

**April 3, 1984**

**EVENING SESSION**

**MOTIONS**

**Resolution No. 4 – Tourism and Small Business Activities (continued)**

Amendment negatived.

Motion agreed to.

**HON. MR. McLEOD:** -- Mr. Speaker, I would ask for leave of the Assembly to move to government orders.

**MR. SPEAKER:** -- The House Leader has asked for leave. Is leave granted? Leave granted.

**GOVERNMENT ORDERS**

**COMMITTEE OF FINANCE**

**CONSOLIDATED FUND BUDGETARY EXPENDITURE**

**DEPARTMENT OF HIGHWAYS AND TRANSPORTATION**

**Ordinary Expenditure – Vote 16**

**Item 1 (continued)**

**HON. MR. GARNER:** -- Let's let the good times roll, Mr. Chairman.

**MR. LINGENFELTER:** -- Mr. Speaker, or Mr. Chairman, I wonder if the minister – I don't think it was asked yesterday – but could give us a list of the salaries and positions of his deputy minister.

**AN HON. MEMBER:** -- Just a moment. This was asked yesterday.

**MR. LINGENFELTER:** -- I understand that his staff, his personal staff, were asked for it, but what I'm asking for here is the division heads, the executive directors, directors, deputy minister, and associate deputy minister, if you have one. If you'll give me that list and send it across to me.

**HON. MR. GARNER:** -- Mr. Chairman, in the spirit of co-operation, I'd like to send these over to the House Leader of the New Democratic Party.

**MR. LINGENFELTER:** -- Mr. Chairman, I am wondering if the minister can tell me – I know that there was some discussion last day about studies that were done on the private and public sector. I wonder if he can tell me where you got your cost analysis for your claim that the private sector can do it for, I believe you're saying, 20 or 25 per cent less. Can you give me an indication of who did the study, and where those studies are coming from?

**HON. MR. GARNER:** -- Mr. Chairman, the analysis was done by the department staff, meaning the deputy minister and division heads.

**MR. LINGENFELTER:** -- Mr. Chairman, I wouldn't question their ability to do the study, but I would question whether or not you should do the comparing of a public study, which was done independently, with one which was done in-house, and I would just question whether or not those kind of comparisons are, in fact, accurate.

I know that many people, including the 400 who you have fired since you became minister, would seriously question whether or not an in-house closed study was equivalent to a public study being done.

I wonder, Mr. Minister, in fairness to both sides in this issue, whether or not you will table that study done by the department officials.

**HON. MR. GARNER:** -- Well, number one, Mr. Chairman, I did send a copy to the opposition transportation critic last night, so I guess you could say it was tabled. I did share it with the opposition, and I do have a great deal of confidence in the department officials that did do this analysis for the Government of Saskatchewan.

I mean, I don't know how else you could look at it, and I'll go through, if the member opposite would like me to go through it again tonight. Unnecessary? Okay, fine.

**MR. LINGENFELTER:** -- I think, Mr. Minister, the question becomes one of credibility. I think the question is your credibility, Mr. Minister, on the whole issue of who can build roads cheaper, whether the department, in fact, is capable – the people who were hired by your department, and did an excellent job, I believe, in keeping the roads up, some of them for as many as 20 years.

I think that many, many people in the province today, hundreds of them, in fact, and their families, are calling into question not your deputy's credibility; but I believe that you asked your department to establish that, in fact, the private sector could build roads cheaper than the public sector. And I think as well, many people in the province are saying that about you, and I would challenge you to . . . And Mr. Minister, I would challenge you to, to deny that you are attempting personally to carry out a vendetta to prove you right in firing the 400 people.

And I believe that those 400 people, Mr. Minister, and their families and friends, although you will not go ahead and do an independent study, that at the time of the next election an independent study will be done on you, Mr. Minister. Because I can tell you that the public service of Saskatchewan, the best public service in Canada, or in fact in North America prior to your taking office, will, in fact, serve judgement on you, and I tell you that it will not be a good one.

I want to turn for a moment to the auction sale which is coming up in Prince Albert, or, pardon me, in Saskatoon, in the near future. I wonder, Mr. Minister, if you will give me your assessment of what the value of the machinery is.

**HON. MR. GARNER:** -- Well, Mr. Chairman, I have a few brief remarks that I would like to add to this debate here tonight. First of all, we are a little different than the opposition. I guess that's why the people of Saskatchewan selected the Progressive Conservative Party of Saskatchewan to be the government of this province, because they were tired of the old ways.

Now, let me just tell you about some of the old ways, Mr. Chairman. I mean, I go back to when the private sector, the Saskatchewan road builders, asked a former minister of highways and transportation in this province, Mr. Eiling Kramer, if he would table this same analysis, this same cost comparison that had been done, if he would share it with them. No, no, he wouldn't share it with them. I'm sharing it with the opposition, with the people of Saskatchewan, Mr. Chairman. I believe that's honest and open government.

Now, the member opposite is trying to accuse me of instructing the department officials to come up and play some jiggery-pokery game, and twist things around the way the NDP used to, the way the NDP used to, Mr. Chairman. I simply asked them if there had ever been an analysis done with in the department, as cost comparisons between the private sector building roads, and the public, sector building roads. They said, "Yes, it has been done." Well, I said, "who has it been presented to?" Well, I just pointed out that Mr. Kramer had it. He didn't want to share it with the people of Saskatchewan. He didn't want to share it with the opposition at that time. I've done that, Mr. Chairman.

Furthermore, from the royal commission, the Johnson report, 1965 – and I can see we are going to have to re-hash a lot of this again tonight, Mr. Chairman, that we went through last night. I'm going to read a paragraph:

Comparison of cost, Highways Department. It costs approximately 3.3 cents per yard more for government outfits to move earth than for contractors. In other words, it is 18 per cent more costly for the government to do its own road construction.

Now, that's the Johnson report, you know, a royal commission report – not Jim Garner's report, not the department's report – done by the Johnson committee. I mean, Mr. Chairman, this is open government. There it is. I mean, this isn't something that Jim Garner dreamed up. I've asked the department if it was there. Yes, it was there. I'm sharing it with the opposition, with the people of Saskatchewan. As I stated last night, the opposition and I will most likely agree to disagree on this subject. Fair enough, that's what the legislative theme is all about. You know, and you talk about questioning the integrity.

**AN HON. MEMBER:** -- Your integrity.

**HON. MR. GARNER:** -- Well, you know, he can say, question mine. I have asked the professionals, Mr. Chairman, the individuals, design engineers, construction engineers. I've asked the experts for their opinion, their advice. They have brought that forward, Mr. Chairman. That isn't something that Jim Garner dreamed up. I'm not an engineer. I'm a politician. Those members opposite are not engineers, and supposedly politicians. So that's where it stands.

**MR. LINGENFELTER:** -- Mr. Chairman, my question to the minister, after that long non-answer, was what the value of the equipment to be auctioned off in May has been established by your department.

**MR. CHAIRMAN:** -- Excuse me. I believe the answer to that was sent over yesterday to the opposition.

**HON. MR. GARNER:** -- Mr. Chairman, we haven't established a cost of what the equipment really is. You know, we did talk a lot about the equipment, Mr. Chairman, and basically what the problem is: the equipment, we simply turned over to Supply and Services.

**MR. CHAIRMAN:** -- Order. Does the member for Shaunavon want to speak?

**MR. LINGENFELTER:** -- Yes I do. Mr. Chairman, a minute ago you said that the question I asked was out of order because information had been sent over. I wonder if you want to clarify that point for me?

**MR. CHAIRMAN:** -- You're asking a different question than yesterday. The question was raised yesterday in estimates on the very same topic, and the information was sent over to the opposition. Unless it's a different question, or I misunderstand the question, I would think that, on the rule of relevancy, that the same question should not be asked two days in a row and the same information sent. Unless you . . . (inaudible interjection) . . . I'll recognize the member from Shaunavon to clarify that the question is different than the question asked yesterday.

**MR. LINGENFELTER:** -- Well, Mr. Chairman, I think your point being raised – that the information was sent over to this side – inaccurate. I think that's the point that's being questioned here, and I wonder if you can clarify whether the information was sent or not.

**MR. CHAIRMAN:** -- I think the member from Shaunavon is entitled to speak as long as he wishes on the accuracy of the information. So I am going to give you the floor and you can proceed.

**MR. LINGENFELTER:** -- Thank you, thank you very much, Mr. Chairman, for the clarification of that point. I wonder if the minister could tell me why he will not give the information to the opposition about the value of the equipment which he is going to sell.

Mr. Minister, this is the public's equipment; it isn't yours. It belongs to the people of Saskatchewan. And I believe, Mr. Minister, that they have every right to know the value of the equipment which you are going to sell off at the sale in May. And I want to know why you refuse to send that information over.

**HON. MR. GARNER:** -- Well, Mr. Chairman, I can be accused of many things, but I'll tell you the member from Shaunavon isn't going to accuse me of withholding information. I'll tell you that right now.

We sent over a great deal of material, a great deal of figures and facts to the member from Pelly last night. If the member from Shaunavon wasn't here, that's not my fault, Mr. Chairman.

I'm going to read them, once again, into the records for the member. I mean I'm not withholding anything here. I have opened the door to the Department of Highways and Transportation to share this information. I don't know what the cost of this equipment is going to be when it's sold by public auction. I can give the member from Shaunavon what the book value is. The book value is \$6,044,660. The original cost, capital original cost of this equipment was \$13,495,439. The fleet age, 55 per cent was depreciated; average age of the equipment is 12 years, Mr. Chairman.

**MR. LINGENFELTER:** -- Mr. Chairman, I think it would be fair to say that any farmer who has an auction sale, any business person who has an auction sale would establish very clearly the value of the assets that they were going to sell, so they knew whether or not they were being taken to the cleaners or not. And I'll ask you again, Mr. Minister, are you saying that you're auctioning off about \$13 million of public property and you have no idea what kind of money you expect to get out of it? Is that what you're saying?

**HON. MR. GARNER:** -- Well, Mr. Chairman, once again the member from Shaunavon is trying to twist it. I said "the capital original cost." That's when the machine was brand-new – brand-new, not 12

years old, brand new – was \$13,495,439. Now, I don't know what it's worth today. We simply, in the Department of Highways and Transportation . . .

I can give you the book value, and I've given that to you once. If you want, I'll stand here and read it into the record again tonight. Book value of the equipment is \$6,044,660. I, simply as the Minister of Highways and Transportation, took the equipment from this department, gave it to Supply and Services. They are disposing of it through a public auction sale. I shared that auction sale brochure with the members opposite last night in this Assembly. I don't know whether we've got another copy for you tonight. We'll see if we can find another copy. But I've turned the equipment over to the Minister of supply and Services. When his estimates come up, you could maybe direct that question to him.

**MR. LINGENFELTER:** -- Well, Mr. Chairman, the minister is very naïve about the book value. I think that he will realize that a book value has nothing to do with the resale value of equipment. You'll know very well that, for example, in the construction industry or in the farming industry, a tractor that was purchased for \$40,000 five years ago, often will have a resale value in excess of the original value. And I can give you the example of a number of pieces of equipment. For example, an 1135 Massey tractor which was purchased in 1973 for \$11,000 or \$12,000, would have a resale value of \$15,000. And the same is true with highway equipment. And, Mr. Minister, I challenge you to give us a list of what you appraise that equipment at. I simply don't believe that your deputy and your staff don't have any idea of the price of the equipment that you're selling. I simply don't believe that you're that incompetent that you would allow an auction sale of in excess of 5 or 10 or \$15 million to take place, where you have no idea what the resale value of that equipment is. And I want to ask you again, are you telling us that you have, or your department, have no idea what the resale value of the equipment will be at that fire sale which will take place in Saskatoon?

**HON. MR. GARNER:** -- Mr. Chairman, once again I will state that we have turned that equipment over to Supply and Services. There's nothing hidden. It's in Supply and Services. They are conducting the auction sale in Saskatoon on May 16th and 17th, and then maybe we could take those days off and the members opposite could go to the auction sale and maybe buy some equipment to assist them in drilling oil wells or something. I don't know, Mr. Chairman. But I'm just saying that it's a public auction sale. I gave you the book value of it. I gave you what the original capital cost of the equipment was when it was new. That's all we have with the department. We have turned it over to Supply and Services, and I'm very sure my colleague, the Minister of Supply and Services, will be very prepared to field those questions.

**MR. LINGENFELTER:** -- So, Mr. Minister, I want to get one thing clear. No appraisal was done on the equipment before it was put to auction?

**HON. MR. GARNER:** -- Yes, that's correct, by this department.

**MR. LINGENFELTER:** -- Well, I think that this confirms even clearer the belief of many people in the province, when this equipment was put for sale, that the minister simply didn't know what he was doing. I wonder, Mr. Minister, if you can tell me how the equipment was picked? What was the process used to choose what equipment was going to be sold?

**HON. MR. GARNER:** -- Mr. Chairman, wherever there was a need from within the department or for wherever there was better equipment that was there, it was kept for the department. The rest was turned over to Supply and Services for them to use.

**MR. LINGENFELTER:** -- Mr. Minister, I wonder if you will give me a clear-cut definition. How was it established that the equipment in the Shaunavon division, for example, the grader that came out of Shaunavon – how was it established, and who decided which grader and which serial number would be shipped into Regina and Saskatoon to be sold?

**HON. MR. GARNER:** -- Mr. Chairman, the decision was made by the district plus the equipment branch of Department of Highways and Transportation. And what the deputy tells me, is that, if there was an older road grader, maybe it was in Shaunavon, and there was a new one in the surplus equipment, or a newer model, the newer model was then sent out there. The older one was taken in to be put in the auction sale. That's the information I have.

**MR. LINGENFELTER:** -- Mr. Minister, are you saying then that was no request from the department to those divisions to send something in? Or, like I don't think that any member of the staff in the Swift Current division simply wrote into you and said, "I want to send in a grader for the sale." I'd like to know the process that took place from the time you made the decision that you were going to sell off that many million dollars of equipment to help solve your deficit problem, to the point where – and a piece of equipment was sent back in.

**HON. MR. GARNER:** -- Okay, Mr. Chairman, we'll try this one more time. The decision was made – first of all it was equipment that was in works branch. The decision was made with –in this case it would be the Swift Current district and the equipment branch within Humford House. And they would simply analyse if they had an older road grader in, say, Shaunavon, and a newer one left over from works branch, they would trade it around, Mr. Chairman.

I know that's hard for members opposite to understand because they would have simply sold – they would have simply, with their philosophy, they would have sold the new one and kept the old one. But we don't operate that way, Mr. Chairman. It's just the reverse. We wanted to keep the maintenance equipment up in all the districts, so we kept the newer equipment for maintenance and took the older equipment for all over Saskatchewan to put in the auction sale.

**MR. LINGENFELTER:** -- So, Mr. Minister, are you saying that in every case throughout the province, where there was two or three graders, you always took in the older one?

**HON. MR. GARNER:** -- Mr. Chairman, the deputy minister says "Absolutely," and I sure hope it would be absolute.

**MR. LINGENFELTER:** -- I wonder, Mr. Minister, if you can tell me the trucking companies who hauled the equipment from each of the areas and the value, the money that was paid? For example, all the equipment in northern Saskatchewan in a number of areas, Shellbrook, Prince Albert, were established in one area, hauled there and then picked up again and hauled down to Saskatoon.

What I want to know is: who the trucking companies were, whether or not they were tendered (the trucking contracts were tendered), and if so, who got them, and what the amount of the tenders were?

## **INTRODUCTION OF GUESTS**

**HON. MR. DIRKS:** -- Mr. Chairman, I'd like to introduce to the members of the Assembly, and to yourself, a large group of youngsters visiting us this evening. These individuals are seated in the Speaker's gallery, along with some chaperons, and they are members of the Pioneer Club at the Hillsdale Alliance church here in Regina, which happens to be my home church. We're happy that you

could visit with us this evening, and myself and the Minister of Agriculture will be meeting with you in a few minutes.

I would like all hon. members to welcome these special guests to the Assembly this evening.

**HON. MEMBERS:** Hear, hear!

## **COMMITTEE OF FINANCE (continued)**

### **CONSOLIDATED FUND BUDGETARY EXPENDITURES**

#### **DEPARTMENT OF HIGHWAYS AND TRANSPORTATION**

##### **Ordinary Expenditure – Vote 16**

###### **Item 1 (continued)**

**HON. MR. GARNER:** -- Mr. Chairman, I'd also like to welcome those young people to this Assembly here tonight and very hopefully we can conduct ourselves in a very proper manner in front of these children that are the future of Saskatchewan, and look like responsible elected officials, Mr. Chairman.

Mr. Chairman, some of the equipment was hauled by our own department. We did invite tenders and did invite bids for some of the trucking firms that had the capacity to haul this type of equipment. We don't have that information here, but I am very prepared to get that information. We will supply it in writing to the member opposite.

**MR. LUSNEY:** -- Mr. Minister, you mentioned a few moments ago when my colleague questioned you on the kind of equipment that you had up for sale. You said that in most cases you would hope that the newer equipment was being kept, and the older equipment was the equipment that was being sold off. And you basically said the same thing yesterday.

Well, Mr. Minister, I have here an article in the *Star-Phoenix* that says at the sale there are two Fiat-Allis, twin engine, motor scrapers that are on that lot for sale that have just over 500 hours on them. Mr. Minister, those are virtually brand new machines – brand new machines. You do have a grading crew that is still in operation. Why would you be selling two virtually brand new machines at this auction sale if you're saying that what you're selling is equipment that's 10, 15, and 25 years old? Would you not agree that these machines then, if you are going to be keeping any equipment, should have been some of the machines kept?

**HON. MR. GARNER:** -- Mr. Chairman, I'm instructed by the deputy that these pieces of equipment were not satisfactory to the operation, and I won't go into a great deal of detail about it, but they weren't compatible to the rest of the fleet that we have out there. We have enough capacity left for the crews that are left and, but once again, whatever the *Star-Phoenix* prints, I wouldn't absolutely say is, is the gospel truth, Mr. Chairman.

**MR. LUSNEY:** -- Well, Mr. Minister, when he talks about the gospel truth, I hope somebody up above is listening to him because there's been very little of that coming from across the floor. When you state, Mr. Minister, that this equipment was not compatible with the operation that you've got left – now, if you've got any kind of grading crews left, I would think that you'd be trying to keep some of the best equipment. A twin-engine scraper is not something that's overly large. It's not something that's not used

by any construction firm. Why did you feel that you cannot keep these new machines, and maybe sell some of the older ones? What was the reason for you selling the new machines? Why aren't they compatible with the operations you've got left?

**HON. MR. GARNER:** -- Well, Mr. Chairman, I didn't want to get into it, but it looks like we're going to have to.

There isn't, to our knowledge, another road building company in the province of Saskatchewan that has this type of equipment, and everyone has their own preference, but the deputy tells me that these were purchased by the previous administration of this province, and that they're just not, I guess the bottom line to it. I guess they just didn't stand up very well, and they're just not very good equipment.

**MR. LUSNEY:** -- Well, Mr. Minister, I suppose us not being able to prove any different, you could say anything and get away with it.

I haven't heard of too many people complaining about Fiat-Allis equipment, but, since the minister says that it's not good equipment, I suppose Fiat-Allis will have to accept that, and say that it's not good equipment.

Mr. Minister, you talk about a lot of the highway equipment that you're selling off, and the fact that you're selling it off now, you're going to be doing a lot of highway work out there. You're going to be doing a lot of highway work through the private sector.

Well, Mr. Minister, we've debated that point yesterday, and we've got into some of it today again, and I would have to say one thing, that under the previous administration, the private sector has been doing at least 90 per cent of the work or more, and it's continuing to do that now. In most cases, they have hauled as many cubic yards of earth, at least 90 per cent of it, compared to the public sector, the government crews.

And, Mr. Minister, those private contractors did an excellent job in this province. All the roads that they have built, there has been no complaints about it. And nobody has complained about them in the past, as not too many people have complained about the work that the public sector was doing.

The private contractors weren't complaining about the work that the public sector was doing because they have the majority of the large jobs. And all that the public sector was doing was some of the smaller jobs, some of the jobs in the North and the remote areas.

But, Mr. Minister, you tried to make it appear to the public of Saskatchewan as though somehow the department crews were doing so much work, and there was nothing there for the private sector to do – the private contractors didn't have the work. And, Mr. Minister, there is nothing more from the truth than that. None of that is true. The private sector has been doing a lot of the work. They did an excellent job, and there was nobody that disputed that fact.

All we have to do is look at the figures, Mr. Minister. And it indicates that today, under your project array, the private sector is going to move less earth than they did under the previous administration – than they did back under the 1981 and '82 project array. They are going to be having less work now than they did before.

So how can you stand up in this House, Mr. Minister and try to convince them and the public that somehow now they are going to have a lot more work? But you had to get rid of all this highway

equipment to provide them with that work. I'm sure, Mr. Minister, when they came into this House to hear your speech the other day, when you announced your project array, they probably expected a lot more than they received. They probably expected to hear that somehow they were going to have a lot more work than they did in the past, and definitely a lot more than they had in the past two years.

But, Mr. Minister, I would suggest that those contractors probably left here very disappointed because they won't be getting any more work than they had in the 1981-82 project array. You won't be providing them with more work; they won't be moving any more dirt than they did then. In fact, they will be moving less than they did then. So, Mr. Minister, everything that you have been saying here is not totally accurate.

All I can say, Mr. Minister, that while you are trying to make it appear as though you are selling this equipment so the private sector can get this work and keep others employees employed, and while you are firing highway workers and saying that the private sector is now going to employ them, Mr. Minister, that is not accurate also. And the only reason you are getting rid of that highway equipment is because you need the money.

The mismanagement of this government has been so terrible that you are in debt to the point where you have to sell off everything that you possible could, and you use every excuse imaginable to try and justify what you are doing to this province. And that, Mr. Speaker, I think, is a disgrace to any government that goes into government and disposes of assets of the people of Saskatchewan, disposes of their assets without having any credible reason for doing so.

Mr. Minister, I think it is unfortunate that some of the things are happening in Highways and in many other areas of this government. However, I think it does nothing more than just demonstrate the incompetence of this government, and maybe specifically this minister, and I'm sure we could point to other ministers in this government that are going to be doing similar things. But since it will do no good to continue to argue with the minister, I think, Mr. Minister, it just will have to be left to the public to decide, and I'm certain that the public will decide just how wrong you are in what you are doing. The public will decide, Mr. Minister, and when they do, they will let you know. They will let you know that all the things that you are doing, the equipment you're disposing, of the, debt you are putting this province into, the people that you are firing, the deficit that you are putting this province into is going to be rejected by the public, and they will very clearly in the next election, Mr. Minister, let you know that fact. With that, Mr. Minister, I suppose what we can do now is go into the subvotes of the *Estimates* book, and we can continue with these estimates.

**HON. MR. GARNER:** -- Mr. Chairman, it's quite obvious now that, I guess, the member opposite is wrapping up his remarks, I guess, on subvote 1. I guess it's only fair, Mr. Chairman, that I should just share exactly what some of the people of Saskatchewan think about this turning work over to the private sector, what the people of Saskatchewan think of the opposition in this Legislative Chamber. And I've got a letter here, Mr. Chairman, and I think it's very important, and the gentleman asked me to read it into the record for him. And maybe I'll just explain a little bit about it before I go into the letter, and I will be giving you the name. I mean, I've seen members, Mr. Chairman, last night in this Assembly, waving papers around, making allegations, and assumptions, and that. Mr. Chairman, I will give you the name of this individual, the address of this individual, and this individual would also like the press to talk to him, as well too, Mr. Chairman. You know, I mean, what we have here in fact, what we have here is an individual that was totally dissatisfied with the opposition and the NDP in the province of Saskatchewan.

The letter, Mr. Chairman, dated April 3, 1984; 89 Darke Crescent, Regina, Saskatchewan.

We're going to give you the man's name before we even get down there, because you're always hollering about names. It doesn't matter; now they're saying it doesn't matter. I'll give it to you at the end of the letter.

Dear Mr. Garner: After watching the proceedings of the Legislature last night on television, I felt I just had to write you personally. I could not believe the absolute nonsense you had to put up with from the opposition, NDP members. They obviously have got no idea of how roads are built in this province.

Mr. Chairman, this is a very important paragraph right now. I would ask all members of the Assembly to listen to this:

I have voted for the NDP since 1971, but I am never going to make that mistake again. It is clear to me, as a construction worker, that the NDP has no grip on reality, and that they know nothing about the road construction industry.

I will continue, Mr. Chairman.

The NDP seemed to be trying to pretend that only under the Conservative government have road contracts gone to out-of-province firms. I have been in this industry, and I know it well from my many years of experience. I can tell you that many, many contracts have been awarded to companies from other provinces during the 1970s. This didn't only happen in the highways area. No, the NDP allowed construction of many types to be done by non-Saskatchewan firms. I personally worked in two very large jobs in Saskatchewan that were carried out by firms from Alberta. One involved the construction of a gas line from Belle Plaine to the Manitoba border, which was completed in the early 1970s by Mannix Construction, and a second job done by Mannix and Peaben out of Alberta. I would imagine millions of dollars left our province then, but I certainly don't hear the NDP reminding Saskatchewan people about those facts. Once again the NDP are trying to have their cake and eat it too.

I simply could not believe my ears when the members from Quill Lakes and Pelly attempted in vain to analyze cases of asphalt mixing in the Swift Current area. Your answers to him were perfectly correct. I couldn't believe how often you had to repeat your answer. I guess that just proves the lack of knowledge they really have.

The NDP members were making statements based on many assumptions. Mixing of asphalt and aggregate must make allowance for local soil conditions, traffic patterns and types, environmental conditions, and many other things. It is plain that the opposition knows nothing about these factors, or else chooses to ignore them.

Manuals which outline mixing specifications are fine, but they don't tell the whole story. Mixing is an art that takes years of experience and requires a professional at the helm. I could give you examples of cases where the manual was followed to the letter, and the final product was unsatisfactory. This is exactly why it makes no sense to say the specifications cannot have any leeway for adjustment. Road building is a refined science, and those like the NDP who lack significant experience should keep their comments to themselves until they are aware of the facts. Reality is much easier to deal with than fiction. Taxpayers, I believe, want real value for their hard-earned dollars. I do not think taxpayers are as concerned about who does the work,

whether it is government forces or private firms. They want value for their money, and efficient expenditure.

This is a long letter, Mr. Chairman.

You have proven that the private sector can do this work up to 25 per cent cheaper than public forces, based on the indirect costs which are not included in government prices. I can honestly say that if the NDP does not understand this fact of life, then I am frankly surprised that they have as many members as they do sitting in the legislature.

Mr. Chairman . . . (inaudible) . . . This is a letter and I am going to give the man's name and I've given his address. The members opposite can contact him; the members of the media can contact him; the members in the gallery, they can contact him. Mr. Speaker, back to the context of the letter:

Is the NDP not concerned about spending taxpayers' money wisely? (That's a question he asks.) Don't the NDP have any faith in the private sector's ability to contribute to the well-being of our province? Don't the NDP ever talk to the real people in Saskatchewan? Are they completely out of touch with reality? I simply cannot believe what I have been hearing, and quite frankly, it scares me to think that I voted for this dream world political party for 10 years.

Once again, Mr. Chairman, these aren't my remarks, these are remarks of the gentleman that wrote me the letter.

I will do everything I can to spread the truth about the NDP. People must be able to see through their political smoke-screen. People have been misled by the NDP's socialist idea of a big-brother government which must have total control over people's lives. The people of Saskatchewan told the NDP what they could do with their socialist philosophy in 1982, and I am sure they will tell them again and again in elections to come.

All the best to you, Mr. Garner . . . (Good line!) . . . in your government's efforts to streamline government and get the most of Saskatchewan taxpayers. We appreciate your efforts, and don't let the NDP mislead you or the voters. By the way . . .

Very important, Mr. Chairman, this last paragraph.

If you want to make this letter public, I have no hesitation about standing up for what I have said, Again, my best regards. Sincerely, Albert Schultz.

Mr. Chairman, Mr. Albert Schultz lives at 89 Darke Crescent, Regina, Saskatchewan. So members opposite want to contact him, members of the media . . .

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. GARNER:** -- Mr. Chairman, this just points out exactly what is happening in the province of Saskatchewan. Taxpayers are concerned about their dollars. They have confidence in this government and it's very obvious that the opposition do not only have their confidence, they're also losing supporters as well, Mr. Chairman.

**MR. LUSNEY:** -- Well, Mr. Minister, I almost hate to respond to your last statement because I'm not certain that it's worth responding to . . . (inaudible interjection) . . . Yes, as my colleague says, one could almost expect more of the minister.

He quotes a letter that I'm not certain whether he directed someone to write or not, or he just used somebody's name. He quotes in that letter that different mixtures would be required for different road surfaces. That's understandable. But the department very seldom uses mixtures that are below what they have in their manual. And the letter we were quoting from, Mr. Minister – the letter we were quoting from, was the study that was done, an internal memo, that was done within the department on the two contracts mentioned.

Now that, Mr. Minister, was not done by us. It was done by an engineer in your own department, and this is what they sent. This is the information they gave us. So then one would have to say that somewhere, either the person you received the letter from who must have been from the private sector, or the engineers within your department are wrong. Someone has to be wrong. I don't know who it is, and I am not going to try to make that decision, Mr. Minister. It's unfortunate that you have nothing else to add to this debate but what you have stated in that letter, so I think with that, Mr. Minister, we have no choice but to go forward with your estimates.

**MR. KOSKIE:** -- Thank you, Mr. Chairman, I just want to address a couple questions to the Minister. There has been a number of questions asked by my colleague from Shaunavon. In respect to the concern of the sale of the massive amount of equipment, and all of this equipment, presumably, was owned by the Department of Highways. What I am wondering is what you're telling the legislature, is that you, without doing an evaluation, that you have turned over, in other words, an appraisal, by the staff, or by outside appraisers, and you simply turned it over to government services.

Now it seems to me that the Department of Highways has a tremendous amount of experience is so far as being able to evaluate the value of that equipment. And what I'm asking is: why did you choose, as a Minister of Highways who's going to be disposing of millions of dollars worth of equipment – why did you choose not, in fact, to come up with an appraisal of it before you decided to turn it over to government services, who have very, very limited experience with it? Certainly, your department and your engineers have been buying equipment for years, according to your own submission here, during the last 11 years. And so what I'm asking is: do you, or do you not, in fact, have a realistic appraised value of all of that equipment which you turned over to the department of government services?

**HON. MR. GARNER:** -- Well, Mr. Chairman, once again, I stated earlier; we turned that equipment over. I gave you the book value. I gave you what the original capital cost of that equipment was. We've turned that equipment over to the Minister of Supply and Services to dispose of, at an unreserved public auction sale. I don't know of a more fair, more honest way of disposing of the equipment. Now, maybe it's not the NDP way, Mr. Chairman. Maybe we wouldn't sell it to Deanna Koskie, or Linda Koskie, or Morley Koskie, or Ted Koskie. We're going to go through public auction, public auction Mr. Chairman, unreserved public auction, the fairest, most democratic way of turning – dispersing of equipment.

That's the way we do it, Mr. Chairman. They maybe wouldn't do it that way. But they're not government. The people of Saskatchewan didn't want them to be government. It's as simple as that.

**MR. KOSKIE:** -- I want to pursue further on this matter. And I want to indicate to the minister that there is considerable concern in respect to the way in which your government, and all of this equipment, which you had in the possession of the Department of Highways, the method in which you went about obtaining the auctioneer.

I want to tell you that an auctioneer, an auctioneer in this province, voluntarily contacted me and indicated that this is one of the biggest sales that Saskatchewan ever has seen. And I want to tell you that he indicated to me that there are possibly four, four auctioneers, who could, in fact, handle the quality, and the size, and the magnitude of this sale – into millions of dollars. He indicated to me that one of the firms, the member from Melfort is associated with. There is three other firms he indicated that had capacity to do it.

And this individual, and it's known around, you check in your caucus and find out whether or not there isn't concern. Because this engineer, this here auctioneer phoned and indicated that four of them, that he had in fact spent some \$1500 in putting together his submission to the government. And what indeed happened is that after they had expended a good amount of money, that someone decided and advised the particular auctioneer that obtained it to submit a tender at a given value, and that he would, in fact, obtain that contract.

That is, in fact, what is going on. There is a large, large sale and there are, indeed, about four auctioneers in this province that could conduct it. And I'll tell you, if you deal with the larger contractors, the one that has been chosen would not be included in the group.

And I want to say, I want to say, when I get to the minister of government services we're going to be dealing with this further. But there's a lot of suspicion, and it's being handled in such a way that I think that the people of this province are going to be fleeced, and certainly it seems to me that the minister himself has been totally derelict in, in fact, being able to administer his department. And I can understand why he would turn it over to another department because of his inability to have any . . . be able to give any direction to his department.

But certainly, this matter is going to be raised in respect to the hanky-panky which is being indicated as to the method of the selection of the auctioneer.

**HON. MR. GARNER:** -- Well, Mr. Chairman, Mr. Chairman, these questions – and I think the member obviously knows – that these questions should be directed to the Minister of Supply and Services when those estimates are up.

You know, I'm very tempted to go into some orders in council again. Mr. Chairman, but to move along in these estimates I don't think we'll go into that. We'll try and progress ahead in these estimates, Mr. Chairman. Question can be asked to the Minister of Supply and Services.

You know, I'm very tempted to go into some orders in council again, Mr. Chairman, but to move along in these estimates I don't think we'll go into that. We'll try and progress ahead in these estimates, Mr. Chairman. Question can be asked to the Minister of Supply and Services.

**MR. THOMPSON:** -- Thank you, Mr. Chairman. I have a few questions I want to ask the minister regarding the sale of this Highways equipment. And I have found this discussion quite interesting tonight, as I see Conservative members who are over on the other side and on the left of me here, who think this is a great joke – that 440 pieces of highway equipment are being sold – and we, the New Democratic Party on this side, are trying to stop this, this sale of equipment and protect the jobs that we have in this province.

I want to, first of all, Mr. Chairman, ask the minister: did you indicate in this House that your department has not done any appraisal on the equipment that is going up for sale?

**HON. MR. GARNER:** -- Mr. Chairman, we've answered this about 20 times. We'll call this time number 21. Yes, that's correct. We didn't do any appraisal of this. I gave you the original capital cost. I gave you what the book value of that equipment was today.

I simply, as the Minister of Highways and Transportation, turned that equipment from this office over to the Minister of Supply and Services over there. When his estimates come before this Assembly, I am very sure that the minister will be very capable in answering those questions for you about the auction sales.

**MR. THOMPSON:** -- Thank you, Mr. Minister. You have just indicated to this Legislature that your department has not done any appraisals on the equipment that is going up for sale. And he indicates that that is right. Could you also indicate how you arrived at the decision to carry out such an auction of this magnitude and have it as an unreserved auction? Unreserved.

**HON. MR. GARNER:** -- Mr. Chairman, I'm having a hard time following the member, but we'll be patient and move along. Public, unreserved auction sale. A very fair . . . I don't know of a fairer way of disposing of assets that belong to – whether it's a corporation, whether it's a department, whether it's the government – that we are simply here as administrators or behalf of the people of Saskatchewan. Public, unreserved auction sale – no fairer way to do it than that, Mr. Chairman.

**MR. THOMPSON:** -- The Minister indicates that there is no fairer way to auction off the taxpayers' equipment than to have an unreserved auction sale. I say to you, Mr. Minister, that you, your department, did not make an appraisal on one piece of equipment. You are going to be selling motor graders, and motor scrapers and crawler tractors that could be worth up to \$80,000 or more – up to \$80,000 or more, at an unreserved auction sale, which means that if I go in to that auction sale, Mr. Chairman, and there's only one bid and that's a \$1,000 bid, he is the individual who'll walk off with that piece of equipment . . . (inaudible interjection) . . .

Yes, I've been to auction sales, and I know what an unreserved auction sale means. Unreserved means that there is no protection to anybody in there. You haven't even had appraisals. All this equipment should have been appraised. It's by the taxpayers, and there should have been reserved bids to protect the taxpayers in this province. What you are doing is selling off, as you say, \$13 million worth of equipment that was – that was what that equipment cost.

**AN HON. MEMBER:** -- Originally. It's worn out already.

**MR. THOMPSON:** -- Now, okay, okay, the member from Saskatoon, he indicates that it's all worn out. Now I still think, even though the equipment is worn out, you still should have had an appraisal done on each 440 pieces of equipment. Mr. Minister, would you not agree that of the 440 pieces of equipment that you are auctioning off at this unreserved sale, that there was 440 individuals that were hired by the Department of Highways to operate them 440 pieces of equipment?

**HON. MR. GARNER:** -- Mr. Chairman, am I glad the member opposite asked that question, because the deputy has shared some other information with me. Some of that equipment that came from DNS had not turned a wheel for two or three years. The bottom line to it, Mr. Chairman, is that the previous administration had gone out on a buying spree, on a buying spree, Mr. Chairman, and bought more equipment than what we needed. You know, I hear the member opposite saying it's not a fair way to dispose of the assets. Every other company, every other corporation with the road building industry, in

order to disperse their equipment, goes the route of the public auctions. That's how they sell their equipment, Mr. Chairman.

There was additional equipment there from before; some of it in DNS. I mean, and then want to talk about the age of it? I mean, we've already stated to this Assembly, Mr. Chairman, that where we had an older road grader, or an older truck, and with these ones were maybe some newer, we would trade and put the older equipment in there. I'll try and put it into a very understandable scenario, Mr. Chairman, for the members opposite.

We'll take a farmer. The farmer has 3 tractors: 1, 2, 3. He needs two of them, he has one left. This should be very simple. The farmer is not going to let that piece of equipment sit there, depreciate, rot, down in the trees. The farmer is going to disperse that extra equipment.

Mr. Chairman, the deputy also points out here that there was a man to run every piece of equipment. Well we've got cabooses here, 124. I don't know who drives cabooses. You know, I mean, I haven't seen a self-propelled caboose yet, but there's 124 cabooses. There's five conveyers, you know, and I mean, we could go on and on and on. There's some trailers in here, you know, trailers – 51 trailers. Well, I haven't see a self-propelled trailer out there, Mr. Chairman, so you've got 50, and this just off the top, 51 trailers; 124 cabooses; 5 conveyers. You know that men don't drive a trailer, you tow it behind something. You know, the caboose, I've yet to see a self-propelled caboose.

You know, Mr. Chairman, what we're pointing out to the members opposite, there was extra equipment there. I believe we're being a responsible government by dispersing, through a public, unreserved auction sale, this equipment that belongs to the taxpayers of Saskatchewan. The difference, Mr. Chairman, between the NDP and us; we're trying and are running the government like a business. They don't understand it; they don't like it – fair enough. We can agree to disagree, Mr. Chairman.

**MR. THOMPSON:** -- Well, Mr. Minister, you just stood up in this House, and are just making a mockery of that auction sale that you are going to carry out on May 16th and 17th. You are indicating to this House, Mr. Minister, that when I indicated there was 440 . . . that took a man to operate each piece of equipment that you are going to auction off.

You talk about self-propelled trailers, and self-propelled cabooses. The question that I asked you was: did it take one individual to operate each piece of machinery? Now I don't refer to a piece of machinery as a caboose, and you talk about 124 cabooses and so many trailers. And I would say to you, Mr. Minister, that cabooses and trailers are probably in the same category. You are probably talking about the same two pieces of equipment.

But, let's just go back and take 124 or what I was trying to . . . the point I'm trying to make is that you are destroying the lives of 440 families who were fired from Highways. Four hundred and forty individuals who lost their jobs. You are selling off this equipment, and you're standing up and making a mockery of it. You're actually making a joke of the fact that you're auctioning this off, and that some of the figures are not jiving.

I just say to you, Mr. Minister, that when you get through with this auction sale, and you don't realize any more than \$9 million, and you're sacrificing the families of 440 people in this province for the sake of \$9 million to get your cash flow up. I say that this is a inhumane way of operating, and I want to ask you one more question, Mr. Minister. Could you indicate how many jobs have been lost? You talk about transferring equipment from the Department of Northern Saskatchewan to Highways. Yes, you did transfer them, but you also transferred the employees from DNS to Highways that were operating that

machinery in DNS. So don't confuse that issue. You transferred the equipment, and you transferred the employees also. Is that not right?

**HON. MR. GARNER:** -- Mr. Chairman, we'll try and explain it again. We'll go over it again. The member opposite is claiming that there is one man, or one employee, or one person for every piece of equipment. Total piece of equipment . . . Will we agree that there's 440? Four hundred and forty pieces of equipment. In that 440 there are 51 trailers, 124 cabooses, 1 lab trailer, 5 conveyors, and 20 light plants, air compressors, water pumps. Now, I haven't seen too many self-propelled water pumps, or air compressors, or light plants – 201 pieces of the equipment in the sale, Mr. Chairman, and that don't need employees to operate them. The job abolishment, Mr. Chairman, the total reduction in works branch – 208 staff. So, if you'll notice, by the time we take the trailers out, the non self-propelled cabooses, and the light plants that somebody doesn't drive around, you know you are talking about confusing the issue. The member from Athabasca is confusing the issue quite clearly.

In laying out all the facts, I have held back no material from you. I've given you all the material you two have requested. The bottom line, Mr. Chairman, is that we will agree to disagree once again. The members opposite want to spend another 25 to 30 per cent more to build the same type of road in the province of Saskatchewan using the taxpayers' dollars. The Progressive Conservative Government of Saskatchewan, Mr. Chairman, wants to build the roads as efficiently and as effectively for the taxpayers of Saskatchewan. I believe I have a responsibility, as a Minister of Highways and Transportation, to provide the people of Saskatchewan with the best roads at the least amount of tax dollars being spent.

**MR. THOMPSON:** -- Well, Mr. Minister, it's not myself that's confusing the issue. You're confusing the issue and you're also making a mockery of it by talking about "self-propelled," and you keep referring to that. Let's use your figure of self-propelled cabooses. Let's use your figure, Mr. Minister, of 208 individuals who would be operating the machinery that you are going to sell off at an unreserved auction sale. And I just want to close off by saying that an unreserved auction sale for a book value of \$9 million worth of equipment, as you indicate, I say it's worth a lot more than that. And now you're saying that it's only worth \$6 million, and unreserved – unreserved. If I was out buying machinery right now and stockpiling it, like I know some people that are going to be doing, I'd be pretty happy to know that this is what you figure it's worth.

But I want to close off by saying that what you are doing, you are sacrificing the lives and the families, 208 families --if you want to, you can use your figure – by selling off all this highway equipment owned by the people of Saskatchewan at an unreserved auction sale that could bring you as low as \$4 million. And you would sacrifice the families – 208 families in this province – for the type of money that you are going to get. And I say to you, Mr. Minister, after what you have said here tonight, that that machinery – and lots of your colleagues have sat back and said – that that machinery is all wore out, and it's rusted, and you know, and here you are, no appraisals done, unreserved auctions, and saying to the families that they've lost their jobs – well, so what? And I say to you, Mr. Minister, that you and your colleagues will pay for this, and I say that you'll be paying for it within the next year in this province.

**HON. MR. GARNER:** -- Just one quick comment, Mr. Chairman, just to set the record straight. The member from Athabasca stated that the book value, or that I had said the book value was 9 million. I had not said the book value was 9 million. His colleague, the MLA from Pelly, has the sheet there. The book value is, once more, \$6,044,660. You know, I mean, if you're out there talking to your folks and want to pull these figures out of the air, fine and dandy. Let's deal with fact in the Assembly, please.

**MR. KOSKIE:** -- Thank you, Mr. Chairman. I want to challenge, in one way, the statement of the minister, how he is saving taxpayers of this province a great deal of money.

During your administration, I want to indicate that what has happened is that the welfare roll has increased by 17,000 – 17,000 more on welfare. The cost from 1981 to '82 went up from 91 million to 141 million last year, to 170 million, and is rising. You are saying that you're saving the taxpayers of this province money by putting competent individuals out of work and onto welfare. What kind of an economy is this for the people of Saskatchewan?

You are taking the livelihood of people at a time when you cannot, in fact, provide jobs. And as a consequence, in two years from 1981-81 when we were there, \$91 million, it increased to 170 million last year and it's rising this year.

I ask you, Mr. Minister, how can you indicate that this is a saving to the taxpayers of this province when what you're doing is dispossessing people of jobs, putting them on the welfare roll, and you're doubling the cost into the millions in respect to welfare payments? How do you justify it?

**HON. MR. GARNER:** -- No, Mr. Chairman, I am not going to get into the Social Services estimates tonight, I promise you that, but I will just share a couple of acts with you that, you know, January '83 to January '84, and it has to do with highway construction, in part. Eight thousand new people, 8,000 people employed in the labour force. That's increase, Mr. Chairman.

You know, Mr. Chairman, the member's talking about unemployment. Maybe some of the unemployment comes from this, looks like this Koskie family that used to run the government before: this Deanna Koskie, Linda Koskie, Morley Koskie, Ted Koskie. I mean, between brothers or sister-in-laws, you know, I mean, they were paid a great deal of money, Mr. Chairman.

We agree, I guess, Mr. Chairman, to disagree. We will let the people of Saskatchewan decide.

**MR. LUSNEY:** -- Thank you, Mr. Chairman. Just a couple of comments, Mr. Minister. As some of my colleagues were asking questions, you kept referring to the value of the equipment that's there: the book value, and replacement value, and everything else.

Well, Mr. Minister, if we went by what the auctioneer says in his pamphlet, on the last page, he says: "This is one of the largest heavy equipment auction sales ever conducted in North America. Replacement value of over \$40 million." And he says, "Be sure to attend."

That's what the auctioneer says, Mr. Minister. I suppose we have to go by that.

Also, Mr. Minister, I'd like to refer to the letter that you read in this Assembly, and you tried to make it appear as though the information that we were quoting to, which was prepared by an engineer in your department, and the letter that you received that was somehow a letter that was going to make all of us look bad, and I don't know why. I think all it did was make you look worse, because that letter was written by a truck driver who's driving for Botkin Construction, and not an engineer.

Now, he has, I'm sure, a lot of information regarding asphalt and mixtures. And, Mr. Minister, I think it's quite clear that you can apply that information to put your own choosing. As he stated, it's true, there's different mixtures for different surfaces. Some go a lot higher, and other s go a bit lower.

You would have to look on the specific contract, Mr. Minister. We were referring to specific contracts, and that is all we were being critical of – not every road and every mixture. That, Mr. Minister, I would

like to make clear. We were being critical of the two contracts, the specific contracts, not every road surface and every mixture in the province.

So when you read that kind of letter, I'd say that that questions your credibility in this House, because you didn't look at the letter, and you didn't refer to what we were asking you. But you tried to read a letter to try and put something into it which really wasn't there.

**HON. MR. GARNER:** -- Well, Mr. Chairman, I can read the letter into the record again. I've shared the address and the name of the individual. The individual – I guess the members opposite must have contacted him – works for Botkin Construction.

There's no law against that. The man has worked on construction projects in the whole of Saskatchewan. He has worked, Mr. Chairman. He's also done something else. "I have voted . . ." And I challenge the members opposite to contact him, or the members of the media. Call him. He wants to talk to you.

"I have voted . . ." Second paragraph:

I have voted for the NDP since 1971, but I'm never going to make that mistake again. It is clear to me (here's where he states) as a construction worker, that the NDP has no grip on reality and that they know nothing about road construction industry.

Mr. Bud Botkin is a surfacing contractor, knows about laying asphalt, seal coat. I challenge members opposite, and members of the media, to call this individual and ask him for his opinion.

**MR. LUSNEY:** -- Well, Mr. Minister, again, as I said, different rates would apply to different road surfaces, different types of aggregate. We were being specific in our questioning to certain contracts. It does not apply in general. Our questions were specific. So please make it clear to the public that what we were talking about were specific contracts, and not talking in general terms.

So, Mr. Minister, you say that this was a person that voted NDP, and will never vote NDP again. Again, a statement that really questions your credibility. Because I don't think I would even want to say something like that, because I'm sure if I went out there and contacted a number of people, there would probably be some there that would say, "We voted Conservative all the time, but we'll never do that again, either." So, you know, I wouldn't want to be the kind of person to go out there and say that.

Item 1 agreed to.

Items 2 and 3 agreed to.

#### **Item 4**

**MR. LUSNEY:** -- Item 4 – Transportation Planning and Research Division. You've got an increase in staff. Why the increase in staff, Mr. Minister? You've cut back on a lot of the work that you're going to be doing. Why do you need more staff?

**HON. MR. GARNER:** -- Mr. Chairman, that's because of the realignment of the transportation agency, and the transportation policy within Highways and Transportation.

Item 4 agreed to.

Items 5 and 6 agreed to.

### **Item 7**

**MR. LUSNEY:** -- Now we get to the good one, Mr. Minister – Public communications Branch. You've got a fair increase in other expenses under communication, from 275 to \$670,000. Now, Mr. Minister, why would your communications go up so much? Are you now starting to surface roads with paper, or what is it?

I find some difficulty in understanding why there would be such a huge increase in public communications. I know that the minister is trying to convince the public that he is doing so much in highways, by using a lot of press releases. But press releases, Mr. Minister, are not going to provide more work for people of Saskatchewan. So if you could explain why the increase in communications.

**HON. MR. GARNER:** -- I'd be pleased to, Mr. Chairman. Major projects, highway map, construction map, annual report, centre line, safe grant (very good program) driver handbook, highway hotline, miscellaneous brochures and pamphlets, some new projects, drinking and driving campaign – which I don't think members opposite would be opposed to – driver safety campaign, road report, campaign, supplies, rentals, postage, freight. And that, Mr. Chairman, make up that amount.

It's basically – I guess the bottom line to it is – promoting DWI (Driving Without Impairment program), safe driving, and that, in the province of Saskatchewan. Strictly a safety orientated campaign.

**MR. LUSNEY:** -- Mr. Minister, a lot of that service has been provided in the past, and I know there's been a combining of different departments. Could you provide me with a list of what the expenditures were for each one of those, a break down of what you have just stated.

**HON. MR. GARNER:** -- Yes, we'll just provide you with that copy.

**AN HON. MEMBER:** -- Right away.

**HON. MR. GARNER:** -- Oh, we'll give it to you right away, don't worry.

Item 7 agreed to.

### **Item 8**

**MR. LUSNEY:** -- Operations branch, Mr. Minister. You've decreased your staff, and you've also increased, or decreased the amount of other expenses. Could you give me the reason for the decrease there?

**HON. MR. GARNER:** -- Mr. Chairman, it's because of the realignment within DNS (Department of Northern Saskatchewan). That's basically the explanation.

Item 8 agreed to.

### **Item 9**

**MR. LUSNEY:** -- Engineering services. I see a drop in other expenses. Is that because of the engineers that were let go this spring?

**HON. MR. GARNER:** -- That's because of the engineering division, and that branch going to transportation, planning, and research. That's the reason for that.

Item 9 agreed to.

Items 10 to 17 inclusive agreed to.

### **Item 18**

**MR. LUSNEY:** -- You have management services branch, and there's a decrease in staff, but there's quite an increase in total costs. Could you give me a break down of why the increase is there?

**HON. MR. GARNER:** -- Mr. Chairman, that's a transfer from operations branch no. 8, over to no. 18. Where operations branch went down, management services went up.

Item 18 agreed to.

Items 19 and 20 agreed to.

### **Item 21**

**MR. LUSNEY:** -- Driver and Vehicle Safety Services, Mr. Minister. You've got a decrease in staff, but you've got an increase in other expenses. Could you say how come, what the purpose is of the other expense increase?

**HON. MR. GARNER:** -- Mr. Chairman, that's a transfer from the Department of Education on the DWI grant, that's the Driving Without Impairment grant money. That's all that is.

Item 21 agreed to.

Items 22 to 25 inclusive agreed to.

Vote 16 agreed to.

## **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

### **DEPARTMENT OF HIGHWAYS AND TRANSPORTATION**

#### **Capital Expenditure – Vote 17**

#### **Item 1**

**MR. LUSNEY:** -- Mr. Minister, you do have an increase in rural surface transportation, but I see a decrease in urban surface transportation. Could you just give me a break down of those two? Are you using some of that money and putting into rural transportation that would have been used in urban?

**HON. MR. GARNER:** -- That's correct. It's money that the major projects, being Lewvan Drive, 42nd Street bridge, that have been completed. That money is now going and started into urban surface

transportation. It is going into rural surface transportation to build additional roads in rural Saskatchewan.

Item 1 agreed to.

Item 2 agreed to.

### **Item 3**

**MR. LUSNEY:** -- Could you give me a break down of what airstrips you intend to spend some of this money on this year, Mr. Minister?

**HON. MR. GARNER:** -- Mr. Chairman, those are mainly operation and maintenance sections, and I can give you some: Cabri, Eston, Gravelbourg, Kerrobert, Kindersley, Leader, Shaunavon, Rosetown. That's basically operation grants.

**MR. LUSNEY:** -- Mr. Chairman, Mr. Minister, I have no questions for the minister at this time. I have to say I'm a little disappointed in the amount. I only hoped that it would have been higher so that we could have had more roads in this province.

And, at this time, if the minister could send over that information on communications that I asked for, I would appreciate that. And, I'd like to thank his staff, the minister's staff, for putting up with him for the last couple of days and getting these answers to us. Thank you.

**MR. CHAIRMAN:** -- Order, order!

Item 3 agreed to.

Vote 17 agreed to.

## **SUPPLEMENTARY ESTIMATES**

### **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

#### **HIGHWAYS AND TRANSPORTATION**

##### **Ordinary Expenditure – Vote 16**

Item 1 agreed to.

Vote 16 agreed to.

## **SUPPLEMENT ESTIMATES**

### **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

#### **HIGHWAYS AND TRANSPORTATION**

##### **Capital Expenditure – Vote 17**

Item 1 agreed to.

Vote 17 agreed to.

**MR. CHAIRMAN:** -- I would like to thank the minister and his officials. The Minister of Highways.

**HON. MR. GARNER:** -- Mr. Chairman, I would just like to thank all of my officials for the time and effort they put in to providing all members of this Assembly with the information, and I would even like to thank the opposition for the good spirit in which they conducted the questions. So, thank you very much, Mr. Chairman.

## **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

### **EDUCATION**

#### **Ordinary Expenditure – Vote 8**

##### **Item 1**

**MR. CHAIRMAN:** -- Would the minister introduce her officials.

**HON. MRS. SMITH:** -- Thank you, Mr. Chairman. It's my pleasure to introduce, to my immediate right, the deputy minister of education, Mr. Ray Clayton; next to Mr. Clayton is Ken Kirby, the executive director of educational administration; and behind Mr. Kirby is Mr. Gil Dumelie of administration branch. To his immediate left, I have the associate deputy, Mr. Stephen Pillar, and beside him the executive director of regional services, Mr. Peter Dyck.

**MR. KOSKIE:** -- Well, thank you, Mr. Chairman. First of all, Madam Minister, you have now been in the portfolio for about a year. I suspect that you've had an opportunity to review the portfolio in some detail. I think we can agree on the importance of education to the province, and to the young people of this province. And what I would like first of all to address, if you would, if you could indicate your views; what are some of the basic problem areas that you see, if any? And perhaps you could outline the overall direction of your department and some of the goals that you wish to achieve in the field of education.

**HON. MRS. SMITH:** -- Well, Mr. Chairman, the member from Quill Lakes leads off with an interesting statement. Yes, it has been almost a year, short a few months. Perhaps the experience gained nine years previous to that, as a school board member, and having a shared responsibility for the delivery of education in this province, gives one another perspective of education in the province.

I guess what I see as problems are perhaps no different than they were last year or the year before that, and several years before that. One of the main problems that we still deal with is declining enrolment, and that's going to be with us for some time, until the whole effects have problems that education faces is a change in our population, and by that I mean a change in our demographics. We are an older population with less children than what we had before, and that creates some problems. Declining enrolment obviously is one of them. But another spin-off from that is the change in dollars, as to where they go in society, in order to look after the needs of people. One of the other factors I see that faces education is the unstable world market conditions that governments must deal with, because the major dollar into education is government, whether it be federal, provincial, or local. Then it becomes imperative that they have a base of stability. Those are some of the major problems that education faces.

One other to that, would be a change in technology, what that's done to the job market, and what it's going to do to curriculum within the school system.

As to our goals – some of the very basic goals in education are probably fundamental to all political parties, and that is that education must be accessible to all. That is what enables equal opportunity. What we hope to do with education is first of all, to recognize some of the changes that have taken place out there. We would also like to ensure that local autonomy stays where the decisions are made, and that is at the local level; not a centralized move, but perhaps a decentralized move.

Some of the other goals within the government and the department are first of all, ensuring that curriculum is developed and developed soundly. And that will take a partnership to do that between the local government, the teachers, and the Department of Education. So those are in essence, Mr. Chairman, some of the basic goals we must deal with.

**MR. KOSKIE:** -- Well thank you, Madam Minister. I want to, indeed, go into a few of the areas that you have mentioned as important considerations. And the one area that I'd like to go into is the certainty of the accessibility. And I agree that one of the prime objectives that we should have in education is accessibility. And what frightens me in respect to accessibility is really in relation to government's ability to properly fund education. And as a consequence of the direct transfer over to local boards, indeed, the transfer onto parents through user fees.

I want to . . . User fees has been a foreign concept primarily in our educational system. And I'm not indicating or making an accusation that we have had user fees. But, I indicate to the minister that this is a concept that is apparently growing in a province to the west of us, in the richest province, indeed in Canada – Alberta. And I have here a release where it says: "School user fees to be investigated," and the Education Minister, Dave King, indicated that he has dismissed reports: "Parents are being taken to small claims court for failing to pay school user fees," as a myth and a rumour. But it says: "But at least one Alberta school board chairman says the procedure is a standard practise." And what has been developing over there is that there are basic charges being made to students.

We have, in schools in St. Paul, a charge of \$18 registration fee for elementary students; \$30 a year for junior high school population; senior high school students pay 90 cents for each credit they take. Students normally take between 35 and 40 credits. And it goes one and gives examples of other schools in the province of Alberta in which it has become a concern to the public and to the school board, in fact, that these user fees, as I have indicated, the basic charges, book fees, and registration fees are being implemented.

I would hope that the minister here would give us her guarantee that accessibility to education will not be denied to Saskatchewan students by adopting procedures which is becoming common, as I say, in the Tory province of Alberta – in what is considered to be one of the wealthiest provinces in Canada. So I would like her assurances that the accessibility – and many of these poor parents are, in fact, going to court unable to pay, if I read all of the article. And, so what I really want there. . . If the Minister can, in fact, give to this Assembly an assurance that charges of this nature will not become prohibitive in allowing individuals, parents to send their children to schools.

**HON. MRS. SMITH:** -- Mr. Chairman, the hon. member quotes a lot of figures out of Alberta, and maybe he should do his homework as it pertains to Saskatchewan. We did, and that is not an issue in Saskatchewan. What we have that rests, and to a great deal with boards of education, some autonomy and some flexibility, if they get into some program areas that are perhaps outside of the core curriculum. And, when we did some checking on the particular issue when it arose in Alberta, we found that there

was not a great deal here and it was not an issue – that the boards were using sound judgement in some of the projects that they were charging for, and it did not appear to be a problem. You have my assurance, Mr. Member, that accessibility for all is indeed a priority.

**MR. KOSKIE:** -- Well, certainly we all agree with local autonomy and the basic problem that develops and forces boards into unique ways of financing education. The implementation of user fees, just as with universities raising tuition fees, which raised too high, decreased the ability of students to pay those higher fees and so what I, I am really saying here, do you agree that the basic funding of government to education is vital in order, in order to prevent the passing on to individual students and/or parents specific charges in the payment of their education?

**HON. MRS. SMITH:** -- Well, Mr. Chairman, if boards were indeed charging a lot of fees and it got to that point, it would be in violation of a very basic principle that's outlined in legislation, section 144(1) which is "the right to attend school at the cost of the division." So, therefore, I think, you know if people are going to violate that, then naturally it becomes one where the government, the department, and the minister become involved in it.

**MR. KOSKIE:** -- I don't want to pursue this in any great details, but I want to indicate that certainly what is happening in this jurisdiction, as well as in other parts of Canada, is that more and more of less and less money has been apportioned to the local level to raise the money for education. And as indicated here, the government – this is Alberta – has reduced its spending portion to 67 per cent from 85 per cent. And what I'm saying is that what we have to guard against here, in Saskatchewan, is the underfunding of education which, of course, will lead boards to resort to various means of attempting to, attempting to raise sufficient funds for education. And one is the local property tax, which I'll come to, but also, as is happening in Alberta, the user fees are being instituted.

I want to pass on to one other area, and that is the area of collective bargaining. I'm really referring, Madam Minister, to your speech which you gave to the trustees this last fall. This is the December issue of the school trustees association booklet, and in one of the other areas that you address is on collective bargaining. "Let me indicate here that the frustrations with collective bargaining system continue to prevail." I wonder who you were . . .

**MR. CHAIRMAN:** -- Order! Order! Members in the back row are making quite a bit of noise, and it's hard to hear the questions and the answers. I would ask for a little decorum.

**MR. KOSKIE:** -- Thank you, Mr. Chairman. As I was saying, Madam Minister, in respect to your address, the Education Minister's address, to the trustees, one of the areas that you touched on was the area on collective bargaining. And you indicate in that, you state, "The frustrations with collective bargaining system continue to prevail. And noon hour supervision is but one symptom of a much bigger and more complex question." When you're referring to the frustrations of the collective bargaining system, who, in fact, were you referring to? The frustrations in respect to whom?

**HON. MRS. SMITH:** -- Teacher bargaining committees and trustee bargaining committees.

**MR. KOSKIE:** -- Are you indicating to the legislature that you are speaking on behalf of the trustees and on behalf of the teachers, and indicating that there is a frustration. Have you, in fact, been asked to represent, in your speech, that there is a frustration. It seems to me that during the past 11 years that we had a collective bargaining agreement which operated very effectively in this province. So I wonder, is this your impression, or is it representation that you have received on the respective bodies that you refer to.

**HON. MRS. SMITH:** -- No, Mr. Chairman, I am not speaking, or was not speaking on their behalf. The statement was made out of an acknowledgement of concerns that were put forth to me; some by trustees, and some by teachers.

**MR. KOSKIE:** -- You go on to say in this, and I want to get some clarification. Our present system has been in place for almost a decade now, and in some respects it has served the system well. On the other hand, it appears to be creating conflicts and difficulties. You made an analysis, apparently, when you gave this speech, and you came to the conclusion that, in fact, it appears to be creating conflicts and difficulties. I ask you to elucidate on what those particular conflicts and difficulties are, and well, I'll stop at that, and ask you those first.

**HON. MRS. SMITH:** -- Well, I think if you read the whole speech in context, as opposed to one sentence here, and one sentence there, that it would become very clear, and you probably wouldn't need a lot of clarification on it. Yes, the system has been in place for approximately 11, 12 years. That does not mean that it shouldn't be reviewed, nor does it mean that one shouldn't recognize that there is a few problems in a few areas. And what has been suggested because of concerns that have been put forth to me, can we at least try and define the areas of conflict, and define what are the reasons for it? And I think that's only fair game with any program that is in place.

Yes, it seemed to work well in the beginning in a lot of areas. It's working well now. We have some other areas where it doesn't work all that well. And can we sit down and review, and talk about the areas that work well, and those that don't, and why don't they? That's all the statement was.

**MR. KOSKIE:** -- I wonder if the minister has been able, with her discussion, to be able to identify some of the areas creating conflicts and difficulties, and whether she could indicate whether or not she has any proposals to eliminate, or ways of eliminating, or doing away with, the particular conflicts and difficulties that she refers to.

I know you go on to say that there will be discussions carried on. But I wonder if you can articulate why you would be reviewing a system which, during the 11 years that it has been in place has, in my view, and I think in the view of the teachers and the trustees, has worked very well with the introduction of the new Education Act.

I wonder if you can identify any of the areas where you deem that some improvement, or some new approaches could be used.

**HON. MRS. SMITH:** -- I guess, Mr. Chairman, when it comes to the collective bargaining system, and in particular the local bargaining system, one of the concerns that is put forth the most is the matter of time – the amount of time that is spent on behalf of teachers, after they have been working all day long in the classroom, and then going to the bargaining table in the evening. And the same thing for trustees, particularly those that hold down a full-time job. More and more time appears to be going into local bargaining. And in many cases, and I can't define the reasons why, and that's perhaps why it's time to talk about it, is more and more greater conflict is coming in in some areas in the province.

Some of the other areas that are expressed: when collective bargaining first became bilevel, it was basically five mandatory items, and the other portion, provincial bargaining, was very clear cut. And now we are into a bargaining system where it is not just five mandatory items, but growing numbers of various items that lead to another bigger question that is growing, and that is: what is the provincial

salary, the provincially negotiated salary, based upon? And that is a question that is put to me many times. So those are just some of the areas that have been put forth.

**MR. KOSKIE:** -- I just want to pursue one other small area, and then I want to allow an opportunity for another member to ask some questions before I get into the nuts and bolts of it as I see it, which is really the question of the funding and the adequacy of the funding.

It seems to me you also address the question of finance in your speech. One of the areas that has been in discussion, for the last year or more, is in respect to property tax and the role that property tax should pay in respect to financing education. And I wonder . . . the minister has outlined her view. I would like to ask the minister if she would be prepared to indicate her position in respect to the possible elimination of property tax for the purpose of education, or whether she sees an alternate method of financing education, at the same time retaining the local autonomy, which, of course, the boards want and certainly, to be effective, must have. This is a problem, as you indicate, that has been raised, has been with us for a couple of years. What I would really like to know if you could outline, sort of, your basic concept in respect to that subject?

**HON. MRS. SMITH:** -- I guess my position has not changed since 1973, as a trustee or as Minister of Education. When I was president of SSTA (Saskatchewan School Trustees Association), and SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities) started to put forth the idea that education be off property tax, my position to SUMA and SARM at that time was: "I firmly believe that local school boards must retain accountability and accessibility for some dollars at the local level." And I suggested, "If you can tell me or put forth a suggestion of another source of income that allows the flexibility, the accountability, and the autonomy, then put it forth and let's talk about it." To date I have not seen anything come forth. I believe that school boards have the same right to the same base of taxation, the property tax, as the other two local governments in the local government federation, and that's the urban municipalities and the rural.

**MR. KOSKIE:** -- Well, I'll go into this in further detail in a moment. I want to follow up on one other comment in respect to what you've said, and that is your indication that the foundation grant formula . . . It has been suggested the government has changes in mind, and that the capital portion of the formula will change.

As the Minister will, in fact, be aware of, that under the previous administration and continuing into this administration, that in capital construction 90 per cent of the cost of capital construction was, in fact, paid for by the province, but indeed they would go further than that. The 10 per cent that was raised locally by debentures, it's my understanding that, in respect to the interest that had to be paid, that they would be allowed also as an expense; and so, in a sense, we carried on somewhat higher than the 90 per cent in that way. Now I was very concerned, because certainly the minister did raise, in the city of Saskatoon, the question that the government was looking very seriously at reducing the amount of funds that would be made available for capital projects. And I want to ask the minister, has she reviewed that? Has she an intention of, in fact, changing the capital portion of the formula?

**HON. MRS. SMITH:** -- I believe the 10 per cent that you were talking about, you meant to say down payment. I believe you had mentioned the 90 per cent and the 10 per cent, the 10 per cent is the down payment. I'm sure the member from Quill Lake realizes that 100 per cent of the cost of repayment on the principal and interest on debentures is picked up by the department; there is absolutely no intentions of changing that.

We have talked over the last year with a committee made up of department and SSTA (Saskatchewan School Trustees Association), who visited the various regions to talk about the formula and financing in general, including capital financing. And there is one discussion that has taken place over several years, several past years, about the 4 mill versus 5 mill, or 6 mill, and that's an area that we want to pursue with the school boards.

Obviously you have differing opinions from rural versus urban. Urban boards are often into greater building programs than what you find in your rural areas, so they would probably suggest don't do the 4, but if we had to, we can very easily live with the 5 and, of course, rural boards have for some time suggested that for many of them they could go higher than the 4 mill. But that final decision has not been made yet.

**MR. THATCHER:** -- Mr. Chairman, I have a couple of local constituency questions I would like to pose to the minister, and I'd like to thank the opposition critic for permitting me the couple of moments. Madam Minister, we have a strike in Moose Jaw which is an unfortunate one, and it's a very deep rooted one.

One of the issues which has probably led to a great deal of the acrimony which exists between the board and the teachers, historically, has been the issue of noon hour supervision. The issue of noon hour supervision is very vaguely defined by regulation under the Education Act. It is an issue that I think was skirted by the previous government. It is an issue which two years into this government would appear as being skirted again.

I would like to ask the minister, as a former president of the SSTA and Minister of Education, where both you and your department stand on this issue of noon hour supervision? In other words, should teachers be required to do supervision as part of their contract – or should they not?

**HON. MRS. SMITH:** -- Well, I guess my position on noon hour supervision, first of all as a trustee also, and now as minister, has always been one that every worker in society has the right to a duty-free meal time. My position hasn't changed on that. I think these people do, and those people -- you have that right to that duty-free meal time.

I guess on the matter of supervision, at this point in time, that is a locally negotiated matter. There is nowhere in the act that it states the teacher shall do the supervision. It says that a person, a responsible person, shall be delegated the duties of supervision. And perhaps this is where some of the issue comes in that I mentioned earlier, that boards are facing with and raising the question more and more, about the annual salary or a provincially negotiated salary.

That's a question that they're wrestling with, but they're wrestling with it at the level where it belongs, and that's the local level.

**MR. THATCHER:** -- Madam Minister, may I respectfully suggest that the issue is not quite that simple. May I suggest that the issue really isn't that big that it should be left hanging any longer.

As past president of the SSTA, I'm sure you recall the judgement that Mr. Justice Halvorson rendered in a Saskatoon case. And you remember it, I'm sure, much better than I do, but I think I'm quoting him fairly accurately when he indicated that, if the legislators aren't prepared to take a stand on this, why should I? Now I'm not quoting verbatim, but that is essentially what he said.

I was not raising the merits of the issue on either side, Madam Minister. I am posing the question to you, is: isn't it time that that issue be dealt with one way or the other? And that's simply because the previous government didn't have the political courage to deal with. Does that mean that this government should take exactly the same position?

You have indicated a personal preference on it. I may then ask you, are you prepared to present that preference as a minister to this Assembly and clean it up once and for all, one way or the other? And, may I suggest to you that it will remove a source of acrimony on both sides, regardless of which way it is. But, an issue that must be resolved.

**HON. MRS. SMITH:** -- Yes, I recall the Halvorson decision. I would also suggest, if you did a little bit more homework, you would find a few other decisions that had stated something else. Nevertheless, maybe that's the nature of lawyers, and judges: half here, and half over there.

At the present time, we have over 50 per cent of school divisions in this province, that it is not an issue. The issue was settled, if there ever was one, a long time ago by many of these school boards.

Noon hour supervision goes back a long time in cities like Regina, Saskatoon; 20, 25 years. So, to say that this issue is hanging out there with all these school boards is very misleading in terms of the actual numbers that have dealt with the issue.

Now I will be the first to admit that in your area, it's been an issue. And it may very well be an issue for some time; but I don't think that it is up to government at this time to impose a situation regardless of what is out there in those local contracts.

**MR. THATCHER:** -- We've heard the term "local autonomy" used on both sides of the House this afternoon . . . this evening. Madam Minister, under the new Education Act that was established some years ago, the process of negotiation was: four trustees, five representatives of the provincial government, and the teachers. Four trustees, and five government members.

Now, as I recall, Madam Minister, the education critic that used to be on this side used to be very vitriolic on his criticism of the government for this system, this five-four system.

I recall the SSTA (Saskatchewan School Trustees Association), of which you used to be the president, being rather vocal about this system. We're now seeing a budget that is going into the third year, and it would appear that the same system of the previous government is going forth. I ask the minister if this is the same sort of local autonomy that we used to criticize when these people were over there, that we're going to see continuing while you're minister.

**HON. MRS. SMITH:** -- I'm sorry, Mr. Chairman, I don't understand the question. Maybe the member would like to clarify it.

**MR. THATCHER:** -- The question is very simple, Madam Minister. The five-four system -- I'm sure you noticed it when you were president of the SSTA. Four trustees, five representatives of government doing the negotiating with the teachers. They did the negotiations, and then they forwarded the results of their negotiations to the local board for payment.

This is the system that this . . . these people, that the former government used. I see no evidence of this system changing, even though it's been criticized very strongly by members that are still in this Assembly.

So what I'm asking you is, as minister do you approve of this system? This system that we used to criticize so loudly.

**HON. MRS. SMITH:** -- Some time ago the member from Quill Lake had raised a question also on the collective bargaining system and I believe he quoted me. I have indicated to both teachers and trustees that we're going to sit down, and we're going to talk about, and we are going to review the collective bargaining system in Saskatchewan. Now there's many facets to that collective bargaining system, and that also means the make-up of the provincial, the government trustee team. And that will be reviewed over the next year, and whatever comes out of that review, time will tell at the end of that year, but the system does deserve some good frank discussion from all parties involved, trustees, the government, and teachers.

**MR. THATCHER:** -- Madam Minister, if I may cite my own home constituency, Thunder Creek School Unit, and how they're faring under the system for this year: this five-four system which when we were in opposition we so strongly criticized. And after your negotiations were completed this year, the increase for the Thunder Creek school unit . . . pardon me, the shortfall; I'll rephrase that.

The bill for teachers' increases alone in the Thunder Creek school unit is \$183,000. That is the result of the negotiations which have taken place with your five-four system this year. Their increase in grants in their view as of today is virtually zero; now that is their view as of today.

Madam Minister, that means that there is a shortfall over there of about 5.2 mills for this year. Now they've got a few places they can make it up. They can chop teachers, which they have chosen to do. They've chosen to chop a teacher out of Marquis. They've chosen to cut a teacher at Coderre. And since the 1 mill equals approximately one teacher, in other words, the average cost of a teacher is \$33,000. One mill is approximately 34,000. That is the regrettable way to do it, and I say regrettable because if you are in the city, and you've got say 30 teachers in a school and you lose one, that's not serious. But if you are out in Courval or out in Marquis and you've got two or three teachers and you're going to lose one, that's serious.

And I suggest to that it is serious coming from a government that has always spoken very highly of quality of rural life. And I think quality of schools are one of the very basic fabrics of quality of rural life. And the figures I present to in this year's budget under your five-four system, and I'm using only the Thunder Creek school unit. And granted they have some very high assessments there, and I suggest to you that in some units it may be considerably worse where they don't have this level of assessment. But their short fall is 4.2 mills which they must make up internally, or conversely raise the mill rate, and I wonder what benefit it is to a farmer who's been told that he's not going to pay education tax on the home quarter, but at somewhere, is probably going to pay more in the balance of it. So what's the net value to him?

**HON. MRS. SMITH:** -- Well, I'm not sure if the member is suggesting that Thunder Creek didn't get its share in terms of the overall 5 per cent that went into the operating grants in the province. I would suggest that he's wrong and once again, you had better go back and double check those figures, because the increase that Thunder Creek received was 7.35 per cent. At this time, I'm not about to comment on the figures that you have used for 1984 salaries. That is not for release for public information because there was an agreement that nothing would be released until ratified by teachers and trustees. And the ratification date is April 10th.

**MR. THATCHER:** -- I suggest to you, Madam Minister, that my figures are authentic, and I'm sorry if they upset you, but they are authentic; they are accurate, as of to date. And I suggest that there is a problem out there, and much of it is caused because the school unit itself has not input to these negotiations. We have used the term local autonomy. How much autonomy do these school units really have?

How much local autonomy have they really got? You say it is fine for them to negotiate their noon hour supervision issue. That's all right. That's local autonomy. But their biggest cost, about 45 to 60 per cent of their cost, that's a rough average for a rural school unit, is going to be done by the government. You are then going to pass the bill, whatever the negotiated increase is, to that unit. And then, after you pass that bill to them, you don't even cover the negotiated increase that you've had the input into. In other words, Madam Minister, you negotiate the increase; you're not even covering what you've negotiated.

Now that was what these people did. Because, since this five-four system came into effect some years ago, the level of funding, of government funding of school units, has gone from 58 per cent down to about 50 per cent under this five-four system. And I suggest to you, Madam Minister, that is the lack of local autonomy that we used to talk about in opposition, and I pose this question to you: what's different? What are you doing differently in this area that these people used to do, that we used to speak so highly charged against?

**HON. MRS. SMITH:** -- Let me try and respond to you as to what actually happens at a school board level when it comes to what school boards have for local autonomy. Certainly, when it comes to the setting of that salary, which is a major component of a school board's bill, they feel perhaps in a minority position, and in reality I would guess that's what they are. Five-four, that's a very hard reality. But there are other factors that go along with it, such as the number of teachers that one is going to have in a system; the kind of bus route that I'm going to set up; the kind of maintenance that I decide that I'm going to get in. I have the ability to make the decision if I'm going to contract, or I'm going to have my own bus system. I have the powers and the autonomy to decide if I'm going to do teacher aides, or where I'm going to buy my supplies. I have that autonomy. One of the major factors is the number of teachers, the number of administrators within a school system. So there is some flexibility there.

Is the member suggesting that local school boards, that we go back to local bargaining only? I don't think he is; and I don't think he would find very many school boards, nor teachers, that would agree with him on that point.

**MR. THATCHER:** -- Madam Minister, one last question, and it's a repetition. What else has changed? What's changed?

**HON. MRS. SMITH:** -- The member asks what else has changed. Maybe if the member were around more often, he would know what has changed. The basic part of it is probably an attitude that has changed, with some given areas that need thorough discussion for possible changes in the future. One of the other factors is ongoing discussions, the inclusion of SSTA, to go around to the province and let's talk about finance with your school boards. That's a change. The other is the inclusion of their president, to have some direct input into future direction of instruction and curriculum in this province. That's a change. And if you have all night, we can go on with some more.

**MR. KOSKIE:** -- Mr. Chairman, I want to, perhaps, pursue a bit an area of considerable concern, as the member from Thunder Creek indicated, and that is in the city of Moose Jaw we have over 1,500 students not attending classes, and, as the minister knows, that the negotiations have been going on for two and one-half years.

We have seen the school board in this instance repeatedly go to court on several occasions, and again the parents of Moose Jaw, I am advised over 500 of them, met with members of the board and also members of the teachers. And I want to say that there is deep concern in the city of Moose Jaw on behalf of the, certainly, the parents, for their children.

We have here a profession, group of school teachers, who do not want to revert to strike actions. And we have the consequences of what is taking place here, is that the board has now considered that it will again pursue the court route. And we have been asking you, Madam Minister, a number of questions each day. Will you, in fact, not sit on the fence, but, in fact, discuss with the various parties of the dispute, use your good offices in order to get them back to the bargaining tables? Rather than a continuation of a very expensive court actions which really doesn't resolve the basic, the basic problem? Why haven't you given some leadership? If you don't want to take a position on the main issue, which you have indicated, why have you not, in fact, used your good office to attempt to bring the two parties together?

**HON. MRS. SMITH:** -- Well, Mr. Chairman, it's very simple, and I would suggest that, if the positions were reversed and it was the member from Quill Lake in here, he wouldn't do anything differently – if he firmly believes in local autonomy. And what we have is an issue based on the local collective bargaining system, and I firmly believe that the best solution will be found at the local level, not the provincial level, in this particular issue.

Certainly I'm concerned, and so is everyone else sitting and watching kids being out of school, when they're supposed to be in school, and I guess one has to have a concern about when the solution will come. But I also believe that those two parties, the board and the teachers LINC (Local Implementation and Negotiation Committee) committee, need some time to find a solution that will be long-term as opposed to a short-term if it were to be immediate government intervention.

**MR. KOSKIE:** -- Madam Minister, you talk about the parties needing time. They have spent two and one-half years on this particular issue, on the dispute that is erupting the education in the city of Moose Jaw. And I want to say also, Madam Minister, that today a group of concerned parents came to your office and indicated to you, I believe, and better that I ask it this way: is it not true, Madam Minister, that a group of concerned parents came to meet with you today?

And I ask you if you would outline to this Assembly what particular approach they requested that you take?

**HON. MRS. SMITH:** -- Yes, I met with a group titled The Concerned Parents Committee. We had a good discussion on the Moose Jaw situation. The length of time without a contract, and some of the other issues.

You know, I'm not sure if the member from Quill Lake is even clear as to what the dispute is. I was asked, by a petition, to give consideration under Section 10 of the legislation, that has these powers for a minister to set up an inquiry into the system. And they listed two points on it, and I'm sorry I don't have it with me to read the two points. But that's basically what was discussed with the committee.

**MR. KOSKIE:** -- Madam Minister, as I've indicated before, two and one-half years have gone by. The parents, concerned parents of the city of Moose Jaw, have taken upon themselves to request independent observers to sit in on the negotiations, with the hope of being able to help, to get the parties to come to a negotiated settlement. They didn't participate.

But I am saying to you here that the board, the concerned parents – they asked the board to allow an independent person, an observer, to sit in on the negotiations that resumed prior to the strike. And what I am saying here is that the parents have endeavoured to take a step forward by getting someone into the situation, that would perhaps decrease the amount of tension, and allow the two parties to address the basic issues.

And, it just seems to me, Madam Minister, that you have an opportunity. You have an opportunity to contact the two individual parties to the dispute, rather than allowing a continuation of the situation, and the direction that the board is going, which is further court actions. That's the considered position that the board is taking. So I'm asking you: why are you delaying in the situation? Why haven't you contracted – why haven't you indeed offered to them some possible names of conciliators which would, in fact, be able to help to bring the parties together to resolve the issues that separate them?

**HON. MRS. SMITH:** -- Your question is: why haven't I been involved in this, and why haven't I suggested to them outside negotiators, mediators, or whatever?

To this date, Mr. Chairman, both sides in the dispute have said, "We want to settle this locally. We do not want outside intervention." They have both said that. They've said, "the ills have been in the system for some time, and we need to iron them out ourselves. We do not want outside intervention."

And until both parties agree that they either cannot come together at the bargaining table and talk about it, or that they agree they need someone else, then I suggest that I should not be involved in that. They need time. They need time now that the strike is on – in its second day – to stand back and analyse the situation and their actions, and the implications with it. And I suggest that they can do that without government intervention.

**MR. KOSKIE:** -- Madam Minister, you address that particular problem that is faced and confronted in Moose Jaw as though here were just two parties involved. I want to say to you that there are a third party, and that is the 1,600 children who are not attending school, and their parents, who are not . . . who want desperately to get the parties together.

And I want to say that when it came to the dairy strike, the Minister of Labour stood up and, well, what we did is offer up a conciliator. And sure, maybe the two parties took it.

But don't you feel that you have at least an obligation to report to this Assembly that you have discussed, at least with the parties concerned, to attempt to persuade them of the magnitude of the implications of the deadlock in the city of Moose Jaw. I want to ask you: have you, in fact, been in touch, since the strike, with the respective parties to the dispute?

**HON. MRS. SMITH:** -- You are suggesting that those people in Moose Jaw do not know the magnitude of the situation. And I not only suggest, but I say that you are wrong. Those are teachers. They're professionals, and those are school board members who have a responsibility and a code of ethics to deliver a service to children. They do know the magnitude of what is going on.

Under our legislation we have two types of bargaining. We have provincial bargaining and local bargaining. And the responsibilities are laid out in legislation as to the process of local bargaining. And now those two parties – you're right there's three parties – there's children; and I would suggest maybe there's even four, if you consider the parents and the community as a whole, because the school does indeed touch everyone in the community.

Your main question was: since the strike has taken place, have I discussed with the respective parties? If you consider the parents' group a respective party, then the answer is yes. If you don't, then the answer is no.

**MR. KOSKIE:** -- Well my view, Madam Minister, that in view of the fact that there is an inflamed situation going on for two and a half years, and you have been a minister for one year, and you saw the deadlock, the continuation of the situation, the court after court challenge of various aspects by the school board. And it seems to me, Madam Minister, that here you do have an obligation, at least, to contact the respective parties to the dispute. Surely you have a concern to get a settlement.

How long is sufficient time, in your view, since you say they need to have time? Can you indicate to us here tonight, how long is sufficient? And let me ask you that question. You say they need more time. Will you define what you mean by more time? How long will you let it go on?

**HON. MRS. SMITH:** -- You know you talk about this issue being inflamed for the last two and a half years. I would suggest, if you were to go in and talk to the good people of Moose Jaw, you would find out that perhaps it's been much longer. And the issue . . . and perhaps the issue is not a simple one, of one area or another. But there are many factors that come into this, whether it be, bargaining issues, the structure of the system, communications. There are many issues, including interpersonal relationships within the systems. And we all know that when things get to a critical stage, and it's a strike action between employer and employee, the things are never simple, and we also know that emotions run high.

I would suggest that if anything is going to inflame this particular situation, it's going to be the politicians that see it as an opportunity for political expediency which does nothing, nothing at all, for the settlement at the local level. And from my side of the House, that is what I see you trying to do with this issue, and that's unfortunate.

I do have a concern for a settlement. I mean the bargaining table, and the success at the bargaining table, is a good indicator of relationships within a company, a business, a government, within that particular situation. And when you're dealing with people, schools are a human institutions, and children, with children being caught in the middle between two adult groups . . . (inaudible interjection) . . . Would you like the floor? . . . (inaudible interjection) . . . Yes, I have a concern for the settlement. As to what is the proper time, that's something that's going to have to be monitored, and monitored carefully, and we will be doing that.

**MR. KOSKIE:** -- I would imagine that your comments tonight must be very encouraging to the representatives of the parents of those children who met with you today. I think they must be awfully proud, that they have a Minister of Education who says that not enough time has elapsed for her to even take one single action. She won't contact the negotiating team for the teachers. She won't contact the negotiating team of the board. She won't contact, or hasn't apparently, the STF (Saskatchewan Teachers Federation). She hasn't contacted the SSTA (Saskatchewan School Trustees Association) or maybe she has.

I perhaps ask you: have you met with the, or contacted any of those groups – that is the four that I mentioned? Well, I want to ask you specifically: have you in fact met with representatives of the SSTA? Prior to the strike, but just prior to the impending decision which resulted in the strike – prior to the strike, did you meet with the SSTA?

**HON. MRS. SMITH:** -- I guess if there was one thing impressed upon my mind this morning in the meeting with the parents' group, it was how clearly those parents understood the breakdown of the situation in Moose Jaw. They understood that very clearly, and they also understood the necessity to try and get a solution that was initiated at the local level. We agreed upon that, that that is very necessary if the Catholic system in Moose Jaw is to have any kind of long-term viability to it. Your question as to who I've met with: I'm not sure since when. I told you, since the strike began I have only met with the parents' group. If it's some time before that, I could give you a whole list of meetings. If it's within the last two weeks, I have met with SSTA, I have met with parents, I have met with the board, and with a member of LINC.

**MR. KOSKIE:** -- You indicated that the parents certainly wanted a initiated solution at the local level, and I spoke to the group myself, and I don't think that misrepresents their position. I'm not talking about not having it. I'm talking about you using your good offices to, in fact, bring about what the parents are asking to have achieved. And what you are saying, clearly, Madam Minister, is that the situation needs more time. Now I ask you simply, what do you mean by more time? How long will be a sufficient time?

**HON. MRS. SMITH:** -- As to what came out of that parents' group this morning, you know, if you're going to make an accusation that someone's not telling the truth, then make it up front where it can be dealt with, instead of under the table – if you can get out from under it long enough.

As to how much time, if you are ever aware of the school year, the program, the curriculum, how children graduate through it in a given year, the different components that go into the curriculum, time would tell you that it will depend on some circumstances. I indicated to parents, and I've indicated to the media, that we will monitor it. And yes, there does come a time when there should be some intervention on behalf of the children if a whole year's school work is going to be in jeopardy. And that is something that has to be monitored and discussed with the professionals that know what happens when a child is going through a school year.

**MR. KOSKIE:** -- You indicate that you are going to monitor the situation. Would you indicate what that includes – your monitoring – because your action is doing nothing, so perhaps your monitoring will be equal to that.

**HON. MRS. SMITH:** -- At this point in time, what I mean by monitoring is to keep aware of the system to see if there is any movement; to get back to the bargaining table, and at the bargaining table.

**MR. KOSKIE:** -- Who do you expect to receive the information, whether there is any movement, when in fact you have not undertaken even to contact the negotiating team for the respective parties.

**HON. MRS. SMITH:** -- Well, Mr. Chairman, the member is, you know . . . The second day of the strike and you want to talk about an inflamed situation. It's right there, and you're not helping it. Like you must realize that. I can't believe for a grown man that is supposed to understand the school system that you would do that to the children and to those two parties that are trying to come together to get a solution again.

Obviously we have some people in the department and within the system – contacts, regional superintendents, plus the board and the teachers; whether it be the Saskatchewan Teachers' Federation, or whatever. I would be surprised if a Saskatchewan Teachers' Federation is involved in this, or the SSTA. This is a local bargaining matter; not a provincial. But we will have our contacts and be talking to people about it.

**MR. KOSKIE:** -- You will have your people contacting the parties. But you said you're going to give a time. I want to ask you, will you be contacting them within a week? Will you be contacting them tomorrow? Or in some distant future when, in your mind, sufficient time has elapsed.

And moreover, I want to ask the minister then – you indicate in respect to monitoring; and one of the very basic methods that have been used in the negotiation where there are stalemates, if I may use that word, is in respect to having the parties consider having an individual come in and sit down with the parties, and to clarify the issues, and to cut down the tensions that have built up.

And this, it seems to me, is the opportunity that you are failing to avail yourself. Now it seems to me what you're really wanting to do is to have this problem go away by actions in the court; and I'm going to tell you that the board is not going to solve the problems by further court actions. And that is that my understanding is the direction in which this board wants to go. And I think that that type of direction is going to further tear these parties apart.

I think you have an obligation to, at least, to have contacted those parties, in order to offer some alternative solutions to them, and you haven't done it. I want to ask you: why haven't you done it? And I ask you that—you say, they need time. So I'm really saying: here is the situation, I think that as each day goes by and the strike continues that the tensions increase rather than decrease. And you're wanting more time so that this can build up. Perhaps you want one of the parties to be losers in the negotiations.

Education is too important to have winners and losers, if that's your position that you're taking. And the thing that concerns me very much, the thing that concerns me very much, because you know, when I look at the resolutions adopted by the trustees, and one of the issues that are very important in discussions in Moose Jaw. This is the resolution:

Be it resolved that this convention request the amendment of the Education Act to state clearly that noon hour supervision is part of the teachers' duty.

And, so I say to the Minister, your delaying, your sitting on your hands and hoping, is in fact, not assisting the situation. But as the strike continues, the sides will undoubtedly be more fixed than they were in the first few days. And I think that you have not really answered, to this House, why you don't want to offer your good offices to the respective parties, or at least ask them whether your good offices could be used – whether they'd be interested. You haven't even done that, and I think that is really a neglect of the duties of a Minister of Education. I want your comments.

**HON. MRS. SMITH:** -- There are no losers or winners when it comes to a strike situation. And if bargaining takes its proper route, and a settlement is reached, there are no losers or winners. You know, what you are suggesting is just ludicrous – that I hope for losers. I didn't spend nine years on a school board fighting for local autonomy and raising property taxes and fighting the NDP government for money, and to get off our backs and keep their noses out of business to have somebody tell me that I want a loser in a situation. I think you'd better do your homework as to who's credible and who isn't. Your attitude is one . . . (inaudible interjection) . . . Do you want the answer or not? . . . (inaudible interjection) . . . There is a strike, and your first reaction is, do something. Government knows best, do something.

And it's unfortunate that the member from Thunder Creek isn't here right now when he says, "What's different?" What is different in this case is I have sat down, and I have listened to those local people, and they've said, "We don't want outside intervention. We want a chance to settle this locally."

Now, you have to have some faith . . . (inaudible interjection) . . . Well, Mr. Chairman, I'm giving him his answer. He says, "Why haven't you done something?"

The committee reported progress.

The Assembly adjourned at 10:04 p.m.