

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I have a petition to present today. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

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

These petitions come from the town of Redvers and Bellegarde in my constituency. I so present, Mr. Speaker.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also have a petition to present. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

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

The communities involved, Mr. Speaker, are Lake Lenore and Humboldt. I so present.

**Mr. Heppner:** — Thank you, Mr. Speaker. I too rise to present a petition. These petitions concerns two things: the severance payment to Jack Messer and calling for an independent public inquiry about the facts surrounding the Channel Lake fiasco. Signed by the good people from Kinistino, Melfort, Beatty, Birch Hills. I so present.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I too have a petition concerning the issue surrounding the severance payment to Jack Messer and calling for an independent public inquiry about the facts surrounding the Channel Lake fiasco. All of these signatures, Mr. Speaker, are from Melfort.

**Ms. Draude:** — Thank you, Mr. Speaker. I also have a petition to present today:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

As in duty bound, your petitioners will ever pray.

Everyone that has signed this petition is from either Naicam or Archerwill.

**Mr. Boyd:** — Thank you, Mr. Speaker. I as well have a petition to present this afternoon to the legislature and I'm pleased to present it on behalf of Saskatchewan people.

This one surrounds the whole issue of Jack Messer and Channel Lake, and these petitioners come from the Weldon, Kinistino area, and I'm pleased to present on their behalf.

**Mr. McLane:** — Thank you, Mr. Speaker. I rise again today to present a petition on behalf of the people of Saskatchewan.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains hospital may be continued.

Mr. Speaker, this petition has been signed by people from Bengough, Assiniboia, Viceroy, Rockglen, and Willow Bunch. I so present.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I too rise to present petitions on behalf of citizens concerned about the pending closure of the Plains hospital. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

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

Those who've signed this petition, Mr. Speaker, are from communities of Kyle, Gull Lake, and Swift Current. I so present.

**Mr. McPherson:** — Thank you, Mr. Speaker. I join with my colleagues today in bringing forward petitions regarding the Plains hospital. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that essential services provided at the Plains may be continued.

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

Mr. Speaker, the people that have signed the petition are from the Assiniboia and Limerick areas of the province. I so present.

**Mr. Osika:** — Thank you, Mr. Speaker. I would like to add the voices of people from Regina and Pilot Butte as well as Saskatoon with a petition relative to closure of the Plains:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre

by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

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

**Mr. Belanger:** — Thank you, Mr. Speaker. I again rise to present a petition:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

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

And the people that have signed the petition, Mr. Speaker, are from Regina here, and I so present.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I have received the following prayer for relief from the people at Carberry, Manitoba. And I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reach the necessary agreements with other levels of government to fund the twinning of the Trans-Canada Highway in Saskatchewan so that work can begin in 1998, and to set out a time frame for the ultimate completion of the project with or without federal assistance.

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

And as I said, Mr. Speaker, these people all come from the province of Manitoba.

#### READING AND RECEIVING PETITIONS

**Clerk:** — According to order a petition respecting the Plains Health Centre has been reviewed pursuant to rule 12(7), and found to be irregular and therefore cannot be read and received.

According to order the following petitions have been reviewed and are hereby read and received.

Of citizens petitioning the Assembly regarding the twinning of the Trans-Canada Highway; acting to save the Plains Health Centre; and cancelling severance payments to Jack Messer and calling an independent inquiry into Channel Lake.

#### NOTICES OF MOTIONS AND QUESTIONS

**Ms. Julé:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 26 ask the government the following question:

How many women and men, in total, graduated from the University of Saskatchewan College of Medicine in 1990, in 1995, in 1996, in 1997; how many of these graduates were men; how many of these graduates were women; how

many male physicians and surgeons are currently practising in Saskatchewan; and how many female physicians and surgeons are currently practising in Saskatchewan?

#### INTRODUCTION OF GUESTS

**Ms. Draude:** — I ask all the colleagues in the House to welcome a young man in the gallery today. He's my son Jody. He graduated from law school in Saskatchewan a couple of years ago and now, like his friends, he's working in Calgary.

**Hon. Members:** Hear, hear!

#### STATEMENTS BY MEMBERS

##### Tartan Day

**Ms. Hamilton:** — Thank you, Mr. Speaker. In 1992 in this Assembly, a private members' Bill was introduced that allowed for a day of official appreciation for Scottish clans in Canada — Tartan Day.

All members, including thee and me, Mr. Speaker, supported that Bill and I'm very happy to report that today is that day. And we celebrate the Scots and their Celtic glory in our province once again. Today we can recognize the long and ongoing contribution to our national identity of the Scottish clans of Canada and especially of Saskatchewan.

Tartan Day was declared to do just that, to acknowledge the notable Scots of Saskatchewan and their notable accomplishments. On this side of the House we like to refer to Tommy Douglas, and if you look at the roll call of members who have served this Assembly since 1905, you will see nine M-A-C MacDonalds, seven McDonalds, as well as many, many McInnises, McIntyres, McIntoshes, and so on.

It is worth mentioning that our first Premier was even named Scott. So in our political realm the Scots are well represented. In every other area of endeavour as well, their presence has been and still is felt.

So in the words of Robbie Burns on this day and on all days, "may we be blessed with health and peace and sweet content."

**Some Hon. Members:** Hear, hear!

##### Tartan Day Greetings from Saskatchewan Party

**Mr. Boyd:** — Thank you, Mr. Speaker. Of course today is Tartan Day and I'm pleased to extend the best wishes of the Saskatchewan caucus . . . Saskatchewan Party caucus to the people of Scottish descent across this province.

In 1992 you will recall, Mr. Speaker, I had the privilege of introducing the legislation that allowed for a day of appreciation to the Scottish clans in Canada. I was pleased to have the cooperation of all members of the Assembly on the passage of the Bill, and as you know a very rare occurrence when an opposition private members' Bill does pass.

Tartan Day allows those of Scottish descent an opportunity to

acknowledge their heritage and the role it played in building our province and our country. On behalf of the Saskatchewan Party caucus, I wish all those of Scottish descent a memorable day on April 6. Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

#### Plains Health Centre Closure

**Mr. Aldridge:** — Mr. Speaker, a very simple question was put to the readers of the Regina *Leader-Post* on the weekend. The question read:

A coalition led by the Liberals is calling for the Plains to stay open as Regina's third hospital. They say health care will suffer if the hospital closes as planned in October. Do you think the Plains Hospital should remain open as a hospital?

Almost 15,000 people phoned the *Leader-Post* to register a vote, and almost 14,000 or 93 per cent agree with the Liberal opposition — the Plains hospital should remain open. Add to these the over 3,000 people who have contacted the Liberal opposition directly in the past 10 days, and the 100,000 people who have signed petitions opposing the closure of the Plains.

Mr. Speaker, it's time the NDP government started listening, and most importantly, caring, because the public is speaking loud and clear. Thank you.

**Some Hon. Members:** Hear, hear!

#### Awasis Conference, Saskatoon

**Hon. Mr. Goulet:** — Mr. Speaker, last week in Saskatoon I attended the April 1 to 3, 1998 Awasis Conference relating to the improvement of education and aboriginal peoples. This outstanding conference was attended by 1,350 teachers, consultants, and administrators from all parts of Saskatchewan and Canada.

Keynote speakers included Buffy Sainte Marie from Piapot First Nations. Her strong, powerful message of improving ourselves in the system was appreciated as well as her singing performance.

She is also promoting the Cradleboard Teaching Project, which acts as an interacting exchange between aboriginal and non-aboriginal schools internationally. Topics included culture, language, healing, identity, and humour.

Some speakers and performers were Winston Wuttunee, Leonard Dick, Don Bernstick, Bea Shewanda, Sherry Farrell-Wacette; also Sheila Pocha, Chester Knight, Ben Garr, Delores Pruden-Bairie, Minnie McKenzie, Josie Searson, Ron Mason, and Garry Oker.

Special thanks to Karen Schmon, to the organizing committee of Awasis, for again an outstanding example of history and education in this province.

**Some Hon. Members:** Hear, hear!

#### Legislative Graffiti

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, as I was walking into the Legislative Building this morning I noticed a very unsightful chalk drawing on the steps of our Assembly.

I would like to share the message contained in the drawing with all members who did not see it before the elements or the NDP (New Democratic Party) members brushed it away. The artist's sentiments were: would the last person leaving Saskatchewan please turn off the lights.

Mr. Speaker, I am not suggesting that we condone graffiti on the steps of the legislature. But it was a chalk drawing leaving no permanent damage except in the members opposite's ego.

I believe the artist was . . . simply wanted to get a message through to the legislators of this province. And the message is, wake up and smell the roses before it's too late. There are no opportunities in this province for young people, and they are all leaving for greener pastures in Alberta and points beyond.

It crossed my mind that the artist was likely a young person — a young person who is ready to give up on this great province of ours because of lack of full-time jobs and high taxes.

**Some Hon. Members:** Hear, hear!

#### Cancer Month

**Mr. Koenker:** — Thank you, Mr. Speaker. Across Canada, April is Cancer Month. This is the month that the Canadian Cancer Society concentrates most of its fund-raising efforts in the noble attempt to find a cure for this dreaded disease. As usual, the Canadian Cancer Society will sell daffodils this month as a sign of hope in the face of this disease.

We all hope that someday research will lead to cures for this scourge. Cancer has always been with us but increasingly it's becoming a plague, connected as it is with so much of modern society — biological, chemical, environmental, nutritional conditions in society.

Our government shares a commitment for those who have pledged to fight cancer. And to this end, we increased funding by nearly \$2 million to the Saskatchewan cancer agency's operating budget. In particular we have targeted nearly 700,000 to fund new stem cell transplant programs for people who suffer from both non-Hodgkin's and Hodgkin's lymphoma who previously had to travel out of province for this service.

Today I would like to recognize the tremendous efforts of both the Saskatchewan and Canadian cancer societies and especially those working as volunteer patient service people with the cancer society and all the many workers who will be raising money in the fight against cancer this month.

Thank you, Mr. Speaker.

#### Plains Health Centre Closure

**Mr. McLane:** — Mr. Speaker, the people are speaking out

loudly in opposition to this government's plan to close the Plains hospital. People know the NDP government doesn't care. They know the member from Canora-Pelly and his Tory colleagues feel the final nail has been pounded into the Plains coffin and have simply given up the fight.

But the Liberal opposition will continue the fight, with people like Estevan mayor, John Len, adding their support. Len writes, and I quote:

Are some people more important than others in the Premier's brave new world? Do government MLAs care? I have heard nothing but platitudes from government MLAs and ministers.

Unless we do something about it, we have no one else to blame but ourselves. The time has come for this government to listen to the people and serve them, not continue this arrogant and brutal rape of the provincial health care system.

Our government should have the intestinal fortitude to own up to this massive screw-up and set about fixing up the problems.

Mr. Speaker, the Liberal opposition and the Save the Plains Committee are saying exactly the same thing. Own up to this massive screw-up and set about fixing the problem for the sake of our people and the sake of our health care system.

#### Regina Lakeview Area Authors

**Hon. Mr. Nilson:** — Mr. Speaker, in my constituency of Regina Lakeview there's a unique area of a few square blocks in which live five of Saskatchewan's most distinguished and best-known authors — my writer's block, I like to call it.

Maggie Siggins, Kelly Jo Burke, Diane Warren, Gail Bowen, and Connie Gault make this area of Lakeview a ghetto of high creativity.

Extend the radius a few blocks, still in Lakeview, and you can add Ken Mitchell and Pat Krause. This list does not include the film-makers, artists, actors and other makers of art that I'm thrilled to represent.

I mention this class-list, Mr. Speaker, because there is a new kid on the block to swell the ranks. She lives two blocks from Siggins and around the corner from Warren.

Britt Ruddick-Holmstrom will have her first novel in English published this fall. She has published one novel in her native Sweden, but this is her first in Canada. The novel is called *The Man Next Door* and will be published by Cormorant Press — the press, for people who follow these things, that recently found another first novel and turned it into a Governor General award winner.

Britt is in good hands with her publisher and in good company with her neighbours. Congratulations and best wishes. Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

## ORAL QUESTIONS

### Regina Hospital Emergency Services

**Mr. D'Autremont:** — Thank you, Mr. Speaker. My question is for the Minister of Health. As we saw on Friday, the minister didn't have a clue about the depth of the health care crisis in this province. Regina nurses have confirmed that the situation was nearly at the breaking point Thursday night.

The Plains had only emergency room in Regina beds available. Yet the minister and the health district continue to bury their heads in the sand and say there's no problem. Mr. Minister, this wasn't an isolated incident. The nurses are saying it happened several times in the last four weeks and it's only going to get worse after the Plains hospital closes.

Mr. Minister, what are you doing about emergency room crisis in Regina? What steps have you taken to ensure we don't get a repeat of the near disaster last Thursday night?

**Hon. Mr. Serby:** — Mr. Speaker, I want to first of all address the issue that the member talks about as it relates to the emergency room beds in Regina. When I read the article of which the member is referring from it reads this way, that the Nurse Schmeling who was at work as a registered nurse in emergency, Plains Health Centre, said that the emergency room was the only one, the emergency room was the only one in the city with a bed on Thursday. Which says that the other two facilities were full, but in their facility they had beds.

And when we read on in the article on the second paragraph it says this, it says: of the 27 critical beds that were open, only 11 of the district's 77 critical beds were unoccupied. Which says that — and Mr. Evans made that comment — which says then that in Regina on Thursday there were 11 critical beds that were unoccupied for people to be served both from Regina and around the province.

That's what the article says, by Mr. Evans. And that's what the article says of which Nurse Schmeling responded to, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. D'Autremont:** — Thank you, Mr. Speaker. That's exactly the point. When you close the Plains there will be no beds. And we saw on Friday how the minister dealt with the health care crisis. He grabs the Premier, they put on hard hats, and they go out and have a photo opportunity.

And it's a good thing they had those hard hats on, Mr. Speaker, because if something had fallen on his head there would have been no emergency room beds available to take care of him. Then again, maybe you and the Premier do need a good whack upside the head to wake you up and open up your eyes to this crisis.

Mr. Minister, on Friday you admitted that staff in Regina hospitals are under-resourced. And what's your solution? Kick patients out quicker, like the gall bladder patient from my area who spent the night at the Howard Johnson. So let's review the minister's solution. Put on a hard hat, have a photo opportunity,

kick the patients out of bed quicker.

Mr. Minister, when are you going to admit there's a problem and start providing some real solutions?

**Hon. Mr. Serby:** — Well, Mr. Member, Mr. Speaker, the member is absolutely correct and probably made one of the most brilliant statements that I've heard in this House in some time. If the member says that all of the beds would have been occupied they would have all been full. That's right. If all 77 beds were occupied they would have been full.

But the reality is, is that there were 11 beds that were not occupied, and that there were 11 beds that were available for people from Regina and from people from southern Saskatchewan.

Now for the member to say, for the member to say that the closure of the Plains Health Centre will see a reduction in beds, absolutely false, not even close to being true — 675 beds today in the district and we'll continue to have 675 beds in the district. Those 675 beds will be providing services out of two facilities and not out of one facility, and the sooner the member gets the better appreciation of that, the better it will be for the rest of the province and for him, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Minister, do you ever ask yourself why people all over southern Saskatchewan are so worked up about a Regina hospital? It's because they don't have adequate emergency services in their own communities. Maybe if you started working on solutions at the local level, maybe if you started putting more beds and doctors in emergency services into Swift Current and Weyburn and Estevan, there wouldn't be such an uproar about the Plains.

Yes, you should keep the Plains open, but the long-term solution is to start providing quality health care services throughout the province. Improve emergency services in other areas and cut out the \$1,200 ambulance rides around Saskatoon and Regina. When is it going to happen, Mr. Minister? Or is your plan to have every single emergency patient in Saskatchewan end up in overcrowded ERs (emergency room) in Regina and Saskatoon?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well, Mr. Speaker, I want to say to the member opposite that this year in Saskatchewan we put an additional \$88 million into health. And I want to let the member know that of that \$88 million, \$24 million went, \$24 million went into the physician services — \$24 million went into physician services.

So for the member to stand up and say that we don't provide enough money for doctors in this province, we have an agreement with doctors of the province — we've just signed it. And more money for emergency-on-call for rural Saskatchewan this year.

And I was interested in the article, Mr. Speaker, that came forward at the recent polls . . . or the discussion that was done

of the three members who are running for the leadership. Now what does Mr. Huyghebaert say here? Mr. Huyghebaert says — and the member opposite says there's not enough money in the system — well Mr. Huyghebaert says this: people in the medical community tell me that there is enough money to do the job right now. And the member opposite calls for some more money in the system. Your potential leader of the province says that we have enough money to do the job.

Now the member from Melfort talks about two-tier care health system. He says not enough money isn't the issue, the money . . . the issue is about how . . .

**The Speaker:** — Order, order, order, order. Next question.

**Some Hon. Members:** Hear, hear!

### Compensation for Hepatitis C Victims

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I believe if the minister opposite had read further, Yogi also said that the socialists won't even invest in a socialist province — another one of his comments.

Mr. Speaker, I understand the Minister of Health, the Chair of the provincial Health ministers, couldn't get his conference call going this morning. Thousands of hepatitis C victims are being left out in the cold because of your government's unfair compensation packages. Mr. Minister, you decide to have a conference call and nobody will join you. It shows how much pull you have in the overall scheme of things.

Mr. Speaker, the minister now knows what it feels like to be put on hold, left hanging because no one's listening at the other end. That's how hepatitis C victims feel. Some of them have been on hold for 15 years and they're still not getting any answers.

Mr. Minister, you now seem to be admitting that your compensation package is flawed. What changes will you be recommending when you finally get your colleagues to return your call?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well, Mr. Speaker, when I make a phone call I don't usually have any trouble getting a response. And today I didn't make a phone call so I didn't need to worry about getting a response. So when the member's said he's had an opportunity to make a call and been left holding, I've yet to experience what it's like to be left holding, but the member knows that.

Now what I would say to the member opposite is this: is that I have had a discussion with my deputies across the country and, Mr. Speaker, I want to say to you that there is no interest from any of the provincial ministers across the province to look at revisiting the compensation plan that we agreed on and signed in Toronto 10 days ago.

I had a discussion, Mr. Speaker, on the weekend as it relates to the establishment of the new Canadian blood agency in the province. And the new Canadian blood agency in the province

... in Canada will be established within the next day. There will be a press conference going out today establishing the new Canadian blood service. And that's the commitment that I made in the discussions that we had in Toronto when we left.

**Some Hon. Members:** Hear, hear!

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Well unless I misunderstand the newspapers last week, your cousins from B.C. (British Columbia) don't agree with you, Mr. Minister. Mr. Minister, you like to throw a lot of numbers around and it's easy to forget that these are real people we're talking about.

I have a constituent, Mrs. Rachel Pelli, who contracted hepatitis C in 1982 through tainted blood. She suffers every day from the painful symptoms of hepatitis C. She also has diabetes, and the combination of her hepatitis medication and her diabetes medication may eventually cause her to go blind. That's what she deals with every day, Mr. Minister, through no fault of her own.

Mr. Minister, I want to ask this question on her behalf. And I'm going to tell you the answers. Are you going to work to ensure that she receives compensation or are you going to turn your back on her once again? What should I tell her, Mr. Minister?

**Hon. Mr. Serby:** — Mr. Member from Saltcoats, you should tell her what I told her, and you should tell her what we've all told her as Canadian Health ministers from across the country, including Mr. Rock. Because as the member knows, when we deliberated for the past eight and a half weeks or ten weeks by individuals from all parties, including representation from Ontario, which is of the same party stripe as you are, which is the same party stripe from Manitoba, which is the same party stripe as you are, and the federal government, which are Liberal, we all agreed, Mr. Speaker, that what we would do is we would provide compensation for people in the window of 1986 to 1990.

And the window from 1986 to 1990 was selected, Mr. Speaker, because in this country, in this country we believe that there was surrogate testing that was available. And when surrogate testing was available, the Red Cross and the provincial governments and the federal government as they ... regularly should have been testing.

Because we weren't, we made the decision that we would compensate people during that period of time. The amount is \$1.1 billion for those folks who were contracted with hepatitis C during 1986 to 1990.

**Some Hon. Members:** Hear, hear!

#### **Death of North Battleford Community Home Operator**

**Mr. Heppner:** — My question is for the Minister of Social Services. Mr. Minister, you are now admitting guilt in the death of Mrs. Helen Montgomery but your commitment in taking responsibility is pretty underwhelming. You provided \$10,822 to pay for her funeral expenses. So clearly Social Services is admitting you're responsible for her death by placing her in a dangerous situation without proper information or support.

Mr. Minister, will you be providing further compensation to the family of Helen Montgomery for her unnecessary death, or do you think \$10,822 covers the negligence of your department that led to that tragedy?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Calvert:** — Mr. Speaker, I want to remind the member he treads on very dangerous ground in terms of an issue that is now before the courts. I remind that member again, let that member and no other member of this House put in jeopardy either the prosecution or the defence of that legal issue. I ask that member to be very, very careful.

Now to the member's question, Mr. Speaker. The department which I am privileged to be the minister of has provided, out of compassionate grounds, support to the Montgomery family for the cost of funeral, for family transportation, and so on — out of compassionate grounds. If that member should stand in this Chamber and criticize any government or any member or any ministry for compassion, that is a tragedy, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

#### **Plains Health Centre Closure**

**Mr. Aldridge:** — Mr. Speaker, this government maintains that health care will not suffer for the people of southern Saskatchewan if it proceeds with the plans to close the Plains hospital, and that access is not a concern. The Liberal opposition has obtained a copy of an emergency room audit in Regina's three hospitals ...

**The Speaker:** — Order, order, order. Order! Order! I will ask the hon. members in the official opposition — order! — to allow the question to be put.

**Mr. Aldridge:** — Thank you, Mr. Speaker. The Liberal opposition has obtained a copy of an emergency room audit in Regina's three hospitals, and it underlines why the people of rural Saskatchewan should be concerned. This audit shows that the Plains serves more rural people than the Pasqua and the General combined; that more patients arrive by ambulance to the Plains than the other two facilities combined; that more people are transferred to the Plains from rural areas than the other hospitals. And it also shows that the Plains is the most efficient.

Mr. Minister, how do you justify the closure of the Plains to people in southern Saskatchewan when it is the most accessible and efficient?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Mr. Speaker, I think that it's important to note here that when you look at the number of people who are served in Regina and are served in southern Saskatchewan, that the most number of people that are served are served by the General Hospital. That's the largest server of people, health services, in southern Saskatchewan today. It's by the General Hospital.

I want to say to the member opposite that today a great many of

the ambulatory services or ambulance services arrive at the Pasqua because they're providing — or the Plains Health Centre — because they're providing the trauma centre there. As we work at moving a large piece of the trauma service to the General, which is going to happen over the next six months, what you'll see is that a large portion of the trauma services in a major way will be delivered outside of the General Hospital. Because that's where the trauma services are going to be provided.

And so to the member opposite, I want to say that when you say that there's going to be fewer services that are going to be provided to the people of Regina and southern Saskatchewan, absolutely not true. That's absolutely not true. And I've seen and heard and read your numbers over the last three weeks and on no . . .

**The Speaker:** — Order, order. Order. Next question.

**Mr. Aldridge:** — Mr. Speaker, day in and day out this government refuses to acknowledge there's a hospital bed shortage in Regina. Their own audit concludes that 33 out of 192 patients who passed through emergency rooms and then were placed in observation experienced delays in being transferred from observation.

Mr. Minister, the reason for the delay in 15 of these 33 cases was a lack of beds. In 45 per cent of cases during this audit period, delays in transfers from observation occurred because of a lack of beds. If you have any ability to care at all, how can you say there's no bed shortage when this audit, conducted by the Regina Health District, clearly shows this to be the case?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well, Mr. Speaker, I now see the third set of Liberal numbers that have been presented to this House. And on the two other occasions, Mr. Speaker, the Liberal numbers were nowhere close to what the actual numbers reflect.

I'm reading from the newspaper article here that was dated — let me just find the date here — Friday, April 3, 1998. And in that statement where the audits of the Regina hospital said that 20 to 70 per cent of the acute care beds in fact were unoccupied, of the 675. Now that's the audit that I provided numbers for, you read from.

Today I provide you with some additional numbers which you make the note that there were not enough, sufficient, critical care beds available in the Regina health system on Thursday, which is absolutely not correct. There were 11 of the district's 77 critical beds were unoccupied.

And so for the member to stand up and to continue to fearmonger about there not being sufficient acute care beds in the province simply is not accurate and they continue to be the Liberal numbers.

**Some Hon. Members:** Hear, hear!

**Mr. Aldridge:** — Thank you, Mr. Speaker. The people of Regina and southern Saskatchewan only want the government to be honest with them. This audit demonstrates two things —

that there's a bed shortage and that this government has misled the people of Regina and southern Saskatchewan. How are the people supposed to believe health care will not suffer if you close the Plains when you've been less than honest about a bed crisis in this city?

Mr. Minister, the Save the Plains Committee and the Liberal opposition are staging the first in a series of public forums, tomorrow night in Assiniboia. The people of southern Saskatchewan deserve an explanation. If you truly believe what you're doing is right, quit ducking the people your decision is affecting. Will you show that you care by attending tomorrow night's meeting, and for once listen to the people?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well, Mr. Speaker, I want to say to the member opposite that we've heard loud and clear from the Regina Health District about what it is that they need in order to enhance their services for Saskatchewan southern and for the city of Regina. And that's why we've invested \$94 million in the health care district here, to ensure that we have appropriate, strong, new health care services for the people of Regina and southern Saskatchewan — and that's 94 additional million dollars.

And what will those \$94 million provide, Mr. Speaker, for the people of Regina and the district? First we say that there will be absolutely no bed losses and this is what we've been saying and this is what you should be saying — no more bed losses. What you should be saying is that we're going to have a new MRI (magnetic resonance imaging) in the Regina new General Hospital for Saskatchewan, southern Saskatchewan and the district. You should be saying that there's going to be a new CT (computerized axial tomography) scanner — spinal scanner. You should say that there's going to be expanded cardiological services there. You should be saying that there's going to be a greater integration of the emergency and the critical care services.

Those are the kind of things that we've been saying. Those are the kind of things that you should be saying because those are the realities of what we're going to see in Saskatchewan as we develop those new services for Regina and district.

**Some Hon. Members:** Hear, hear!

#### **Easter Hospital Bed Closures**

**Mr. McLane:** — Thank you, Mr. Speaker. The only thing worse than the current bed crisis in Regina is the fact it gets even worse during the holiday periods. It's bad enough that almost 400 beds have been closed in Regina by this government, but the NDP will force the closure of 73 more hospital beds for a 10-day period over the Easter holidays. Do you know how this is described by the district? It's like this — as an exercise in cost avoidance.

Mr. Minister, don't you get it? There is a bed crisis. There is a bed shortage. Don't you understand that the closure of 73 more beds during the holidays will only compound this problem and create a whole bunch more suffering?

**Hon. Mr. Serby:** — Well, Mr. Speaker, I can hardly believe that the member opposite asks this question because the member opposite served, I believe, in the capacity of presidency of the Saskatchewan hospital association in this province prior to the conversion, as I sat as a hospital member as well. And for as long as he and I have sat on hospital boards, and hospital board associations in this province, we have always had shut-downs and slow-downs of beds in Easter time and at Christmas. This is a traditional process that has happened for the last 30 years and the member opposite knows it. And by now I would think that he would be able to know the answer to his own question.

Now at no time, Mr. Speaker, will the emergency services in any facility be jeopardized — not in Regina, not in Yorkton, not in Saskatoon; nowhere will the emergency services to people in the province be jeopardized because of the slow-down, and the slow-down is to allow for hospital staff to take the appropriate breaks during Easter, to provide for physician reduction so that they could do the same, and allow patients who are an elective to go home, Mr. Speaker. That's the reason why we've done it in this province — for ever.

**Some Hon. Members:** Hear, hear!

**Mr. McLane:** — Thank you, Mr. Speaker. What I hear the minister saying is that he's proud of all the bed closures that he made. That's what I hear him saying. Shame on you.

We heard you . . . Mr. Speaker, we heard the minister say the same thing a few months ago before a similar shut-down occurred during the Christmas holiday. The Saskatchewan Union of Nurses says at least one heart procedure was performed every day of the closure except on Christmas Day.

And listen clearly now — the unit required workload relief through the slow-down period. Yes, Mr. Minister, during the slow-down period our nurses needed workload relief. Can you imagine?

And do you know what else? SUN (Saskatchewan Union of Nurses) reports that during that so-called slow-down period, nurses filed a number of situation reports stating that insufficient staff levels jeopardized safe patient care. Will you tell this House why you're forcing our health care system into another black holiday season?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well, Mr. Speaker, I want to assure the member, as I've been assured by the district health boards not only in Regina but by district health boards across the province, because as I've said and the member opposite knows, that it's customary for — in this province and in other provinces across the country — to have slow-downs during Easter and Christmas. It's a traditional process that happens across the piece.

Now, Mr. Speaker, to suggest for a moment that those decisions are being made in isolation without the discussion of the medical staff, or discussions with the professional nursing community, just simply false. Those discussions are ongoing to ensure that appropriate emergency services are provided.

They'll ensure that they'll be there for anyone who requires it across the province. And I know that the district health boards and the Saskatchewan Union of Nurses are ensuring that that remains intact.

**Some Hon. Members:** Hear, hear!

#### **Death of North Battleford Community Home Operator**

**Mr. Heppner:** — Thank you, Mr. Speaker. My question is again for the Minister of Social Services to see if he'll take some responsibility for his department.

Had Mrs. Montgomery's home been properly licensed as an open custody facility for dangerous offenders, she would have had liability insurance and her family would have been entitled to compensation. She had no insurance, so it couldn't have been properly licensed.

You now appear to be admitting liability by paying for the funeral. But it's a pretty small step, Mr. Minister, when you see the kind of compensation package that Jack Messer gets.

Mr. Minister, your department didn't see to it that Helen Montgomery had proper insurance. Your department put her into that dangerous situation. Your department is now admitting guilt. Will your department now provide further compensation to the family of Helen Montgomery?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Calvert:** — Mr. Speaker, several weeks ago the Liberal opposition were asking the same questions. As I indicated at that time, quite publicly, all of the licensing provisions were in order and in place for the Montgomery home in North Battleford.

What's happening here, Mr. Speaker? The Tory Party now seems to be catching on. They're finally talking about health care; the Liberals were talking about health care two weeks ago.

I think I know what the problem here today is, Mr. Speaker. I think they had such a dismal event, such a dismal event at their leadership convention on the weekend that they've all just turned real grumpy on us here today.

So, Mr. Speaker, I want to assure that member, as I assured the Liberal caucus several weeks ago, that all of the correct and proper licensing procedures were in place in the Montgomery home in North Battleford.

**Some Hon. Members:** Hear, hear!

#### **ORDERS OF THE DAY**

#### **WRITTEN QUESTIONS**

**Mr. Kowalsky:** — Mr. Speaker, in keeping with providing open answers, I'm prepared to table this document which will detail the answers to the question that's been requested.

**The Speaker:** — Answer to question no. 21 is tabled.



## GOVERNMENT ORDERS

## COMMITTEE OF FINANCE

## Motions for Interim Supply

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

**Hon. Mr. Cline:** — Thank you, Mr. Deputy Speaker. With me today is the deputy minister of Finance, Mr. Bill Jones; and directly behind him is Larry Spanner, who is the assistant deputy minister of the treasury board branch. And directly behind me is Kirk McGregor, who is the assistant deputy minister, taxation and intergovernmental affairs branch. And behind Mr. McGregor is Jim Marshall, who is the executive director of the economic and fiscal policy branch.

And, Mr. Chair, I'd like to move resolution no. 1. And I will send that to you and I will distribute summaries of the interim supply to the opposition. And the motion is:

That a sum not exceeding \$357,121,000 be granted to Her Majesty on account for the 12 months ending March 31, 1999.

And I'll send that motion to the Clerk, and I will ask the page at the same time, I will ask the page at the same time to distribute summaries to members of the Conservative opposition and also the Liberal opposition and to the three independent members.

**Mr. Gantefoer:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I certainly recognize that we're talking about a very significant amount of money that I would like to ask some questions on.

Mr. Minister, I see that you're asking for one-twelfth of the global budget, of the amount that's to be voted on. Is that correct?

**Hon. Mr. Cline:** — Yes, that is correct, Mr. Chair.

**Mr. Gantefoer:** — Thank you, Minister. I want to ask you, on the basis of how this is allocated, I understand it's just a mathematical formula in terms of one-twelfth but can you tell me, is that the way it's allocated? Once the amount of money is arrived at, is one-twelfth allocated on a *pro rata* basis across each of the departments or is there some variation between departments?

**Hon. Mr. Cline:** — No, it is allocated as straight one-twelfth to each department. And actually, exactly in the numbers on the sheet which you have been provided with.

**Mr. Gantefoer:** — Thank you, Minister. I think you can appreciate that it was just provided to us about 10 seconds ago so there wasn't time for much analysis. And I take it that that's the normal level of cooperation we can expect from your department in the future, so we will note that.

Minister, in your terms of your revenue side, does the revenue also flow in on equal one-twelfth segments, as you seem to be allocating your expenditures?

**Hon. Mr. Cline:** — No it does not.

**Mr. Gantefoer:** — If that's the case, is it appropriate to look at one-twelfth of the expenditures or for example, since in your budget for example you were allocating 374 million for Liquor and Gaming, you were going to have a special dividend of \$100 million and a further dividend from the Saskatchewan Crowns. Are you taking all of those monies upfront or are you taking them on a one-twelfth basis?

**Hon. Mr. Cline:** — I thank the member for the question, Mr. Chair. As we all know, the interim supply process is the traditional means by which the government is able to carry out its day-to-day business during the detailed budget review period that we're now embarking upon. And for example, before the budget is actually voted on and approved, we will need approval of the Assembly to disperse payments to groups like the Children's Haven in Prince Albert, and Regina's Mobile Crisis Services, to foster care families, and social assistance around the province, and many other groups and individuals.

Now obviously they will be relying upon us to get them the allotted sum of money which will be one-twelfth of the annual amount, we'll say — should be in almost every case. And they would suffer great inconvenience and hardship if we didn't allocate one-twelfth of the annual amount to them regardless of whether our revenue flowed in at exactly that same rate.

Because as the member can appreciate, being in business, the expenditure may be paid out a regular rate but the revenue may come in at an irregular rate, depending upon the time of year and arrangements with the federal government with respect to taxation payments being made to us, the economy and retail sales being different at different times of year, and so on.

In addition to those immediate needs of course, there are health boards, schools, universities, and other institutions and organizations that await provincial funding generally. And the members will know that interim supply is calculated as total expense less statutory amounts, which are amounts that have been previously approved by the Legislative Assembly, such as interest payments on the debt.

Once you take the statutory amounts off of the amount allocated to each department, then you're left with the amount that is to be voted in the Assembly. And traditionally, we request one-twelfth of the amount to be voted, which represents the maximum amount that the departments and agencies can spend. So in other words, they can't spend more than that, they can only spend up to the one-twelfth in the monthly period.

The Department of Finance has been assured by all departments and agencies that they will be able to manage within the one-twelfth amount provided for the month of April, which is the interim supply Bill here today. And of course, as the member says, I've distributed a department summary which was just distributed, as the member says, and I acknowledge that. But the information is reasonably straightforward and certainly set out there.

And I would remind the members opposite that the detailed questions about the departments, for each department, will be discussed with each of the ministers of the departments during

their estimates certainly and no opportunity will be lost to ask specific questions in the estimates process which the member is familiar with. And traditionally, with respect to this process, general questions are asked about interim supply.

So I offer that information. I hope it's helpful to the Assembly, Mr. Chair, and I thank the member for his question.

(1430)

**Mr. Gantefer:** — Minister, I appreciate that you have the commitment of all your departments that one-twelfth will do the job. It strikes me though that the system of one-twelfth *pro rata* may have some flaws in it.

For example it's my understanding, for example . . . and I'll let my colleagues who are more specific to the different department requirements to ask questions in so far as to the adequacies of the interim supply meeting the general needs of the department. Because I would think that departmental expenditures don't necessarily follow into equal little chunks of one-twelfth, one-twelfth, one-twelfth.

For example probably less than the full one-twelfth of the Department of Highways, as an example, requirements would happen in this one-twelfth month of April; that more of their money may come into demand as you get into the construction season because a fair significant component of the highways budget for example would relate to capital projects.

So I'm asking philosophically the question of the adequacy of the one-twelfth systematic allocation of the resource. Is that the best way to do it? Education for example I believe sort of has to look after internal financing from January 1 because the calendar years don't necessarily coincide. And so are we, by looking at this system of allocation of resources, penalizing some agencies and some departments where we sort of artificially reward others?

**Hon. Mr. Cline:** — Well I appreciate the member's question. This is the traditional way that this has been done for want of . . . well for simplicity really, I suppose, to assume that each department will on average need the monthly amount of its budgetary allocation.

But the member is quite right that not every department will spend all of that money. This is the maximum that they can spend. So that if they were able to spend the money, they would spend it, but there is no requirement that they spend the maximum amount of money. They may spend less than that but if the Department of Highways could get going in April, for example to spend one-twelfth of its allotment, then that money would be allocated to them, but that would be the maximum that would be allocated to them during that month, or that they could in effect pay out to third parties.

I suppose that there might be some other way to do interim supply. It isn't the way things have traditionally been done.

I suppose what the legislature has traditionally wanted to do is to deal with the interim supply fairly expeditiously; just say, well we're providing them with one month of interim supply so we'll assume that one-twelfth, there being 12 months in a year,

is a reasonable amount, probably so that the legislature can get on with the business of dealing with the detailed estimates which allow all of the members, but in particular I think the opposition members, to go into much more detail in each department about the spending.

So I understand the member's point. It's not by any means an ill-founded point. I understand the point of view. This is the way it traditionally has been done in the province of Saskatchewan.

**Mr. Gantefer:** — I can appreciate that, Minister. I guess what I'm asking for your comments on is certainly, is there a better way of doing it that might more responsibly reflect the real needs of departments?

We could have the possibility, as you indicate, where a given department has nowhere near the requirements of one-twelfth by the nature of their expenditure cycle, where other departments could be really crimped in terms of meeting their cash flow requirements.

And if not the department itself, it might be the third-party agencies that are very dependent on third-party funding from the department. And they may, because of the nature of their fiscal year being quite different than the Assembly's fiscal year, could be ending up in a situation where they are very severely penalized with carrying charges on money they've already expended.

For example, once the budget is approved, I believe . . . or once the expenditures are approved, the general expenditure pattern for the Department of Education for example is there's a catch-up process where more than one-twelfth is allocated to school boards, so that they can recover the fact that their calendar year is different than the Assembly's calendar year.

And so what I'm asking as a question is, could we be doing this in a better way that would actually meet the needs of the third-party people that you mentioned as a practical reality rather than just sitting there saying, well this is the way it's always been done?

**Hon. Mr. Cline:** — Well it's not that this has always . . . it's not just that this is the way it's always been done; it also is the most simple, straightforward way to do it.

But I will say to the member that if the members opposite wish to have two months interim supply at the same time for example because you feel it may be more convenient, I believe we would be agreeable, subject to a discussion between our House leaders, to having interim supply where we would approve one-sixth of the amounts to be voted. I don't think this is out of the question, and the Department of Finance certainly would work with anyone who has a problem, and that is what we do.

But we haven't had a lot of problems indicated, I'm advised. This is the most simple, straightforward way to deal with the matter. I believe that if the opposition insisted that we do interim supply for two months instead of one month, that we would be amenable to doing that.

And so I invite the member to indicate whether that is indeed

your position because certainly we would be amenable to doing that. Perhaps not today, but in the future. I don't think there's a problem with that.

**Mr. Gantefer:** — I think, Minister, I was asking that the process be more sensitive to the needs of individual departments and their spending patterns or their spending requirements because they're not just all flat lined as equal one-twelfth. And where some departments may need very little on their interim supply because of the nature of the expenditure requirements for that department, other departments at least philosophically could well use two or three months supply on that basis.

And I'm asking, has the department done any analysis to the actual requirements of departments, and particularly third-party agencies that are very dependent? As the minister indicated, there are people that are looking for the third-party funding that is required for their agencies and the services and jurisdictions that they represent to require funding.

Has the department done an analysis about the impact of this standard, traditional methodology of providing funds to analyse what the real impact on sticking to this system is . . . is the impact that's having on third-party agencies?

**Hon. Mr. Cline:** — Well certainly the system works well if we pass interim supply in a timely fashion. This is certainly a straightforward way of dealing with it. The member offers another suggestion. Certainly we're quite willing to look at any suggestions, including that one.

**Mr. Gantefer:** — Minister, irrespective of the fact that the members of the opposition, indeed the members of the House generally, are going to have much more opportunity in which to look at the details of individual department's expenditures, etc., down the road, the bottom line is, is what the interim supply is asking us to do is not sort of a simple, quick pass of the tongue, one-twelfth of the expenditures. We're being asked to approve the expenditure of \$356 million. And for the people of this province and for the people of the Assembly, I think that that is an important and significant amount of money that it's quite appropriate to ask some at least general questions about before they're expended.

And the answer of saying, well it just represents a mathematical one-twelfth, really doesn't do much justice to the issue in terms of saying, well that's indeed a mathematical formula but it doesn't necessarily reflect meeting the needs of Saskatchewan people and the agencies that perhaps are administrating programs on their behalf.

And that's why I appreciate your willingness to look at it, and I assume by the fact that you're saying you're willing to look at it into a future tense, that the department has not done any analysis about the impact on third-party agencies and agencies that have a different cash flow than a mathematical one-twelfth.

I'm asking you, has the department in the past done any analysis of the cash requirements of third-party agencies who may indeed be really strapped for cash and may have to be looking at lines of credit or banking arrangements in order to meet their cash requirements, which incurs potentially a very

extra serious cost on their operations that they may not otherwise have if we looked at interim supply in a more responsible manner.

**Hon. Mr. Cline:** — Well I think we do deal with interim supply in a responsible manner. It's just a question of whether we should do it in the way it's always been done or whether there should be a new way.

Certainly we're very open-minded to looking at any suggestion the hon. member may have, and will do so. I can assure the hon. member that with respect to the convenience of third parties, the Department of Finance is constantly talking to third parties and ensuring that their financial means are dealt with in a convenient way.

**Mr. Gantefer:** — As part of that discussion, for example, is there discussion about the impact in terms of carrying charges, interest either expended or interest potentially lost, for agencies like the boards of education to carry forward the operating expenses of three or four months of operation before any supply is granted to them.

Has there been an impact study done by your department using that as a specific example but not limiting it to that, to any agencies that are in the situation of having a different fiscal year than the government and the impact that they have on their budget of carrying their total operation for three, four, or five months?

**Hon. Mr. Cline:** — Well certainly carrying charges are always a consideration in any discussions. And if any third party has a problem, then that's discussed with the Department of Finance. But in the main, the third parties simply want to be assured that they will in fact get funding on a timely basis.

**Mr. Gantefer:** — Well certainly I can see where an agency would be happier with one-twelfth than no-twelfths; that's a pretty easy logic to follow. What I am getting at is because of the fact we seem to be stuck in doing things like we always have, we hear that health boards for example, some of them and many of them, are carrying fairly large operating deficits. Somehow that reality is not just a theory; it's a reality that either they are using reserve funds of their own which means that they do not have the interest-earning potential, or they actually are making financial arrangements with lending institutions. The same thing is true of boards of education.

All of those issues are increased expenditures that may not necessarily have to be expended by those agencies who are looking for every last penny to save, and order their operation costs for the purpose that they really intended to do instead of because of our inability to respond to the real requirements, are stuck in a situation where either they have a diminished interest revenue potential or indeed are, because of the way they have to deal with their lending institutions, having to borrow money and paying interest.

**Hon. Mr. Cline:** — Well if the member . . . As I said before, Mr. Chair, if the member wishes to make a House amendment to make the interim supply for two-twelfths or one-sixth of the budgetary amount to enable us to release more money to the departments so that they can in turn release more money earlier

to the third parties, if the member wants to do that we certainly are amenable and agreeable to such a House amendment, and I invite the member to make it.

**Mr. Gantefer:** — Minister, I don't know why you're so blinded by the traditional methodology. By doing two-twelfths, you just expend the money twice as much and you still don't address the issue that I've outlined here and it sort of indicates your inability to think creatively and reasonably about the real situations that are happening inside the expenditure side of the departments.

Clearly what happens then, you just make the problem worse for departments that don't need even one-twelfth, now you give them two-twelfths. And the departments that have different expenditure patterns are no better off than they are now, or I guess they are, because you're just throwing more money at the problem. Just indicates your inability of your government to sort of really understand the realities and the challenges that are happening out in the province where people have some real issues about what's going on in their department.

I simply asked the question — and I haven't got an answer yet — has the department done an impact study about this traditional methodology of dealing with interim supply and with specific focus on the impact on either interest revenue that they have to forgo because they're using their own capital resources to fund operations for three or four months, and/or that they're expending money while they deal with their local lending institutions for lines of credit or things of that nature. Has the department done a study on this methodology of interim supply of strictly taking a mathematical formula as it relates to the whole amount?

**Hon. Mr. Cline:** — Yes, the department does a study of this on an ongoing basis because that is one of the main functions of the Department of Finance to see if departments and third parties are receiving funds on a timely basis. If the member is saying, has some document been produced that is called a study of this — no. This is common sense and knowledge that people in the department have from working on a daily basis, and they study these things every day in their jobs because that is indeed their job to do.

But I want to say to the member as I said before, that the Department of Finance has been assured by all departments and agencies that they will be able to manage within the one-twelfth amount provided for the month of April. They have been assured that that is the case. The member said a few minutes ago that he was concerned that maybe some of them would need more money. I said to the member, if the member wishes to make a House amendment to give the departments more money at this time under interim supply, we are willing to agree to such an amendment.

(1445)

The member says that I lack creativity, but I actually came up with a solution to the member's problem which I've also indicated is not a problem. The member does not have any amendment to the motion to offer. I say these in . . . trying to be very helpful to assure the member that the department has been assured that the departments and agencies can manage within

the one-twelfth amount provided.

If the member feels that this is not correct and the member wants to say we should be giving more by way of interim supply, we can do so. But I take it the member has no motion to . . . or amendment to the motion to offer.

**Mr. Gantefer:** — The minister's obviously too confused by the simple logic because I said, and you admitted, that there are departments who do not require one-twelfth of the supply, never mind two-twelfths of the supply. And what we have done is just take this very simplistic system of a mathematical formula that cranks out an expenditure of \$356 million and expect that that's supposed to meet the requirements. Obviously we can spend a lot of time trying to get you to understand that, and I don't think that you do.

Can the minister give us an outline about how many agencies that you fund as third-party agencies that would have the same fiscal calendar year as the government as compared to other agencies that may have a January to December 31 financial year end. How many agencies . . . do you have those kinds of proportion at least . . . I'm not asking for the exact number, but would you have a sense about how many of your agencies and what percentage of this interim supply would be funded to agencies that have a different financial year than what the government has?

**Hon. Mr. Cline:** — Well there are hundreds of agencies and it would vary across the piece. That kind of detail about agencies funded by particular departments certainly could be provided under *Estimates*.

**Mr. Gantefer:** — Would you have a general sense — would there be a 50/50 balance between agencies that are on a different financial year, or 70/30, or would you have a sense as to what the proportion would be?

**Hon. Mr. Cline:** — Well no I wouldn't, but it wouldn't impact upon an organization or agency in any event in the sense that whatever their fiscal year is — whether it's ending January 31 or March 31, or June 30 — they would need on a monthly basis roughly one-twelfth of the annual amount and certainly they could be provided with that under this method of doing interim supply.

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. The questions I guess I have are more with the departments that I'm critic for and that would be the first one I'd like to touch on with is Highways. And well, I go back into where last year the announcement of the two and a half billion dollars over the next 10 years, and then last year we were a way short of that. I think — correct me if my numbers are wrong — but it was \$208 million was put into Highways. And this year it will be 218, which will be another 32 million short of the \$250 million over the 10 years.

And I guess my question probably is not placed in the right spot because we'll get into this later in the session, but I guess I have a big concern that if we don't keep up to the 250 million a year for the next seven or eight years, there is no way we're going to catch up to this commitment that you made last year for 250 million a year and I have real concern with that, Mr. Minister.

But what you're asking for today I believe is one-twelfth of the total budget that you have come out with in the '98-99 *Estimates*, so I guess what I need possibly, Mr. Minister, is an explanation of each of the departments and I'd like to start with Highways and Transportation. And I can understand, and I would like your comment on this, administration I would imagine is very straightforward with what you're asking. Probably your costs in this end would be the full one-twelfth every month for the twelve months. Would that be right?

**Hon. Mr. Cline:** — That would be basically right. The department will get one-twelfth of the gross amount as the member knows. And then presumably their administrative costs would be one-twelfth per month roughly, maybe, you know, some variation, and then some things would be much more in summer months than winter months obviously.

In answer to the first part of your question about the 218 million not being 250 million, of course you're right that that isn't 10 per cent of 2.5 billion. But what will happen is that in the first years we're going up from 190 to 200 to 218 million. Once we get to the out years in the 10-year period, the expenditure for highway construction will have to be quite a bit higher than 250 million. So I can't tell you right at this moment what figure you would get to, but you would obviously be getting to a figure that would be closer to 300 million at some point.

Part of the strategy here has to be to increase the expenditure at a reasonable rate so as not to increase inflation too much. And I won't go into all the details right now, but I'm sure the member's aware that if you put money into the system too quickly it might have an inflationary impact for the reasons I can go into if the member wants. But it isn't his main question, which I have tried to address.

**Mr. Bjornerud:** — I guess, Mr. Minister, where I have a concern though is the province, as we have been told, has done very well in the revenue side in this last year, year and a half, with the oil prices as high as they were. And I realize they've gone down somewhat now.

But I guess my concern is that if we can't afford to fulfil our commitment of the 250 million now, how on earth are we going to get up to 300 or 350 million, I believe it's going to be if my numbers are right, in the last couple of years of this contract? I agree with what you have said with the administration end of our one-twelfth. I can understand that being fairly evenly presented.

But I guess where I have a problem, and being involved a bit with municipal government to this end where you have paving contracts, that probably the tenders are coming out now or have shortly been out and some more will be coming out, and the cost of those tenders probably would not be till later in the summer or later next fall. Unless I'm not understanding what we're doing here, there would be very little cost to go with those tenders at this point.

**Hon. Mr. Cline:** — Well that's right. And they could go with the tenders at this point. There's nothing stopping them from doing that, and that is indeed what they will do — municipalities, Department of Highways, people doing things all across the province I'm sure.

**Mr. Bjornerud:** — Okay. Thank you, Mr. Minister. And I might need a little help explaining what some of these areas are. I think I understand a lot of them. But in the Highways, for an example, you have accommodation and central services for I believe \$6.8 million, and you're asking for a twelfth to fund that. Can you explain what exactly that is that that's going for?

**Hon. Mr. Cline:** — I'm not trying to be difficult, but this is the sort of question that the member really should be asking in estimates under Department of Highways and Transportation.

**Mr. Bjornerud:** — We realize that, Mr. Minister, but you're also asking us to okay one-twelfth of the overall budget here and if we really can't understand exactly where it's going, it's really hard for us to give you an honest and true . . . our opinion of whether we feel you need the full one-twelfth or not.

I guess my next question then would be, is one-twelfth the least you can ask for? And I guess what I'm saying, why I'm saying that, is because you've admitted on a number of occasions here you really probably don't need the full one-twelfth the first month. And is that the lowest figure at the point you can come in now and ask for?

**Hon. Mr. Cline:** — No, you could ask for a lower amount.

**Mr. Bjornerud:** — Okay. Well in the Highway and Transportation department then do you have any idea what number is actually needed? Because I think you've admitted, and I would agree with you very much on this one, that one-twelfth probably is not needed. And I'm not saying we would vote against it today because of this, but I'm trying to get an understanding of how many dollars probably are needed in the first month, second month, because I believe you're going to come back. You're probably going to be back next month to ask for the same thing all over again.

And I guess my question is, within the Department of Highways, probably instead of one-twelfth, what would be a realistic figure that you would need?

**Hon. Mr. Cline:** — Well I should point out to the member that the Department of Highways, using them as an example, would not necessarily get the one-twelfth of the money that we would vote for interim supply. What this would do would be to authorize the Department of Finance to pay them up to one-twelfth, but the Department of Finance would only pay them money that they actually spent.

So that yes, I mean you could try to estimate exactly what they would need for the month of April and then try to vote that amount. But we don't know what the weather conditions are going to be like in April, whether all the frost will be gone, whether they can get going. So what we say is they can have up to one-twelfth and whatever they spend up to that one-twelfth we will provide them with. But if they spend less than that, then that also is what we will provide them with. We'll only provide them with what they need.

So that the way that we will manage this will be in accordance with what the member is saying. We won't necessarily give them the one-twelfth but we will be authorized to give them up to the one-twelfth. And some of them will spend the whole

one-twelfth, some of the departments, and some of them won't. And if they don't, we simply will hold back the money.

**Mr. Bjornerud:** — Okay, thank you, Mr. Minister. I'd like to move on Municipal Government because I'm a little more familiar with the grants and the grant system and the way they work there, whether we have an unconditional or conditional maintenance grants and so on.

And I know from experience when I use maintenance grants for an example, which amounts to quite a few dollars, and the cost of, but most of those grants I think, in fact all of them, come through later in the fall or even in the early winter of the next year. And the same with the unconditional and conditional. The construction grants, I know for sure, come out as the contracts come due and then there's a period of then when the Municipal Government funds the municipalities for their share.

And I guess kind of the same question, Mr. Minister, is coming out here. Because I believe with Municipal Government, probably even more so than most departments, the biggest cost to the Finance department is far later in the year. I would suggest that one-twelfth wouldn't even be within a mile of what you would need for Municipal Government at this point except for probably administration. Would you go along with that, Mr. Minister?

**Hon. Mr. Cline:** — Well that's possible. And if they don't need the money, then they won't be given the money is the answer.

**Mr. Bjornerud:** — But then, Mr. Minister, probably next month you're going to come back and you're going to ask once more for another twelfth and there's possibly areas such as the two that I've just mentioned, like Highways and Municipal Government, and I believe you're probably going to come back and ask for another twelfth at that point. And I guess the point I'm trying to make is, how will we know if you really need it at that point?

I mean, like you say, if the weather's good and all the things that go along with Highways and Municipal Government and that are very good, then your costs will be far lower. And a twelfth now, approved right now, next month, or maybe absolutely no need of any more money at that point because they may not have used even 5, 10 per cent of that one-twelfth that you have passed on to them. Or made available to them, I guess, as you've explained.

**Hon. Mr. Cline:** — Yes. Well as I indicated, if they don't need the money, then although they will be in a position where they could get the money if they do need it, if they don't need the money, then the money will not be paid to them.

**Mr. Bjornerud:** — I'd like to touch on parks and regional parks for a minute. And I realize funding has been cut drastically for these things but there still is some money for them. Is there an ongoing cost twelfth, one-twelfth at a time, for these, or is that just really a one-time grant, is it not, for regional parks that comes out later in the year?

**Hon. Mr. Cline:** — Well in some cases they're one-time payments and in some cases they aren't. With respect to a

question with that much detail, that is normally a question that would be asked when the minister for that particular department is here.

**Mr. Bjornerud:** — Thank you, Mr. Minister. But one more question, and I know you're probably going to answer me the same, but I would hope you don't. And the reason being that I don't really understand what this part is, where I'm in Municipal Government in the '98-99 *Estimates* if you can follow with me. And I realize this may not be the exact place to be asking this question, although you are asking us to give you our blessing on one-twelfth of the overall budget.

And it's to do with the gaming funds, and I'm really having a hard time understanding what the \$16.5 million is there. I believe it's 525,000 gaming funds. Can you explain what that would be and what the one-twelfth would be for in that area?

**Hon. Mr. Cline:** — That would relate to payments to the associated entities fund and first nations fund based on the estimated net profits from the Saskatchewan Gaming Corporation and the four community Indian casinos.

**Mr. Krawetz:** — Thank you very much, Mr. Chair. Mr. Minister, good afternoon. In your responses to some of my colleagues' questions, you indicated that there was a bit of a difference between calendar year of certain agencies versus fiscal year of government, etc.

And again I would like to raise a couple of questions regarding education. I just spoke with a number of administrators of some school boards who've indicated that, even though this is April, that not a single dollar has been received yet for the 1998 calendar year, which of course boards are operating on.

So when we start to look at your interim supply Bill of one-twelfth, can you explain to boards of education how they will actually receive the monies that have been expended by them thus far?

(1500)

**Hon. Mr. Cline:** — Well what we want to do is get interim supply through so that we can start paying some money to the school boards.

**Mr. Krawetz:** — I'm glad to hear that, Mr. Minister, but that doesn't answer the question for boards of education. We look at a board of education who has now completed their costs for the month of March, three months of 1998, which is basically three-tenths of their expenses, not even three-twelfths. You're indicating that you're wanting to come up with a one-twelfth supply.

If a board of education is not in a very good financial position then they're operating on their line of credit. Their line of credit costs interest dollars, and as result they're going to be incurring larger and larger interest costs. I think that you need to put before this House a plan that will indicate to boards of education that they're not going to be in a financial pickle because you're not willing to catch up to the expenses.

**Hon. Mr. Cline:** — Well we'll certainly do our best to catch up

to the expenses once the budget is passed. But at the present time, without the detailed estimates being gone through in the House, the practice is that we do interim supply to allow them to be paid some money. And that's the process we're engaged in at the present time.

**Mr. Krawetz:** — Mr. Minister, though, you are very aware I'm sure, from understanding the educational process, that about 70 or 75 per cent of a school board's expenses are salary. They're monthly costs; they were costs that were paid out in January and in February and in March, and in fact we are now into April.

So we are in a situation where boards of education are experiencing increased costs because of a lack of a plan from your government. And I would, I would question you on the fact that boards of education need to know that long before the budget is passed — and we may not be through budget until June — that you're prepared to indeed catch up to the expenses of boards of education.

**Hon. Mr. Cline:** — Well as the member knows . . . I mean I don't want to get into a lot of detail about the . . . that should be properly dealt with in estimates with the Minister of Education. But my understanding is that what the member says is correct, that expenses are incurred in January, February, March, and the school boards don't have their money yet, but that at some point once the budget is approved in the legislature, they receive their funding from the province, the provincial share of their funding, and then they've got a gross amount which they haven't expended, which they will spend throughout the rest of the year.

If that's correct, then they would make up some interest on that money with . . . to counterbalance the interest they would lose at the beginning of the year. Now the member may disagree with that, and I'd be pleased, if I'm wrong, to have the member correct me or make whatever comments.

**Mr. Krawetz:** — Thank you, Mr. Minister. I don't know whether that's wrong in terms of what your new plan might be. But that is a new plan, because traditionally, by the end of June, boards of education probably could have expected to receive six-twelfths, which is a little bit ahead of the game because, you know, the six months haven't, you know, transpired. Some teachers are paid on a 10-month plan and some teachers are paid on a 12-month plan. But there is definitely no scenario where they are actually going to be able to catch up because they are going to have money on deposit. I have never been aware of that, and if that is the change that you're going to be implementing in the months of June and July and August, I'd be very appreciative of that. And I think not only myself but I think boards of education would be glad to hear that they'll have a chance to recoup some of those interest costs.

As I've indicated, you know, when you have boards of education that are expending their monies now, they're doing so on a contract that is provincial in nature. They have to pay the money. Similarly, I think you're very aware that boards of education rely on two sources of revenue. One is government grants and the second one is taxes.

Tax notices and, sure, I imagine there are some people that take advantage of rebates to pay their taxes up front, but not very

many. As a result, boards of education are in a financial bind as a result of not having that available revenue.

So my question then — and I know I heard you respond to one of my colleagues that said well one-twelfth is just an arbitrary number — what we need to see now is what is the actual cost that boards of education have incurred up to the end of March. If that cost is far greater than one-twelfth, then we need to look at it, I think, in a sense of making sure that we're not passing on, government is not passing on an increased cost to the boards of education because your department is not dealing with the finances in a correct fashion.

**Hon. Mr. Cline:** — Yes. Well one of the things that we have tried to do in the budget is to provide some actual more assistance to the boards of education through increased operating grants as well as some increase on the capital side.

So I appreciate what the member is saying and we want to be very cooperative with the school boards. This is an issue that certainly, I think, could be discussed further and I would invite the member — and I'm sure he will — when the Minister of Education is going through her estimates, to revisit this question. And I think it's a good question that should be looked at.

And if the way that we're funding the school boards in terms of the timing of payments creates some problem that perhaps should be examined, then what I'm saying is let's examine it and try to do the right thing. And certainly over time we want to, as indicated by the budget that's before the House, work more closely with the school boards, do more over time. That commitment was made in the budget. It certainly is a sincere commitment. And so we undertake to certainly examine this question which, I think, is a good question to be examined.

**Mr. Krawetz:** — Thank you very much, Mr. Minister. And indeed I will take that up with the Minister of Education. One other question in the area of K to 12 education; as you've indicated, a portion of monies are granted of course for capital. I know from talking with officials in the facilities department of the Department of Education that there are many, many applications. Will the interim supply of one-twelfth allow the department to continue with its allocations of capital projects, or indeed will this be delayed until the budget is passed?

**Hon. Mr. Cline:** — No, I think that they will simply proceed. As I said in answer to the member from Saltcoats, the fact that the budget isn't passed or interim supply is only one-twelfth etc., will not stop anyone from doing their planning and sending out any invitations to tender, for example, that they may want to do. They will get going with those things I think because it'll . . . the process will take some time and it will be some months before they will actually make any payments. So no, I don't think they'll have any difficulty in that regard.

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, as far as the post-secondary area and skills training, I'm not familiar with how grants are allocated to the post-secondary institutions, whether they be the University of Regina or the University of Saskatchewan or SIAST (Saskatchewan Institute of Applied Science and Technology), for instance. Could you indicate how this one-twelfth share will be allocated to meet the . . . I'm sure

they are also on a calendar year. They've incurred costs since January — salaries etc. How will the areas in post-secondary be funded?

**Hon. Mr. Cline:** — Really the answer is quite similar to the answer with respect to the school boards — that the department itself will get the one-twelfth or up to the one-twelfth. And then they will decide how to allocate that, I mean to their own administration, their rent and so on, but also with respect to any grant funding they need to do with respect to third parties.

I don't know, for example, that they would necessarily be at this time making grant payments to their third parties, which are the universities and SIAST and so on, the regional colleges. I'm really not sure.

But if there're some payments they're are required to make they will make them. If they're not required to make them during this interim supply period then they won't. And if they don't make a grant to a third party then certainly they won't be given the money to do so. They will have their own arrangements with the universities, SIAST, regional colleges and so on as to when the money is to be received.

And I have to say to the member I'm sorry I don't know what those dates are. But those dates certainly would be provided in estimates when the Minister of Post-Secondary Education and Skills Training is here to answer those specific questions.

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, in the area of post-secondary, as a follow-up, do you have a request from the post-secondary area through the Post-Secondary minister's department that said this is the amount of money that we require right now? Or are you indicating that the process is exactly the same as the K to 12 system that will mean that there will be a catch-up somewhere along the course of months in 1998?

**Hon. Mr. Cline:** — Yes, I'm not really aware whether the Department of Post-Secondary Education has such requests or not. I am aware that the Department of Post-Secondary Education and Skills Training has indicated to the Department of Finance that it can meet its obligations and manage with one-twelfth of its appropriation.

**Mr. Krawetz:** — They have indicated that they can meet those, those responsibilities as one-twelfth, of one-twelfth is what I heard you say. So therefore I would assume that they're not having to dip into reserves or anything like that. Obviously their scenarios are a little bit different than the K to 12.

Mr. Minister, in the area of post-secondary as well, there's similar capital monies. We've heard about a number of concerns, especially at the campus in Saskatoon with the University of Saskatchewan where there's, you know, buildings that have been destroyed because of safety conditions and the fact that the board of governors is dealing with this problem of how to arrive at capital construction and to determine priorities.

Is the Department of Finance involved in that type of discussion right now with the University of Saskatchewan for instance? Or more so even, let's look at the expenditure for the SIAST campus, the proposed SIAST campus. Is the

Department of Finance involved in that at all right now?

**Hon. Mr. Cline:** — With respect to the universities it is — and SIAST, — it is mainly the responsibility of the Department of Post-Secondary Education and Skills Training in the case of the University of Saskatchewan. They have ongoing discussions and an ongoing process about the capital needs of the U of S (University of Saskatchewan). And I'll say a word about that.

I'm advised by the Department of Post-Secondary Education and in personal discussions I've had with officials from the University of Saskatchewan, really on an informal basis, just when I have happened to see them, that they believe that they can deal with the capital problems that they have — the ones that are most well known are the laboratory in the Thorvaldson Building and the physical education building — with the level of funding that they have been provided with. So my understanding from Tony Whitworth, who's the financial vice-president at the University of Saskatchewan, is that they see no problem in proceeding to deal with the things that they feel they need to deal with.

Now having said that, I also understand that in any event, by the time they do the planning and work required to fix these buildings at the university, or in the case of the physical education building to add on, rebuild, or whatever it is they're going to do, because I don't think that's been quite determined, by the time they get through all of that, that it probably will take them three or four years. But that has not so much to do with the level of funding, it's just the fact that that's how long it will take to do the planning and make the necessary arrangements.

I had occasion yesterday as a matter of fact, at a church I was present at, to speak to someone from . . . who works in the Thorvaldson and in the pharmacy building, who advised me that you know it will be a difficult process to redo the lab because they will be taking students and academic staff out of the lab, having to put them somewhere else while they renovate the lab, but that they realize that will take some time. But they feel that the problem will be dealt with as expeditiously as possible.

So the universities are quite pleased with the budget. They feel that it's a very good budget for them and that their problems will be largely dealt with. Of course I'm sure they'll still have some problems; we never get to the situation where all the problems in the world are dealt with, but generally speaking they're very pleased, both the students and the administrators.

With respect to the SIAST, that is a matter that is being handled by both the Saskatchewan Property Management Corporation — because I believe it is the owner of that facility — and the Department of Post-Secondary Education. They have been working in consultation with SIAST to arrange the consolidation of SIAST in that facility.

(1515)

**Mr. Krawetz:** — Mr. Minister, in the last few days there has been some discussion, I know, in the media regarding the provincial government's participation with the federal government in the federated . . . Indian federated college and



the possibility of that type of construction occurring here in Regina. I would guess that from the estimates of course they are . . . there was no additional monies allocated for that.

Is your department involved in discussions right now and indeed will interim supply be necessary to actually effect a possible agreement with the federal government regarding the Indian federated college?

**Hon. Mr. Cline:** — No, not directly. As I said to the media on budget day, we will — contrary to some reports in the media as to rumour and speculation — we will not be participating in the capital cost of the new building of the Saskatchewan Indian Federated College. We take the position, and always have taken the position, that education for treaty Indians is the responsibility of the federal government. And we believe that it's better for the province as a whole, as well as for treaty Indians, that the federal government live up to that obligation. So we have said, and we continue to say, we will not put money into the building for the Saskatchewan Indian Federated College.

However as I indicated to the media on budget day — and this is what we intend to do — we are willing to recognize that the Saskatchewan Indian Federated College does not just educate treaty Indians. It provides some education for people who are not treaty Indians, and therefore with respect to whom we can't really take the position and shouldn't take the position that this is solely a federal responsibility. And we have some responsibility there, which over the course of time, going back I don't know how many years, we have met in the sense that we provide some operational funding to the Saskatchewan Indian Federated College to compensate them for the educational services they provide to non treaty-Indian people.

The amount of money that we have been providing to them to compensate for the service they provide is disproportionate to the number of services they have come to provide. So we will more fairly and accurately compensate them in that regard and we will increase the amount of their operational funding. That's what we'll do this year. And the details of that will be provided, you know, at the time of estimates for Post-Secondary Education.

But the main point is we will not participate in capital; we will improve their operational funding from the province, and the result of that we believe, will be that they will then be able to access capital themselves to get this project going.

And so in as straightforward way as I can, that is what we intend to do, and that I anticipate will be part of the announcement that will be coming out. And the reason I'm answering the question like this in detail, is I have already given that answer to the media sometime ago. So it's certainly more than fair that we discuss it honestly and fairly here.

**Mr. Krawetz:** — I do appreciate your answer, Mr. Minister, because I think it's very important that we arrive at some type of an agreement with the federal government. And I know you've indicated that the provincial government is adamant that it will not participate in the capital projects. And I believe that once we get into estimates with the Minister of Post-Secondary, we'll indeed be able to talk about those kinds of things, because

I think there's more to just capital and you've indicated that this government is willing to look at operational costs, and those kinds of things are very, very important if we're to ensure that there is a quality education provided for the aboriginal peoples that reside in Saskatchewan, not only here in Regina but throughout the province. And I look forward to hopefully your success at negotiating something with the federal government in terms of ensuring that this type of education gets going.

One question, Mr. Minister, if I could just turn to a little bit to a different topic, something that you mentioned a few minutes ago, indicated that universities on the whole were happy with this budget, that students were happy. Well if we look back about two weeks ago I think you saw a very negative reaction from students when they found out that indeed there was a possible tuition fee increase. In fact both universities have indicated there will be — and I think the opposite is true. Students were expecting that this budget was going to be able to balance costs at the university level and to indeed prevent tuition fee increases.

I know listening to a quotation and an interview from Marjorie Brown, the president of the U of R (University of Regina) Students' Union, she was very upset that indeed there is a tuition fee increase. And I think students right across this province, they're you know a couple of week away from exams and then heading back out into the work world to look at getting some type of employment, are now going to have to look at tuition fee increases and say I'd better be able to save X number of dollars more because on the average I think tuition fee increases may be in that 2, 3, 4 per cent. For students on limited incomes during the summer that's going to be a significant cost, and I don't think that they were expecting that.

How do you balance that with your comments as saying you know, everybody is fine out there in post-secondary land when indeed students — I don't think students are very happy with what has happened.

**Hon. Mr. Cline:** — Well I think I can fairly say that students from the University of Saskatchewan and the University of Regina are very happy with the provincial budget, which goes much, much further than the federal budget did, for example. And let me tell you why. First of all I should say that the decision whether to increase tuition or not is not a decision made by the province, it's a decision made by the University of Regina. They were proposing a 6.5 per cent increase to tuition. As a result of the budget and their own other consideration, they're now talking about a 2 per cent increase through tuition. So obviously that's an improvement.

An important point here is that I believe that they feel that this 2 per cent increase will bring them to a point where they have a sustainable level of tuition and that they don't anticipate increases in tuition in the foreseeable future. I don't think there's any freeze but I think that's their hope. But what I would say is that what the budget does in a very significant way, actually quite a dramatic way, is this.

It says that you take the students that are most in need, and there will be 6,000 — 6,000 students starting this next academic year, 1998-99 — and we will be providing 6,000 students with bursaries of up to \$3,100 if they have no dependants, and up to

\$6,100 if they have dependants. So that's a very significant change, because that used to be money that was loaned to them. Now they will get upfront bursaries, the students most in need, who are the ones that need the help that they didn't used to get. That will be a major, major difference in the lives of post-secondary students who rely upon student loans and who have a big need.

The second thing we will do is, for students with children, we will increase the living expenses that they are allowed quite significantly. And I'm sorry that I don't have those numbers in front of me, but it's a significant increase and they're very pleased with that. That will impact thousands of students in the province.

The third thing we will do for post-secondary students — and I should say these aren't just university students, some of them might be SIAST students or perhaps regional colleges in some cases — the third thing is that we will allow the students to have a tax credit for the interest that they pay on student loans, because there are some students that cannot benefit from the bursaries that are being brought in. And I would remind everyone that what the federal government has done, I say incorrectly, is they have decided to do a millennium scholarship fund which will benefit up to 3,000 students — not 6,000 like our program — but 3,000 students up to \$3,000 starting in the next century. Not starting until the year 2000, which I think is wrong.

We will start in 1998. We will start today. And we will provide not up to 3,000 but up to 6,000, and not 3,000 students but up to 6,000 students, for the bursaries. Many, many more thousands for, if you include the family living expenses and the deduction of interest, that's up to 29,000 students.

I was talking to an official from the Department of Post-Secondary Education last week and he told me that our commitment to post-secondary education, helping the students, was roughly in the realm of 10 times as much as what the federal Liberals were doing. So we haven't seen a lot out of the federal government. We're trying to really help the students, and we have had a lot of enthusiasm, notwithstanding the 2 per cent tuition fee increase that the University of Regina proposes.

**Mr. Krawetz:** — You raised a couple of good points there, Mr. Minister. And I know that a lot of time has been spent both provincially and federally talking about placing education as a priority, and the student loan plans, etc.

I guess when we, when we do look at a tuition fee increase though — I guess I use the word expectation — and I think university boards, boards of governors, and the administration at post-secondary levels all around were maybe expecting more. And as a result they've now had to lower those expectations, and as a result pass on that cost to the students.

And I don't think students were anticipating any increase in tuition or in fees. And I think what we're seeing is across the board there's going to be at least a 2 per cent increase for all students. Those are some of the things that I want a further comment on.

One other thing, Mr. Minister, though, when we take a look at

student loans, and I'm sure you're familiar with the document that was produced as a result of . . . in fact it was the former Post-Secondary minister who initiated a task force to make recommendations on student loans and student assistance and all those other things that fall into that category — I think you're aware that less than 50 per cent of students who attend post-secondary institutions in fact take out student loans.

So while I commend you for the kinds of things that you've instituted for students with loans, those students who have families, who have dependent children, those kinds of things I think are going to benefit them directly in that there will be bursaries versus loans. And in the end the debt that probably could have been 35 or \$40,000 at the end of a full program may now be down to 20 or, or whatever.

But the other question though, Mr. Minister — and I think this is where the 2 per cent tuition fee proposed increase comes in — is that students who don't take student loans, who try through summer employment, through support from parents or other family members, attempt to pay for their education without accessing the student loan program, they may also do so by the fact that they do not qualify for student loans because of incomes of, of parents or whatever.

Those are the students I think that we have to be careful of as well. Because when you indicated that there is going to be an interest rebate program for people who have the student loans, we're talking about a group that's less than 50 per cent of all students who access post-secondary education.

I think what we have to be aware of is that there are other students there who are either incurring their own personal bank loans, supported by family members, or they're, you know, working harder than usual to try to get the monies to ensure that they don't have to access student loans. What kinds of things do you see happening to that group if we're allowing tuition fee increases to increase to them 2 per cent and in the end they will incur higher costs?

(1530)

**Hon. Mr. Cline:** — Well that is a very good question which I'd be pleased to respond to. First of all, with respect to the member's question about, were the universities expecting more? No. Most decidedly not. They were not expecting as much as they received in the budget.

Dr. Wells, the president of the University of Regina, said, this budget is the most positive I've seen for a university in 30 years. They were very, very pleased and I think pleasantly surprised. Laura Kennedy, the assistant vice-president of finance and administration at the University of Saskatchewan, said she was almost euphoric when she heard the news about the budget. This was very good news for the universities and that's what they said.

Secondly, with respect to the recommendations about student loans, those have been largely implemented. And with respect to one or two that have not been, those are being worked on. We are following the recommendations made with respect to student loans.

With respect to the third aspect of your question, which is, what about the students without loans, this is where the difference is so marked between what the province is doing and what the federal government is doing. Because the federal government is going to give students some assistance starting in the year 2000, but nothing for the universities themselves on the operational side or the capital side.

We're taking a two-pronged approach, not just a one-prong like the federal government is going to take in the next century. Two prongs. The first prong is to really boost the position the students are in that have financial needs. That's been done by the budget. That's great news for the students.

But the other part of it is, which the federal government continues to ignore, we're giving more money for operations and capital to the universities. We're really injecting a lot of money on the institutional side that the University of Saskatchewan will receive, the University of Regina. And that will assist all students. Because the fact that the universities get more money is why tuition fees at Regina don't have to go up 6.5 per cent. They might go up 2 per cent and then stay there.

What will happen at the University of Saskatchewan, we don't know. But there was a major injection of new money to the universities for both their operations and their capital to fix the buildings. Tremendous news for the universities. They're very happy about it.

And that will be of assistance not just to institutions but to the students, because those are the people that are most important at those institutions. Those are the people that are served at the institutions. Those are the people, whether they have student loans or not, that will benefit directly from the massive increase in post-secondary education funding that results from this budget.

**Mr. Krawetz:** — Thank you, Mr. Minister — a couple of final comments. When we do take a look though at post-secondary education, especially the universities, and we look at the fact affiliated colleges, the universities, etc., that the increase in their grants is about \$8 million, and we take a look at the inflationary costs, salary costs, all of those other things that universities are going to incur this year, I don't think that they're . . . (inaudible interjection) . . . well you use the word euphoric . . .

**An Hon. Member:** — No, it's their word. It's not my word.

**Mr. Krawetz:** — Well I would suggest that some of them are going to be looking at program cuts and they're going to be looking at trying to ensure that they can still offer the type of program that they're doing. I understand also that universities in fact are looking at early retirement packages so that they can lower their costs by hiring professors that will have less experience and of course a smaller price tag.

One comment that I do want to make — and I agree with you totally regarding the federal bursary program — when we take a look, and I haven't taken a look at the numbers in terms of numbers of students in Saskatchewan versus other provinces, but if we just take a look at the 30 million population, more or less, in Canada, and the 1 million population, more or less, in Saskatchewan, and just randomly say one-thirtieth allocated to

Saskatchewan, I think it works out to about 3,000 students — 3,000 students will benefit by a maximum of \$3,000.

That, I don't think is going to go a long way. And I think you as Finance minister and this government has to look at that very seriously, because when this kicks in I think students have been led to believe that this is going to be a great program in terms of ensuring that they're going to have access to education. When we take a look at a maximum of 3,000 students being served — if that's the kind of numbers we can use — I don't think it goes a long way.

So I would think that you should be stressing with your federal minister responsible for education in Canada to look at the kinds of systems that we're putting in place. Because we're not only talking about students that are getting student loans, both federally and provincially, as far as the contributors to that loan plan, we're also talking about those students who don't access student loans. And there has to be a plan in place federally and provincially that will ensure that costs don't continue to rise and escalate to the point where we prevent people from becoming educated.

You and I both know full well that the most important asset that we can have in this country is well-educated, quality-trained people, and we have to continue to pursue that.

**Hon. Mr. Cline:** — Well thank you. I certainly agree with that sentiment and I also will certainly undertake to do what you've suggested in terms of making suggestions about what the federal government should do. And I have been doing that. I described the federal budget as largely window-dressing when it came to post-secondary education, and it is. And I'll continue to describe it in those terms and also to press the federal government for better funding for post-secondary education, and better funding for health care.

Every Finance minister in the country is committed to that, as well as every premier. And in fact there's a lot of work going on about fiscal relations in the country and the fact that the federal government should meet its obligations to students and to health care. And I certainly take your words to heart and I'll be continuing to raise those matters with our federal counterparts.

**Ms. Draude:** — Thank you. Welcome to your officials, Mr. Minister, and I'm delighted to hear some of the responses that you're giving us this afternoon. And I'd like to tell you first of all that I do agree wholeheartedly with you when you talk about the program from the federal government as . . . regarding education.

I do have another question on this issue, and where you talk about students and some of the difficulties that they have, one issue that I don't think has been addressed, and that is medical bills and expenses for young people. For example, young people with diabetes that are going to university, that can be a considerable amount of cost for them and something that I think that we should be looking at.

I see that in one of the, one of the press releases that's been issued lately, not only from Health but from Social Services, it's recognized as a big concern. And I'm wondering if your

department, along . . . when you are looking at program changes, if you're considering medical expenses not only for students, but perhaps young families that are going to university that have children. Right now they probably are living on student loans, and if you're on a student loan then you don't get the help through Social Services or other programs. Are you trying to address some of their concerns as well?

**Hon. Mr. Cline:** — Yes. With respect to the students with children, one of the things that will happen as a result of the child benefit and the "bridges to independence" program that is coming in is that people who are low income — which certainly could include students receiving student loans — if they're under a certain income and they have children and they've got those medical needs, they can get supplementary health coverage.

With respect . . . So that will be an improvement for actually tens of thousands of people. I think it's about — I shouldn't give you the figure because I don't have it in front of me — but it's more than 20,000 children that will be eligible for health benefits they don't get now. So it's a lot. And I believe there are more than 80,000 children overall that will benefit one way or the other through improvements under that system.

In terms of the student loans, the student loan program certainly is based upon need. But what — in answer specifically to your question — what the budget . . . what happens as a result of the recent budget is that assistance limits for students with dependants goes up from \$275 per week of study to \$400 per week of study for students with dependants. So there's a great increase there in terms of being able to meet your living expenses.

And also there's a bursary to all students with need over \$180 per week of study. In other words, if their needs are quite high and over \$180 per week, which would include I believe medical and so on — but you could actually go into more detail about that with the Minister of Post-Secondary Education because she would have those officials here — they would receive a bursary. So what actually what we've tried to do in this budget is deal with the exact situation that you're raising. That a lot of assistance goes to students with dependants, with children, and these difficulties were raised by the "Student Assistance Task Group Report," which looked into the question of adequacy of student loans. That report was submitted to the government last June of 1997. And what we've tried to do in the budget, as I've said in answer to the member from Canora-Pelly, is to implement all of those recommendations except one or two which are still being worked on.

**Ms. Draude:** — Thank you, Mr. Minister. Just a short question: will this increase for the weekly allowances, will that take effect for this year's summer classes?

**Hon. Mr. Cline:** — Yes it will.

**Ms. Draude:** — I guess because I asked too many questions last time when I stood up, I didn't get a response from you when we talked about medical expenses for somebody who doesn't have a dependant family but a student themselves, just as one that may have diabetes. Will their medical needs be looked at separately? And I guess I talk about diabetes because

it's something that isn't covered, all of the necessary supplies aren't covered right now under our health plan. Will you be looking at that for students?

**Hon. Mr. Cline:** — Yes. What I intended to say but I don't think I said very clearly in answer to the question, was that I believe that the needs of the students are taken into account in calculating the amount of loan or assistance that they should get. But I'm sorry that I can't be more specific than that. And I would invite the member to ask the Minister of Post-Secondary Education when she's here with the officials because certainly they will go into a lot more detail than I can go into under interim supply. But certainly it's a very good question and I think there probably is an answer that is satisfactory based upon the new levels of assistance that people can get. But it's detailed enough that you would get a better answer in going through the detailed estimates with the minister and the officials here.

**Ms. Draude:** — Before I leave this topic I'm wondering if . . . you said a couple of suggestions that were brought forward by the student task force haven't been implemented yet, and I wonder if they involve student housing or day care for students that require help while they're going to university, who have children?

**Hon. Mr. Cline:** — I'm sorry I can't answer that question; I'm not aware of the answer. I know that the Minister of Post-Secondary Education certainly does know the answer and she will be speaking to that issue in estimates when the officials from that department are here.

**Ms. Draude:** — Is the minister . . . I was interested in the news release on the action plan initiatives and I notice that \$4.5 million is going to go to school divisions to meet the needs of children and youth who require additional supports. Does that mean . . . will children that have FAS (fetal alcohol syndrome) or FAE (fetal alcohol effect) be involved in . . . will they be considered special needs?

**Hon. Mr. Cline:** — Yes. Certainly children that have the sort of difficulties that come from FAS as well as other children are children with special needs. And I should point out that the reference to the additional money does not mean that this is the only money that goes to meeting the needs of children with special needs. There would be money in previous budgets already allotted that would also go to meet their needs. But the amount of money available is going up. But that would include children with various kinds of problems and certainly some of those problems would arise because of FAS.

**Ms. Draude:** — This \$4.5 million that we're discussing, that's probably part of the budget right now and probably part of the interim supply that we're discussing at this time. Are school divisions required to apply for a portion of this money, or is it divided up equally between the school divisions, or how is it actually . . . be given out?

**Hon. Mr. Cline:** — There are really two ways. The interim supply that the Department of Education will receive will be one-twelfth of the amount to be voted with respect to the Department of Education, but there will be other monies that may go to school boards or other organizations under the child action plan, and those funds would actually be part of the

money that would go to the Department of Social Services because they administer the child action plan. And it just so happens that in meeting some of the needs of children that they want to meet, they may sometimes be cooperating with other organizations which may include educational organizations or community organizations.

(1545)

So some money goes through the Department of Education that ends up meeting special needs of children, but other money goes through the Department of Social Services. So that when you look at the Social Services budget for example, they get \$540 million for the whole year and we're being asked to approve one-twelfth of that for interim supply. But not all of that money would be spent on social assistance payments to individuals. Some of that money would end up in schools, meeting various needs such as child nutrition, perhaps a recreational program somewhere, and so on and so on.

I was quite amazed, preparing myself for the budget, to look at a description of what happened under the child action plan, and there was a list of various things that were done with the money that goes there. And the list was six pages of small print, because they work with a lot of different organizations and try to meet a lot of different needs. To make a long story short, some of the money will come from Education, some of the money would come from Social Services.

**Ms. Draude:** — Thank you, Mr. Minister. I'd like to go back to the interim supply, asking specifically, where this request right now is for one-twelfth of the total budget, in the same time though the government is collecting taxes, provincial sales tax and so on. How much money is taken in during this period for taxation?

**Hon. Mr. Cline:** — We would not know how much revenue the province would receive for sales tax during April, for example, until we get past the end of the month for April, in the sense that's when people will send their remittances in for provincial sales tax and so on. So I can't give you a figure for receipts to the province in April until, you know, the accounting is done, which would take place after the end of the month.

**Ms. Draude:** — Thank you, Mr. Minister. Servicing the debt is of course a very important part of our . . . very large part of what we're spending money on. And I'm wondering, is servicing the debt part of the statutory money that we discussed or is it actually part of the interim supply?

**Hon. Mr. Cline:** — It is part of the statutory money. It's already approved by the legislature to pay interest on the public debt so that it doesn't enter into a discussion of interim supply.

**Ms. Draude:** — How much is spent on an annual basis in terms of statutory expenditures that doesn't have to be approved by the legislature? And can you give me idea of what they are?

**Hon. Mr. Cline:** — Yes. It's listed actually in a departmental summary that I have sent to your caucus just today so you may not have a had time to look at it, but it's completely detailed. The member for Melfort-Tisdale had the list.

And it is in total, statutory amounts are \$960,959, so almost a billion dollars, roughly something less than 20 per cent of the total estimates. And they're for the, like well for example, \$725 million actually is servicing the public debt. That's something you would pay for regardless of the budget. And statute provides that that can be paid. That's the biggest one of course.

There's \$96 million in the Department of Finance, which I imagine relates to meeting pension obligations that are statutory, that you . . . we've already decided in other pieces of legislation that we should pay each year, 123 million in Education. Those are the major ones and then there are few ones that are quite a bit smaller.

**Ms. Draude:** — Mr. Minister, the \$310 million — that's equalization money coming from the federal government — is a large percentage of the revenues that you expect. And I, first of all, I'm wondering how firm that figure is that you've estimated. And do you get paid just once year or how do you receive the money from the federal government?

**Hon. Mr. Cline:** — The equalization is paid four times per year. And it is an estimate — the amount, the equalization we receive, will certainly depend upon a number of other factors. The equalization formula is actually quite complicated. It involves, I believe about 33 sources of revenue.

A comparison is made of how our province is doing and how each of the seven recipient provinces are doing. And the department does the best they can to estimate it, but it also involves kind of a multi-year look and a multi-year kind of rolling average to see what equalization the provinces are entitled to. And if my recollection is correct, sometimes the amount of equalization you receive in one year may be even adjusted the next year, and sometimes perhaps even longer than 12 months down the road.

So it's very much a matter of estimating it in the sense that we will know for sure what we get with equalization once we see how we do in this year. But we are estimating that equalization will be in the amount of approximately \$310 million.

In a somewhat interesting way it's sort of curious to look at equalization, because when you receive more in terms of equalization, part of it obviously is because we expect resource prices to be lower than they have been in the last few years, for oil and so on — for oil at least is the major one.

The other factor is we expect the Saskatchewan economy, and hope the Saskatchewan economy, will grow by 2.7 per cent approximately this year in real terms. But we expect that the Ontario economy will grow faster. And the Ontario economy is, to state the obvious, the largest economy in the country. And when it has faster growth than we do, then equalization increases because the amount of revenue Ontario is taking in goes way up.

And so that you can be doing relatively well and be entitled to more equalization, not because you're doing badly but because somebody else is doing better. And in the last five years we've had economic growth that generally surpassed that of most provinces. But this year, while we expect reasonable growth, Ontario's economy is projected to grow faster. So that our

equalization goes up for bad reasons, that we expect the oil price to come down, but also for reasons that are good for Ontario, that they expect their economy to grow quite a bit more.

**Ms. Draude:** — So, Mr. Minister, what you're saying is that they are . . . it's not that we're doing bad, they're just doing a whole lot better. So that means that we aren't doing good, because otherwise we should be doing better as well then.

Mr. Minister, we're going to get . . . four times a year we get money from the federal government. So that must mean we just got a cheque at the end of March, if it's broken up four times a year. And it was based on last year's projections, which wasn't a lot of money. So does that mean that the actual \$310 million that you're projecting that we should be getting really wouldn't have been very much of that money got in this first, in this period now. It will be next year at this time before we actually receive quite a bit of money from the federal government because of the estimates. Is that true?

**Hon. Mr. Cline:** — Yes. I should say to the member that we receive payments from the federal government actually up to four times a month — I think I might have stated that incorrectly — that it may be up to 48 times a year that we receive equalization.

But as I tried to indicate, the amount of money we receive from the federal government is subject to adjustment the next year. So that sometimes in one year you'll receive too much money and then the next year they'll take it back.

This relates, by the way, to . . . I was explaining to one of your colleagues that . . . They were asking, well why is corporate income tax in our budget going down when we expect the economy to grow? The answer is there's quite a reduction in corporate income tax in the estimates of revenue to the province. But the amount of corporate income tax paid in the province of Saskatchewan will go up this year. But they pay that money to Ottawa, not to us; then Ottawa pays us.

And in this particular year . . . Last year they paid us too much money for corporate income tax; more than we ended up being entitled to when we looked at the tax that corporations paid. They will deduct that overpayment this year from the corporate income tax we received from the federal government.

So you can get into this curious situation where actually the corporations will be paying more tax and there will be more economic activity tax in the province, but our revenue will be less this year because we were overpaid last year.

And when you get into the area of equalization — and indeed you may get into this problem in personal income tax — adjustments will be made over time that don't necessarily relate to what may be happening in any particular year because it's estimated. And we largely rely also on the federal government to estimate the amount of money that they think they should be paying us at any given time.

**Ms. Draude:** — So the federal government has the problem as well; either they can't read or they can't do math either then if they didn't spend the right amount of money.

Mr. Minister, I'm wondering, when we look at some of the *Estimates* and I look at the number of full-time employees there were last year, and the number of dollars spent, was there increases given to employees last year through different union contracts right here within the government?

**Hon. Mr. Cline:** — Yes, well all of these numbers, I should point out, are estimates. I mean you don't know until the end of the year what you're actually going to have. But we're budgeting at the beginning of the year so we, the federal government, everybody, estimates, and you're not going to have exact numbers because nobody can predict the future. So that's why there are estimates, and that's why the figures at the end of the year turn out sometimes to be different, because you've just done your best to estimate them.

In that respect, we're no different than any other government or organization, or indeed individuals estimating what will happen on the farm this year and so on. You just don't know until you get to the end of the year.

In terms of the question about the union contracts, most employees that work for the government or for third parties such as health boards, school . . . well teachers are a little bit different, I think, in terms of their contract for '97. But most employees that are unionized in the province for 1997 would have received an increase as a result of collective bargaining, and I believe that most employees for 1997 received a 1 per cent increase.

In terms of 1998 — to anticipate what your next question might be — that is unknown because the government, for example, is in bargaining with the government employees. So they haven't resolved what will happen; although there are some agreements, like the nurses came to an agreement last year that runs till 1999; the doctors have recently made an agreement, and so on.

**Ms. Draude:** — You didn't quite anticipate the question I was going to ask. I was looking at the number of employees that was in a department last year, and the amount of money that they were paid. And I compared with what the number of employees you estimated this year and the estimation for amount . . . how much they were paid. In a number of cases, it was identical. And my question is then, how could they get an increase and still have exactly the same number of employees and the same amount of money?

**Hon. Mr. Cline:** — Well the answer to the question is that there is no — this is well-known — there is no agreement with the government employees for 1998. They're in bargaining. If there is some agreement arrived at, then departments are expected to manage within the budgetary amounts they receive, to accommodate that kind of increase. Sometimes there are vacancies that aren't filled, and other factors are brought to bear to comply with any agreement that is reached with the government employees.

**Ms. Draude:** — Thank you, Mr. Minister. Last year we were discussing interim supply and I heard you mention to one of my colleagues that every department would get one-twelfth of their budget or up to that if they haven't spent that much.

But last year I know the one department of, I think Aboriginal

Affairs, didn't actually receive money for over three months. Can you explain that?

**Hon. Mr. Cline:** — Well that question could certainly be asked of the minister in detail, under estimates. I would assume it would be because they didn't actually spend the money. They would have been entitled to the money under interim supply if they needed the money. If they did not need the money during that period, then they would not be paid the money.

**Ms. Draude:** — Mr. Minister, when we look at the *Estimates* book, we see the Department of Aboriginal Affairs and the Department of Northern Affairs. And I know that it obviously could be two different things, but at the same time when we're trying to ensure that people are working together, doesn't it make sense to you that these two departments should be working a lot more closely together when it comes to budgetary items and working on problems that we have in the North, or concerns we have in the North.

Is there any thought of putting those two areas together so that we, instead of having administration in both of these departments, spending a lot of money on the bureaucracy part of it as opposed to actual program spending, to work together and have one office instead of two or three or however many there may be in the North?

**Hon. Mr. Cline:** — Well in answer to the question, I happen to know that the Department of Northern Affairs does work very closely with the Department of Aboriginal Affairs and every other department.

I know from my experience as Minister of Health that in terms of health matters in the North, we work closely with the Department of Northern Affairs and the Minister of Northern Affairs in terms of coordinating efforts. And I'm sure that the other department you mentioned would do likewise.

(1600)

**Ms. Draude:** — Why wouldn't the Department of Northern Affairs, instead of being with Economic Development, why wouldn't it be with Aboriginal Affairs?

**Hon. Mr. Cline:** — Well it certainly would cooperate with Aboriginal Affairs. There's always more than one way to skin a cat. And I'm sure that the Minister of Northern Affairs is capable of working with every department, and indeed my experience is that that's what they do. They work very cooperatively.

**Ms. Draude:** — And the money that is spent on treaty land entitlement from the provincial side, is it paid directly to the bands or does it go to the federal government, and dispersed through one payment to the bands?

**Hon. Mr. Cline:** — I think I would like you to address that question to the minister in charge, and his officials, in detailed estimates, simply because that is a very detailed question of accounting which I think could be appropriately answered at that time. It's certainly a good question but it's such a good question that it warrants detailed discussion with the Minister of Intergovernmental and Aboriginal Affairs.

**Ms. Draude:** — Thank you very much, Mr. Minister. I guess I am concerned, because we're talking about one-twelfth of the money that we're spending in this department and it is a considerable amount of money. And I just would kind of like to know if we're going to be sending a cheque directly to a band or if it's going to the federal government. And I'm sure that as Minister of Finance you'd probably like to know where the money is going as well. So probably to get an answer to everybody that's staying tuned, probably the sooner we can get the answer the better.

Mr. Minister, I'm very much concerned and interested in what happens with some of the aboriginal issues that we're dealing with right now. And one of them — I'm afraid you may tell me that I'll have to stay tuned again — but I want to ask you a question on one of the things that's happening right now with treaty land entitlement and dealing with imperium rights with the waterways.

I understand right now there's a discussion where dealing with land claims and what may happen if the waterways are considered to be part of an entitlement and having to deal with cities down a water stream where they may have their water . . . where it may be considered part of a treaty right, the water the cities are using right now or even the sewer system. Is that something that this provincial government is looking at right now? If it is and if the court cases and the claims that are coming forward right now are actually dealt with, it could have a serious . . . could seriously impact your budget and lots of things that are happening in the province. Could you give some idea what's happening in that area?

**Hon. Mr. Cline:** — Well once again that's a very important question and I would not want to do disservice to the question or to the member by giving it short shrift under interim supply. I would suspect that what was really required out of respect for the member and the questions, is to have a more detailed discussion of that subject when the Minister of Aboriginal Affairs is present, well is here with his officials.

**Ms. Draude:** — Thank you, Mr. Minister, then probably you'll tell me this about my next request as well, because it's also a very good question and you'll probably want to respond later on.

But I used to be working with Sask Water Corporation and I've dealt with problems that farmers have every spring when it came to flooding. And many in our area are dealing with a moratorium on the water around . . . on the eastern part of our province.

And with the C&D (conservation and development) convention that was recently over, I was interested in an article in the paper where they talked about the provincial moratorium has only stopped the government's official projects; it hasn't stopped farmers from taking drainage into their own hands. And a quote that was given in the paper said there are hundreds and hundreds of people out there moving ground regardless of the moratorium because forgiveness is easier to get than permission.

And I'm wondering if there's something that this government is working on that will allow farmers who have . . . obviously with

the low grain prices right now and their concerns of making a living, is there anything that your government is doing to help move along this process of the moratorium and actually open up Sask Water's very limited ability right now to work with the farmers that are relying on them to help them get through their problems with seeding?

**Hon. Mr. Cline:** — Yes. Once again, these sort of detailed questions aren't really the sort of questions you get into in interim supply. Certainly they're very good questions, and I'm confident that the minister in charge of the Saskatchewan Water Corporation is looking forward to having a discussion with the member about the detailed questions for the Saskatchewan Water Corporation in estimates.

**Mr. D'Autremont:** — Thank you, Mr. Deputy Speaker. Mr. Minister, I'd like to welcome you and your officials here today.

And I think it would be important if we discuss some of the things that you had in your budget on your projections for revenues. My colleagues have been talking about where you're spending the money; I'm particularly interested in where you're going to get it from. And my critic area is energy and mines, so I'd like to deal a little bit with the oil prices and your projections and what reality really is.

I have your book here that says that for 1998 you're projecting \$17.25 for the price of oil — that's U.S. (United States) dollars for West Texas Intermediate. I looked in the paper today and West Texas Intermediate on Friday was \$15.98 closing price for Friday. So that's significantly lower than what you're projecting already.

For this one-twelfth period of time that we're talking about for interim supply, what kind of revenues are you projecting to bring in and what are those revenues based on for the oil industry? What price of oil are you projecting?

**Hon. Mr. Cline:** — We are projecting for the year an average of \$17.25. And based upon the WTI (West Texas Intermediate), that's \$17.25 U.S. It was down to 13.50 or even lower at the time of the budget address, so it's gone up by almost 2.50 in the last short while.

I had the occasion to speak to . . . I mean nobody knows for sure what the price of oil will be throughout the year because that's something that is speculative. But I did have the occasion on Friday evening when I was in Lloydminster to meet, for example, with some officials from Husky Oil in Calgary. They were from Calgary; I was meeting them in Lloydminster so we weren't meeting about this. But I happened to say to them, what about this projection we have for oil? And they said our projection was the same as, basically the same as their projection which is also similar to Alberta's projection. Theirs is somewhat different but it's based upon, I think, the calendar year as opposed to the fiscal year.

In any event, the answer to the question is, look, no one knows for sure what the price of oil is going to be throughout the year. We hope that the price of oil will be 17.25 or higher. At the present time it's lower, but it has been going up.

All we can do is talk to the leading analysts from across North

America, the private sector, the public sector. And what I have found is that although you think our projection is perhaps somewhat optimistic, it's not as optimistic as a few of them. I'm advised by the officials that the private analysts are continuing to say that this is a reasonable projection. And indeed on Friday evening, talking to these people from Husky Oil, they felt it was a reasonable projection.

I hope it's right, but none of us can predict the future. I can't. You can't. I hope the price is higher actually and I'm sure you do too.

But in any event, all we can do is come up with the best estimate. But our estimate is not out of line with other estimates.

**Mr. D'Autremont:** — Well, Mr. Minister, I would have to disagree with you. The Royal Bank estimate is significantly lower than yours; TD's (Toronto Dominion) estimate was significantly lower than yours. And when you even look at what's happened in the last couple of weeks. You went to Lloydminster. I went to Calgary two weeks ago and the people I was talking to there in the oil industry did not feel that your estimation, your estimates were proper. They felt that the return was going to be lower — more in the \$16 range, Mr. Minister.

But what I'm particularly interested in is what is your estimate for this coming month. You're asking us for one-twelfth of the supply for expenditures. What are you estimating for the one-twelfth of revenues coming in at this particular time, Mr. Minister, in the oil industry? Based on what you should be getting in, slightly better than \$30 million for the month of April if \$17.25 is the average price for the whole year, your return should be \$30 million plus. Are you going to make that target? If not, what's your best estimate for the return for April?

**Hon. Mr. Cline:** — We would expect that the price obviously is, based upon the projection, is going to rise throughout the year. So we would expect to receive less than one-twelfth of the total amount we budgeted, you know, at the present time and more than one-twelfth as the year goes on.

I might say that the estimates of various parties at the time of the budget were up to \$20 per barrel in U.S. dollars. The average was \$18.18. We went with \$17.25 which was equivalent basically to Alberta — it was 17.50 but it's based upon, I think, the calendar year and ours is based upon the fiscal year. But in any event we would expect less than one-twelfth.

But the amount of revenue that you would receive in April would not be known until after the end of April, after the payments were made and the accounting was done. But generally speaking, less than one-twelfth at the beginning of the year; more than one-twelfth of the amount stated toward the end of the year.

**Mr. D'Autremont:** — Yes, I agree with you, Mr. Minister, that you don't have the numbers because you haven't had the returns from it yet. But I asked for the estimate not the actual, which is significantly different. You've been talking about the estimate for the year of approximately 367 million, I believe it is, and that's based on \$17.25.



But what is your estimate for April? Are you basing that on \$17 oil, \$16 oil, \$15 oil, or \$13 oil, as what the price was at when the budget was presented?

There was talk about OPEC (Organization of Petroleum Exporting Countries) making an agreement to limit production because of the extra production that was going to come out of Iraq with the arrangements that were made there with the inspectors being allowed to visit the various presidential sites. But it seems that agreement is falling through before it's even signed because Saudi Arabia — and I can't remember which one of the other countries — said they were not going to honour that agreement. They were going to continue to produce. And that is what's been driving . . . well, the oil prices increased, they spiked, and are now dropping again.

So what's your best estimate, Mr. Minister, for the returns for the month of April, the month we're currently in?

**Hon. Mr. Cline:** — Well the estimate is set out in the *Estimates*. The estimate is for the calendar year. We are only six days into the calendar year and we are confident with the projection that we've made. I believe that if you'd look at the estimate, the answer is that for the month of April the amount we will receive will be somewhat less than one-twelfth; toward the end of the year it will be somewhat more. But I can't give the member an estimate for April nor can I give the member a weekly estimate or a daily estimate.

The only way to reasonably do these things is on a yearly basis to try to estimate the amount that you're going to receive, and those figures have been put forward in the budget and we're quite confident with those figures. We naturally hope as does the member that the price of oil will continue to rise.

(1615)

**Mr. D'Autremont:** — Well, Mr. Minister, you're spending one-twelfth of the supply. That's what you're asking for with this interim supply. So if you're not getting in one-twelfth of your estimated revenues, how do you pay out one-twelfth? Where do you get the extra money from?

**Hon. Mr. Cline:** — Well I think it's quite natural that . . . First of all, I should say we're not spending one-twelfth, we'll be spending up to one-twelfth as has been explained earlier this afternoon, and if the money isn't needed then, it won't be spent. But I think it's very much like a farming operation or a business or any other operation where you may have expenditures at the beginning of the year for seeding on the farm, for example, but you may not have your receipts until later in the year.

That doesn't stop you from spending the money you need to spend. And we need to get the money to the community organizations and the women's shelters and so on to keep them going, whether or not the revenue comes in at exactly one-twelfth per month. We estimate on the basis of the whole year. We plan on — not just on the basis of a year by the way — but on the basis of four-year plans because we can't plan on the basis of a month or a week or a day. We have to have long-term plans.

So what is presented to the legislature is a budget for the entire

year and that is the budget that is in front of you. We need your permission to spend some of the money in April whether or not the budget is passed. Those expenditures are important to — not to people sitting here — but to lots of people around the province.

And so we're asking for cooperation in approving that, and I have every confidence that you too feel that certainly the operations of government have to continue. And that's the way the system operates.

**Mr. D'Autremont:** — Well, Mr. Minister, before we spend that one-twelfth we need to know what it's being spent on and we need to know where the money is going to come from. Now you're saying that your projections are that you're not actually bringing in one-twelfth of your revenues for this interim supply, but that you're allocating spending of one-twelfth, up to one-twelfth. So how do you make up the shortfall? If your revenues do not represent the one-twelfth but your expenditures do, what's your program, what's your plan to make up for that shortfall?

**Hon. Mr. Cline:** — Well I said to the member that it may be that we don't have one-twelfth of the oil revenue in the month of April because that's almost anticipated for the reasons I've indicated. But it's quite possible that for other areas the revenue will be more than one-twelfth the amount that we expect.

We don't receive all our money the same amount each week or each month. Perhaps the PST (provincial sales tax) revenue will be higher than we estimate. These things won't be known until after the end of the month when you see what you have. But that can't stop you from proceeding to pay the money that people need, whether it's for the Children's Haven in Prince Albert or Regina's Mobile Crisis Service, or the foster parents or social assistance, to those that rely on that, and many other groups and individuals that would suffer if we didn't pay them. So I can't worry about some argument between accountants as to whether we get exactly one-twelfth of some particular source of revenue or we get less or we get more.

I know that we have an obligation to make sure that there is a shelter for children and there's a shelter for battered women, and the Regina Mobile Crisis centre can serve the people it has to serve, that the foster children are fed, and so on and so on around the province. And that's why I'm more concerned about meeting their needs as we debate the budget as we should, and we should get into all kinds of detail in each department about the estimates.

But while we do that and do our jobs here, we have to make sure that the people around the province have the money to pay the staff, to put the food on the table, and so on. And that's what interim supply is about.

**Mr. D'Autremont:** — Well thank you, Mr. Minister. I agree with you that we need to support those programs. We also need to support health care and highways and various other things across this province. But we also have to pay for it.

Now that's what I'm asking you. How are you going to pay for it? You're saying in oil that you're not going to get your one-twelfth supply. Are you going to get one-twelfth of the

income tax in during April? Are you going to get one-twelfth of the potash revenues in during April? Are you going to get one-twelfth of the fuel tax in during April? Or are you simply planning on counting on the people who are laid off from work because road bans are on, are spending their money on VLTs (video lottery terminal)? Where are you getting the money?

**Hon. Mr. Cline:** — Well in some areas we'll get more than the one-twelfth. For all I know, in oil we'll get more than the one-twelfth because I'm advised by the officials that we have land sales, which is part of our oil revenue. We may get more than one-twelfth. We won't know until after the end of the month. I don't have a crystal ball, neither do you.

None of us can predict the future. We have to estimate. We estimate on an annual basis. We hope that we do even better than we project. Certainly we expect to get roughly one-twelfth of our revenues. But will it be more than that, will it be less than that? I can't say, neither can you. But in the meantime we still have to continue with the task of governing and running the province, whether or not I can predict the future exactly, or whether or not you can.

**Mr. D'Autremont:** — Well, Mr. Minister, again you're right. I can't say. But then I'm not the Finance minister, you are. You're the guy with all the high priced officials sitting around you who are supposed to have the answers.

Now, Mr. Minister, do you or do you not know whether or not you're going to be able to cover off the expenditures that you've outlined — \$356 million worth of revenues for the province of Saskatchewan for the month of April. You're the one who's projecting that you're going to have a surplus for the entire year. Will the revenues for April cover off the one-twelfth supply you're asking for?

**Hon. Mr. Cline:** — Well, Mr. Speaker, we will meet the obligations of government as we always do. But I want to say to the member that the member is a farmer, as we all know. And the member knows that when you're operating a farm you don't receive your farm income on the basis of exactly one-twelfth each month just because there are 12 months in the year. It's not how it works.

The member receives some of his income in the fall. He may get some of his income in the spring. He gets big chunks of money a few times a year. He's a farmer. But that doesn't stop the member from meeting the obligations on the farm each month. He can't say, I'm not going to seed in April or May because I'm not getting any money until June or October. He can't say that. Neither can we.

You can't say, I'm not going to pay my power bill every month because I don't get paid this month. The government is the same. We have to meet our obligations each month. The member says, are we going to meet them? Yes, we've always met them. We're going to continue to meet them. I think probably we'll receive one-twelfth of our revenue this month but will it be exactly one-twelfth or less or more? I don't know, the member doesn't know, and nobody knows. But we have to continue to operate the province, pay the bills every month, and that's what we're going to do.

And of course I appreciate the member's questions and we need the member's cooperation to meet these obligations but we will meet them just as we do every single month.

**Mr. D'Autremont:** — Well, Mr. Minister, I am indeed a farmer and I understand how the farm economy works and I understand how other economies work. While I don't have all my income coming in on a regular basis, I have arrangements made with financial institutions that cover off the shortfalls in any particular month that are replaced with the surpluses in another month.

That's what I'm asking you: what arrangements have you made? You simply keep skirting around the question trying to be condescending to the people of Saskatchewan when we ask the questions, Mr. Minister.

Now if you don't have enough revenue in the month of April, what arrangements have you made to cover off your expenses? Very simple question, Mr. Minister. I think even a lawyer can answer it.

**Hon. Mr. Cline:** — Well as I say, we expect to receive revenue from several sources to meet our obligations and that's what we shall do.

**Mr. D'Autremont:** — Mr. Minister, if your revenues do not match your expenses, what arrangements have you made?

**Hon. Mr. Cline:** — Well, Mr. Chair, we won't know exactly what the revenues are or indeed exactly what the expenditures are until we get through the month. But we'll continue to meet our obligations as we do.

**Mr. D'Autremont:** — Mr. Minister, have you arranged with any financial institutions to cover off any shortfalls in your revenues?

**Hon. Mr. Cline:** — Well in the event that it was necessary, Mr. Chair, then we would make the appropriate arrangements on our lines of credit which we have. We have credit available to us.

But do I anticipate that we will do that? Well no, we'll see what happens. And I have every confidence that we'll receive revenue as the government does each and every month and that we'll pay our bills. That has been one of the hallmarks of this government, Mr. Chair — living within our means, trying to spend less than we actually take in.

I don't want to be political so I don't want to suggest that that perhaps wasn't true when the member's party was in office. But suffice it to say that certainly the hallmark of this government has been to live within our means, only to spend what we have, in fact to spend less than what we take in on a monthly basis. That is what we will continue to endeavour to do.

**Mr. D'Autremont:** — Well thank you, Mr. Minister. See, it wasn't that difficult to admit that you had arrangements made. We could have done that 15 minutes ago. And as far as my party having made any of those types of arrangements, no, we never have. We will have arrangements in place when we form government after the next election, to cover off any shortfall

should there be any, but we haven't had that opportunity in the past, Mr. Minister.

But it's not that difficult to admit that you have safeguards in place should revenues not meet your expectations. Because when you're budgeting for \$17.25 for oil right now and the price last Friday was less than 16, you may very well not meet your projections, Mr. Minister.

I'd also like to deal with one of the departments that are my critic area, and that is Environment. Mr. Minister, what is your estimate for the expenditures in dealing with the Tetra-Pak situation that you announced in the budget that you are now going to be compensating people for when they return them for their nickel per box. Is that included in the one-month interim supply that you're asking for at the present time?

**Hon. Mr. Cline:** — Well the arrangement will be that people will continue to pay 8 cents per Tetra-Pak container, and when they return those to SARCAN they will be refunded 5 cents. So that essentially the Tetra-Paks will not be in a different position than other beverage containers. There is an environmental handling charge, there is refundable deposit, and what will be done with respect to that arrangement is quite similar to what is done whether you're returning wine bottles or pop bottles or whatever.

We're trying to put them on an equal footing so that people will actually get a refund for a Tetra-Pack and other cardboard beverage containers such as the gabled boxes, which they didn't receive before. We think that's good for SARCAN and we also think that that is good for the environment.

Whether or not interim supply to the Department of the Environment will affect the rate or manner in which it pays SARCAN, I really can't answer today. That would be an appropriate question for the Minister of the Environment under estimates, and I know that the Minister of the Environment would be pleased and anticipates having a very detailed discussion with you about that subject when we get into estimates for that department.

(1630)

**Mr. D'Autremont:** — Well thank you, Mr. Minister. The SARCAN program is indeed an excellent program that I believe came into place with the previous administration and has done a lot for the environment today. And I'm sure that even your members believe that that is a good program, because you have carried on in supporting it, indeed in expanding their mandate. That is all to the good, Mr. Minister.

And I'm sure that the Minister for the Environment is looking forward to answering any questions we may have in dealing with the environment. But you, sir, are here today asking for the money, not the Minister for the Environment. So I think it's important to know that those monies are included in this interim supply Bill, this one-twelfth, to pay for those recycling programs such as the Tetra-Paks and the cardboard boxes.

People have already paid those taxes out. They had those boxes in their possession when you proposed the budget. They're returning them already for compensation. Is the money included

in the budget, in the interim supply package that you presented today?

**Hon. Mr. Cline:** — Well I think the point to be made here is that much of this money will come from the recycling system itself in the sense that people, when they buy a Tetra-Pak, they'll still be paying the 8 cents per container with respect to that. And they will get 5 cents back and there will be an environmental handling charge of 3 cents.

Certainly SARCAN will be compensated for its handling costs for those products based upon expected return rates. And I think the good news is, I certainly agree with the member that SARCAN is very good, and it's one of the things that the previous government did that is worthwhile. There's no question about that. And we're trying to expand it a bit with respect to Tetra-Paks and we think that that's good for SARCAN and also good for the environment.

**Mr. D'Autremont:** — Thank you, Mr. Minister. SARCAN was receiving, I believe it was \$8 million a year, from the Environment department to run its operations and to pay out the recycling deposits that people were . . . when they brought back their bottles and their cans and whatever it was, they had \$8 million. Has the budget for SARCAN been increased for the month of April to cover off the additional costs such as the Tetra-Paks and the cardboard boxes?

**Hon. Mr. Cline:** — Well the budget for SARCAN will be increased each and every month in the fiscal year. Last year SARCAN was given \$7.88 million, so almost \$7.9 million for the year. This year SARCAN will be given \$8.1 million for the year. So if you divide that by 12, obviously there's an increase in there and SARCAN will be receiving more money.

**Mr. D'Autremont:** — Thank you, Mr. Minister. What kind of a additional cost to SARCAN are you estimating because you have brought the Tetra-Paks and cardboard boxes under their purview, and does that additional — what? — roughly \$2 million . . . \$200,000 cover off those costs for the year?

**Hon. Mr. Cline:** — We believe it does. And I've taken the opportunity in the last several weeks to speak to the general manager of SARCAN on a number of occasions and also spoke to him before the budget about arrangements that might be appropriate with respect to SARCAN. And my understanding is that SARCAN is quite pleased, as are its member organizations, with the budgetary arrangements that have been made.

**Mr. D'Autremont:** — Thank you, Minister. I'm not sure that "quite pleased" would be the proper adjectives to describe their concerns or their feelings about the budget because they wanted to be able to expand their operations, not simply cover off the costs of further recycling with the Tetra-Paks and the cardboard boxes.

I know that there was applications last year for I believe at least an additional two depots; that the government was bringing in over \$9 million for the environmental fees on these kinds of services and yet less than \$8 million was being disbursed to SARCAN to pay for those recovery costs.

With the expansion now into Tetra-Paks and cardboard boxes,

obviously their cost, their money they're paying out when people bring those in is going to increase. Plus they're going to have more staff on, more storage facilities to deal with these issues, and that's not been covered off in the budget. They need to put in more depots; that's not been covered off.

So I think pleased would be too strong an adjective to describe their feelings about the budget and the money that SARCAN is getting. Are you looking at increasing that further to cover off all those additional costs, the additional expenses for what's going out, the additional staffing, and to provide any additional depots?

**Hon. Mr. Cline:** — Well I can only go on the basis of what people tell me. I mean obviously everybody would always like more money. There's no question about that. And whether you're talking about Health or Highways or SARCAN or if you ask them, well would you like more money, everyone will say yes. That's quite natural.

But they have told me that they are quite pleased with the measures in the budget. The budget is for the upcoming year. I would anticipate that — well more than anticipate — I fully expect that SARCAN will operate within whatever budget is approved by the legislature, which I sincerely hope and trust will be the budget that we've presented to the legislature.

And that arrangement will certainly be the case for the balance of the fiscal year, which will take us to March 31, 1999. And we will hope that the amount which is increased to SARCAN will enable it to operate well.

If you suggest that they'd like more money, I'm sure they would. Who wouldn't? We all would. And every organization would. But we're taking some steps to help SARCAN and also to help the environment because it's very important that these Tetra-Paks be returned, that people get the nickel back on the Tetra-Paks. We've dealt with an issue, trying to deal with an issue in the budget that is I think important for SARCAN, also important to the environment, and fair that people get this 5 cents per Tetra-Pak, and I'm sure that you'll agree with me that that's a good initiative in the budget that we should certainly try to support.

**Mr. D'Autremont:** — Yes, bringing the Tetra-Paks under the recovery program is good but it would seem you have not allocated enough resources to pay for that within the SARCAN system unless nobody bothers returning them and they simply continue to go to the dump. Two hundred thousand dollars, I'm sure you're bringing in a lot more than that on the sale of those Tetra-Paks and on the sale of the cardboard boxes, but you're not returning that to SARCAN. They obviously are going to have some additional expenses both in paying out to the clients that come into their door to return the boxes and in staff in dealing with that, Mr. Minister.

But I'd like to move on to some of the other issues. Fire fighting is a major cost for environment in this province. Fire-fighting season is starting. April and May are serious parts of the year for it and then it extends through the summer. But it's the things you do in April and May in getting prepared for the fire-fighting season that really have the impact on what kind of a season you're going to have along with the weather, Mr.

Minister.

We've had a relatively dry year across the North. There wasn't a lot of snow. We haven't had much for rain yet this spring. There were a few showers across the North. How much of that money that is being allocated to the environment will actually be used in preparation for the fire-fighting season?

**Hon. Mr. Cline:** — Well that would be a very appropriate question for the Minister of the Environment when he is here for estimates. And I know that he will be very pleased to discuss that kind of detail with the member.

**Mr. D'Autremont:** — Well indeed it would be a very appropriate question for the Minister of the Environment, but he's not here asking for his money. You're here asking for the money. So surely you have some idea what this one-twelfth is going to be spent on for this month that you're asking for.

In the case of the Environment, you're asking for almost \$8 million. Now is any of that money being allocated towards the fire fighting?

**Hon. Mr. Cline:** — We are allocating one-twelfth of the amount to be voted for the Department of the Environment, and we're advised that they feel that they can manage their various affairs within that amount of money. So we have every confidence that they can do so because they have told us that they think that this is appropriate to allow them to make whatever preparations need to be made. And I'm sure that includes whatever preparations they feel are required for forest fighting.

And I have every confidence that . . . I mean these are professional people. We're talking about professional fire-fighting people and pilots and people that keep the planes going. And they will be prepared this year to work at fire fighting as required, just as they are every year. Because the hallmark of what they have to do is to be prepared, and that's what they will do.

**Mr. D'Autremont:** — Yes, Mr. Minister, they have to be prepared and they are professional. But their costs are not all . . . don't all come equally in 12 portions. And fact is I believe roughly a third of the Environment budget deals with fire-fighting services which takes place in April, May, June and July; sometimes on into August.

So their costs are done all within the first five or six months of the year in that area. The rest of the Environment department costs are indeed . . . some of them are spread out more equally, but most of those costs again are related more to the summer season than they are to the winter.

So when it comes to those areas, Mr. Minister, is there going to be enough money in place or is the department going to have to come back to you for a special warrant or some kind of a loan to cover off their costs if they exceed the amount of \$8 million that you're allocating to them.

**Hon. Mr. Cline:** — Well the department who are more expert in this than I am or the member, have told us that this amount of money would be reasonable for them to meet the various needs,

which includes preparing for forest fires or perhaps fighting forest fires. So I take the word of the officials from the Department of the Environment which say that this is quite reasonable for them. And this is what they're asking for; this is what they shall receive.

**Mr. D'Autremont:** — Well, Mr. Minister, it seems that while you want the money, you don't have the answers on where it's going to be spent. I think perhaps it would be incumbent on you the next time you come forward with interim supply, if these answers have not yet been answered, that the ministers be here to answer some questions rather than the minister who simply wants to spend the money and doesn't have the answers on why it wants to be spent or where it's going to go to, or indeed, in your department doesn't even know where the money is going to come in from, Mr. Minister. So I think next time around, it's incumbent that somebody be here who has the answers.

(1645)

**Hon. Mr. Cline:** — Well, Mr. Chair, I certainly appreciate the member's help and advice. I'm at a bit of a disadvantage in that, unlike the member, I'm not able to predict the future. So I don't know whether oil revenue will be one-twelfth or more than that or less than that; it's an estimate. And I don't know how many forest fires there will be. I hope none, but there will probably be some. The member doesn't know that either.

I didn't bring my crystal ball. In fact I don't even have one, but I certainly admit to the member that I don't have all the answers, unlike some people, and I apologize for that. But I'll try to do better in the future and perhaps, listening to the member, I will learn perhaps from the experience of the previous government. And the member has lots of advice and I intend to listen to his advice and take it to heart so that I can improve myself.

Thank you.

Motion agreed to.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. I hereby move resolution no. 2 which says:

That towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the Fiscal Year ending March 31, 1999, the sum of \$300,121,000 be granted out of the General Revenue Fund.

**The Chair:** — It has been moved by the Minister of Finance that no. 2 resolved:

That towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the Fiscal Year ending March 31, 1999, the sum of \$357,121,000 be granted out of the General Revenue Fund.

Motion agreed to.

The committee reported progress.

## FIRST AND SECOND READING OF RESOLUTIONS

**Hon. Mr. Cline:** — Mr. Speaker, I move that the resolutions be now read the first and second time.

Motion agreed to and the resolutions read the first time and second time.

## APPROPRIATION BILL

**Hon. Mr. Cline:** — Mr. Speaker, by leave of the Assembly, I move:

That Bill No. 21, An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 1999, be now introduced and read the first time.

Motion agreed to and, by leave of the Assembly, the Bill read a first time.

**Hon. Mr. Cline:** — Mr. Speaker, by leave of the Assembly and under rule 55(2), I move that the Bill be now read a second and third time.

Motion agreed to and, by leave of the Assembly, the Bill read a second and third time and passed under its title.

The Assembly adjourned at 4:50 p.m.

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