind; the vast majority is not Saskatchewan gas.

The figures, as I indicated, are confidential, and it would not be appropriate for us to release them at this point. It may be that you would have access to that information through some other sources. I can't speak to that. I can only say that it would be inappropriate for us to release those figures tonight.

Mr. Devine: — Would the minister advise me and the public on whether the project, the fertilizer project, is profitable and paying any dividends to the province.

Hon. Mr. Lautermilch: — Mr. Chairman, that information would not be information that we would have within our department. That would come from Crown Investments Corporation. That would be the best place to determine that information, through the CIC (Crown Investments Corporation of Saskatchewan) estimates. We don't have that information.

Mr. Devine: — Mr. Minister, you've commented quite freely on whether or not you'd invest in upgraders, and I think that's in CIC. Would you personally consider the fertilizer project a good project?

Hon. Mr. Lautermilch: — I would want to say, Mr. Chairman, that I would view any investment based on the return. I would base any investment, and whether or not I felt it was a good investment, based on the degree of risk. And those calculations, I would suggest, would be and should be done. And those would be done at the time, certainly, of purchase or a decision to make investment. And I certainly am not going to comment on a hypothetical scenario. I can only say to the member from Estevan that I think if I had been one of his advisers around the cabinet table when he was making the decision on some of the investments that he made in the 1980s, I would have been one who would have asked the premier to be much more prudent and much more cautious with public funds.

And I guess the example that I can use is with respect to NewGrade, and I just go back to it briefly. We've amassed total losses since it was opened in 1989 on through 1994 — losses — of \$433.4 million. The people of Saskatchewan, through CIC, have invested \$300 million. And we've seen a return of \$30 million in royalties. So hopefully some of these investments will improve, but I want to say, Mr. Chairman, and to the member, through you, that I really do wish that he would have had some people sitting around his cabinet in the 1980s to give him different advice than was delivered to him when he was the premier of the province.

Mr. Devine: — Well, Mr. Minister, I'm not here to pick a fight with you or anything. I just notice how freely you seem to have the numbers, Mr. Minister, on — when you want to — on a particular project that has difficult start-up costs like an upgrader; you've got all the numbers from CIC. And I just correspondingly asked you if you had the numbers, because you're the Minister of Energy, on something that uses natural gas like the fertilizer project.

And I wondered if you had a comment on whether it's making money or not, if it's profitable, and if it's paying a dividend to the people of Saskatchewan. Because I think it's only fair, if you could comment on two or three of them, you can comment on all of them. And I think the public watching would think it just a tad, perhaps small, of you not to be able to be man enough to comment on all of the . . . on everything.

So I'm just politely asking if you know whether it's profitable, and if it is, could you just be man enough to say yes it is profitable; it's contributing to the province; I happen to have the numbers for the upgraders and I happen to have them for the fertilizer plant.

Now I don't think that's too much to ask. I'm not getting . . . trying to get you to agree with me. I mean I know you won't agree with me. Some projects paid faster than others. Some paid handsomely. Some stock went way up. Some projects take longer. But I'm . . . I asked you again, couldn't you tell me whether you know if the fertilizer project is profitable and what kind of money's coming in. You seem to know all about the upgraders and that is not your portfolio. You're not the minister of CIC; you're the Minister of Energy.

Don't you have any numbers before you on the Saskatchewan taxpayers' investment in a project that uses natural gas — which is energy — in your department? I just respectfully ask, would you have any of those numbers? Could you let us know whether it's profitable or not and your opinion on the investment.

Hon. Mr. Lautermilch: — Well, Mr. Speaker, I'm not certainly in a position to give the member from Estevan the numbers. I've indicated that quite clearly, that those would be better served and questions better served by referring those to the minister in charge of Crown Investments Corporation.

With respect to the amount of money that has been lost by NewGrade and with respect to the investment, those are figures that have been around this province and are public knowledge and have been published by Crown Investments Corporation over the years since 1989. They're public knowledge.

I say to the member that we don't have the numbers here and you can persist on asking. I can only persist on answering the only one answer that I know and that is that we don't have these figures, and that you would be better served by questioning the minister in charge of Crown Investments Corporation when his estimates are before this House.

You have asked many questions this evening and previous evenings and I would want to say to the member from Estevan that we have been very forthcoming in terms of figures and documents and numbers that are under the purview of Saskatchewan Energy and Mines. But I can't be standing here in the legislature tonight answering questions to which I have no answers. The minister of Crown Investments Corporation I'm sure will be more than willing to respond to this question when you come before him for estimates.

Mr. Devine: — Well, Mr. Minister, that's fair enough. I just think that you should be big enough to respond to sincere questions that the taxpayers would like to know. Do I have to tell them that the Cargill energy project is returning handsome profits to the people of Saskatchewan and the Minister of Energy and Mines won't admit it . . . (inaudible interjection) . . . and the member from Swift Current says I should tell them.

Well they're not big enough to tell them . . . (inaudible interjection) . . . yes, well then, Mr. Minister, your colleague from Swift Current could tell us then what are the numbers. He's ashamed to admit it.

Mr. Minister, with respect to Cameco, would the minister make any comments with respect to the success or failure of the privatization of Cameco; similarly with respect to Wascana; similarly with respect to the Potash Corporation. Does he have any comments about those?

I notice that . . . I think they're associated with CIC as well but he has commented on them in the past. Cameco is a company that you have shares in. I think you still have some shares in Wascana, at least you did, and you probably have some shares

left in PCS (Potash Corporation of Saskatchewan Inc.), although you may have put them on the market. Would he comment on those three companies in terms of how they're doing, whether he has any observations about their success or failure in terms of the privatization, which means taking it to the public market. Then I'll . . . after that I'd like to ask him a few questions about co-generation and about AECL (Atomic Energy of Canada Ltd.).

Hon. Mr. Lautermilch: — Well, Mr. Chairman, I guess let me say to the member from Estevan, with respect to Cameco, Potash Corporation — PCS — and Wascana, they're all doing very well financially.

Mr. Devine: — But I take that as an indication that the minister would say that they have been not only financially successful but good for the province of Saskatchewan and good for the taxpayers of Saskatchewan.

Hon. Mr. Lautermilch: — Mr. Chairman, let me say that with the . . . Firstly, with respect to the uranium resource that we have in this province, I think there's no secret that we welcome investment into the province to develop those particular initiatives that are happening in the northern part of the province. The expansions and the new mines that are coming on stream will create many jobs for Saskatchewan people and it's an initiative that this administration has supported.

With respect to the potash industry and the potash resource, quite clearly over the past years people of Saskatchewan have been able to generate revenues through royalties, taxation, jobs, directly and indirectly, in terms of that resource and the development of that resource, and with respect to Wascana and how, as it relates to the oil industry as well, there are many jobs in this province that are created by oil and natural gas.

Many companies are doing business and are headquartered here in Saskatchewan. Many bring their corporate expertise from outside of the province. So I guess what it would be fair to say and fair to assume, that we very much are a resource-rich province. Whether it be uranium, potash, oil and gas, whether it be the new gold mining that comes on stream and the exploration that will create those opportunities for Saskatchewan men and women, we certainly welcome the development of those resources.

We share the goal that job opportunities and profits can be generated through development of those resources, so certainly we're supportive of the mining industry. The role of Energy and Mines is to help facilitate the development; to help to regulate; set royalty structures that are fair, both for the people of Saskatchewan and for industry. And it's a process that we'll continue to monitor and we'll continue to be part of. And we certainly will continue to encourage development in this province in all three of the resource sectors that you have indicated.

Mr. Devine: — Thank you, Mr. Minister. Would you say then you're generally happy with the fact that these industries have

publicly traded companies from Saskatchewan — with their head offices in Saskatchewan — publicly traded in Toronto and on the New York exchange and the NASDAQ (National Association of Securities Dealers Automated Quotations) exchange? Would the minister say that that's a positive thing for the industry here in Saskatchewan? And is he happy with the privatization of those three companies?

(2115)

Hon. Mr. Lautermilch: — Well, Mr. Chairman, let me say that one can only speculate what may or may not have happened. I guess I tend to deal in the world of reality. And the world of reality right now is that these are publicly traded corporations. The other reality is that the minister . . . as minister in charge of Energy and Mines, I intend to work with them to create employment opportunities, to generate royalty revenues for the people of Saskatchewan, so that we can begin to — as we have by shedding ourselves of deficit budgeting — so that we can begin to use some of that wealth to pay down the debt of this province which now has accumulated to some \$15 billion.

So quite clearly, I can't speculate, nor will I, as to what may or might not have happened if privatization hadn't occurred in terms of some of these corporations which you raise. I think probably the most appropriate position and appropriate role that we, and the Premier and this cabinet and this government can take, is to deal with reality. What's the reality? The reality is we have corporations doing business in this province and investing. That's reality and it's positive. We want to create an environment where that can continue to happen.

I would think rather than looking back, we would want to look forward. We would want to look to future advantages that may take place with respect to development of our resources. We want to maintain the pragmatic approach that we have taken since October of 1991, and we want to continue to work with industry to ensure job opportunities for Saskatchewan people.

So I guess what is more important is not my personal opinion vis-a-vis privatization, what's more important is that we recognize the environment that we're doing business in. We recognize the corporations who want to do business in this province, and we help to facilitate positive opportunities for them and for their shareholders.

Mr. Devine: — Well thank you, Mr. Minister. I'm happy that you're happy with the fact that, as a result of these privatizations, the share values have increased several, severalfold. I believe that if we look at PCS, it's moved from \$18 a share to something like \$72 a share. Is that right, Mr. Minister? That's severalfold increase, so it's quite exciting when we look at the size of that company now. It's tripled its size. Its share value for all those Saskatchewan people who've bought shares in it have gone from \$18 a share to over \$70 a share.

Similarly Cameco is around \$40 a share and is publicly traded and attracting industry from all over the world and investment. And Wascana Energy is successful. And you say you just deal

with realities. I couldn't agree more with you, Mr. Minister, that the reality is these privatizations have been extremely successful and are very successful in the market. And as you as a businessman would know, the market speaks for itself.

I would comment, Mr. Minister, that I think initially I heard you — maybe not you, maybe somebody else — criticize the fact that the value of the PCS at the time that it was put on the market was something like 31 million shares and at \$18 that was, you know, 4 or \$500 million. I would just point out to the minister — and he can acknowledge this — that 31 million shares at \$72 a share is a lot of money, and that's several billion dollars, over \$2 billion, and obviously that's the market that has done that.

So those people that had bonds, those that had bought the shares and those that participated had multiple increases in their value, and any of these people that were put on the market . . . obviously the market judged it when you put it on there. And as a businessman, I'm sure you'd say the market is always right. So the market price at \$18 a share in the market is priced at now \$72 a share. So all those Saskatchewan people who had first choice on Power bonds or first choice, pardon me, on potash bonds could see the benefit of their money go from \$18 a share all the way through to 70-some dollars a share. And obviously, Mr. Minister, the success of the market replacing debt with equity has caused an awful lot of economic activity and involvement that, frankly, couldn't be here before because it was all in government.

And I'm happy that you're dealing with reality, and I like to see that with respect to the Cargill fertilizer plant. I like to see it with the Weyerhaeuser paper mill. I like to see it with Wascana. I certainly like to see it with the Potash Corporation of Saskatchewan. And I like to see it with Cameco and the uranium industry because . . .

I will say, Mr. Minister, the interest in the uranium business, not only in northern Saskatchewan but across Saskatchewan . . . and, Mr. Minister, even as a result of your polling . . . and I'll go back and you asked the question whether people were concerned about the environmental impacts of uranium. And you know, Mr. Minister, they're more concerned about the environmental impacts of forestry than they are uranium. Well I want to congratulate your administration for picking up on this new attitude of openness for mining and public involvement and investor involvement in uranium, because as a result, your surveys that you just gave me show that people are not worried about environmental impacts of uranium, not nearly as much as they might be for forestry and some other areas like oil and gas. Which is very interesting, Mr. Minister.

So I guess that would lead me to a question. Would you entertain the possibility of more public share offerings in the province of Saskatchewan . . . strictly like you wanted to look to the future? You said, well the past is fair enough. The past as you look at it today shows some really interesting, successful, profitable privatizations.

I wonder if the Minister of Energy for the New Democratic government would entertain the possibility, as he looks to the future, some more opportunities for some of this exciting share offerings to increase investment and return the profit that we've seen in these other corporations. Would he entertain that in any of his areas — whether it's in mining, or oil, or gas, or anything like that?

Hon. Mr. Lautermilch: — Well, Mr. Speaker, I guess if we're dealing in hypothetical issues here, let me give a hypothetical answer. And I guess what I would want to say is if the member had — hypothetically of course — maintained government for the next four years, we would not only have no assets; my guess would be we would have the biggest debt load per capita probably anywhere, not only in Canada but in the world at the rate he was going. We would have, I would suggest, a province in the state of bankruptcy. And with that, Mr. Chairman, I guess that is the hypothetical scenario that I could have foreseen if in fact this member had been re-elected in October of 1991.

Mr. Chairman, I just want to say to the member from Estevan, you can believe what you want with respect to your administration, your privatization initiatives, and your management of the economy, and the management of this province. But I want to say to you, Mr. Chairman, what is more important to me and what is more important to members of this government is what the general public thought of your administration of the 1980s.

Mr. Speaker, Mr. Chairman, I say to the member from Estevan — and I'm not sure how long these estimates will continue and I'm not sure how long this session will continue, but I want to say to the member from Estevan, I will never stand in my place and agree to the kind of incompetence and the kind of mismanagement that your administration displayed. And I want to say, Mr. Chairman, I am looking forward to the day when there isn't one Tory sitting in this House because you don't deserve to be here, none of you.

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — And I want to say, Mr. Chairman, over the course of hours that we've been debating the Energy and Mines estimates, I have done my level best to attempt to maintain a state of calmness, allow the member to fade off silently into the woodwork in the dying days of his political career — thank goodness — allow him to create his own little picture and his own little analysis of the great and wonderful things he did for the people of Saskatchewan. But I want to say, Mr. Chairman, I know that he knows in his heart of hearts that his administration was an absolute disaster.

And I want to say that the new member, the new Leader of the Opposition, the new Leader of the PC (Progressive Conservative) Party has probably the biggest challenge that's going to be faced by any politician ever in North America, and that's trying to reinstate credibility in a political party that has none. You have none here in Saskatchewan. You have none in Ottawa.

And I would suggest to you that there won't be a Tory member sitting after this term of government because the people of Saskatchewan have seen through you. They're fed up with you; they're fed up with your fairy tale world; and they're fed up with incompetent politicians of which you were the epitome. You, sir, were number one. There will be no one, no one in this province, that will ever surpass the kind of incompetence that you have displayed in 10 years of a Tory administration.

And I want to say, Mr. Chairman, that it wasn't enough in October of '91 when the people of Saskatchewan turfed his government from this side of the House and put them in opposition. You would have thought over a period of three years that they would have had a little bit of an opportunity to reflect on the 10 years of mismanagement. But not this member, not the member from Estevan. He stands in this House, without remorse, speaking in glowing terms of some of the initiatives that he embarked upon.

And I want to say to the member from Estevan, you can rant and you can continue on, but nobody believes you. Nobody believes you. There is a lack of credibility there. And I want to say, you can bury your head in the sand and believe that the 1980s never took place, and you can believe that you didn't increase the debt and build a massive debt load on your children and on my children. But I want to say to you, Mr. Chairman, that the people of Saskatchewan don't believe you. They don't believe you because they see through you. You're as transparent as Saran Wrap and I want to say, you've got all the substance as Saran Wrap as well. So if you want to stand up in this House and try and create an argument to . . . that flies in the face of reality, you go ahead. Because I'll tell you, I've got all night, and I've got tomorrow night, and I've got as long as you want to try and watch you paint a picture that will never stand the test of time because the people have already passed judgement on you.

So I say if you want to scrutinize the expenditures of this government, and if you want to talk about the budget that we've put together and what we propose to spend and what we have spent, you can do the most analytical critique that any member has done, and I welcome that. But I tell you what, don't — member from Estevan — expect me to stand in this place and agree to the kind of government and the kind of misfortune that you've put on the people of Saskatchewan because it ain't on.

Some Hon. Members: Hear, hear!

Mr. Devine: — Well, Mr. Chairman. Mr. Chairman, I must have hit a sore spot there. Mr. Chairman, I must have hit a sore spot when I listed all the profits by these privatized companies because the minister went on here for 10 minutes, and he got all excited, and his NDP (New Democratic Party) colleagues were all getting lathered up and trying to make believe that his reality . . . his reality check wasn't valid.

But, Minister, I was just pointing out — as you said — you deal with reality. And I asked how the share prices of the privatized companies were doing and he has to admit that the shares have

gone way up. Cargill fertilizer plant has done really well. All the Crown corporations and the private investments are creating \$600 million net profit to the province of Saskatchewan. And that's half the debt in Saskatchewan, which is self-liquidating now.

And the members don't want to know, don't want to hear about it. They don't want to talk about it. The report of the Provincial Auditor . . . the summary of all the projects and all the Crown corporations, Mr. Minister, the summary of the fall of 1994, a few months ago, \$600 million net. That's above the debt. Those are investments — just like SaskPower, like SaskTel, like Cargill; it includes the upgraders, and it includes all of those things.

And the member opposite says, well he doesn't deal with me talking about it. Well I think it's fair that he deals with reality. The auditor's numbers are reality. Potash shares are \$72 a share; that's reality. Cameco's are \$40 a share; that's reality. Wascana's doing really well; Cargill's doing really well. The province is doing well and all those major investments . . . and obviously you campaigned against them. But those privatizations have done well. All I asked you, would you consider, Mr. Minister — we don't have to banter back and forth — would you consider the strategy, as a person in the political middle, the new political middle, would you consider as a strategy, at least consider the possibility, of examining public share offerings in other areas of Energy and Mines? Would you consider it?

I would think you would say, well yes, maybe I will. Maybe I won't. I'm not obliged to say yes or no. But I'm just asking whether you, in the light of the reality of these that have gone on . . . and as you know and certainly your investment counsellors will tell you, anybody who would have invested in those three companies in the last four years would have done better than any mutual fund anywhere in the world — anywhere. If you started four years ago, invested in that, it's better than any mutual fund any place. In the light of that reality — and you like to deal with reality — would you consider the possibility of additional issues that you could take to the market to get that kind of response?

Or — I don't want to be unfair — but you wouldn't be so hidebound politically that you'd say no, never, I wouldn't consider it. You see the success, and you say, I deal in reality. And you want to deal in the future. Would you consider taking that success and perhaps applying it in the future for various kinds of places in Energy and Mines?

(2130)

Hon. Mr. Lautermilch: — Well, Mr. Speaker, I can tell you what this government does consider. This government considers, in every instance, whether or not the initiatives make economic sense, whether they make good social policy, whether they make sound fiscal policy. Those are the things that we look at. And I want to say, Mr. Chairman, that I think that's a reasonable approach.

And would we look at all of our options? The answer is of course we do. Of course we do because that's the only way you can make sound business sense. It can't be done either with being hidebound on public ownership nor hidebound on privatization. And I want to say to the member from Estevan, we knew where you were, and we saw the results of privatization. You and I will disagree as to whether they were positive for the shareholders of the people of Saskatchewan, the people who invested in them. I can make an argument that many of your initiatives were bad business and bad social policy. You won't agree with that, but that's fine.

So let me talk about the approach that this government takes. We take a pragmatic view to doing business. There's got to be such a thing as, first of all, a responsible approach to any business initiative, whether or not it makes sense for the shareholders. Who are the shareholders? A million people of the province of Saskatchewan, not just the small few who may have the opportunity to invest and who may have the cash to invest and to reap big profits. We think there needs to be a view to all of the people of the province when you're making a decision, and that's what we intend to do.

So I just want to say, Mr. Chairman, this debate, I think, is really quite academic because in our mind it's not a matter of public or private ownership. It's a matter of doing what's right and what makes economic sense for the times; and times change. This isn't the 1960s. This is the 1990s. Things are different than they were in the 1960s, and they'll be different next decade from what they are now. So what we intend to do is take a common sense approach to any business decision we make. And I want to say, Mr. Chairman, that I think that's what the people of Saskatchewan are looking for. And certainly we have shown that that's our direction, and that's not likely to change.

Some Hon. Members: Hear, hear!

Mr. Devine: — That's very good, Mr. Minister, and I do appreciate your candid response. I like to hear that an NDP minister will at least consider public share offerings. And you said you would not just categorically discard them. I'm sure you buy shares. You take your investment money. All of us take our pensions . . . our teachers . . . our retirement funds, and we go to stockbrokers and mutual funds and we invest them in the market. So I like to think that an NDP cabinet minister would say, well I would consider the market. And if it made money, then it might be reasonable.

And I think we've come a long ways in moving the political spectrum of Saskatchewan from way over to the left to middle of the road, in some cases even a little bit to the right side. And I congratulate the minister for at least considering the privatization of . . . as an option in the province of Saskatchewan.

Mr. Minister, would you consider encouraging more manufacturing in AECL? We have AECL here in Saskatchewan, the Atomic Energy Corporation of Canada. It's

moved some of its offices to Saskatchewan, and I think it's been successful enough. There is the market for nuclear generators around the world. Mr. Minister, if it was profitable to manufacture generators and market them internationally, would you be opposed to that? Or do you think your colleagues would be opposed to that in the province of Saskatchewan, in that AECL is here? We can design them. If there was a market, could we manufacture them and could we market them internationally from Saskatchewan? We can do the design work. There are markets for them. AECL sells them all over the world. Could they be made here?

Now I'm not saying that you would have to endorse using them here, but could they be made here and marketed internationally if it was profitable for AECL and, of course, people of Saskatchewan?

Hon. Mr. Lautermilch: — Yes.

Mr. Devine: — Terrific, Mr. Minister. We've come a long ways. I'm happy to hear that not only in your polling now — and I'm sure that the member from Athabasca would like to hear this — that uranium doesn't even hardly rank there as a worry on the environment, but now cabinet colleagues will consider manufacturing of nuclear generators in the province of Saskatchewan in cooperation with AECL.

Mr. Minister, have you considered any co-generation projects associated with gas, energy, nuclear, or anything else in your portfolio?

Hon. Mr. Lautermilch: — Mr. Speaker, if co-generation makes economic sense, why wouldn't it happen? If there's a need for the product, if there's a need for the electricity, why wouldn't it happen? But I think it's got to be based on need. Is there a need for it? Is it a cost-effective way of producing it? Is it something that reflects what the market will pay?

As you will know, very shortly and over the next months and in a few short years, our energy utilities are going to be dealing with the results of deregulation. Deregulation means that we're going to have to be competitive with other markets. Being competitive with other markets means that any electricity or electrical energy that we take on stream has got to be competitive and cost-effective.

Those are the criteria that we would look at. Is there a need? One. Secondly, is it cost-effective? And I think those are important things that we would look at.

Mr. Devine: — Well, Mr. Minister, your predecessor had kind of a difficult time with co-generation and some of us might believe it even ended up him moving portfolios. But there were several applications for co-generation and they just didn't work out. People spent a lot of money.

But the minister did leave by saying, there will be one announced before the next election. Are you close to announcing a co-generation project with any of the people that

spent a lot of money in putting together applications for co-generation?

Hon. Mr. Lautermilch: — Well, Mr. Chairman, I'm not going to take the member at his word with respect to what the former member may have or may have not said. What I will say to you is that when and if there is a need for incremental energy, whether it be base load or whether it be peaking, we will look at what our options are. When that reality comes to face us, we'll deal with how we deliver the energy.

Mr. Devine: — Well, Mr. Minister, I guess what I'm asking is: do you have applications before you, or do you have plans before you now for a co-generation project? I would have to believe — and I could dig it up in *Hansard* when the former minister said there will be one announced — you must have some that are kind of at the top of the pail. Can you talk to us about any possible co-generation projects that you're seriously looking at, or a range of projects and what they have to do with oil, gas, or what combination thereof?

Hon. Mr. Lautermilch: — Well I would want to say to the member from Estevan that first of all if there is any incremental energy to be brought on stream, it'll be done by the energy utility, not the Department of Energy and Mines.

Mr. Devine: — Well, Mr. Minister, I believe it was the Minister of Energy that received — and maybe I'm mistaken here — received the applications for the co-generation. But if I'm not accurate in that and it was the minister in charge of SaskEnergy that did it . . . and you're not in charge of SaskEnergy? Is that what you're saying? You're not in charge of SaskPower or any of the co-generation projects?

I mean who do we go to for your best estimate of where we are in co-generation? Is it Sask Energy and Mines? Is it your Crowns that you're responsible for? Or where might it be so that we could pursue this with a line of questioning?

Hon. Mr. Lautermilch: — Well, Mr. Chairman, let me say first of all that if any comments were made with respect to co-generation and proposals that would have been put forth to any arm of government, it would have been to the Saskatchewan Power Corporation, and I'm sure you're well aware of that. That's our energy utility, our power utility in the province. And if the former minister made any comments with respect to co-generation and a specific application to the corporation, it would have been done as his role of Saskatchewan Power Corporation.

As you will know, there were proposals put forth with respect to co-generation. It was determined by the Power Corporation — and I'm speaking now as my role as the minister in charge of Saskatchewan Power Corporation — and any decision to take co-generation on was deferred. I can say that before the Department of Energy and Mines there are no proposals and there have been no proposals.

I can also say to you that I would see, frankly, no reason to be

buying energy if you don't have a market for it. I would see no reason to be buying incremental energy if you have internal capacity or existing capacity to generate the same.

And I would want to also say to the member from Estevan that whatever initiatives that are taken with respect to development of energy options in this province, we will ensure that we are concerned and will be concerned with environment. We will be concerned with the cost-effectiveness of the production of electrical energy that is brought on stream.

But what's more, certainly we are trying to, through economic development initiatives, increase the demand for electrical energy in this province. I think that's fair enough. But on the other hand what we are trying to do is ensure that we have a cost-effective source for the consumers, for the people in Saskatchewan. And that's what we would intend to do.

So I would want to say to you right now, with respect to bringing on stream incremental electrical energy, that there would have to be a lot of internal work done by the Saskatchewan Power Corporation in terms of the long-term plan for both base load and peaking, and we monitor this on a regular basis.

Mr. Devine: — Well, Mr. Minister, it makes one wonder what the former minister of Energy was, number one, doing, and number two, talking about. What was he doing in asking for all these applications for co-generation that cost people a lot of money, when you say there is just no demand for the energy? What was going on? Why were you doing that? Why was SaskPower doing it?

And secondly, he said for sure — and I'll make sure I look it up and have our research people look it up — that there would be a project announced. Now there's no project is there? There is no project, after all of this and the fiasco of him going through it and asking for it all. And now you're the Minister of Power as well as the Minister of Energy, and there is no co-generation project at all. The whole thing was without merit. You have no demand for energy. You shouldn't have done it at all. The minister's promise that there would be a project is a false promise, and we're going to hold him to that. Certainly in his riding, we're going to describe . . . I mean what is this?

So, Mr. Minister, just confirm for me there is no co-generation project under way; and (2) there's no demand and that's the reason; and (3) probably the whole sham of asking for all these applications was just a costly exercise because there was no demand to start with. Is that an accurate description?

Hon. Mr. Lautermilch: — Mr. Chairman, I think it's fair to say that the Saskatchewan Power Corporation . . . and although we're not in Saskatchewan Power estimates, I will answer this one.

We looked at a number of proposals from different proponents throughout the province. There were a number of proponents who indicated that they could produce low cost,

environmentally effective electrical energy. The Saskatchewan Power Corporation made the decision to have a look at the proposals. They did that, reviewed them. And after review of the proposals, it was determined not to proceed with the 25 megawatt pilot project at this time.

I can say to the member from Estevan that I think it's important that you look at the different options. There were a number of initiatives put together by proponents from many different areas of the province. There are some who are proponents of co-generation who have not put forth any proposals to SaskPower or any other entity within government, many of whom believe they have a very cost effective, environmentally friendly initiative that they would like to see developed. But I think frankly it's very important that we proceed with some caution in terms of our infrastructure.

And I want to say to the member, you know you were one of the proponents of deregulation. You were one of the proponents of removal of trade barriers and putting the boundaries aside.

(2145)

It was part of privatization, deregulation. This was all part and parcel of your philosophical belief. This is all part and parcel of how you governed, how your federal counterpart, Mr. Mulroney, in the 1980s governed. It was part of Madsen Pirie and Maggie Thatcher from Great Britain. It was part of the Ronald Reagan school of economics. And I say, fair and fine. No one can argue that you don't have the right to your particular philosophical viewpoint.

But what I find very interesting, as the members were embarking on this same initiative, they put many public utilities in a position where they had to change the way they were doing business. You built some massive debt load by some of the decisions that you made. And I want to say that if some of the deals that you made when you were the premier, and some of the deals that you made and some of the agreements that you tied SaskPower to . . . we may have some options that we may not have now. And I want to say the member knows specifically and very well what I'm talking about.

And I don't want to get into Saskatchewan Power Corporation estimates here tonight. For one reason I don't have my officials, and all of the data that I would like to have here when we do Crown Corporation Committee estimates at which the Power Corporation will be available . . . be more than glad to answer some of the questions and some of the reasons behind perhaps some of the decisions that we're having to make now as it pertains to what you've done in the 1980s when you were the premier of the province.

As I said, the world is changing. Quite clearly what we had as opportunities in the 1970s may not be available to us. The fact is what we're dealing with now is a Crown corporation that has a big, large amount of capital debt and you know that because you were part of building it. And what we also have is a situation where this corporation is going to be competing with

some very low-priced hydroelectricity coming from perhaps our neighbours in Manitoba. And you know that as well.

And what we're saying is that the rules are changing and we aren't in the same position as we may have been. It's looking very much like deregulation is going to turn the Saskatchewan Power Corporation, in some part, into a transmission line where other utilities will be able to put electrical energy onto our grid system and our distribution system and sell it to some of our larger companies. That's changing and it's not the same as the years before we were facing deregulation. And in light of that, Saskatchewan Power Corporation has to deal with those realities. They've got to compete. You can't compete with five and a half cents a kilowatt-hour electricity when you're going to have neighbouring corporations who can deliver the same for three and a half cents.

So I think these are all important things that we, as a government, are looking at. We're being very cognizant of the fact that this competition is going to take place, and it's just not as simplistic as the former premier would like to portray it. It's becoming a very complex world and we intend to ensure that we will be monitoring these and other initiatives very closely as the months and the years carry on.

Mr. Devine: — Well, Mr. Minister, what I find a little bit difficult and that you could help the public with is that why your previous minister . . . And you talk about the 1970s, things have changed since then. That's fair enough, since the '70s and maybe even since the '80s, but this was last year. We had all these co-generation applications. What's changed in the last year that has caused all of this turnaround where none of the co-generation projects are acceptable? There's now no demand and all of a sudden anybody that thought they could produce energy can't come anywhere close to what you think that they can. And you're talking about the implications of deregulation and international trade.

Well of course. Last year we had free trade. Last year we had deregulation, but you still had all these applications.

Mr. Minister, what has changed in the last year to deny the former minister his successful co-generation project? Because he obviously won't have one. What is it in the last year that's changed so much that would have SaskPower, I assume, not even ask for co-generation applications?

Hon. Mr. Lautermilch: — I want to say to the member opposite that I think it's fair to say that co-generation is a viable option and it is an initiative that we believe will in fact be a reality in Saskatchewan. I can't say that that will be the case now because the officials whom I deal with and the analysis that is ongoing and will continue to be ongoing would require a reason to put more energy on stream.

Now what may be the case this month may not be the case in three months from now. It may not be the case in six months from now. And there may be proposals that would make it advantageous to change the base load and to look at different

ways of delivering that. I can't speculate what's going to happen six months from now. I can only say to you that I believe co-generation is going to be a reality in Saskatchewan, and if the requirement is there it'll be done sooner rather than later.

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Vote 23 agreed to.

Supplementary Estimates 1994-95
General Revenue Fund
Energy and Mines
Vote 23

Items 1 to 4 inclusive agreed to.

Vote 23 agreed to.

Mr. Toth: — Thank you, Mr. Chairman. I'd like to express appreciation on behalf of my colleague, to the minister and his officials for the time they spent in the Assembly addressing a number of questions regarding expenditures of Energy and Mines. Thank you.

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I would like to thank members of the opposition for their questions. I know that these are interesting times, and I certainly do appreciate the thought that was put behind their questions.

I'd also like to thank my officials for their work during the session, and the work that they do throughout the year to ensure that the corporation acts in the best interests of the people of the province.

General Revenue Fund
Health
Vote 32

The Chair: — Perhaps before we proceed, I think it's been some time and we can impose upon the minister to introduce the officials who have joined us here this evening.

Hon. Mr. Calvert: — Thank you, Mr. Chair. We have with us tonight a number of officials from the Department of Health including Duane Adams, deputy minister; Andrea Smandych, who is the acting manager of financial services; Lois Borden, executive director, district support branch; Steve Petz, associate deputy minister; Glenda Yeates, associate deputy minister; Maureen Yeske, the executive director of health planning and policy development; Jahzi Van Iderstine, assistant to the deputy minister; Roger Carriere, project manager for home and community alternatives; and Al Walker, director of the program development unit.

And, Mr. Chair, while I'm on my feet, I have brought with me tonight, for the official opposition, the package of the global questions and estimates that they've requested.

Item 1

Mr. Toth: — Thank you, Mr. Chairman. Welcome to the minister and his officials for joining us. Seeing as the Liberal members don't have any questions, I guess I'll get into the debate this evening.

(2200)

Mr. Minister, a while back we were addressing an issue and I'd asked for some information. I sent a letter and I'm still waiting for information and it's regarding ophthalmologists. And going back to *Hansard*, March 10, 1995, I asked a question about the number of ophthalmologists practising in Regina, the facilities used, and the same information for Saskatoon. And I also asked a question at that time wondering about the difference between laser surgery and other eye surgeries and clarifications as to why which option may be chosen by individuals or by a certain ophthalmologist. Would you have that information available, Mr. Minister?

Hon. Mr. Calvert: — Mr. Chair, I apologize to them. I was confident that I in fact had signed that and had sent that over. It's prepared here and so on. I may not have signed it to send it, but the information is here; I can read it into the record if you wish and then we will be certain that you're provided the hard copy.

You had asked the question: how many ophthalmologists are operating in the province, how many would operate in the city of Regina, and what facilities would they operate out of, as well as in the city of Saskatoon.

The most current, the most current figures — and I'd spoken earlier in the House that the total is 17, but now there is one more, so there are now 18 certified ophthalmologists performing cataract surgery in our province. That breaks down to eight in Regina, working out of the Pasqua Hospital; eight in the city of Saskatoon, working out of City Hospital; one in Yorkton; one in Lloydminster; and then three general practitioners with special training in ophthalmology performing cataract surgery — one in Swift Current; one further in Yorkton; and one in Prince Albert.

And you'd asked the question about laser and other surgery, asking for some clarification. The response, and I'll just read it: with regard to cataract surgery *per se*, lasers are not used. With this procedure the surgeon makes a surgical incision in the eye, pulls out the bad lens, usually after pulverizing it; he inserts a new lens and then stitches the incision. Lasers are not used in removing a cataract and replacing it with an artificial lens.

Laser surgery in the area of ophthalmology is used in fixing things such as detached retinas, treatment of blurred vision after cataract operations, treatment of glaucoma, and other non-insured treatment for short-sightedness.

I hope that answers the member's questions, and as I say, we'll get the hard copy of the information to you.

Mr. Toth: — Mr. Minister, what type of waiting-list can a person expect to find for this type of surgery at the present time?

Hon. Mr. Calvert: — Mr. Chair, it is difficult to categorize generally about waiting times because they vary so, so much from doctor to doctor. One doctor's waiting period will be quite a bit shorter than the other and so I will report to the member that in Saskatoon, if we take the first five months of '94-95, the waiting time for two of the doctors practising in Saskatoon was a waiting period of 380 days, a relatively long waiting period. That is for two of the doctors in Saskatoon. For the other doctors performing cataract surgeries in Saskatoon, the waiting time on average is 86 days, so a considerably shorter period of waiting time for other doctors than the two. The average waiting time for Regina, during June '94, was 110 days.

Mr. Toth: — What would be the reasons for the differences? Is it just the choice of patients as to the abilities of one doctor over the other? Would it have something to do with privileges in hospitals? What are the avenues that would constitute waiting-lists and such large variances?

Hon. Mr. Calvert: — I think there are two reasons essentially. Perhaps the first and most important is, for these procedures, these patients will have been referred by another doctor or eye doctor, and referral patterns may direct to two doctors in Saskatoon or to another doctor, and patients may not be aware that they have some options and some choice.

The other would be simple patient choice. Some patients may wish to have their surgeries, these cataract surgeries, done by these particular doctors. So that's essentially the reason.

It is important, I think, for people who are needing the cataract surgery for them to realize that there are 18 individuals in our province, ophthalmologists or those with training in ophthalmology, that can perform the cataract surgeries, and patients should be aware that they do have options in terms of getting the surgery done.

Mr. Toth: — How many patients would the Department of Health cover for surgeries undertaken outside of the province?

Hon. Mr. Calvert: — Mr. Chair, perhaps I could ask the member to clarify the question. Are we speaking specifically about cataract surgeries? Yes. We'll get the number.

Mr. Chair, these are important figures, I think. I want to just do a bit of comparison. In the years 1988-1989, in that year there were 3,082 cataract surgeries done in Saskatchewan. In '93-94, we completed 6,774 cataract surgeries in Saskatchewan. So that's about a 120 per cent increase in the number of cataract surgeries we're doing in province. In 1988-89 there was 3,082; in 1993-94 it is now 6,774; about a 120 per cent increase in the number of surgeries we're doing in province.

Now, so that then compare these numbers to out-of-province surgeries in 1988-89. In 1988-89 there was 1,295 surgeries

completed out of province. In 1992 there were 692 performed out of province. And in the year, the last year that we have the figures, accurate figures for . . . no I'm sorry, 1993-94 there were 67, and in 1994 there were 48.

So, Mr. Chair, what's happening here is we're able to offer the service more and more in province. We see the numbers going up dramatically in province and we see the out-of-province numbers going down.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, as you're well aware, we've been raising a number of questions, "Mr. Premier, I want to know." Unfortunately the number of questions that have been brought to our attention, it's just physically impossible for us to raise them all in question period and I'm going to raise one right now and then just indicate the number of people who have basically raised a similar question rather than go through — it looks like — about 80 names here, but I'd just like to get them on the record.

The question that I'm raising and this one has to do with the abortion issue and I'll read it as it came from one citizen and then just indicate the other citizens from across the province who indeed wrote a similar question.

This question comes from Clarence Wiebe from Rush Lake. Mr. Premier, I want to know why you brought in tax-funded abortion clinics after the people of Saskatchewan very clearly, by vote and by a high majority, said they were against such a move. That is not democracy. That is dictatorship, to ignore the vote of the people.

And that question is reiterated by Inga Brown from La Ronge, James Crawford from Estevan, Anne Hoffart from Unity, Bernard L. Trost from Springside, Ben LaPointe from Melville, Cathy Kary from Allan, Rudy Fast from Moose Jaw, David Ginther from Saskatoon, Mimi Loewen from Elbow, Michael Hertz from Kenaston, Carol Thomas from Dalmeny, J. Daghome from Rosetown, Anna Klein from Francis, Valerie Lozier from Meadow Lake, Marg Angelstad from Humboldt, Andrew Novecosky from Viscount, Arla Krein from Burstall, Vera L. Thomas from Biggar, Bibiane Ayotte from North Battleford, Lois Genert from Robsart, Al Wieggers from Watson, Clara Feist from Wilkie, Yves Parrot from Lac Vert, Ian Bennett from Lang, Pearl and Lenard Maess from Turtleford, René Benard and Therese Jelinski from Prince Albert, Dennis Penner and A.M. Stang from Stockholm, Herb and Laura Schrader from Churchbridge, Wendy Brucks from Meadow Lake, Helen M. Friesen from Wymark, Douglas G. Marr from Moose Jaw, Leonard Bilinski from Punnichy, Marie Jerred from Wapella, Bruce L. Guenther from Hepburn, Lucille Wolters from Marcelin, Mr. and Mrs. Ron Pigott from Moose Jaw, Mr. Vanden Boer from Manor, and Melinda Reimer from Osler.

So you could see, Mr. Minister, we had a number of questions, not specifically the exact wording as the one I've read, but we just felt rather than trying to go through them all we'd just refer to . . . because it basically deals with the same issue. And so I'm

wondering, Mr. Minister, if you could respond to the question that's been raised by the citizens of Saskatchewan in regard to that question regarding abortion, funding of abortions, in view of the referendum vote that was taken in the last provincial election.

Hon. Mr. Calvert: — Mr. Chair, in response to the questions that the member has received through their mail campaign — and I would want to address each of those that have written — at the same time, I know that I will likely have written to some of them on an individual basis myself, and do receive this question fairly often.

Let me say for the record, Mr. Speaker, tonight, that our government respects the laws of Canada. And we respect the 1988 Supreme Court of Canada decision on the right of an individual to access the abortion procedure. It is our view that if an abortion is necessary that it should be provided in a safe environment where there is professional care, and counselling services are available.

And our province, like all other provinces and territories, funds the cost of hospital and the physician-related abortion services. In addition, our government is committed to improving reproductive health and preventing the number of unintended pregnancies in our province.

Now at the time of the last provincial election, Mr. Chair, you will recall the former government added to the election ballot a number of plebiscite questions. One of the questions had to do with the funding of the abortion procedure by way of plebiscite. A number of . . . a majority of those who responded to that plebiscite indicated their desire that the government should cease to fund the abortion procedure in our publicly funded hospitals.

Mr. Chair, we took that plebiscite result very, very seriously. And I know, as the member will know — because he has raised this issue before with the former minister and with other members of our government — he will know in responses that have been given in other times in this House, that as a result of our serious consideration of that, we sought the very best of legal opinion. And the very best of legal opinion that we could secure informed us that there are a number of constitutional, charter related, Canada Health related issues which simply make that option not only impractical but impossible in the current circumstance.

It is the opinions that we have received that deinsuring abortion services would violate the Charter of Rights and Freedoms and the Saskatchewan Human Rights Code. We know that under the Canada Health Act our funding would be jeopardized if we were to deinsure the abortion procedure.

(2215)

Mr. Chair, I want to conclude by emphasizing again, with the member and with those who have written, the activities that we have taken as government since assuming office to reduce the

incidence of the unintended pregnancy in our province, and surely no matter where we stand on the question of the abortion procedure, and surely we all can agree that to prevent the unintended pregnancy is the best course of action.

So in June of 1992 we appointed the Advisory Committee on Family Planning to develop a number of recommendations for the government on ways to improve reproductive health and to reduce the high incidence of unintended pregnancy in our province, as well as the sexually transmitted diseases. This advisory committee has proceeded with implementing now several recommendations in its first report of 1993 toward sexual and reproductive health in Saskatchewan.

Mr. Speaker, I reaffirm that we took the results of the plebiscite very seriously. The best legal advice that we could muster indicates that it's not an option for a province to opt out of the funding of the abortion procedure. And this, I may say, Mr. Chair, is consistent with every other province and territory in Canada. But we've gone a step further and we're doing what we can, although there's much more to be done, in terms of education and community health programming to prevent the unintended pregnancy.

Mr. Toth: — Well, Mr. Minister, I was just trying to find . . . there was a recent article in one of the papers and unfortunately I don't have it in my file right now, just talking about the economic benefit that this country would have if we just took the number of abortions over the past 20 years, and if the majority of those individuals would have had a chance to be vital citizens in this country it would certainly have played a major role in how this country and certainly this province has developed.

And it's interesting to note in discussing the number of students in our rural schools, even how many teachers would make the comment about the fact that if the families were larger or if there were more children around even their job would not be in jeopardy as the student population diminishes.

But it's also interesting to note, Mr. Minister, that on one hand we talk about fiscal responsibility; on the other hand, we talk about, I think, some of the essential services. And I think sooner or later, Mr. Minister, we're going to reach a point where we're going to have to determine what are some of the most essential services that we have available to maintain life. Are we going to be able to just maintain the universal type of health care system that we've come to expect, or are we going to take a look at what are the essential, life-giving type of services? And people may have to assume more of a direct role in other services that they would feel are essential.

And I think the insuring of abortions is one procedure that in the long run, I think, Mr. Minister, if it's the health of a patient is in jeopardy, then certainly a doctor and a patient make a decision. But to use it as — we talk about the education — to use it as it has become, to be used in many cases as more of a birth control procedure rather than a life-giving procedure, I think is what most people really take offence to and is very

questionable.

So I think, Mr. Minister, I think we need to really take a look at what we really mean by life — we really believe in life or don't we believe in life.

I'm going to move on to a number of other questions from the "Mr. Premier, I want to know." And they range all over the map and I think I'll try and get these out of the way so that at least we can get some responses to them.

This question comes from Ken Schmeiser from Bruno, and he says: in the last provincial election, the NDP promised a nursing home in Bruno. When is Bruno getting its level 4 care nursing home?

Hon. Mr. Calvert: — Mr. Chair, I am not aware of any commitments that may or may not have been made in the last election around a level 3 and 4 facility for Bruno. I am informed by officials of the Department of Health that Bruno has had a relatively long-standing request for a level 3 and 4 facility in Bruno. I'm confident that request was there when the member opposite and his colleagues were in government.

In the new circumstance of district board governance, of course what happens is the district board will be doing their needs assessment in that particular area, will be looking at Bruno in the mix of their communities, I'm sure, and if it is assessed by the district board and the communities that this would be an appropriate development, then they would make that recommendation. There would be a request for a capital project come through the district to the department, and we would seriously consider it, as we do all capital requests that come.

And so with that, Mr. Chair, I would encourage the writer of the letter to be in touch with his district board to see exactly where their assessment is about the need in Bruno and in their entire district.

Mr. Toth: — Mr. Minister, well I don't believe I was actually lobbying for a home in Bruno. I think there was a hospital in Moosomin that we were certainly looking for. But maybe the NDP MLA (Member of the Legislative Assembly) from that area might have been lobbying at that time as well.

This question comes from J. Stobbs from Birch Hills. I want to know why Birchview home was not left as a level 2 and 3 home, and the Birch Hills memorial union hospital was closed. Tell me why the hospital could not have been used for all the people who need level 4 care when they become bedridden. The building is in good condition. To spend 700,000 for a clinic in Birch Hills is the height of stupidity.

Hon. Mr. Calvert: — Mr. Chair, to the individual who has written, I had the good fortune of being in Birch Hills some weeks ago and turning the sod on the new health centre which will be attached and adjacent to the existing nursing home. I want to say, as I have travelled the province — and I have rather extensively — the facility and the programing in Birch

Hills is as good as you will find anywhere in Saskatchewan in terms of long-term care. The addition of the health centre to the long-term care facility will offer a full range of health care services to the community of Birch Hills, and I know many, many in that community are excited and anticipating the development of the health centre.

Now the former hospital building, Mr. Chair, will be fully utilized in a very productive way for the community of Birch Hills. The town itself will be, I think . . . I think it's the town that will be operating the building. They will be putting some recreation offices in there. I know there are some service clubs which are making use of that building. It is a structurally sound building. Perhaps not as appropriate for health care today as it was when it was built, but it is structurally sound, and it will be fully utilized, Mr. Chair, in the community of Birch Hills and will continue to provide valuable service.

But I have had the opportunity to be in Birch Hills, and I know they're doing some wonderful things in terms of programing and community development in that community.

The committee reported progress.

The Assembly adjourned at 10:26 p.m.