Public Hearing: Department of Health

Mr. Chairman: — Welcome to the . . . I want to call the public accounts committee to order. And I want to welcome to the committee . . . I'm going to introduce the people again. It's some time since you've been here, Mr. Fyke, and I would ask you to introduce your officials. It's some time since you've been here.

Mr. Fyke: — To my left, Dr. Michael Lewis, executive director of the dental plan; Mr. George Loewen, associate deputy minister; to my far right, Bob Reid, assistant deputy; John McLaughlin; Lawrence Krahn from our admin services branch.

Mr. Chairman: — Thank you very much, Mr. Fyke. I don't think I need to repeat the comments I make about the proceedings of the committee being privileged.

On page 35 of the *Report of the Provincial Auditor*, we have a comment there (and I'm looking specifically at subparagraph iv), that your bank account was overdrawn by some $239,743, a debt that was not properly authorized by the legislature. I wonder if you could comment on that, gentlemen, I suppose one can appreciate the problem that arises.

I guess my question would be twofold. One, do you concur in the criticism of the Provincial Auditor (I don't think that's putting it too strongly), and if not, why not? If so, what steps have been taken to remedy the problem and ensure that it doesn't reoccur?

Mr. Fyke: — Mr. Chairman, I can comment on this issue. Legally the medical care insurance commission does not report to me. It reports directly to the minister. And they have a separate commission appointed by the Lieutenant-Governor in Council and reporting through to the minister. And the medical care insurance commission officials are out of town today and I think arrangements were made for them to appear before this committee at some later date. However, if it is the wish of the committee I can comment on this issue. But if there are more detailed questions on it I suggest the medical care insurance commission be called before the committee.

Mr. Chairman: — Okay, go ahead and comment on it then and deal with . . . (inaudible) . . . you can.

Mr. Fyke: — I don't have any problems with the auditor's comment. In response, the cause of the overdraft . . . And I'll just read a response here to you, into the record, with your permission. At the time the commission made its last request to the government for funds prior to March 31st, 1982, the commission estimated what the amount of moneys would be required to cover the expenditures up to the end of the year. The commission, however, has no control to the number of claims submitted for a person, or the value of the claim submitted by physicians throughout the province. Subsequently, the forecast fell short of the actual expenditures. And without discounting the significance of the bank overdraft, the overdraft represents 0.2 per cent of the commission's appropriation for '81-82. Essentially it is a cash flow problem. The physicians are paid on a weekly basis as the claims come in and consequently during that period there, if the estimate of the expenditures is not accurate, then you can get into a problem like we have and reported in the auditor's report.

Mr. Chairman: — I assumed that to be the case. You cannot say to the poor souls out there in radio land, 'I'm sorry, no more gall stones after the 1st of March; we can't cover them.' They have a habit of cropping up without requiring legislative approval. I wonder though if we have ever considered recognizing that inevitable problem and amending the legislation . . . (inaudible) . . . some steps to cover that kind of problem. I think our concern is not so much that it was overspent, but that it wasn't authorized. And I wonder if the proper approach therefore might not be to seek authorization from the legislature rather than go through this. I don't know whether this is the first time this has happened or not, Mr. Provincial Auditor.

Mr. Lutz: — I don't believe it's the first time, Mr. Chairman. Possibly, if I may speak to this subject, I think, Mr. Fyke, part of your problem also is that the administration is not anxious to provide to medicare a sum of money which might in effect be more than they require in that year, because there's no way to get it back. Maybe Mr. Kraus could comment on whether or not it would be feasible to put in some . . . (inaudible) . . . rules that say funds not required by the commission in a year would be refunded to the Consolidated Fund and next year they can start over again. I can understand why the administration wouldn't want medicare to have 5, 6, 10, 20 million dollars on hand, simply because they had to make sure that they had enough money at the year end, because there's no machinery to recover this.

Mr. Kraus: — It's always been a cash system . . . (inaudible) . . .

Mr. Lutz: — I have felt for years, in fact I felt from day one, that if they had built in a mechanism to recover excess funds, they wouldn't have to be quite so concerned with, if you like, a lapsing in a department. You'd get it back.

Mr. Fyke: — This area is under review by the commission. I don't know just what the . . . I'm not sure if they are looking at a legislative change or not, in answer to the chairman's question.

Mr. Kraus: — We have looked at this too, Mr. Chairman, and it is a difficult situation, because we don't want to break some of the principles that have been established for controlling expenditures.

Mr. Chairman: — It's not a precedent you're wild about . . . (inaudible) . . .

Mr. Kraus: — I know MCIC is trying to forecast their expenditures as accurately as possible and does not want to be in this position, but I would be reluctant to suggest amending legislation which might actually erode control.

Mr. Chairman: — What would you suggest, Mr. Kraus, what would you suggest? I'm not suggesting that's necessarily your responsibility — to find the solution. I'm just not sure I know where we go with this problem. If we don't want to give them the power to overdraw by legislation, then I can understand your reluctance, and we don't think by legislation we are going to be able to control the number of gallstones, and I don't know what the medical care commission do. I can understand how you could overexpend the thing; by sheer basics you might just overexpend it.

Mr. Kraus: — Yes, because technically you can find that they are in a position to issue cheques, of course I advance the moneys, but on the other hand they have their own bank account, so they can't technically exceed the appropriation that's been voted by the legislature, and of course you don't want that to happen. Again without MCIC being

here perhaps they can't address this, Mr. Fyke, but it seemed that there was some thought that they might be able to tighten up their financial reporting to give themselves even a better understanding, or a better figure as to what they expect to spend by the end of the year.

Mr. Fyke: — Mr. Chairman, I doubt if that will solve the problem even if the expenditure estimating is improved. I think one thing the medical care insurance commission is looking at is an amendment to make provision for the commission to incur a debt. I know they are looking at it. I don't know all the implications of that for government, etc., but that is one of the options they are examining.

Mr. Chairman: — What I'm thinking, gentlemen, is that the matter is under consideration. Perhaps we ought to ask you to report back to us by July 1. We're doing that with a number of other departments who have had problems that don't admit pat answers.

Mr. Fyke: — Could I suggest, Mr. Chairman, you request the medical care insurance commission to report back to you by July 1?

Mr. Chairman: — I was about to say that given the fact that technically they may not be before us we should ask our Clerk to write a letter to them

A Member: — That would be acceptable.

Mr. Chairman: — . . . enclosing a copy of the *Hansard* and asking them to report back specifically on what solution there might be to these overdrafts. I think, and given the fact that they are technically not here . . . (inaudible) . . .

Mr. Kraus: — Mr. Chairman, one last point here. I guess I'm not quite clear as to why there's a problem here because they can vire moneys from one subvote to the other, and it's not a matter of not having enough money in a subvote at any time. If you agree with the principle of virements and there are moneys in the Health subvotes, in other Health subvotes, you should be able to vire enough money over, very late in the year of course, but make the virement and we should be able to provide them with enough cash so that they wouldn't actually incur an overdraft.

Mr. Fyke: — Mr. Chairman, could I ask Mr. Krahn to respond?

Mr. Chairman: — Indeed you certainly may. You can ask any official to respond to it.

Mr. Krahn: — That's certainly right what Mr. Kraus has indicated, that virements are a possibility, and I think that the commission makes their run on a weekly basis, and it can fluctuate considerably depending on the weekly claims. And in this case, the virement request and special warrant that did go through that year, they felt was sufficient, and therefore it trips right into that year-end period, and it's very difficult to process a virement on the 31st or on April 1st or 2nd when you realize what that run is going to total. So if you're trying to work it so precisely that you don't have a whole lot of money sitting in their bank account, it's very difficult. But yeah, the provision is there for virement special warrants to cover the necessary.

Mr. Chairman: — You're suggesting it's difficult to kick the machinery in quick enough to . . .

Mr. Krahn: — Right at the tail-end. Certainly if you wanted to, if we made the conscious decision that we were going to make sure we put enough money in there, then that wouldn't happen.

Mr. Benson: — If I could maybe comment too, Mr. Chairman. I don't think we want to encourage a padding of the estimates to cover this contingency. Obviously I appreciate the problem that the department is raising.

Mr. Chairman: — What's the total expenditures? I'm trying to find it in here and I can't do it quick enough. What's the total expenditures of . . .

Mr. Lutz: — Page C 26, Mr. Chairman, in volume 2, I believe. Volume 2?

A Member: — No, 1.

Mr. Lutz: — There is already a virement of roughly five and a half million in there now.

Mr. Fyke: — The medical care insurance commission, in that case there, vired 5.4, and the commission have been trying to cut it as fine as they possibly can, so they don't ask for more than they need. And we base it on that estimate, and well, I guess, several times they have underestimated by a slight amount. Now the principle is still there, but when you look at the percentage — 0.2 per cent — it's hitting her pretty dead on. I don't think

Mr. Chairman: — I had it figured out less than that. I had figured at about one-sixth of 1 per cent.

Mr. Kraus: — . . . (inaudible) . . . violated the rule, or the policy. I agree, like, it's difficult to . . .

A Member: — Fine tune it.

Mr. Kraus: — . . . yeah, to fine tune it. As you can see, that isn't that much money when you relate it to the total expenditures for the year. So, I mean, I appreciate the problem they have, but I . . .

Mr. Chairman: — Okay, I think what we'll do then is ask you people to report on this item. The empire's not going to come crashing down if it isn't solved today, I guess. It's a small amount. It is an unauthorized expenditure, and I think we do not want to be in the position of countenancing those.

I have some questions on your department proper, and one has to do with the health research board, and I'm . . . Where is the report? Actually it's a separate report issued by this crew. The question was, what follow-up, if any, is done to determine whether or not the grants and so on that are given are being effectively used. Is there any follow-up mechanism? And if so, what does it consist of? This question is by no means restricted to Health. I asked this of a lot of departments. What follow-up are you doing to determine the effectiveness of moneys?

Mr. Fyke: — Mr. Chairman, in brief answer to your question, the answer is no. There is no follow-up from the department. The grant is appropriated by the legislature, $750,000 or whatever it is each year, to the board set up by legislation; and the board

then have peer committees of experts — physicians, pharmacologists, whatever — who review the submissions to the board and grant the funds. But there is no mechanism for a follow-up by government or by the department to make a judgement on whether those funds that were used in research were used properly.

Mr. Chairman: — This question is by no means, as I say, by no means is Health being singled out for any particular line of questioning. Almost half of the money which a government gets, we simply put a stamp on and send it on to someone else to spend. And to inquire whether or not we spend the half that we keep effectively seems to me to be not quite the whole job because such a large percentage of our money is gone, and I wonder if it isn't something, gentlemen, that you should consider. It doesn't seem to me it would be an overwhelming job to have an official or two whose responsibility it is to follow up on these grants and see whether or not the money is being spent, for the purposes it was given, and over a longer range, whether or not the purposes which were chosen were appropriate and effective. I don't know how . . .

Mr. Fyke: — I guess I have a little concern with your suggestion as to how far you see this going. If it's whether the funds are used for the purpose in which they are voted, that's one thing. If it's to determine whether the funds were used maximum value or value for the dollar spent, I think that's quite a different thing because in research it would be quite inappropriate for someone in our department to try to determine whether the research carried out by several researchers on the effects of, say, grain dust on your lungs and some of the health related research that's going on, was done effectively or whatever. Now whether to determine whether the funds were used for the purpose, I think that is . . . The research board is audited every year and they submit an annual report, which I believe is a reasonable safeguard. When you look at the Department of Health, the health research board is just a very minor third-party expenditure. I think about 60 per cent or more of our funds go to third parties — hospitals, nursing homes.

Mr. Chairman: — Yes, I recognize that.

Mr. Fyke: — I guess your comment could be generalized as to whether the hospitals are using, and when you get into that area we have legislation and regulations — Hospital Standards Act and its regulations — which they have to meet. But beyond that again, there isn't a more intensive mechanism to ensure that each hospital is spending the funds properly, other than the audited statements and the legislation.

Mr. Chairman: — Okay, well, I appreciate your candidness. With respect to the dental health program, have we ever been able to determine what money, if any, we're saving? Is this program cheaper than using the . . . Would it be any more expensive to send the children out to the private dentists? Is there any money being saved with the mechanisms which have been set up to provide dental care for children? I'm again wondering whether or not we know this problem is cost-effective.

Mr. Fyke: — Mr. Chairman, would you allow me to ask Mr. Loewen, who's in charge of the dental plan, maybe to comment on some of those details?

Mr. Chairman: — Please do.

Mr. Loewen: — I think the costs are fairly similar on a per capita basis. It's very hard to make an accurate distinction that says that the service provided by the dental plan on a per capita basis is either cheaper or more expensive than the service provided by a

private dentist. But there are significant advantages in having the dental plan in place. One is that we do treat more children than would likely occur through the private dentist.

Mr. Chairman: — Supposing the Minister of Finance's pockets were bottomless (as we sometimes tend to) . . .

Mr. Dutchak: — 1978.

Mr. Chairman: — That's right. There's a different administration in office now and they're not . . . (inaudible) . . . We've got very short pockets now. Why do you think you'd get more of the children enrolled in the plan than you would going to the dentist?

Mr. Loewen: — The main reason, that with a dental plan you can serve many more communities than you would serve through a dentist. We're getting into many communities that if the parents had to travel with the child it just wouldn't happen to the same degree.

Mr. Chairman: — I noticed you've had a very high rate of enrolment. I was reading the annual report and it was 93 per cent or something like that. Am I close?

Okay. In the year under review, was there any particular reason why the ages were chosen or was it a matter of budgeting? What was it — 4 to 14?

Mr. Fyke: — Four to 15 — 1981-82.

Mr. Chairman: — Four to 15. Was there any particular reason why those ages were chosen? Or was that just as far as the money would go?

Mr. Fyke: — It was a government decision.

Mr. Chairman: — It was a government policy decision. It was not related to the particular nature of the program being delivered? It was a budgetary decision, is what you're saying?

Mr. Fyke: — Yes, it was a decision made through the normal budgetary process.

Mr. Chairman: — I had a question as well on the . . . in the area of preventative health. You had, in the year under review, a 'no smoking' advertising program. Is there any way of determining how effective these . . . Let me start with a program in which I think there was some determination of its effectiveness. That was the Aware program. Am I not correct that in the year under review there was some study done which indicated the number of people who were (a) aware of the Aware program (if you can pardon that alliteration) and (b) felt it had affected their attitude towards alcohol? It seems to me I saw some report to that effect — some study that had been done regarding the number of people who were aware of the program.

Mr. Fyke: — We've done, prior to the year under review, Mr. Chairman, and if I recall, the results indicated that there was certainly an increased awareness of the problems. I don't believe the research showed that there was a change in the behaviour. And it doesn't necessarily follow that behavioural change comes about after there's a change in the knowledge level, but it's assumed. My feeling is that there must be or there's a lot of advertising going on our television screens today that is money to be wasted. But

actual hard data, I don't believe we have it

In regard to the non-smoking campaign, I don't believe there was any research done on the effects of that campaign. That was purely billboard and television, I believe.

Mr. Chairman: — The incidence of smoking is in fact decreasing, is it not?

Mr. Fyke: — I believe — and I'm going from memory now — I believe the incidence of smoking is decreasing for the total population.

Mr. Chairman: — There's still some hard cases that are holding back.

Mr. Fyke: — Well, we still have the odd person in the Department of Health who still smoke, too.

Mr. Chairman: — I'm sorry, I . . .

Mr. Fyke: — I find teachers and accountants have that difficulty. Young women, I believe the incidence of smoking is still on the increase.

Mr. Chairman: — Right.

Mr. Lutz: — Mr. Chairman, I think it's the cares we carry.

Mr. Chairman: — Stress of office. It strikes me that if the programs are effective, as I thought the Aware program was, the amount of money expended on the programs are insignificantly small. If you can get people to stop smoking it seems to me you could save the money a thousand times over at the other end. When you get down to the medical care insurance commission you can save the money a thousand times over.

Mr. Fyke: — Well, on the smoking I believe the biggest impact can be made through our school systems. Attempting to convince people who have smoked for 10 or 15 years to stop smoking is very difficult, but in the school systems if we can have children today who will grow up to be non-smoking adults, that's where we'll get our major payback and the pay-back is on a long-term basis. I personally believe — certainly renowned experts in the cancer field have indicated — as high as 40 per cent of our incidence of cancer deaths could be eliminated if there was no smoking. But it's a very complex social problem and I'm pleased to say that I think progress is being made in our schools and our children.

Mr. Chairman: — Do you make materials available to schools?

Mr. Fyke: — Yes, we have materials through our health promotion branch that the schools have access to, and our staff are conducting programs as well in schools.

Mr. Chairman: — Through the health nurses or indirectly . . . (inaudible) . . .

Mr. Fyke: — Health nurses.

Mr. Chairman: — There were three programs here, were there not? There was the Aware, the no smoking, and the Lifestyle program — the Participaction. No, that's the federal program . . . (inaudible interjection) . . . Feelin' Good.

Mr. Fyke: — There's really two programs, the Aware, and then the Feelin' Good program. The Feelin' Good program encompassed such initiatives as no smoking, nutrition, eating healthy and various other health promotional activities within the Feelin' Good program.

Mr. Chairman: — If I can be forgiven for stepping out of character for a moment and congratulating your department, I think both these programs were an excellent attempt. We don't, I guess, know how effective they were. I wonder if it wouldn't be possible, gentlemen, to do some follow-up, to do some surveys or public opinion: did the Feelin' Good program . . . Were you aware of it? — and so forth. I wonder if that wouldn't be possible. Again, it's somewhat the same approach as my suggestion that we should be following up research grants to see if they're being appropriately used. This is a slightly different tack, but could we not follow up these programs to determine whether or not they are effective by a survey of public opinion: did you ever hear of it? If nobody ever heard of the Feelin' Good program, it may be something you don't want to try again. Is that not something that could be done at a relatively modest cost?

Mr. Fyke: — It's certainly something that could be done. I don't know whether the cost associated or the benefits that we would get from it would justify the cost of knowing whether or not people were aware of those programs. I think I would look hard at spending those additional dollars in putting more resources maybe into the educational field, these areas where we know it's having an impact. The number of children that are . . . It is not the in-thing to do in many of our schools today to smoke. The in-group are the non-smokers, and that is a real turn-around from 10 or 15 years ago.

Mr. Chairman: — That's very true, that's very true. It's interesting to watch old movies, if you're an addict of them late at night. Inevitably . . . Gary Cooper is a bad example because I don't think he did smoke, but inevitably the star . . . Bogart is an excellent example. Inevitably he's smoking on screen.

You'd fall out of your chair if you found J.R. Ewing smoking. It's just not something that's done these days. It's not the in-thing. And I think the fact that it's rarely done on movies and television any more indicates that it is not as sociably acceptable as it was 15 years ago.

Mr. Kraus: — . . . (inaudible) . . . It's not appropriate for me to make it but I will. You will notice the change, since we're talking about movies and TV shows, but it's very socially acceptable to drink.

Mr. Chairman: — Everybody is drinking these days, that's right. You wouldn't have found Humphrey Bogart walking around with a bottle of beer in his hand the way you find J.R. Ewing walking around with a can of beer in his hand. That's right. In fact the attitudes have changed. It strikes me that we . . . You're right. We're maybe well on the way to winning the battle against smoking, but alcohol has proved more difficult.

Mr. Fyke: — Well, at one point we attempted to get Gretzky to do some work for us on the non-smoking area. Unfortunately he had committed himself to the Government of Alberta.

Mr. Chairman: — I thought you were going to say he had committed himself to Rothman's.

Mr. Lutz: — You might do better with Trottier, after the last series.

Mr. Fyke: — That's right. Actually, Wayne Gretzky, we have a number of his posters on non-smoking, and that's the kind of thing that has a significant impact on the younger people.

Mr. Chairman: — Yes, a powerful impact . . . (inaudible) . . . including our cook's two-year-old. My five-year-old, who is barely able to skate, has a picture of Wayne Gretzky in his room, I noticed the other night.

I wanted to ask some questions as well about teenage pregnancies.

Mr. Dutchak: — I wonder, Mr. Chairman, if I could just touch on a couple of these areas, and then we can keep up and we won't have to jump back and forth.

Getting back to the dental plan. You indicated that the per capita cost was the same if there were no dental plan.

Mr. Loewen: — No. It's fairly similar between the per capita cost of providing treatment to children under the dental plan as is the cost of providing that treatment through contract with the private dentists. We have both arrangements in place now for the adolescent group.

Mr. Dutchak: — Who provides your service under the dental plan? Who provides the dental services?

Mr. Loewen: — Dental technicians and dental therapists and dentists.

Mr. Dutchak: — And dentists. When you contract the service out, do you find that there's a higher percentage of dental service being provided by actual dentists than dental therapists than under the dental plan?

Mr. Loewen: — You're asking whether the private dentist provides more service per student.

Mr. Dutchak: — Yes.

Mr. Loewen: — Not really.

Mr. Dutchak: — No, okay. Do you have any input . . . The age limit was four-year-olds to 15-year-olds. Is that correct?

Mr. Loewen: — Year under review.

Mr. Dutchak: — Year under review. Now did you recommend anything to the government at that time as to whether this was an appropriate age category?

Mr. Fyke: — The policy that . . . This was recommended in a decision that the government made to add a year on either the bottom side or the top side for a year — on either one or both of those ends. And that is how the program is expanded, by adding a year on each of those. And this past year now we've added the 16-year-olds to the plan.

Mr. Dutchak: — And the four-year-olds are out, is that right?

Mr. Fyke: — Right.

Mr. Dutchak: — So what we've done is moved it up one year. In total the category is moved up one year. Well, do you have any studies? Or has anybody recommended to you where the most effective care period is?

Dr. Lewis: — If you have to choose between starting with a four-year-old child or maintaining a 16-year-old child in the program, the feeling of the dental plan was it was better to maintain a 16-year-old child in the plan. The four-year-old child has their baby teeth, but no permanent teeth yet. So does a five-year-old child. So by delaying it one year, we felt we were able to get all of these mouths in a healthy condition before the permanent teeth erupted.

At the top end of those age groups, however, we felt the longer you can keep these children in the plan and maintain their teeth in a healthy condition, the more likelihood is that they'll look after their teeth when they graduate from the program.

Mr. Dutchak: — So, the feeling that you had is that if you were spending the same amount of money for either the 4 to 15 category or the 5 to 16 category, you were providing a more effective service in the 5 to 16 category.

Dr. Lewis: — That's correct, yes.

Mr. Dutchak: — Now getting back to the smoking question. Your program in the schools, is that administered through your department or through the Department of Education?

Mr. Loewen: — It's a combination. We provide support to the schools, but the programs all have to have the approval of the Department of Education. And to some degree, Education provides supportive services — supportive teaching — as well, through its own teachers.

Mr. Dutchak: — I would think it would be more cost effective if you incorporated your work within a health class, for instance, through the Department of Education, which would then get to the students in that manner. Is that being considered? Or are you doing some of that?

Mr. Loewen: — Our public health nurses are participating in a number of health classes in schools today. Just as an aside, there is also a fairly extensive curriculum review under way now by the Department of Education, and we have made some recommendations to them about health issues as part of the curriculum.

Mr. Dutchak: — And have you had any input to date? For example, when I was in school, which is a little more recent than when the chairman was in school, but we had a health book, and various topics were discussed in the health book. And I'm just thinking that it would seem cost-effective if your theories and so on could be fed into a textbook, for instance. Is that being done?

Mr. Loewen: — It's being done. There is always the question of whether the teacher feels that she has been trained to teach non-smoking or to teach pregnancy prevention, or to teach alcohol, nutrition, those kinds of things: So we try to bring people in with a

broader knowledge base in those health issues.

Mr. Dutchak: — I see. Okay, thank you.

Mr. Chairman: — I wanted to get into the area of teen-age pregnancy. Something that I gather is virtually an epidemic today in Saskatchewan, and considerably more in Saskatchewan than in other provinces, which is confusing to me. I would not have expected that, given the prejudices I had about Saskatchewan society.

I wonder what was being done, if anything, by the department in the year under review, and later, if you are able to comment, to grapple with the problem. It strikes me as being a serious health problem, children raising children, as some of the women's groups say. I wonder what the department is doing.

Mr. Fyke: — Ask Mr. Loewen. He will handle that.

Mr. Loewen: — In the year under review there really was not a great deal of activity by the department in trying to reduce teen-age pregnancies. Our nurses do counsel children who come to them but, as you appreciate, it's a very sensitive subject. It's not the kind of subject that all school boards want or all parents want to have taught in the school. And so that it has to be approached very carefully and handled very gently, but the specific answer is that in the year under review there was not a great deal of departmental activity in trying to formally address teen-age pregnancies.

You are right about the rates. They are fairly high compared to the rest of the country — teen-age birth rates, at least. We have done a couple of things since, in more recent times. One is that we, in our submission to the Department of Education and their curriculum review committee, have made some fairly strong recommendations that this is a necessary school subject, and that school boards need to be encouraged to allow it to happen in the school. We've also had a small inter-departmental committee develop some recommendations that have just in the last two or three weeks gone to the responsible ministers for their consideration, and those recommendations are along the lines of suggesting ways in which the government might address this problem.

Mr. Chairman: — What do you see the role of the public health nurses to be with respect to this problem?

Mr. Loewen: — They are a key person, because we see them as the most knowledgeable person available in many of the rural communities right now and they would be a key person both for parent contact and for school education.

Mr. Chairman: — Okay. Well, I'm pleased to know that the problem is, if somewhat belatedly, at least under active consideration by the department.

Training of doctors. Could you describe for me the incentives given to doctors to come to Saskatchewan, or stay in Saskatchewan? And I'm not sure how these incentives work. I read your annual report, and I wasn't quite clear on how that system worked. Is it a sum of money which is given to a student to get him through medical college and is conditional upon him staying here, or is it a grant which is given to set up practice in rural Saskatchewan, or how does that incentive system work?

Mr. Fyke: — Mr. Chairman, in answer to your question on physician training, the medical students can still plug in to the bursaries of all students through the Department of Continuing Education. Where we become involved is in the area of medical practice establishment grants, and we . . .

Mr. Chairman: — So there aren't, if I can just interrupt you, there aren't any special grants given to medical students to get them through on the condition they stay here. That's not the system?

Mr. Fyke: — No, that was changed about three years ago, I believe, where we used to provide grants through the medical care insurance commission and that was all amalgamated into the grant system in the Department of Continuing Education.

Mr. Chairman: — Okay.

Mr. Fyke: — We do have a program, we had a program and still have it, the medical establishment grant program, where we would provide to the physicians a grant of up to $15,000 for them to establish in a community. And that has been successful in such places as — I just don't see it here — but Hudson Bay, for example, took advantage of that — Hudson Bay, Borden, and I believe Moosomin was another one.

Mr. Chairman: — I'm trying to find it in the annual report. In the year under review . . .

A Member: — Page 3.

Mr. Chairman: — That's right. There were five grants, appropriately enough, for a total of $75,000. That's right. Can you tell me what communities those grants were made to?

Mr. Fyke: — In the year under review there was only one, Mr. Chairman — Hudson Bay. '81-82 we gave one grant, $15,000, to Hudson Bay. $75,000 was the total for the program — three to Hudson Bay, one to Borden, and another one to Hudson Bay, and since the year under review — and I know we're not discussing that here this morning, but I believe Moosomin. There's been one other: I can't think of it.

Mr. Chairman: — Of the four given out in '79-80 . . . You may want to respond to this in writing, but in the four given out in '79-80, how many of those doctors' offices are still functioning? Or did they take the grant and then beetle off to Saskatoon?

Mr. Fyke: — Hudson Bay are certainly there, and I can't answer on Borden. I'd have to get that information for you and provide it to you.

Mr. Chairman: — If you would — 15 copies to the Clerk who will distribute it to the committee members.

Mr. Fyke: — With your permission I will roll that into my response. I'm going to respond in writing, as I promised last week, on the whole issue of trust accounts, and explain how they operate, how money goes in and gets out and everything. We'll be providing that to you within the next few days.

Mr. Chairman: — In this program did you meet all of the requests to you that you felt were reasonable and legitimate, that came within your criteria?

Mr. Fyke: — I believe we did within the criteria, which was graduation from a Canadian — now I'm going by memory here — but I think it's a Canadian college. I believe all of the requests were handled.

Mr. Chairman: — Were these grants available only in communities where there's a hospital? And secondly, do these communities have hospitals? Is it hospital related, or would any community quality? Did any other communities qualify?

Mr. Fyke: — It was based on the population. And I'm just trying to find the criteria here. Certainly there was a hospital at every community but there were other criteria as well, and I haven't got them here in front of me right now, Mr. Chairman.

Mr. Chairman: — You can include that in your written response.

Mr. Fyke: — Okay.

Mr. Chairman: — With respect to hospital waiting lists — I did not (inaudible) . . . perhaps the care that I should have — but I didn't see that figure for the year under review. In the year under review how long were we waiting for hospital beds? I gather the problem started to decline in Regina and Saskatoon.

Mr. Fyke: — I'm just trying to get the year under review, Mr. Chairman — what it looked like.

The year under review, as of December 1981, the waiting lists in Regina totalled 2,200, and Saskatoon 3,400. There has been a change in the character of the waiting list since December, '81, with it going down in Regina and increasing in Saskatoon.

Mr. Chairman: — I noticed a recent article to that effect in the newspaper. What is the cause of that?

Mr. Fyke: — I have appointed a committee of physicians, hospital administrators and departmental people to do an analysis of that issue. We don't know what the main reason is for the waiting list going down in Regina and up in Saskatoon, whether the referral patterns have changed, or just what the reason is for that, but there is a group of people, a committee, reviewing that and seeing what the reasons are and whether it can be altered.

I would point out that for two-thirds of the patients awaiting surgery in Regina and Saskatoon, the normal waiting time is less than four months. For a very small number of elective procedures, waiting lists can approach nine months. It is not a problem, Mr. Chairman, unique to Saskatchewan.

Mr. Chairman: — Oh, I guessed that. It's certainly a Canada-wide problem.

Mr. Fyke: — If I could just add one other thing, it's not a problem that is just a result of a shortage of beds. A bed is not the only answer to the waiting list problem. You have to bring together all of the other things like an anaesthetist, a surgeon, the operating room capacity, other back-up capacity within the hospital, as well as a bed. So it's not just a matter of having more beds to solve that problem. It's complex.

Mr. Chairman: — If the Minister of Finance's pockets were bottomless, would you have the solution readily in hand?

Mr. Fyke: — Not necessarily.

Mr. Chairman: — Could you explain, please?

Mr. Fyke: — Well, the availability of manpower. You may have a waiting list caused and I underline 'you may have'; I'm not saying that is the reason now, but this could cause a waiting list problem — if you did not have the capacity in your operating room for the through-put, such as a shortage of anaesthetists or some other specialty, the work-load on the physician and the referral patterns to the physician. A particular physician can only work so many hours a week and a particular physician may be part of the bottleneck. So just throwing money at the problem will not necessarily solve the problem. It might help, but not necessarily.

Mr. Chairman: — And of course in this department, when you start throwing money at it, you're dealing in very large volumes. It's not like pulling money for a problem in the Department of Culture and Youth or Consumer Affairs.

With respect to hospitals, is there any room for rationalization? We have in this city it's the one I'm familiar with, and I could probably use the Saskatoon example if I were familiar with it — several hospitals, each of whom basically perform the same functions. Is there any efficiencies to be gained or economies to be gained by rationalizing hospitals so that one deals with obstetrics, one deals with different related health problems, so that they have an opportunity to specialize? It strikes me you might be able to avoid some duplication of equipment and some time to physicians in running back and forth from one hospital to another. And I've often wondered if there isn't room for some rationalization of the services which hospitals in a city the size of Regina and Saskatoon provide.

I know that there maybe small 'p' political problems in that the doctors may not warm to that notion and the public may not warm to the notion of having to travel across town instead of walking next door, but leaving all the political problems aside, are there any economies or efficiencies to be gained?

Mr. Fyke: — It is difficult to measure the economies sometimes in the health field. You can not afford all the savings that some people may try to convince you that are in a certain thing. But take my facetious comment aside, there has been a fair amount of rationalization in Regina and Saskatoon, and some in Prince Albert and Moose Jaw. There's a committee in Regina that has been working on this for a number of years with the regeneration project. There has been several decisions made to only offer the service at one hospital, and some of those decisions have been controversial for various reasons. The people get into certain patterns of practice, and patterns of going to a particular hospital, and they like to continue to go to that one hospital. But I think, when you look across Canada, Regina and Saskatoon have made a lot of progress in that area. As we get into more intensive technology in our hospitals it is even more important that this be looked at very carefully so that you're not duplicating expensive technology across the street. And we are constantly working with the hospitals on that issue, but to identify the kinds of savings that you've made, it is difficult.

Mr. Chairman: — Has it been attempted?

Mr. Fyke: — I think there's been . . . there was some work done a few years ago in

Regina to attempt to cost out the implications of having one service in one hospital vis-a-vis having it in two, such as pediatrics. I just can't recall whether we have access to those studies or not, but certainly on the capital cost side you can measure it, but it's not that easy.

Mr. Chairman: — In an ideal world it strikes me that if we were designing the hospital system from scratch . . . What we have has kind of grown up like Topsy — piecemeal. But if we were designing it from scratch it strikes me that we'd have one super hospital board who are responsible for all the hospitals, and they would allocate responsibilities to each one. We don't, as I understand it, have a super hospital board for the city of Regina or for Saskatoon. Has that been considered? Would there be any merit in that as an attempt to rationalize the system?

Mr. Fyke: — Well, Mr. Chairman, I've gone through various stages in my thinking on that. Sometimes you think that one hospital board would solve your problems over three hospitals. I'm not convinced that that's necessarily so. I think what you need are hospital boards who co-operate and have intertwining committees looking at the various issues. I'm not convinced that one hospital board would have great advantages over what we have right now.

Mr. Chairman: — Why is that?

Mr. Fyke: — There are a number of problems that if you move into one hospital board you can create a number of problems within the community. Take Regina, for example, where you have a difference in the medical staffing of the hospitals. One is primarily a teaching hospital of the university, and while there's teaching done in the other two, the other two are primarily community type of hospitals. And they do have somewhat different goals and objectives, education being maybe a higher priority of . . . and one board attempting to administer all of the hospitals can lead to conflicts and difficulties within the hospital board and also with the medical community, So it's not necessarily the way to go.

Mr. Chairman: — Is it a fair statement that, what I perceive as the fierce reluctance of the medical community to adopt such a system — is that not a prime consideration in not setting up a single hospital board? I gather that the medical community would not welcome such a move — at least some members of it would not. It would be capable of kicking up quite a stink too, as we know.

Mr. Fyke: — It's fair to say that there are some physicians within the Regina community that would be against one hospital board. And I don't know if that resistance would be as strong today as it may have been six or seven years ago.

Mr. Chairman: — Okay. I just have one additional question. It has to do with the anti-T.B. league. Are they getting any grant, and if so, what's the size of the grant? I reviewed *Public Accounts* and I couldn't find one except they had an operating grant, it seemed to me. And I didn't know we were still operating a sanatorium but I guess we are. Perhaps you could explain for me what the anti-T.B. league are. I'm not being hard on the anti-T.B. league. It's one of the triumphs of modern medicine, the near eradication of tuberculosis over the years. But it is nearly eradicated and I wonder how much we're now spending on it, and whether or not we might allocate some of it to a 'No Smoking' campaign.

Mr. Loewen: — We fund, through the Saskatchewan Hospital Services Plan the

treatment program of the anti-T.B. league, or what is now called the Saskatchewan Lung Association. They fund themselves, their public preventive programs, through the Christmas seal campaigns. There are no T.B. sanatoriums in the province now. T.B. care is provided throughout the general hospital system throughout the province. But our grant through SHSP — I'm guessing a little bit — is somewhere in the order of $300,000 to $400,000 for some of the medical staff and their record-keeping and patient follow-up system that they maintain. And they still maintain contact with recovered patients throughout the province.

Mr. Chairman: — I see.

Mr. Loewen: — They maintain a central register of all of those patients and our funding goes towards keeping that up.

Mr. Chairman: — Okay. That answers my concern. That's really all the questions I have. I don't know, do you have any that . . . (inaudible) . . .

Mr. Dutchak: — There is another question that I didn't get clarified a few minutes ago. I'm sorry. The gentleman that I was asking questions regarding the dental plan — how long have you been with the department?

Dr. Lewis: — Since 1972.

Mr. Dutchak: — And what are your qualifications?

Dr. Lewis: — I'm a dentist. I qualified from the University of Alberta, and I have graduate training in public health from the University of Toronto.

Mr. Dutchak: — I'm sorry, I didn't get your name.

Dr. Lewis: — Lewis.

Mr. Loewen: — May I insert a correction? The Saskatchewan Anti-Tuberculosis League. Our 1981-82 payment was $712,000. It has gone down a little bit since then. There has been some change in their organization, and some moderate change in our funding, but it was 712,000.

Mr. Chairman: — Would there be any saving in that if — I can appreciate the rigidity sometimes of organizations which have been built up — would there be any savings in that if those services were delivered directly rather than through the anti-tuberculosis league?

Mr. Loewen: — I'm not sure. We have had some discussions with the league about that over the past year. One other program that's in that expenditure that I've neglected to mention is the laboratory that they operate in Saskatoon. They have been doing all of the T.B. lab testing for the province, and we are in discussions with them about rolling that function into our provincial laboratory. And there are some savings that would accrue from that. But in terms of their follow-up program, and their maintaining their register, we . . .

Mr. Chairman: — The savings would not be extravagant, I guess.

Mr. Loewen: — No.

Mr. Chairman: — Thank you very much for your attendance, gentlemen. We will look forward to receiving your response and look forward, I guess, to meeting with the medical care insurance commission sometime in July.

Mr. Fyke: — You will write the medical care insurance commission a letter?

Mr. Chairman: — . . . (inaudible) . . . write them and let them know what's expected of them.

Public Hearing: Saskatchewan Housing Corporation (continued)

Mr. Chairman: — . . . to call the committee back into session. I want to welcome to our committee the officials of the Saskatchewan Housing Corporation, which we will be dealing with for the balance of the morning. We welcome Stan Willox, general manager of the Saskatchewan Housing Corporation, and we'll ask Mr. Willox to introduce his associates.

Mr. Willox: — On my left is Leo Larsen, our executive director of finance and administration, on my right immediately is Tom Carter, our director of research, and on my far right is Alex Fowlie, who is an assistant general manager with the corporation.

Mr. Chairman: — Right. Thank you very much, gentlemen. As I think you are aware from previous engagements here, what is said before the committee is privileged, and to that extent it's not available in a libel or slander action and cannot be the subject of one, but on the other hand, it's taken down verbatim and is readily available for use outside the House. With that, let me . . .

Mr. Katzman: — . . . (inaudible) . . . some documents, I think from the last . . . (inaudible) . . .

Mr. Chairman: — I see that, now that the member from Rosthern mentions it. Do you have some documents from the last . . .

Mr. Willox: — We were requested to table certain information. I'm not sure, with respect to the Lawrence Yew file, exactly where that one stood. We were requested to table copies of the federal-provincial agreement relative to housing and have that here.

Mr. Katzman: — And there was something — and now I'm thinking of last year's estimate and we said we'd accept it in this year's public accounts — something about where you were on cleaning up all the little bits and pieces. Like, there was lots of titles that weren't transferred and there was houses that you were still getting the . . . What's the word I'm looking for? They weren't quite finished and there was things to be done and settled before you could transfer title. You were going to bring us some kind of, either verbal or written . . . (inaudible) . . . where we are, pretty well. You indicated on your northern stuff where you were, when we were doing the northern housing. And on the southern housing you made some references to trying to put them in the proper spot. Are we somewhere near getting caught up, all those loose ends?

Mr. Willox: — We're getting close. There's still some work to be done with respect to warranty work which triggers as a result of the sales. And that will probably take anywhere from four to six months to complete that process.

Mr. Katzman: — Well, would I be safe in saying, then, by December 31st, 1983, by year end, that all that stuff that's prior 1982 should be in the process of being turned over to the people who are getting those homes, and the loose ends should be tied down?

Mr. Willox: — That's correct. Most of the units have in fact been transferred now. The outstanding work with respect to warranty work or repairs is still in process, but it should be complete by the end of the year.

Mr. Katzman: — On the non-profit housing — and it's a bit of a bitch with me and I don't apologize for it at all . . . (inaudible) . . . the builder who was a certified builder. How much come-back, when it looks like it's all over, are we really having . . . What problems are we having getting these houses completed from what's called the non-profit groups? Because a certified builder has to come back and do it. It's part of his . . .

Mr. Willox: — That's right. Within the contract they do have the warranty provision which the contractor is required to fulfil. And it's a one-year warranty period. Any deficiencies that arise during that one-year period would have to be completed by the contractor.

With respect to the non-profit groups, as has been indicated in the previous discussions, a number of them are no longer in business, and therefore the obligation to complete falls to the corporation, You're asking specifically how much work there would be involved in that?

Mr. Katzman: — Do we know a cost factor?

Mr. Willox: — We budget $500 a unit for that. We would expect, in terms of our general budgeting right now, to complete that work and take it over from the non-profit groups. We'll probably be looking at something a little in excess of that, maybe as much as $800 a unit, but that would be on average throughout . . . (inaudible) . . . It's not bad on average but there are some where maybe $2,500 repair work that's required.

Mr. Katzman: — I saw one that was $8,000. Estimates, sorry, correction. Estimates from $2,500 to $8,000 for one home.

Mr. Willox: — For one home?

Mr. Katzman: — For one home, where things that weren't done properly, and it was in the town of Rosthern. And the lady had got the estimates on her home to fix it, and sent them in. I was shocked by the figures. Now it could be an exception: it could have been an exception. It was a non-profit housing.

Mr. Willox: — There was one, I gather . . . (inaudible) . . .

Mr. Katzman: — I think I've hit the one exception, because it was the worst in the whole complex, and I just happened to hear about it and checked it out. From an average of $800?

Mr. Willox: — Yes.

Mr. Katzman: — How much do the non-profit house cost us more than a profit house?

Mr. Willox: — In terms of, again, general cost figures, we have compared the non-profit groups to the present process of tendering and a conservative estimate would be about $5,000; but because of the time delays, interest charges, that is probably a little more than that. So it would range anywhere from $5,000 to $7,000.

Mr. Katzman: — I have a figure of 9 on some particular houses, but then you are saying in other areas they come very close, and so you've given me an average.

Mr. Willox: — That's correct.

Mr. Katzman: — Under the year under review, I believe you didn't acquire, or did you only acquire one major piece of property? I'm not sure if you acquired much property in the year under review.

Mr. Willox: — Not a great deal, but under '81-82 . . . (inaudible) . . . In 1981, land purchase, raw land for holding, amounted to 45.68 acres and we acquired land in Churchbridge and St. Walburg.

Mr. Katzman: — Where is St. Walburg? I know the name but it doesn't . . . Okay. And I assume that St. Walburg land then is tied to the same Lloydminster idea that was floating.

Mr. Willox: — The cost per acre here is $2,000 so . . .

Mr. Dutchak: — I'm sorry, what was purchased in Churchbridge?

Mr. Willox: — Churchbridge, 35.68 acres at a cost of $68,000 or $1,906 an acre.

Mr. Dutchak: — And who was that purchased from? Do you know?

Mr. Willox: — I think we have those figures here.

Mr. Katzman: — These are both for housing projects, I assume?

Mr. Willox: — They would be raw land purchases, so that would be for future subdivision development. In addition to that we had acquired land for immediate development — 84.14 acres.

Mr. Katzman: — In where?

Mr. Willox: — Birch Hills, 7.5 acres; Eatonia, 4.1 acres; Eston, 6.94 acres; Hudson Bay, 5.12 acres; La Ronge, 29.7 acres; Leader, 6.1 acres.

Mr. Dutchak: — I'm sorry. How many in La Ronge?

Mr. Willox: — 29.7 acres. Leader, 6.1 acres; Makwa, 2.75 acres.

Mr. Dutchak: — Do you have the vendors' names on those land purchases?

Mr. Willox: — Some of these purchases would have come out of some of our raw land holdings, but again we would have the names and we could provide that information.

Mr. Katzman: — When you say it came out of our raw land holdings, what does that mean?

Mr. Willox: — In some cases we acquire the land from a raw land holding into development stage. It's just a different accounting process that we go through, and we have separate agreements with the municipalities.

Mr. Katzman: — Well, let me ask it differently then. How much of it was brand-new title to you then? Because you're quoting a lot of these numbers that were not brand new to the government. I think I'm more concerned what you bought from non-government sources.

Mr. Dutchak: — Would it be easier if we referred to the specific area, and then you can give us the information?

Mr. Willox: — Yes. That would help.

Mr. Dutchak: — All right, Churchbridge — was that a new purchase?

Mr. Willox: — That's correct.

Mr. Dutchak: — And who was the owner?

Mr. Willox: — Adrian and Gladys Fiola.

Mr. Dutchak: — Pardon?

Mr. Willox: — Adrian and Gladys Fiola — F-I-O-L-A.

Mr. Katzman: — One question on that. Is this piece of property touching town boundaries or within the town? Like, it's not stuff that's a mile or two away?

Mr. Willox: — No, it would be in the immediate proximity to services.

Mr. Dutchak: — It's a village, is it not — Churchbridge?

Mr. Willox: — Yeah.

Mr. Katzman: — Town?

Mr. Willox: — Town.

Mr. Dutchak: — What about La Ronge? Who was the owner? Was that a direct purchase from the private individual or company?

Mr. Willox: — That would have been out of our holdings at the time.

Mr. Dutchak: — And how long had you owned the holdings?

Mr. Willox: — I'm not sure we have that figure here. We can get it and provide that information to you. I think it would be some time.

Mr. Dutchak: — Yeah. That was DNS property, was it?

Mr. Willox: — No, the corporation was directly involved in La Ronge in land development. Both La Ronge and Creighton were initially incorporated municipalities.

Mr. Dutchak: — What about Birch Hills?

Mr. Willox: — Birch Hills — it would appear that that would have been purchased out of our holdings again. I'll have to check. The Birch Hills, I guess, has all been developed, so that would have been a previous holding. We can get you the figures on the development, if you wish.

Mr. Dutchak: — Well, that's fine. You owned it prior to '81?

Mr. Willox: — That's correct. There is 25 lots developed, and we have 24 at the present stage.

Mr. Dutchak: — And your information before you doesn't indicate who the previous registered owner was?

Mr. Willox: — No, we don't have it.

Mr. Katzman: — You must have other land, because I'm waiting for one to be mentioned that you haven't touched yet.

Mr. Willox: — We have other lands that would have been acquired in previous years, and we also have land in various stages of development. There are land holdings throughout the province. In addition to that, we have some sites that were bought specifically for housing projects that were within municipalities — infill land acquisitions, for example.

Mr. Katzman: — Ah, okay. That's what I'm looking at, the infill. You haven't given us the figures on infill then?

Mr. Willox: — No, I haven't.

Mr. Katzman: — Okay. On infill I guess is what I'm looking at right now. And I lay one out — and I'll use it intentionally; it's in my own constituency — in the town of Dalmeny, where I believe you bought 11 lots or something.

Mr. Willox: — We are considering a project in there of 11 units.

Mr. Katzman: — I think we've already got them, under the year under review. But I think today we're looking at swapping some because the community would like no row housing, and has agreed to say, look the man's owned the land. We'll swap you one over here for one over there, so it fits the town better. And I was going to compliment you for doing that, because that's what the council wants, and the town people want. I'm wondering if you have the problem in other areas, where you have bought a block of say infill — four houses in one spot, two houses in another, three or something — where you've taken and said, okay, if the community wants to swap some land so that we don't have four houses similar, like when we come in we tender two or three types of plans and that's it. So they don't want a row to develop, so, yeah, we'll split them around, if that's what the community wants. Do you do that now, often?

Mr. Willox: — Yes, we do. In public housing the traditional approach is to review the project with the municipality. In most cases they acquire the site for the project. With respect to the rural housing program, that's probably where we've been more actively engaged in that with local selection committees, they are normally involved in single lots. In a lot of cases we have subdivisions, and there is some choice as to where the units can be placed, either in the suburban subdivisions or in other areas within the community. The process is to establish a local selection committee that would be involved in assisting the corporation and the town in that regard, and it does allow for the input from residents in the area and where they would like to see the units built.

Mr. Katzman: — Basically what I'm saying, Stan, is this week-end when I happened to stop in Dalmeny for coffee, everybody on the town council was pretty happy with you . . . (inaudible) . . . I guess agreeing to some kind of swap. I really don't know what it's all about, except there was something done. They appreciated whatever it was, and I pass it on to you.

Mr. Dutchak: — Who selects the property that your department purchased in the year under review?

Mr. Willox: — The selection of the property? If we're talking raw land holdings, again we enter into agreement with the municipality. It is normally triggered by a council resolution, and they normally have a particular site or a piece of property in mind. Some of it is based on the extension of trunk services, and logical growth patterns within the municipality. When we're dealing with specific projects, the process is quite similar in that the municipality will make an application for senior citizens' public housing. And they normally have a particular site or location in mind. We do have what is called an investigation meeting with the municipality where the sites are reviewed as to their suitability for the particular project.

Mr. Chairman: — Sorry, I was engaged in an extraneous conversation and I want to frankly confess I've lost track of the conversation . . . (inaudible) . . .

Mr. Katzman: — Basically we've just been talking about the infill and some of the land acquired.

Mr. Dutchak: — He said things are going much better in the last year.

Mr. Chairman: — No, I heard him distinctly disavow that. I wasn't that distracted.

Mr. Katzman: — I think what we discovered is that you have to make a lot of new incentive in the year under review.

Mr. Willox: — Yes, particularly with the rural housing program in terms of the tendering process and the local selection committee process.

Mr. Chairman: — I frankly don't have any questions in this area. I asked some of them last year and the minister was very good in estimates, and I got a lot of these things off my chest in estimates.

Mr. Katzman: — I have one or two more and I'm done then.

Mr. Chairman: — Okay, that's fine. That's good. We'll finish up a little earlier: that's

fine.

Mr. Katzman: — I'm off the year under review and realize that you have the right to . . . (inaudible) . . . But I believe the policy has changed, just like with the non-profit group and the profit group, and I'm not concerned with the today's policy, but on that year you seemed to move away, getting yourself tied in to the . . . where there were overruns, you'd have to pay full price to the certified builder, in the year under review basically. Have you continued that process?

Mr. Willox: — Yes, we have. We are under some pressure from non-profit organizations, particularly native political organizations, to open up some of the units to them. However to date we have been involved in the tender process. There haven't been any contracts awarded to non-profit groups except in northern Saskatchewan, and under the tendering process there is a provision for an incentive for use of native labour in job training.

Mr. Katzman: — The second question, I guess, is re apartment houses. I believe you've been involved with multiple dwellings or fourplexes or whatever, and I seem to see, both in the city and the rural community, some need for these. I'm wondering: are you people finding that it is an administration problem when you get into those multi-dwellings, or do you turn them to communities and they handle them, or is it looking like it may be the way that you'll be doing more work?

Mr. Willox: — With respect to the multi-family housing projects: first, with respect to the administration, we have a number of options as to how the units are administered — local housing groups; we have tendered some to private management firms to carry out the landlord function; and in the small communities where projects are not that large, we have entered into again administrative arrangements with perhaps local individuals to look after the units. Generally it is not a problem for the corporation, particularly with respect to senior citizens' units. They are very well supported in the community and they respect and look after the properties quite well. Some of the lower income groups that have social problems, we can run into some difficulties in the administration, but generally they're handled at the local level.

Mr. Katzman: — I have received information that indicates that if you do multiple dwellings or apartments — you know, those type of things — to stay away from trying to put these fancy kitchens in and so forth. Leave them the pride of their own, and cost-wise and efficiency it's much better for the corporation and the people. Is that correct?

Mr. Willox: — Generally that's correct. The corporation feels — if you're referring to the kitchen by being a main, central eating facility, the corporation has not got involved in that in any heavy way. That's normally a function of nursing home facilities, and virtually all of the units that the corporation builds are what are called self-contained units, with regular fridge and stove within the unit. The only extension to that to date, in general terms, has been where there is a common area or a meeting room we may put a small fridge or stove in the meeting room so they can do some cooking. But it's cooking by the tenants and it's not a service that's provided on a regular basis.

Mr. Katzman: — My final question is . . . Maybe it's a comment rather than a question. It is re the selection committees. I believe, and I say it's a personal belief, and I don't know the corporation's policy now, that the selection committees must be (you indicate they are partially) selecting from the local community first, then the surrounding area — when I say 'surrounding,' I mean the neighbouring area — and then further away. I got involved with one where the selection was geared in such a way that

the local people were getting one out of every second one, and the rest were taken from a long distance away. I was not pleased by that system. I would hope that we refrain from that as much as possible, because I think they're geared to 5 percent or whatever the formula is, but normally it's geared for the local people first, and then outsiders come second.

Mr. Willox: — Yes, I think that would be reinforced through the establishment of the selection committee being two representatives of the council and then a third that the two representatives pick. That would give it more local control. But there have been some complaints about people coming from outside of the community.

Mr. Katzman: — I make the Martensville comment is just, to me, was an atrocious . . . where the community was allowed one, and the second one was picked out of Saskatoon basically.

Mr. Willox: — That's correct.

Mr. Katzman: — That was, you know, totally improper because the community.

Well, not so much the community was involved, except approving the principle, but it's terrible to see local people who could have benefited — would have, you know, really helped them — being overpassed for people totally coming in that had nothing to do with the community. And if you've got away from that, I applaud you for it. Mr. Chairman, I'm done.

Mr. Chairman: — Okay, anything from the member from P.A.-Duck Lake that you haven't already asked? Okay, gentlemen, thank you for attending. There is some information, I guess, we're still waiting on, that you're going to provide. We look forward to receiving that, and again, thank you for your attendance before the committee.

The committee adjourned at 10:40 a.m.