

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Harper: -- Thank you, Mr. Speaker. Mr. Speaker, I would like to introduce to you and through you to all the members of the House four ladies sitting up in your gallery, Mr. Speaker. It's my wife, Carol, and accompanying her here today is our youngest daughter, Corrin, who is a student at the U of S (University of Saskatchewan) and is on her mid-break here and is spending a few days in the city here with us. And also accompanying them is Carol's sister, Gloria Rudnisky from Swan Plain and with Gloria, is Gloria's daughter, Roxanne Habershtock who is also on a break -- she's part of the teaching profession. And I would wish them a good morning down here and ask all the members to offer them a very warm welcome.

Hon. Members: Hear, hear!

Ms. Murray: Thank you, Mr. Speaker. Mr. Speaker, I'm just delighted on behalf of the member from Elphinstone to introduce to you and through you to my colleagues in the legislature, six grade 12 social studies students from Scott Collegiate in Regina. They are seated in your gallery, Mr. Speaker, and they are accompanied by Ms. Sejal Pilatzke. I'm looking forward to meeting with them later on and I would ask everyone here to join me in welcoming them warmly to this Assembly.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Rural Emergency Health Care

Mr. Boyd: -- Thank you, Mr. Speaker. My questions are for the Minister of Health. Madam Minister, the following event took place in Langenburg, once again one of the towns where rural hospitals had to close their acute care facilities eliminated last year.

Kelly Hertlein's mother was struck by a hockey puck at the local arena and received some medical attention because two EMTs (emergency medical technician) happened to be there watching the game as well. When it became apparent that she needed more in-depth medical attention, they dialed the much-touted emergency number.

Madam Minister, it wasn't a doctor that answered. It wasn't a nurse that answered. It wasn't even the janitor that answered. After many rings one of the residents, a senior at the special care home who happened to be wandering by, answered the phone and then hung up.

Madam Minister, I know you like to think that there are no problems out there in rural Saskatchewan. I

know you have said that medical treatment for rural residents have dramatically improved. But this incident, and hundreds of others like it, tell a different story.

Madam Minister, is this the form that your 24-hour emergency care has taken in small towns or is this simply a job creation scheme for seniors who live in special care homes?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Thank you very much, Mr. Speaker. With respect to the case that the member has mentioned, I have asked the Department of Health to take a look at how the systems are working in that particular town. I do want to mention of course, that if the member wishes to bring those facts to our attention that he has, we will take a look into them as well.

I find that like the case he mentioned here in the House not so long ago, on the Moose Mountain Health District, his facts were incorrect, completely wrong. And I will be pleased . . . and he's aware that they are. In the same way that the facts raised by the member from Greystone were wrong on her particular case. We are prepared to look into these individual cases where problems have arisen and to correct the situation if there's a problem there. The members should feel free to phone my office at any time, provide us with the information, and we'll get on it immediately.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, subsequent to that they phoned again. Finally a nurse from the special care home answered and informed the callers that no doctors were on call. Madam Minister, your wellness program offered them an option, she said. They were informed that medical services could be received in Yorkton, about 70 kilometres away; Esterhazy, about 45 kilometres away, or they could go to Manitoba -- Russell, Manitoba.

We have known for some time that Saskatchewan is closed for business, but they are telling injured people that Saskatchewan is now closed for medical services as well and maybe they should go to Manitoba.

Madam Minister, they were finally able to get a hold of a doctor which had previously treated the family. The patient was driven, not by ambulance but by the RCMP (Royal Canadian Mounted Police), to the hospital in Langenburg where EMTs had to unlock the door because it was locked and closed -- the facility.

The Speaker: -- Order, order. Does the member have a question? I ask the member to put his . . . Order. I'll ask the member to put his question, please.

Mr. Boyd: -- Madam Minister, this sounds like an episode of Keystone Kops except that this happening,

is actually happening to real people in Saskatchewan. Madam Minister, what would have happened if someone in Langenburg would have suffered a severe heart attack or if one of the players at the hockey game received a serious skate laceration or some other emergency? What would you suggest the people of Langenburg do now, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Mr. Speaker, with respect to the situation that the member opposite is mentioning, I believe that from the newspaper reports that I read there were two stitches that were required. And I want to say this: the emergency services are being provided through the long-term care facility in Langenburg and that is where patients should be presenting themselves. And Langenburg is looking at a possibility of having a health centre attached to their long-term care facility. Right now the hospital is separated from the long-term care centre.

Now with respect to whether doctors are on call or not, the member opposite knows full well that that has nothing to do with health reform. It has to do with doctors' practices within their communities. And we do not require doctors to be there. This is up to them, because they're private individuals practising on their own.

However we do want to develop through these health centres multi-disciplinary practices with physicians and nurses working side by side, which is why we've started an advanced clinical nurses' training program to deal with situations particularly in rural Saskatchewan where the physician may have taken the evening off or the weekend off, so that nurses can fill in with advanced clinical training, some of these services.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, the editor of the local paper said that this story would not have been so comical if someone had a severe injury. The editor says, and I quote:

The reality is that we are in much greater danger than we were last year at this time. At that time we had 24-hour emergency treatment available at the old Langenburg hospital, complete with back-up lab and x-ray support.

A person knew that medical assistance would be available at the hospital regardless of the time of day or night.

Such is not the case any longer. Because the new system has not . . .

The Speaker: -- Order, order. Order. The member knows he can't have a long, long preamble to his next question, and I wish the member would put his question.

Mr. Boyd: -- Mr. Speaker, Madam Minister, the editor

of the local newspaper says that your hospital system is a sham; that people in Saskatchewan now have to travel into Manitoba. Madam Minister, will you make the commitment today to the people of Langenburg that you will look into the situation and provide them with 24-hour medical services as is needed in that community?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- The members opposite, as usual, are misinforming the public. At Langenburg they have an acute care nurse on 20 hours in a day and 24 hours a day they have a nurse -- not only a nurse but an acute care nurse for 20 hours a day, and 24 hours a nurse is on call.

For the member opposite to suggest that there isn't medical services in Langenburg 24 hours a day, and there isn't emergency medical services, is false, it's misinformation, it's wrong. And I believe the member is aware of that.

Some Hon. Members: Hear, hear!

Education Funding Cuts

Mr. D'Autremont: -- Thank you, Mr. Speaker. My question is to the Minister of Education. Madam Minister, you've stated that your so-called delivering the promise budget means no program cuts. This is pure balderdash. The day after your budget, one trustee from Saskatoon stated and I quote:

There is no way the board can escape program cuts after sustaining a four percent cut this year".

There was no way they can escape a program cut, Madam Minister. In the light of this fact, how can you possibly say that there will be no program cuts?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: -- Mr. Speaker, I want to thank the member for the question. As all members will know in the Assembly, all school boards in this province were advised about a year ago that there would be a 4 per cent reduction in education funding for the fiscal year 1994-95. It was our opinion that advising school boards one year in advance would give them an opportunity to plan for that fiscal year.

I'm pleased to say to the member opposite that we have announced that there will be no further reductions, barring some unforeseen catastrophe, for the fiscal year 1995-1996.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Well thank you, Mr. Speaker. Madam Minister, what you did is you give them a year to plan your program cuts. The SSTA (Saskatchewan School Trustees Association) says that:

Children in classrooms are going to feel the

effects of this funding cutback.

Children are going to feel the effect of your 1994 budget. The SSTA goes on to say:

The ability of communities to provide high quality education is becoming increasingly jeopardized.

Madam Minister, you know that your '94 budget means quotas; it means program cuts in schools; it means loss of teaching positions; it means hikes to university tuitions. How can you stand here today and claim this budget means no program cuts? How can you say that to Saskatchewan students when you know that isn't true?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: -- Mr. Speaker, I want to thank the member for the question. If he were to look to our Conservative neighbours in Alberta and listen to the budget that was delivered by your Conservative cousins in Alberta, you would know that they cut their education budget by 12.4 per cent.

The Speaker: -- Order, order. I can't hear the minister. There's much too much noise. Order. The noise started at a fairly high level immediately this morning and it just seems to be going up, and I can't hear the question that is asked or the answer that is given. At least we should have that courtesy.

Hon. Ms. Atkinson: -- Not only did the Conservative cousins in Alberta cut education programming in their province by over 12 per cent, but they have in essence gotten rid of school boards, which is the tradition of this province to work in partnership with our educational partners. There will be no public school system or Catholic school system collecting taxes. That is not the route that our government has decided to go. We are working in concert with our partners to deliver an education system that is second to none in this country.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. I'm sure the students in Alberta are glad that the minister is concerned about them. But how about some concern for the students in Saskatchewan?

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Saskatchewan students are going to feel your cut-backs in the classroom, Madam Minister. University students are going to feel your cut-backs with tuition hikes and quotas. Saskatchewan families are going to feel your cut-backs through hikes in their property tax. How and why do you say that this budget means no program cuts and no tax increases when your budget means exactly the opposite?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: -- I want to thank the member for his question. Mr. Speaker, our fiscal turnaround in this province has been unprecedented in Canadian history. The fiscal turnaround in this province is remarkable, and we would not have been able to do that without the help of the Saskatchewan people through their elected local governments like school boards and municipalities.

We applaud our partners because they have worked with us as we've made this remarkable recovery. And because they've worked with us, Mr. Speaker, we can say to our education partners that there will be no further funding reductions.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Madam Minister, I'm sure the students feel as comforted about the idea of no further cuts to their monies as they feel about no program cuts, because it's going to happen. Your government has already increased the deficit by \$2 billion since 1992, and your budget's supposed to mean no tax increases?

Today, Madam Minister, the school boards, to be able to provide the same level of programs and services and maintain the same staff levels as last year, there must be an average of 3 mill increase to the property tax. A 3 mill increase in most areas before -- before -- your 4 per cent cut-back to the K to 12 system. So much for your delivering the promise of no tax increases.

How can you in good conscience, Madam Minister, lead the public to believe that they are safe from tax increases when you know full well that your cuts to education will mean increases to property taxes?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: -- Mr. Speaker, I want to thank the member for the question. As I said earlier, this province has advised our educational partners that there will be no further funding reductions for the 1995-1996 fiscal year. What I said earlier is that we, through our fiscal planning, were able to advise our partners last year of the funding reductions for this year.

As a result of our careful fiscal planning with all of our third parties -- because in fact monies to third parties in essence are two-thirds of a provincial budget -- you have to have your provincial partners onside with you in order to meet the targets that have come about as a result of your fiscal mismanagement from 1982 to 1991. You left us with a \$15 billion debt. All of our partners in this province have helped us meet our targets and we have had a remarkable turnaround, Mr. Member.

Some Hon. Members: Hear, hear!

Farm Safety Nets

Mr. McPherson: -- Thank you, Mr. Speaker. Mr.

Speaker, this question is to the Minister of Agriculture and Food. Before the last election the current Labour minister . . . before the last election the current Labour minister criticized the Conservative Finance minister by saying there were a hundred million better ways for the Finance minister to get money in the hands of farmers than taxing city folks. The member for Churchill Downs said the NDP (New Democratic Party) could find well over a hundred million dollars a year that would pay for GRIP (gross revenue insurance program) and NISA (net income stabilization account) programs just by eliminating waste and mismanagement.

Mr. Minister, when will your government produce the agriculture strategy you have been promising for two and a half years and pay for it the way you promised, by eliminating waste and mismanagement?

Hon. Mr. Cunningham: -- Well, Mr. Speaker, it's great to see that the member from Shaunavon hasn't lost his magic calculator. He can still do the magic numbers. Very simple to bail out the farmers in this province.

The international price war in this province is costing this province . . . the producers in this province lose . . . bases the international price war around a billion dollars a year. Use anybody's numbers; it's somewhere in that neighbourhood is what the international price war is costing the producers of this province.

We have a small economy; we have a million people. If the member opposite is suggesting, as he did when he sat on this side, that we would somewhere find a billion dollars to bail out Saskatchewan farmers -- and that doesn't bail them out. That just makes up the difference on the loss that we're having on international price war -- now I don't know where you'd find that without going to the people of this country and the federal government to get that money. And that, I think, is where you should be talking to Mr. Goodale and your federal counterparts if you really think you're going to find a billion dollars for farmers.

Some Hon. Members: Hear, hear!

Mr. McPherson: -- Thank you, Mr. Speaker. I think translated, what he's saying is they don't have the will or the ability to address the problem. Mr. Speaker, do the members not realize Saskatchewan is a province, an agricultural province, and the NDP is the provincial government in the province? It's just about time for the NDP government to stop passing the buck and blaming the former and federal governments for everything.

To the minister, you have had two and a half years to take your proposals of a revised safety net to the federal government. If your government has a workable plan you want the federal to support, have you ratified it with the farmers, and when will you bring it forward in this Assembly?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: -- Mr. Speaker, we have our ag strategy out and we are carrying forward with it and you can see that in the budget.

I would like to ask the member from Shaunavon where his federal counterparts are; they've cut a hundred million dollars in this budget from agriculture and the program they cut the heaviest was the WGTA (Western Grain Transportation Act) which impacts on Saskatchewan much more than it impacts on any other province. Are we going to pass that . . . that buck has been passed onto us already and we are picking up all that we can possibly pick up in this province.

Some Hon. Members: Hear, hear!

Mr. McPherson: -- Mr. Speaker, before the last provincial election the Premier was quoted as saying, and I quote: farmers are facing tough economic times and the province must do everything we can to keep farmers on the farm.

To the Minister of Agriculture, last fiscal year your department spent \$334 million. In the recent budget, you have allowed only \$321 million to be spent on agriculture. That's a drop of more than \$13 million, and that's the third straight deficit . . . drop in the budget, third straight drop in a row.

Mr. Minister, is this what you do to help farm families? Do you do it by cutting back?

Hon. Mr. Cunningham: -- Mr. Speaker, as the member points out we spent over \$300 million in the ag budget. There's another \$100 million in fuel tax credits and some other benefits that go to farmers. This government, this government is spending something like 10 to 11 per cent of our budget on farmers. We are supporting our farmers.

I would like to know where the member stands on the federal budget that just came out where they are cutting their support to farmers and particularly on cuts to the Crow rate. Where do you stand on cuts to the Crow rate? Where do you stand on interest-free cash advances which your counterparts promised in the past election and have not delivered on? Where does he stand on those issues?

Some Hon. Members: Hear, hear!

Mr. McPherson: -- Mr. Speaker, at a federal-provincial agriculture ministers' meeting in Winnipeg recently, it was revealed that the province of Saskatchewan is projecting a surplus of \$320 million in the GRIP fund. I asked this, I asked this question of the acting minister on February 15 and he refused to answer it.

Now I'm asking the minister: confirm this if it's correct and what plans do you have for this money. And will you commit to returning it to the farm families?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: -- Mr. Speaker, Mr. Speaker, the surpluses in the GRIP fund will depend on the prices and the final prices of the products, and the member well knows that. We will not know those surpluses until the end of the year. I guess what I would like to point out to the member is that if we have a surplus in our fund, that will certainly be different from Alberta and Manitoba, who will have deficits. And guess who gets to pay the deficits? The producers get to pay higher and higher premiums to cover those deficits.

Some Hon. Members: Hear, hear!

Media Services Appointments

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the Deputy Premier. Mr. Deputy Premier, the other day my colleague from Wilkie asked you about what appeared to be a downsizing of government, the disbanding of your cabinet press office.

As it turns out, this wasn't a downsizing at all as all six of these people have resurfaced elsewhere in government. In fact, you moved two of your own political assistants out of the cabinet press office into the media services office, an office that I remind you is supposed to be non-partisan. The other day you hired a new communications event coordinator for this office at a salary range of 51,900 to 67,400 a year.

Mr. Deputy Premier, why were none of these new appointments to media services advertised and open to public competition as a non-partisan office should be?

Hon. Mr. Tchorzewski: -- Mr. Speaker, it is true that the executive council is . . . has been downsized. The member opposite only has to look at the estimates to see the kind of numbers that are there and compare them to last year because the government, as we have done throughout all of the government, has reduced the operating side of government by \$32 million in the last two years; where on a comparative basis with the federal Liberal government is far beyond what they have been able to achieve in their budget.

I think that that's an indication of a commitment to reduce the size of government while protecting, as best we can, the services that go to the people. In the unit that the member opposite asks about, the positions which he refers to are order in council positions and so therefore they have been hired as order in council positions.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Mr. Deputy Premier, in addition to moving two of your political appointees into media services, your new media events coordinator is an individual named Anne Davis. Could you please tell the House if this is the same Anne Davis whose name appears on the list of New Democrats, whose name has appeared in **The Commonwealth** as supporting the Economic Development minister's bid to become

president of the NDP? Is this the same person?

Hon. Mr. Tchorzewski: -- Mr. Speaker, I am not familiar with the activities of this individual in her duties as a citizen, beyond her responsibilities in the office and the position that she holds.

I can say to the member opposite that Anne Davis is a very qualified individual to do what she is doing. We are very happy to be able to have her there to make the contribution, to making this government the best government that this province has ever had. And we will continue to apply that kind of criteria on the people which we hire because the people of Saskatchewan deserve that kind of a consideration, and that's what we will continue to do.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Well, Mr. Deputy Premier, it seems that that was certainly a good career move. And I'll quote from **The Commonwealth** because I have the list here with me. It says, and I quote, Mr. Speaker:

Dwain has a record of commitment to the party and has demonstrated his ability to work with New Democrats to get the (patronage) job done.

Oh, I'm sorry: ". . . to get the job done."

Now a list of 20 people off of here, Mr. Deputy Premier, have already got government jobs. How can you justify media services, which is supposed to be non-partisan, which I as the Leader of the Opposition go down and use, how can you justify putting a person off of this list in there and have the gall to stand in this House and say that she isn't a political appointment doing your political work. How can you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: -- Mr. Speaker, considering that in 1991 the New Democratic Party -- this government -- received 51 per cent of the popular vote, it is not unusual that some of the people who will apply for and get jobs within the government may have been supporters of the New Democratic Party in 1991.

So, Mr. Speaker, just simply because people have views, philosophically and otherwise, shouldn't disqualify them for doing jobs in the government, the public sector, or anywhere else.

The individual the member refers to is perfectly qualified for the position, will make an important contribution to the public service, will serve the Government of Saskatchewan and the members on the opposition, and most importantly, Mr. Speaker, will serve the people of Saskatchewan very well and that's why she is where she is today.

Some Hon. Members: Hear, hear!

Bill No. 17 -- An Act to Amend The Municipal Employees' Superannuation Act

Hon. Ms. MacKinnon: -- Thank you, Mr. Speaker. Mr. Speaker, I move that a Bill to amend The Municipal Employees' Superannuation Act, be now introduced and read a first time.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Mr. Swenson: -- Mr. Speaker, before orders of the day, I would ask leave to make a statement in regards to Mr. Vaive and his leaving the Assembly.

Leave granted.

(1030)

TRIBUTE TO DEPUTY CLERK

Mr. Swenson: -- Thank you, Mr. Speaker, and thank you to all members of the House. I rise today, Mr. Speaker, to wish a fond farewell to Robert Vaive, the Deputy Clerk of our Assembly. As we all know, Bob has sat at the Table in Saskatchewan for the last four years since arriving here from the House of Commons in Ottawa, and is now on his way to the Legislative Assembly of British Columbia.

I'd like to sincerely say that I think that British Columbia's gain this morning, Bob, is our loss because I think both sides of the House would agree, whether it is in here or in committee, that you've certainly been very diligent in your endeavours here.

So I would just like to say to you on behalf of the Progressive Conservative caucus that we wish you well in your new position. I know that you and your family will certainly find Victoria a very pleasant place to live. And one only had to walk outside at minus 26 this morning to realize there's probably warmer places and more inviting.

But we really do appreciate the diligence that you've shown here and we know that the Legislative Assembly in British Columbia will also receive that same diligence. And, Bob, we really do wish you the most sincere congratulations and the best wishes for the future in British Columbia and wherever you happen to go, serving the democratic process in our country. Thank you.

Hon. Members: Hear, hear!

Hon. Mr. Shillington: -- Thank you very much, Mr. Speaker. I thought of this as I drove this morning to the legislature. I couldn't imagine why anyone would want to go to B.C. (British Columbia) this morning as I drove in minus 26 weather at the end of February.

Members of this caucus want to join our colleagues in opposition in wishing Mr. Vaive well. It seems to be our lot to find very talented people and then send them on to B.C. You will join at least one other -- two others, two other Clerks -- who began here in

Saskatchewan. The previous two had a fair amount of ability but don't quite seem to have got that House running as we think it should, so we expect to see a vast improvement in the B.C. legislature from here on in.

Seriously, you have discharged your duties with dignity and ability, and that's much appreciated by members of this Assembly. We don't often take time to say that and we should, but we certainly want to do so now. We very much appreciate the help you've given us, the dignity which you have lent to this Assembly, and we wish you the very best in B.C. Thank you very much.

Hon. Members: Hear, hear!

Mr. Van Mulligen: -- Thank you, Mr. Speaker. Mr. Speaker, it was my pleasure for two years in opposition as chair of the Public Accounts Committee and, more recently, as Chair of the Committee of the Whole, to have worked very closely with Bob Vaive. In those capacities I've gotten to know Bob, and I can say that I have appreciated the sound advice that he has given me over the years, that I appreciated the help that he has given me over the years, in both those capacities and as a member of the legislature.

This is a person with tremendous ability, a good sense of humour, and qualities that the people of B.C. were looking for, and we're going to miss him. And I want to wish him well, and his family, as they take on new challenges on the west coast. I join with the member for Churchill Downs in contemplating the weather. I understand that this opening came about and he was contemplating this as our temperatures were in the neighbourhood of minus 30 to minus 40. And we may be losing him as a misfortune of timing, Mr. Speaker.

But having said all that, I want to wish Bob and his family all the best in B.C. and thank him for his service to the people of Saskatchewan.

Hon. Members: Hear, hear!

Mr. Martens: -- Thank you, Mr. Speaker. I too want to acknowledge the work that Mr. Vaive has done in this Assembly and particularly in Public Accounts. I know that he has provided a very quiet, gentle manner to the committee. I note that he has done that with a great deal of intensity, and the intensity comes when you start talking about hockey and whether you cheer for Toronto or Montreal. And I've noted that he is an avid Montreal fan, which I don't find surprising.

But I know also that he's a fan of the parliamentary system. He worked hard in the House of Parliament in Ottawa. He and I were there last spring for a meeting, and he walked about that building with a sense of reverence and awe that I found was both inspiring and it showed me the kind of person he was. He has a great deal of respect for the democratic process and a great deal of respect for those people who work there, and also for the people who are elected. And that translated itself into a great deal of sympathy -- no, empathy perhaps -- for the kinds of things that we do

in Saskatchewan.

So Robert, on behalf of myself and the rest of the PC (Progressive Conservative) caucus, we want to thank you for that. And you don't have to cheer for the Vancouver Canucks when you go there; you can still cheer for Montreal. Thank you.

Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. It's indeed an honour just to stand in this Assembly and to recognize the work of individuals who work at the Table, and certainly Mr. Vaive. And I want to thank him especially, as chairman of the Regulations Committee, for his involvement, his input. Certainly he's been an inspiration to myself.

Many times as MLAs (Member of the Legislative Assembly) we sit around, we come into this large structure that we call the Legislative Assembly and all these committees that operate, and we begin to wonder where is Z, where does Z come in place in reference to point A in this House and how it operates. And Regulations Committee is a committee that seems to be very insignificant, but it certainly plays an important role, an important part; and as the chairman, I really appreciated Mr. Vaive's time that he spent with me explaining the role and the purpose and just giving me sound advice. And I want to thank him. I want to extend best wishes. Maybe one day we'll join you out in B.C., Robert. Best wishes to you and your family. Thank you.

Hon. Members: Hear, hear!

Mr. Hagel: -- Thank you very much, Mr. Speaker. I intend to be very brief because I'm sure if Mr. Vaive collects the **Hansard** recording of the comments here today, it's about at this point that it'll begin to sound more like a eulogy than a moment of commendation.

So let me be very brief, and simply to say that it's been my honour to serve in the Assembly for the past two and a half years as Deputy Chair of committee, which means that we've spent many hours seated next to each other and trying to bring order where there is disorder at times. And I'd just simply say to Mr. Vaive that I have appreciated the wise counsel and his strong respect for democratic principles, respecting both the need of government to govern and the opposition to challenge. And that I think it's been wisdom that he's brought to give me advice in the carrying out of my roles.

I've also appreciated as well that Mr. Vaive's son and my daughter have been engaged in similar athletic challenges in the province, and that we have had a chance to rub shoulders occasionally away from this Assembly. And I've appreciated coming to know some of his other loves in life, in addition to his appreciation for the parliamentary process.

So I simply would like to say on the public record what I've already said privately to Mr. Vaive: I've enjoyed working together with you, I wish you and your wife

and your family a lot of happiness, and that you'll enjoy your time and the development of your career in British Columbia. Thank you.

Hon. Members: Hear, hear!

Mr. Cline: -- Thank you, Mr. Speaker. I want to rise briefly just as one of the newly elected members, elected in 1991. I believe I am the only one of the speakers who is a newly elected member. And I want to say that as such Mr. Vaive has certainly been very helpful to me and I know to all members in terms of learning our role, and of course we have a lot to learn.

I had the opportunity to be with Mr. Vaive in Toronto when the public accounts committees met last July and also in Ottawa at the Canadian Parliamentary Association conference. Mr. Vaive not only was helpful to me and the members of our committee, but helped us I think represent our province well at those meetings. And I certainly have been impressed and I think my knowledge of the system enriched by being able to work with Mr. Vaive. And I just want to join with others in wishing him all the best. Thank you.

Hon. Members: Hear, hear!

The Speaker: -- I wonder if the members would permit the Speaker to say a few words on behalf of Bob.

This is most difficult for me to have a friend leave. In the last two and a half years, I've gotten to know Bob very well, and as you people are well aware, you baptized me with fire in the first year with the GRIP legislation and the bell-ringing; and Bob was always there with the advice that I needed as a new Speaker and to keep the parliamentary procedure going.

But what I valued mostly of Bob was his quiet way of going about doing things. He never gets too excited about things even if there is a crisis, but you can always count on his valuable advice. And one of the things that I really appreciated was the contacts that he had in Ottawa and the experience he brought with him from Ottawa. If there was ever any advice or information we needed from Ottawa, we could just count on Bob. He had his contacts there and this, as a Speaker, I really did appreciate.

I know, Bob, members have said here that they will miss you and miss you as far as your expertise is concerned in parliamentary procedure. But I can assure the members that the Speaker, the present Speaker, will miss you most of all. As I say, I've counted upon your advice and you've given me very valuable advice in the last two and a half years.

I do want to wish you well. But I do also wish that you would have taken up the question that I asked you the other day about a lateral transfer for the Speaker to Victoria. I know most members would applaud that, but I'm still . . . not only that, but the pay in B.C. is much better too.

But, Bob, I do want to wish you well and I want to wish

your family well. On behalf of the Assembly, I thank you very much for the valuable work that you've done for us not only in the Chamber, but in committee work. It'll be a long, long time before the name of Bob Vaive will be forgotten in this Chamber. Thank you very kindly.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 9 -- An Act to repeal The Agriculture Development Fund Act

Hon. Mr. Cunningham: -- Thank you, Mr. Speaker. Mr. Speaker, at the end of my remarks I'll move second reading of The Agriculture Development Fund Repeal Act, 1994. Mr. Speaker, agriculture research and development is vital to the future of agriculture in Saskatchewan. It is a key component of **Agriculture 2000**, the province's agriculture strategy.

We are seeing major technological advance in areas such as agriculture biotechnology. Success will come provided all interested players are prepared to commit resources toward achieving results. The Government of Saskatchewan needs to be a part of that commitment. We have made some changes to improve the effectiveness of our research funding.

Mr. Speaker, the Saskatchewan Department of Agriculture and Food has undergone a significant restructuring over the past year to improve its efficiency and to position itself for the challenges of the 21st century. As part of that restructuring, the Saskatchewan Agriculture Development Fund, or ADF, rejoined the Department of Agriculture and Food from which it was separated by The Agriculture Development Fund Act in 1989.

Mr. Speaker, provisions in this repeal legislation will transfer all powers, privileges, and duties of ADF to the Minister of Agriculture and Food under The Department of Agriculture Act. All properties belonging to Agriculture Development Fund, both real and personal, is transferred to Her Majesty in the right of Saskatchewan. The assets and liabilities of the funds are transferred to the General Revenue Fund.

The Agriculture Development Fund remains in place but it will operate under The Department of Agriculture Act, as it did prior to October 1989. Consolidation within the department will ensure that agriculture development funding contributes significantly to the province's agriculture strategy that was released in November 1993. The board responsible for allocating research and development funds will be retained.

That board is composed of producers, university, the research community, and Agriculture and Food representatives. The ability of industry representatives

to direct the priorities will not be diminished. In fact I am pleased to report that the board is working very effectively.

(1045)

Mr. Speaker, the Agriculture Development Fund is now being operated very effectively within the department. Repeal of The Agriculture Development Fund Act brings closure to a decision made in the spring of 1993 to simplify and improve the delivery of agricultural research and development funding. Clients have been dealing with the new administrative structure, and now I'm pleased to report are finding it to be a major improvement. Passage of the Act will eliminate the fund's need for a separate annual report and do away with the cost of an outside audit.

Mr. Speaker, repealing The Agriculture Development Fund Act is an administrative requirement to make legislation conform with the new departmental structure for delivering research funding. It is cumulative of a number of changes we have made to make better use of our research dollars.

Therefore I ask members of the Assembly to support this Act and I move second reading of Bill No. 9, The Agriculture Development Fund Repeal Act.

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, as opposition members, we recognize the significance of agriculture in this province, and certainly we can empathize with the government as well as they look at ways and means of cutting down the costs of administering government.

I think, Mr. Speaker, many producers across the province -- and certainly not just across the province of Saskatchewan but across Canada -- are quite well aware of the necessity for ongoing research as we look at the dramatic changes that will be taking place in agriculture; and how we continue to work and support and feed not only this nation but the people of the world.

As I listened to the minister's comments, Mr. Speaker, I would trust that as this ADF fund has been now transferred back to the Department of Agriculture, that it just doesn't get swallowed up in the department, and then all of a sudden disappear. And that may be one of the major concerns, that it is sitting there. Some of the questions that -- as we look at the legislation a little fuller and a little closer -- that we will be able to bring out and bring to the minister's attention, so that indeed we're not only looking at efficiencies but we're looking at still providing an effective service that will continue to meet the challenges of agriculture in the future.

And to allow my colleague responsible for Agriculture to take a further look, I'll move adjournment of debate.

Debate adjourned.

The Speaker: -- Why is the member on his feet?

Hon. Mr. Penner: -- With leave, to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Penner: -- Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly some people in your gallery from the Saskatchewan Energy Authority. They're here to watch the proceedings. They came in after we'd started and I'd like to welcome the chairman of the board and the other members to this Assembly. So would you please welcome them to Regina.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 10 -- An Act to amend The Vegetable and Honey Sales Act

Hon. Mr. Cunningham: -- Thank you, Mr. Speaker. At the end of my remarks I'll move second reading of The Vegetable and Honey Sales Amendment Act, 1994.

Mr. Speaker, the commercial production of fruit is a growing industry in Saskatchewan and provides an important opportunity for diversification and value added processing. The original Vegetable and Honey Sales Act of 1947 provided for inspection, grading, and packaging standards for vegetable and honey commercially marketed in Saskatchewan but did not anticipate a commercial fruit industry. The Vegetable and Honey Sales Amendment Act, 1994 recognizes the development of the industry, and will change the name of the Act to The Vegetable, Fruit and Honey Sales Act, and include fruit under the definition of produce contained in the Act.

As a result of this amendment the Act will allow for the establishment of regulations dealing with commercial fruit marketing in the province. Fruit producers have made great gains in developing markets for Saskatchewan-grown fruits, primarily saskatoons, blueberries, raspberries and strawberries. The necessary harvesting equipment is also now available. Future development will include choke-cherries and plums.

Currently the fruit industry is primarily based on direct producer-to-consumer sales which are exempt from the Act, but as production acreage increases, commercial marketing will develop. The Government of Saskatchewan will be in a position to respond to needs, identified by the industry, by passing regulations to establish grading and packing standards. These standards when required will be established in consultation with the Saskatchewan Fruit Growers' Association.

Mr. Speaker, the government's other purpose in amending the Act is to bring two rather dated sections

up to date. Therefore the Act's wording regarding the method of providing notice under the Act has been changed to delete references to telegrams, and to include telephones and facsimiles as approved methods of providing notice of detained produce shipments.

The new Act deletes references to telegrams, and includes telephones and facsimiles as approved methods of providing notice.

Also the section dealing with violations of the Act has been amended to increase penalties. This is done to ensure that fines provide a relevant deterrent.

Mr. Speaker, I ask the members of the Assembly to support this Act, and I move second reading of Bill No. 10, The Vegetable and Honey Sales Amendment Act, 1994.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, as I was listening to the minister's comments as he introduced the Bill today, he mentioned the fact that there's a need to bring this Act up to date, and I don't think my colleagues and I disagree with that fact. That as we look at our changing society and the changing roles that we all face and certainly the changes in agriculture, and over the past . . . the decade of the '80s, there was talk of diversifying agriculture. And then we've seen the growth of the honey industry in this province; we've seen the growth in the fruit and vegetable industry, and I think it's indeed appropriate that we review legislation.

And I'm sure the minister has taken time to at least consult with honey producers and fruit and vegetable growers, seeking their input regarding some of these changes.

Now as we get into further debate on the Bill, we'll probably be asking the minister who he's consulted with, who he's talked to, what kind of recommendations the groups have come up with, and at the end of the day, we trust when the Bill has finally moved through this Assembly that everyone that will be affected by the Bill will certainly have had the time to voice their concerns and that the government has taken the time to listen. And in bringing a Bill up to date, we are not only just changing it for the sake of changing it, but certainly it's becoming just a lot more clear so that producers that are affected by this Bill in the future will know that they've got all the guidelines and the rules and the regulations in front of them.

And I would suggest that the minister continue this consultative process even as we debate the Bill further, to indeed meet the challenges that we will face in the future.

And at this time I move adjournment of debate.

Debate adjourned.

Bill No. 12 -- An Act to amend The Ombudsman Act

Hon. Mr. Pringle: -- Thank you very much, Mr. Speaker. Mr. Speaker, I'm pleased to rise today to move second reading of The Ombudsman Amendment Act, 1994.

Mr. Speaker, if I could, I'd like to just join my colleagues to say hi to the officials from the institute. And I'm feeling a little extra pressure this morning because Mr. Johnson's a long-term friend and he'll probably report in church on Sunday how I do this morning. So at any rate, welcome here, and it's good to see you.

Mr. Speaker, shortly after forming the government in 1991, we made an important decision, a decision which has improved and will continue to improve the lives of thousands of children and families throughout Saskatchewan. That decision was to make the well-being of Saskatchewan children, youth, and their families a priority.

This has been a big challenge, Mr. Speaker, given the huge debt that was left by the previous administration. And I'm proud to say that in each and every budget since we've formed government we've put additional money into social programs in support of families and children in Saskatchewan.

This government recently announced a series of initiatives under the Saskatchewan action plan for children. These initiatives underline the importance we place on prevention services for children and supports to vulnerable families. These initiatives result from consultation and planning involving many government departments, agencies, private organizations, and individuals.

The action plan is bringing together individuals, organizations, communities, and government to eliminate some of the barriers which have long stood in the way of coordinating policies, programs, and services for children and families.

The principles upon which the action plan is built, Mr. Speaker, state that actions to enhance the well-being of children and youth must be preventative, culturally appropriate, supportive, collaborative, holistic, and empowering. And the best interests of the child must be the primary consideration. It is our belief, Mr. Speaker, that the action plan will act as a catalyst in focusing community efforts to advocate on behalf of children and youth.

Establishment of the Children's Advocate, as an independent voice for Saskatchewan children and youth, is a key component of the action plan. In 1992 this government appointed an independent task force to examine options for child and youth advocacy. The task force met with, or received submissions from, over 100 individuals, organizations and agencies from across the province.

Four main themes dominated the feedback from the task force. Saskatchewan people want a Children's Advocate who: (1) will be a voice for children and youth in crisis; (2) will have a role in community

education and prevention; (3) is independent of control or influence of any government department or minister; and (4) is visible and accessible to the community.

Mr. Speaker, we have listened to the wishes of the public and considered the recommendations of the task force. We are also mindful of our fiscal situation and the need to be as efficient as possible.

As a result, we are proposing implementation of the Children's Advocate to be associated with the Office of the Ombudsman. This has been discussed with the task force chairman, Mr. Speaker, and he is happy with this arrangement.

Most children have at least one, if not many, natural advocates, including their parents and others, who love and care for them on a day-to-day basis. They know there is someone they can turn to for help, someone who will listen to their concerns and who will take action when action is necessary.

The Children's Advocate is not intended to replace the role played by these individuals. There are other children, Mr. Speaker, who have no such independent voice. They may be children who are living away from home because of abuse or neglect within the family; they may be children who find themselves growing up in families where their parents through fear, family belief systems, or lack of skill or education, are unable or unwilling to speak on their behalf. They may be youth serving a custody disposition in a young offender facility, far from home with very little family contact.

These are children and youth who will be most benefited from the presence of the Children's Advocate. The purpose of the advocate, Mr. Speaker, will be to protect the interests of children and youth receiving services from the government to ensure that the services provided are appropriate. This includes children in foster care and group homes.

Mr. Speaker, because we strongly believe that the Children's Advocate must be able to conduct investigations and review situations free of any political or other outside interference.

This Bill provides for the appointment of the advocate for a five-year term by the Lieutenant Governor in Council upon the recommendation of the Legislative Assembly. In this way, the advocate remains independent of any government department or minister accountable to the legislature. Public accountability will be ensured through provision of annual reports to the legislature, including descriptions of the advocate services and the annual report and the annual budget.

The advocate will be appointed in the same manner as the provincial Ombudsman and will be associated with that office. The Ombudsman will have overall responsibility for ensuring the efficient and effective administration of both parts of the office. The Children's Advocate will play a significant role in

ensuring the rights of Saskatchewan children and youth are protected.

To recruit the most suitable candidate, the government is committed to holding a public competition for the office. We will also consult with the opposition on any appointment.

Mr. Speaker, amendments provide the advocate with the power to receive, review, and investigate any matter that comes to his or her attention from any source, including a child. The advocate may become involved in any matter where a child or children are receiving services from any department or agency of government. The advocate will have no jurisdiction to intervene in family relationships or conflict between parents and their children.

Amendments further state that the advocate, wherever appropriate, attempt to resolve the matters that come to his or her attention through the use of negotiation, conciliation, mediation, or other joint problem-solving approaches.

(1100)

In addition, the Children's Advocate may conduct research to improve the interests and well-being of children, and provide advice to any minister responsible for services to children. The advocate will have the ability to make special reports to the legislature at any time, either at the request of the legislature, any minister or department, or upon the initiative of the advocate. The advocate position will be proactive, Mr. Speaker.

Over the past few years, the knowledge we have about what causes children and youth to drop out of school, become violent, break the law, or display anti-social behaviour has grown rapidly. Invariably, the findings of research and studies emphasize the importance of strong, healthy families who are able to consistently and adequately meet the developmental needs of children and youth.

Today, for a number of reasons, many families are experiencing levels of stress with which they are ill-equipped to cope. The result can be conflict, dysfunction, and in many cases abuse of children. Often these results could be avoided simply by making parents more aware of what constitutes normal childhood development and by providing them with effective parenting and conflict resolution skills.

Mr. Speaker, the amendments to The Ombudsman Act provide the advocate with the power and responsibility to become involved in public education regarding the needs, interests, and well-being of children and youth. This provides the advocate with the ability to educate the public to help to reduce the number of children requiring services.

Children and youth residing in foster homes, group homes, young offender facilities, or other homes or places which provide services to children, often have

concerns or questions with respect to their care or treatment. Many of them are extremely reluctant to raise their concerns in writing because of their fear, whether real or imagined, that they may be affected in a negative way in their request for help.

Because we believe every such child and youth has the right to be heard, Mr. Speaker, the amendments further provide that where any such child or youth writes a letter addressed to the Children's Advocate, the letter shall be forwarded immediately, unopened, to the advocate.

Amendments will require the Children's Advocate and all members of his or her staff to maintain confidentiality of client information. Before releasing any information in a report, the advocate must balance the invasion of privacy with the interests of the public, any department or agency other than government, or any person mentioned in the report.

Other amendments are being made, Mr. Speaker, to ensure consistency between the parts of the Act dealing with the Ombudsman and those parts of the Act introducing the advocate. For example, staff will be required to take an oath of confidentiality that references the new name of the legislation. As I stated earlier, I believe the advocate must work in partnership with parents, extended family members, and the community, to care for and protect children.

Furthermore, Mr. Speaker, the advocate must build upon the spirit of community involvement encouraged and developed through Saskatchewan's action plan for children. In this way, both individuals and the community as a whole will become natural advocates for society's youngest members.

Mr. Speaker, we believe that backed by strong, caring, active communities, the amendments I have outlined today represent a significant step towards establishment of an independent voice for Saskatchewan children and youth.

Mr. Speaker, I move second reading of An Act to amend The Ombudsman Act. Thank you.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Mr. Speaker, the other day when the minister first introduced this Act to the Assembly, I was talking with my colleague who at one time was minister of Social Services, and he indicated to me that that was one area that he certainly had taken a look at and would have dearly loved to have brought legislation forward in his tenure as Social Services minister and addressing this question. It speaks to me of the importance of the position, of the advocate on behalf of children, and covering it under The Ombudsman Act.

I think, Mr. Speaker, there isn't any one in our society who doesn't feel that we owe our children something, that we owe them the ability to be able to be spoken out when they have no other avenue to turn to, to feel that they have some one to talk to, to bring forward

some of the problems that they face on a daily basis. And for those of us who know of good homes where families . . . where parents really indeed are providing the food and the clothing and a good home environment, it's hard for us to understand the situations that some children run into that maybe don't have that environment, or other situations where families have abandoned children and children have been maybe placed into foster homes or placed into the care of other individuals who may or may not really reach out to understand and to provide the necessities of children.

I guess if there's a area that is of concern, that people are concerned about, is that this advocacy or this child's advocate doesn't go beyond the means of just being there as a contact person. And the minister indicated that the child's advocate would not be entering into squabbles or disputes between parents and children. And I think that's appropriate because we certainly do not want to go beyond that. We do not want to just create another avenue that gives children a basis whereby they can take advantage of, through just accusations of anger, that arise out of anger, of maybe coming against their parents. And I'm glad to hear that the minister is looking at bringing some firm guidelines to the role of the advocate.

The one thing that I would ask of the minister, and we've asked this regarding the appointment of the provincial Ombudsman . . . The minister has indicated that he's willing to consult with opposition members, that it's going to be an appointment that's going to come before the Legislative Assembly of the province. And the area that I think, if it's going to be really open as the minister has indicated, that there be a process of consultation prior to maybe a screening down to a certain few names and then afterwards you contact the opposition and ask for their input. And I'm asking the minister even now before we get into the further debate on the Bill, that the minister give some consideration. And I note by the nod of the minister's head that certainly it's an avenue that he's willing to look at. And we certainly, as opposition members, appreciate that.

So to allow us the opportunity of looking further at the Bill and what the Bill is really bringing forward, the different sections of the Bill and in introducing the new child's advocate, I would move adjournment of debate.

Debate adjourned.

Bill No. 13 -- An Act to amend The Saskatchewan Assistance Act

Hon. Mr. Pringle: -- Thank you very much, Mr. Speaker. I am pleased to rise today to move second reading of The Saskatchewan Assistance Amendment Act, 1994.

In Saskatchewan extensive reform strategies are under way, Mr. Speaker, which is well known by the Saskatchewan public. Economic development, agriculture, health and wellness, labour policy,

financial control of the province's debt -

_ which is well on track and appreciated by Saskatchewan people -- and Saskatchewan's action plan for children, are just a few of the many examples of Saskatchewan taking innovative approaches.

Approaches, Mr. Speaker, that build hope for the future. Approaches that offer long-term solutions that are holistic and integrative. They involve working collaboratively with communities and increasing the decision making and involvement of those affected by the reforms. In many areas we are building step by step but with a clear vision of where each action will lead us.

Mr. Speaker, we have a major challenge ahead of us. It is time to be innovative in our approach to the delivery of Saskatchewan Assistance Plan benefits. The amendments I am introducing today allow the Department of Social Services to enter into agreements with Indian bands, tribal councils, and other potential agents to deliver the social assistance program. This is a major step forward in demonstrating our responsiveness to the clients we serve.

The province has agreed to participate in the intergovernmental review of social programs recently announced by the federal government. We will ensure that Saskatchewan's social programing is protected while we work with the federal government to ensure greater effectiveness and elimination of duplication by various levels of government.

Approximately 45 per cent of all Social Services expenditures and 50 per cent of expenditures under the Saskatchewan Assistance Plan are currently recovered through cost-sharing agreements with the federal government.

Reform of social programing must not involve more offloading of federal responsibility. Saskatchewan has a proud history of social policy reform. For example, we have been supplementing the income of working poor families with children through our Family Income Plan, the FIP program.

We supplement the income of seniors through the Saskatchewan Income Plan. We offer social assistance clients a continuum of counselling, education, training, and employment opportunities through our New Careers Corporation and offer child care subsidies for low income families requiring child care services.

We know that social security reform cannot just focus on unemployment insurance and social assistance, Mr. Speaker. It must be done in the context of economic development and job creation, labour policy, fair taxation policy, child care, training, and other supports -- a holistic and integrated approach. And we've made this very clear, Mr. Speaker, at the recent federal-provincial conference on income security reform.

We have alerted the federal government that this is a

top priority in the reform process and has to be addressed. We need to address the income supplementation and employment supports for working poor, especially families with children.

Child and family poverty is a growing problem in every part of Canada. Progress must be made on this front. In Saskatchewan we have begun this process, Mr. Speaker, in a steady manner, but we cannot do it alone. We have made important strides but we need continued federal help, Mr. Speaker.

The issue of child poverty is fundamental to Saskatchewan's action plan for children and, I believe, is fundamental to the issues of reform across Canada. New training instruments are required. We also need continued support for our other important social programs like child welfare, family supports, rehabilitation services for those with disabilities -- to name a few.

We are also emphasizing that child care, both as a support to employment and as a contributor to child development, must be included as a key element. We must have a national child care program, Mr. Speaker.

We are willing to work with the federal government on these challenges, and trust they will not renege on further responsibilities and commitments. While we work with the federal government and other provinces on these major reforms, we will also take action to make our own programs more effective and responsive.

Mr. Speaker, this government is firmly committed to assisting and supporting first nations people as they assume increased control over the development and delivery of programs and services for first nations people.

Mr. Speaker, members of this Assembly are aware that last year the federal government unilaterally withdrew from providing social assistance to the Indian people living off the reserve. This action by the federal government left some 10,000 clients with no means of support. The Saskatchewan government intervened on a humanitarian basis, or these people would have had no money for food, clothing, or a roof over their heads.

Our government is committed to ensuring that income security protection is available to all Saskatchewan citizens. The Government of Saskatchewan believes that all services for Indian people are the responsibility of the federal government whether or not they live on the reserve.

Mr. Speaker, my colleagues in caucus are strongly committed in their support of the Federation of Saskatchewan Indian Nations in their determination to ensure that the federal government meets their constitutional responsibilities to Indian people.

To that end our government is supporting a legal action by the Federation of Saskatchewan Indian Nations against the federal government. Mr. Speaker,

we urge our Liberal colleagues in this legislature to do what they can to support this.

In the meantime Indian people, through their bands and tribal councils, have expressed a strong interest in delivering social assistance to their own people. Our government will work cooperatively with them to facilitate their goals of self-determination, in taking responsibility for administering programs which have a significant impact on the lives of their members.

My officials are currently involved in discussions with the Prince Albert Tribal Council for the establishment of agreements with five northern bands to continue to deliver social assistance to their members. Lac La Ronge, Peter Ballantyne, Montreal Lake, Hatchet Lake and Black Lake bands have delivered the social assistance program since the federal government's offloading.

My officials are having ongoing discussions with other tribal councils and bands.

Mr. Speaker, I am proceeding with several other amendments to make the Act more understandable, more readable, and accessible to clients, their advocates, and to all the citizens of the province. These amendments will complement our work in facilitating greater input from clients and advocates for improving the way in which we deliver services.

(1115)

We have developed a user-friendly handbook outlining benefits, responsibilities, and resources available to clients. We have initiated a series of meetings with advocacy groups across Saskatchewan. They have been and will continue to be invited to contribute to the reform process.

I had the pleasure of meeting with the R-COHS (Regina Coalition of Human Services Agencies) group last evening in the city here, an umbrella organizations of NGOs (non-governmental organizations), and that was a very constructive and positive dialogue. After that meeting we established some ongoing processes with a number of those representatives for the reform process.

In addition to advocacy groups being invited to be cooperative with us in the reform process, we are also discussing potential immediate changes in the area of policy, service delivery, and improved communication.

One of the outcomes of the changing directions, consultations, is a task force for improving of the delivery of Saskatchewan Assistance Plan programs. It is expected to lead to development and implementation of a holistic needs assessment and case planning practice, enhanced public education, community involvement, preventative services and integration of social services programs across Saskatchewan.

Mr. Speaker, no municipality has delivered the social

assistance program since 1989. Numerous references in the Act to the municipal delivery process are therefore no longer necessary. Amendments to the wording of the Act, however, does permit third-party agents such as Indian bands, tribal councils, and other potential agents to deliver social assistance on behalf of the province.

I am pleased with the amendments that I have outlined today. They will be a mechanism for our government to use to work towards goals of partnership and empowering people to manage programs which affect them profoundly. We will have an enabling Act which is free of outdated references, making it more useful to Saskatchewan citizens.

Mr. Speaker, I move second reading of An Act to amend The Saskatchewan Assistance Act, 1994.

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I again would commend the minister for bringing forward this piece of legislation. I think there are a few questions, though, that we would like to ask and we look forward to getting into further debate on this Bill, The Saskatchewan Assistance Amendment Act.

There's no doubt that we need to look at more efficient, effective, and supportive ways of delivering support, and I don't think there's a resident in Saskatchewan who doesn't believe that we have some responsibility in providing for the needs of those less fortunate.

If anything, Mr. Speaker, it seems to me though that people are looking for some accountability. And the way our assistance has been handled in the past, I don't know if there's anyone in the public who will not argue that possibly there are abuses in the system and that there are individuals who take advantage of assistance, whether it comes under Agriculture, whether it comes under Social Services, whatever, Mr. Speaker. And I trust that as we enter the debate on this Bill that we can come to a common agreement that there is a means in place of guaranteeing and ensuring that those who need, do receive, get, and benefit and are taken care of and looked after.

Those who are just entering the system for their own personal benefit, that there is a way of -- and I use the word policing; I don't use it maliciously, Mr. Speaker -- but a way of determining that there are people not taking advantage of the system. Because as individuals take advantage of programs that are available, it's a cost to each and every one of us; and especially as taxpayers, we've got to pay for that.

And so as we look at the Bill that the minister has introduced, and as in his remarks and introduction of the Bill, Mr. Speaker, it's our endeavour that through debate and through discussion and questions in this Assembly, as we get into the details of the Bill, that we will all be able to come to a consensus of putting forward a more stringent piece of legislation that indeed meets the needs of individuals and covers up any opportunity of other individuals taking advantage of a system.

And so therefore, to allow us to further review the Bill and to do a more in-depth review of the Bill, Mr. Speaker, I move adjournment of debate.

Debate adjourned.

Bill No. 14 -- An Act to amend The Fuel Tax Act, 1987

Hon. Ms. MacKinnon: -- Thanks very much. Mr. Speaker, I rise today to move second reading of Bill No. 14, An Act to amend The Fuel Tax Act, 1987.

Mr. Speaker, this Bill adds new provisions that will enable Saskatchewan to enter into fuel tax programs and agreements with other jurisdictions in Canada and United States. The purpose of the agreements is to simplify the administration of the fuel tax and make it more equitable. The amendments are necessary, Mr. Speaker, in order for Saskatchewan to join the International Fuel Tax Agreement.

The International Fuel Tax Agreement is a fuel tax agreement for truckers who operate interprovincially and internationally. Mr. Speaker, the IFTA program is a one-stop shopping program that permits truckers to report and account for fuel taxes to their home state or province for all member jurisdictions in which they operate.

Under the agreement the home jurisdiction handles all fuel transactions, redistributes money, conducts audits, and handles reports for all member jurisdictions in which the carrier operates. This benefits truckers by reducing their paper burden and saves them time and money in accounting for and redistributing their fuel taxes payable to those jurisdictions in which they operate.

Mr. Speaker, this Bill is good news for about 350 Saskatchewan truckers who operate in Saskatchewan and in the United States. Joining IFTA will help our truckers compete successfully with truckers in other jurisdictions.

Mr. Speaker, the Saskatchewan Trucking Association and several trucking firms have been requesting Saskatchewan to join IFTA as soon as possible. However, a new jurisdiction can only implement IFTA on July 1 or January 1 in any calendar year. Therefore, Mr. Speaker, it is hoped that Saskatchewan will become a member of IFTA by July 1, 1994 and fully implement the program by January 1, 1995.

Mr. Speaker, currently about half of the American states and the province of Alberta belong to IFTA. By 1996, all but three of the American states will be required by federal law to join IFTA. Also it is anticipated that all Canadian provinces will join IFTA by that time.

Mr. Speaker, in addition to providing Saskatchewan with the authority to enter into IFTA, this Bill provides regulation-making provisions for the procedures, conditions, and terms for issuing IFTA licences to

Saskatchewan carriers. In addition, it enables the Department of Finance to enter into agreements with carriers respecting their duties and obligations under IFTA.

Also there is a regulation-making provision for charging a licensing fee and a fee for issuing decals. It is a program requirement that two decals be issued by the home jurisdiction for each truck that they register under IFTA.

Mr. Speaker, it is proposed to charge an annual licence fee of \$65, the same as charged by Alberta, and a decal fee of \$2 per decal. These administrative fees are expected to generate about \$50,000 per year. This will cover about one-half of the estimated \$100,000 annual incremental cost of operating the program.

With respect to the revenue collected from the fuel tax, Mr. Speaker, the implementation of IFTA is expected to be revenue neutral.

Mr. Speaker, I move second reading of An Act to amend The Fuel Tax Act, 1987.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, in order to allow my colleague more time to have an in-depth review of the Bill that's been presented before us, I move adjournment of debate.

Debate adjourned.

Bill No. 15 -- An Act respecting Certified General Accountants

Hon. Ms. MacKinnon: -- Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of Bill No. 15, An Act respecting Certified General Accountants. This is a new Bill, Mr. Speaker. The original Certified General Accountants Act was introduced by our Premier in 1978 when he was minister of Justice.

It was with pride that the NDP can again provide a service to the accounting profession and the general public by introducing an updated version of the Act. Since there have been no substantive amendments since 1978, The Certified General Accountants Act is seriously outdated.

While many of the existing provisions have been retained, this Bill makes substantial improvements by providing further protection and accountability to the public. The Bill reflects general government policy regarding professional legislation using guidelines provided by the Department of Justice. The majority of the sections in the Bill are standard sections that appear in all new professional legislation.

Several concerns have been raised by the Special Committee on Regulations and the Certified General Accountants Association that need to be addressed by changes to the Act. One of these concerns is that the

discipline section is not sufficient to protect the interests of the public or the association. The proposed changes clarify the discipline section and the appeal process.

Another significant change provides for lay representatives to be appointed by the Lieutenant Governor in Council to the board of governors. These appointees represent the interests of the general public. Through the Bill the association will have legislation comparable to that of the Saskatchewan Institute of Chartered Accountants and the Saskatchewan Society of Management Accountants.

These changes will come into force on a day to be fixed by proclamation, by the Lieutenant Governor. Mr. Speaker, I move second reading of An Act respecting Certified General Accountants.

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to hear that Madam Minister is responding to some of the concerns brought forward by the Special Committee on Regulations. And no doubt at times we must look at legislation. There's lots of legislation kind of gets lost in the woodwork and becomes redundant and at times it needs to be brought up to date. And the fact of what the minister is doing is covering some of the areas where some questions have been raised, and certainly we appreciate that.

And at this time, however, we would like to take a little more in-depth review of the Bill that's been presented to us and therefore I move adjournment of debate.

Debate adjourned.

Bill No. 16 -- An Act to amend The Revenue and Financial Services Act

Hon. Ms. MacKinnon: -- Thank you, Mr. Speaker. Mr. Speaker, I will momentarily move second reading of Bill No. 16, An Act to amend The Revenue and Financial Services Act. I would like first to take a few minutes to explain the changes being made by this Bill.

Part 3 of the The Revenue and Financial Services Act is a consolidation of the administrative and enforcement provisions that govern the province's consumption taxes. This consolidation ensures that our taxes are administered consistently and efficiently. There have been no major changes to part 3 since it was first enacted in 1985. Most of the amendments being made by this Bill are technical changes to clarify or bring existing provisions up to date.

Mr. Speaker, the Bill also makes some substantive changes which will improve tax enforcement. Directors of corporations that do not remit their tax collections will in certain circumstances now be subject to personal liability for the unremitted tax. The Bill amends the legislation so that a director may be held liable if a writ of execution against the corporation fails to obtain payment of the tax.

A director may also be held liable if the corporation declares bankruptcy or becomes subject to other liquidation proceedings. However, a director may avoid personal liability for tax if he or she can demonstrate that they took reasonable steps in trying to ensure that the corporation remitted its tax collections.

In addition to this due diligence defence, the Bill also allows directors who make tax payments to recover these amounts from the corporation or from other directors.

We want to emphasize, Mr. Speaker, that directors may only be held liable for tax collected by the corporation from its customers. A director cannot be held liable for tax payable by the corporation -- only for amounts collected in trust by the corporation.

(1130)

Mr. Speaker, the Bill also amends the penalty and interest applied to audit assessments. The rate of penalty remains unchanged at 10 per cent of the tax assessed, however the maximum penalty is being increased from \$5,000 to \$25,000. This change will only affect taxpayers who incur audit assessments of between \$50,000 and \$250,000.

Assessments of this size invariably involve large firms, several of which have refused to report or remit tax until they are audited by the department. These firms believe that the maximum \$5,000 audit penalty is less than the cost of complying with the reporting requirements.

Mr. Speaker, the increase to the audit penalty will only affect about 1 per cent of the audits conducted by Finance. We estimate that the increased penalty will generate less than \$200,000 in additional revenue each year. But more importantly we expect these large firms to begin filing regular tax returns.

As I mentioned, Mr. Speaker, the Bill also changes the manner in which interest is applied to audit assessments. Interest will now apply to the tax assessed from the time that the tax should have been remitted rather than being applied from the last day of the audit period. Under the former rules taxpayers would pay no interest if they promptly paid their assessment notices. This had the effect of allowing taxpayers who didn't pay or remit tax to have the free use of those funds until they were audited.

For example: if one of the large firms I mentioned earlier incurred an audit liability of \$150,000 for a three-year period, the only cost they would incur for having the use of those unremitted funds for up to three years would be the \$5,000 maximum audit penalty. They would pay no interest if they immediately paid the assessment.

Mr. Speaker, our former rules actually provided an incentive for taxpayers to delay remitting tax until they were audited. Saskatchewan is the last of the taxing

provinces to apply interest from the tax due date rather than the end of the audit period. All of the other provinces and the federal government impose interest from the date on which the tax was required to have been paid. As a result, Saskatchewan has had the most lenient audit penalty and interest provisions in Canada.

The amendments being made by this Bill will bring our rules more in line with those of other jurisdictions. This amendment will affect all audits done by the department and will significantly increase the interest component of most audit assessments. We expect this change to generate up to \$3.8 million in additional annual revenue.

Mr. Speaker, we recognize that this is a fairly significant change to our audit policy. Consequently we are deferring the implementation of the audit penalty and interest amendments until July 1, 1994 to ensure that taxpayers are aware of the changes. We also recognize that the increased audit interest may cause undue hardship for taxpayers who are sincerely trying to comply with the tax legislation, but because of circumstances beyond their control, are assessed tax. Therefore this Bill has a provision to the Act, which gives the Minister the discretion to waive or cancel the penalty or interest imposed by the Act. Mr. Speaker, this discretion will be exercised so that honest taxpayers are not unfairly penalized.

Mr. Speaker, these amendments are necessary because the province's ability to recover taxes from insolvent taxpayers has been undermined by recent amendments to federal insolvency legislation. The enactment of the Bankruptcy and Insolvency Act in late 1992 abolished the province's right to claim preferred status or deem trust priority in bankruptcies and receiverships. Our tax claims now rank at the bottom of the hierarchy of creditors instead of being near the top. This change has significantly reduced our revenue recoveries from businesses that become insolvent.

Mr. Speaker, our tax system is dependent on businesses self-assessing or collecting and remitting tax on behalf of the province. The success of that system is based on taxpayers believing that our tax laws will be applied equally to everyone. Unless we maintain an effective enforcement program, the integrity of our tax system will be jeopardized. We believe that the changes being made by this Bill are necessary to improve our tax system and to protect our tax revenues.

Mr. Speaker, I move that An Act to amend The Revenue and Financial Services Act be read a second time.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, as I've been listening to myself respond to the Bills put forward, I've been thinking that maybe this opposition has become very serene and has just accepted everything that the government has come forward

with. And I think back to the years when we were in government and it seemed that whichever opposition member at the time responded, they always had to find something negative, and I begin to wonder, what am I doing wrong here?

I listened to the Minister of Social Services talk about the fact they need to do this because they must reduce the deficit. I listened to the Minister of Agriculture say it has something to do with the fact that the federal government has changed the rules. And I think as we listen to the Minister of Finance . . . and as I've indicated earlier, Mr. Speaker, certainly the Bills that have been brought forward this morning, there's a lot of solid, sound suggestions put forward in these Bills.

I think what I will do, rather than getting into a longer rhetoric and debate some of comments that have been made earlier by former ministers, I would defer it till another date when we again will bring these Bills forward to review them. Therefore I move adjournment of debate.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Energy and Mines Vote 23

The Chair: -- Order. At this time I would like to ask the minister to introduce the officials who have joined us here today.

Hon. Mr. Anguish: -- Thank you. I have with me today the deputy minister of Energy and Mines, Pat Youzwa, to my right; to my left I have the president of the Saskatchewan Energy Conservation and Development Authority, Mr. John Mitchell; behind me, right behind Ms. Youzwa, I have Ray Clayton, who is the assistant deputy minister of finance and administration; and directly behind me is Bruce Wilson, the executive director of petroleum and natural gas.

Item 1

Mr. Devine: -- Thank you, Mr. Chairman. I wonder if the minister could just take a few moments and give the House an overview of where he thinks the major energy developments will be in the province of Saskatchewan. And particularly perhaps he could just comment on the major ones in terms of where he sees uranium mining or he sees nuclear energy development. If he has any considerations with respect to further economic development in nuclear capacity. If he could tell us a little bit about how he sees potash mining in terms of just general economic growth. He might touch on diamonds if he likes. But just generally where he thinks the province is in developing energy resources in the province.

I'm getting this frankly from looking at sort of the objectives. The *raison d'être* of the department is to develop the energy resources in the province, and the

public would generally like to know how it's going in the development of these resources.

Hon. Mr. Anguish: -- Well as the hon. member would know, the budget for the Department of Energy and Mines or of the Energy Authority certainly does not reflect the activity of the industry within the province of Saskatchewan. I'd want to say that I'm complimentary of the staff both at the Authority and at the department for the work that they do relative to the size of the industry; very few resources to work with in terms of the money that's allocated to them through the estimates. And I think that's a credit to the people who work in both the Authority and the Department of Energy and Mines.

In a general sense, both in the mining sector and the energy sector, I believe that these are one of the brightest lights for us in the province. They have been over the past year, and certainly would project that to continue into the future.

In terms of being on the leading edge, the member would know that horizontal drilling has been a great success story in the province of Saskatchewan. Places that were not economic for the industry to develop in the past are now economic for them to develop because of the horizontal technology. And if you look at the numbers of wells being drilled, a good number of those now are horizontal wells within the province.

If you look at the locations, I can't say that one area is brighter for the future than the other. If you look geographically around the province, if you look into the north-west corner of the province, we believe there's some great gas potential there, and I think the land sales reflect that.

When you start getting into the western side of the province, in the centre, we expect steadily improving oil activity in that area, and I guess, more associated gas than actual exploration for any natural gas. Of course, if you get into the south-west corner of the province, into the Hatton field and that area, we know that's been around for many years and likely has lasted much longer than what we anticipated in the early days when the Hatton field was first discovered.

And in that particular area I think you'll find that most of the gas activity there is gas activity that's developmental in nature and not exploratory as opposed to when you look up into the north-west corner of the province. I think we would anticipate a great deal of exploratory drilling there over the coming years.

As you move over to your own corner of the province, you'll know that the oil industry is very active there. There are developments all the time in, for example, the Midale field. With Pan Canadian and Shell having the enhanced recovery methods that they're looking at now, it's extended the life of a couple of fields, at least in the Midale area, long beyond what the initial projections were being when these fields were discovered several decades ago.

In terms of how we look at energy in the province, we're relying to a large extent, as an initial point for having some focus on the energy future in Saskatchewan, looking at the comprehensive energy strategy. And the comprehensive energy strategy will be on my desk sometime in the summer of this year.

And I think that the work that's been put into that is good quality technical work and will give us some idea as to where we proceed with the economic development activities that are associated with energy and looking further as to what our options are. Both the Saskatchewan Energy Conservation Development Authority and the Department of Energy and Mines are both active players, the two major players that are involved in the comprehensive energy strategy.

In terms of the potash industry, you mention potash markets, I guess, are a bit sluggish. Production is to a level that I think the potash industry is not necessarily happy with, but they're proceeding. We don't anticipate any negative set-backs over the coming year in potash.

The member would know that the mining activity . . . I shouldn't say mining but the exploration activity in terms of diamonds is somewhat heated in different areas of the province. We don't know at this stage whether or not there are enough diamonds in the areas that are being explored to develop a mine, but some companies certainly are hopeful; otherwise they wouldn't be out there doing the exploration activity. With that I think I would leave that as a general overview.

In summation, I would say that the outlook for us in energy and mining are both bright lights today and will be even brighter lights in the future of Saskatchewan's economy and in the Saskatchewan community as a total.

(1145)

Mr. Devine: -- Well, Mr. Minister, when I look at the objective of the department, it says, and I quote: The department is responsible for promoting and developing opportunities for petroleum and mineral industries in the province. And you've got oil gas, potash, uranium, coal, mineral acreage, and others.

Promoting and developing -- could you describe what you're doing to promote and to develop in the province of Saskatchewan these energy alternatives, what you've done in the last six months, the last year, or since you have been elected, that is much . . . that differentiates you from other jurisdictions or differentiates what you've been doing compared to previous administrations? What are you doing to live up to the objective of your department which is to . . . the responsibility to promote and develop these energy options in the province of Saskatchewan?

What's novel, new, that you could sort of hang your hat on or that the uranium industry is looking at, the potash industry, the gas industry, the oil industry, the coal industry, or combinations thereof? And I'll

certainly be getting into, you know, your so-called claim to fame in terms of co-generation and some other things.

But what are you specifically doing to promote and to develop that sets Saskatchewan apart or outlines and promotes and puts in the window of North America, at least, what we have in the province of Saskatchewan? What's new and novel, or what's your claim to fame here in the promotion and the development of our energy resources which is your responsibility in Energy and Mines?

Hon. Mr. Anguish: -- Well as the member would know, we have worked in terms of the oil and gas industry, we worked with the industry over the past two years. There were two task forces. And industry has been very complimentary towards the government and to the Department of Energy and Mines.

The one task force dealt with the regulatory side and how regulation affects the industry. The other task force dealt with the fiscal regime and how our royalty and taxation structure affect the industry.

Both of those reports were concluded, and as a result of those, there have been regulatory changes that have been made that the industry is thankful for and they appreciate because it's cut down some of the paper burden that so often the private sector complains that the government places upon them.

In terms of the fiscal regime, the member would know well that we introduced a royalty package, a third tier royalty system, which in a general sense was well accepted across the province and in the member's own constituency, I think in part reflects some of the activity of the industry in your own constituency.

When we look further beyond that, we've given a commitment to both the mining sector and the oil and gas sector that we want to watch for them the cost of doing business in Saskatchewan. And they feed information to us. We advocate their position with other government departments, and in some cases, agencies or entities that are not within government in terms of how can we come to grips so the cost of doing business -- you can't look at these things in isolation -- how the cost of business affects them. I think we've developed a very good working relationship with the industry in Saskatchewan.

We also have the development of the comprehensive energy strategy, which is a planning document, so that we don't come up with knee-jerk reactions to specific little cases that come along from time to time. When the comprehensive energy strategy is placed on my desk, it's a guiding document for us to establish long-term policy in terms of energy in Saskatchewan.

In the past and even in the current day to a large extent, companies and government and entities of government have looked at either electricity or oil or gas and they put them into commodities. In the long-term interest, I project it's certainly going to be

those companies and governments and government entities that look not at the commodities, but look in terms of energy as the future. And that's what we need to address as the energy.

The comprehensive energy strategy will assist us in doing that because it looks at the options for electrical generation, for example. It looks at energy in a broader scale. It looks at the issue of more transparency in the way that rates are set. All of these are initiatives by the government that I think have been well received by the industry, both mining and the oil and gas sector within this province.

And greater than anything else, and the member would be well aware of this, is that for the development to occur . . . and when we talk about development in what you're quoting from, we're not talking about hands on development out there in the oil patch or out there in the mining sector, because that development's going to occur by those companies that have the expertise and the desire to develop in Saskatchewan.

And beyond all else -- beyond all else -- what makes that development occur in the economy of the province of Saskatchewan is confidence in what the government is doing. And I think that we've established confidence with the industry in Saskatchewan. And that confidence has been expressed to us by many companies that do business in Saskatchewan and many companies that want to do business in Saskatchewan.

For example, the most active drilling company in Saskatchewan last year never did any business in Saskatchewan the year before. And they've come to Saskatchewan. They're now the most active drilling company for the year 1993.

And I think there are all kinds of examples that the member can look to, to find out. And talking to the industry, which he would talk to on a regular basis, knows that there's a good deal of confidence in this government in what's happening in the mining sector and also the oil and gas sector.

So I hope that those are a few examples that I've outlined that are positive developments and promotions of both the mining sector and the oil and gas sector in the province of Saskatchewan.

Mr. Devine: -- Well, Mr. Minister, now you've said that the responsibility for the development is not really with the department, it's with the private sector and the private sector will base that on its confidence in the province of Saskatchewan. And that's where you run into the problem -- it's one of confidence.

I mean the truth is that energy companies are afraid to death of what you might do. And you talk about the knee-jerk reactions. They never really know for sure what you might do. And that's particularly true when we get into all of the hype and all of the promotion that you did on co-generation.

You said all this is going to be for the private sector, and you had a big fanfare, and you're going to do all of this because we want the industry to be confident -- that's your words. Are they confident in the kinds of things that we can do in the province of Saskatchewan?

So you had a big fanfare. You put it in the Speech from the Throne. You're going to promote and develop and you're going to encourage the private sector to come in here

An Hon. Member: -- Item 1 agreed?

Mr. Devine: -- Well if the hon. member would want to respond to my question.

An Hon. Member: -- How's the STC (Saskatchewan Transportation Company) doing?

Mr. Devine: -- I think STC lost three and a half million dollars last year in his estimates . . . (inaudible interjection) . . . Listen, Mr. Chairman, we'd just like the attention of the minister and the rest of his caucus when we're asking some questions. Must have hit a sore spot, Mr. Chairman, when they all want to respond to this at the same time . . . (inaudible interjection) . . . Well, well, well, these are going to be long estimates, Mr. Chairman, if they're all going to try to answer the questions. The minister can be confident in that. It's going to take a long time if all of his colleagues are going to help him respond. Clearly that's the case.

Mr. Minister, the reason I went back to the objective and the **raison d'e pêtre** of the department, it has a responsibility for promoting and developing the opportunities for energy development in the province. And you just finished saying the development side is not really the responsibility of the department, it's the responsibility of the private sector and they've got to have confidence in the things that the provincial government is doing and you think that they have confidence in the NDP.

Now that raises the question of how could they be confident in your fanfare and in your promotion, which obviously costs a great deal of money. Because you put something like co-generation in the Speech from the Throne; you have a big news conference about it; you say, we are committed to the . . . we're really going to look at this and we wouldn't put it in the Speech from the Throne unless we were really serious about it. And you ask them all to participate.

In fact I think it's fair to say you charged them \$10,000 a piece to even have the opportunity to discuss it with you. Bring in their money and then they're going to be serious about co-generation because it's private sector development. And then as we hear, Mr. Minister, you had no idea or no intention of maintaining the confidence in the industry because the industry has now thrown up its hands.

The industry reports, the television news, the media, the newspapers are saying, what was this minister

doing? Wasn't this the minister who, before he was the minister, headed up the committee on this co-generation and all the economic activity and all the confidence and said a nice thing would be, help encourage the Premier to put it in his Speech from the Throne.

And then you end up with no confidence at all because the public is now encouraged to say don't come to Saskatchewan, go to Alberta -- go to Alberta. Now what kind of confidence is that? And you use the word confidence and the private sector. Because I asked you what your responsibilities were and you said, yes to promote and develop. But the development is a private sector . . . and that is based on confidence.

I want to just ask the minister why would he think, after all of this work on co-generation, that in an interview with Paul Martin -- I believe it was on **The Provincial** last night . . . Paul Martin has, and I'm sure you agree, genuine interest in economic development, diversification, particularly in energy. Paul Martin is talking about economic development and co-generation and all the people who want to invest. And he's interviewing . . . and I believe it's true that Tony Harras, vice-president of SaskPower, in the interview encouraged companies to go outside of the province and develop their co-generation.

Now here is a man being interviewed on **The Provincial** who frankly is saying, and he is speaking for the confidence of the people in the NDP administration, you might as well go to look in Alberta.

Now did you think that fits with your responsibility for promoting and developing opportunities? You say, well no, but this guy is with SaskPower. Well SaskPower probably's got something to do with co-generation. I think it's kind of responsible for some of this and you may or may not want the responsibility for it. But that isn't consistent with what you said you're doing in the province of Saskatchewan, if energy companies and those who want to, invest the confidence to do that here.

Secondly, if you look at the kind of editorials you're getting as a result of your activities, it's remarkable lack of confidence. The headline says the NDP want to keep monopolies in Saskatchewan. That has nothing to do with the private sector. It flies in the very face of what you just said to this House.

You said the development should come from the private sector and that's where you're going to generate your revenues. That's where you're going to help develop oil, natural gas, potash, uranium, coal, mineral acreage and others that are in your estimates. And the headlines said the NDP wants to keep a monopoly.

Now if that shows up in Calgary or shows up in Saskatoon -- it shows up in the **Leader-Post** here -- how do you think you are encouraging confidence when you've got headlines like that? And I quote: it

would seem that the NDP government is far more interested in maintaining its monopolies than delivering efficient, cost-effective service to the taxpayer.

So the public sector, the media sector -- I mean the guy in SaskPower says you might as well go to Alberta -- the media people are writing and say the NDP really hasn't changed at all; they just want the government monopoly. The private sector guys are saying, well -- I think it was somebody from Wascana Energy, formerly Saskoil -- said, look, we're going to review it in Calgary. I think Randy Burton had it in an article that he did, interviewing the energy company. Said we've put up \$50,000, \$100,000, \$250,000 to participate in this game of confidence that you are talking about, and what do we get? Well we're really not interested even though the private sector was going to spend the money. It was just for the Speech from the Throne. We had a nice little news conference.

But it was promotion. That's part of your mandate. It says here you're responsible for promotion. And they feel like they've been bribed into this because you had to give them . . . they had to give you \$10,000 apiece, which I suppose you spent a fair amount on promotion. And then you turn them down. And nobody can figure out why you would do that.

The minister . . . your statement in this House that the private sector is responsible for the development of the energy resources and that development is directly correlated with the confidence that they have in the NDP administration, is just not valid.

Now I could say your statement is true to the point. The private sector will be responsible for development; and yes, that in tune will be linked to confidence -- full stop. They're not going to do it because you cut them off at the knees. And for Heaven's sakes, these editorials are not showing that they have confidence in you at all. The companies don't have confidence. The companies are going to be writing to you and asking for rebates. They're going to ask you why you led them down the garden path. And the media responses, I mean it's unbelievably indications of non-confidence.

So again I go back and ask the minister: in view of your objective, **raison d'être**, the department is responsible for promoting and developing opportunities for petroleum and mineral industries in the province, if that's your objective and you think that the development is the private sector and it's based on confidence, how do you square that circle, that your people are being highly critical -- highly critical -- of the non-confidence signal that you've put out to them in the last 24 hours?

Hon. Mr. Anguish: -- Well I'll address your assertions that you make on non-utility or co-generation in a few moments. I'm not sure that this is the forum to do that. You have the opportunity in question period, and it's more appropriately, if you want to get into detailed questioning, before the Crown Corporations

Committee.

Neither the Energy Authority or the Department of Energy and Mines are the appropriate people, and I don't mind addressing those questions that you bring up. But I just want you to know very well, being a former premier of the province, that that is not the forum in which to do it. If it was, we would have different officials here to deal with it.

I would want to say in terms of confidence in Saskatchewan, what you are saying is not beared in fact. If you look at the oil statistics in Saskatchewan: oil production, the highest in 12 years in 1993. If you look at the recoverable reserves added, the second highest in the last 11 years in 1993. The recoverable reserves that we now have are the highest they've been possibly ever, but certainly in the last decade and a half.

(1200)

If you look at the wells capable of producing oil in Saskatchewan, the highest in the last 11 years. If you look at the gas wells drilled, 1993 was the second highest number of gas wells drilled in the history of the province of Saskatchewan. If you look at gas production, the second highest since 1971. If you look at the value of the sales, the second highest since 1971.

If you look at the total gas consumed, the highest. If you look at the investment in the gas industry, the highest in the history of the province of Saskatchewan. If you look at employment, 1993 again was the highest in the history of the province of Saskatchewan in the gas industry. It's all well documented.

The industry has confidence. These are numbers that are statistically correct.

An Hon. Member: -- And they would have been there, whether you were there or not.

Hon. Mr. Anguish: -- And even if the hon. member who chirps from his seat as the Acting Leader of the Opposition won't accept the statistics that are there, he must follow **Oilweek**, as a former minister of Energy and Mines. **Oilweek** is an industry-pro publication. And what do they say in the February 21, 1994 article of **Oilweek**? They say:

Oil executives are surprisingly complimentary these days when they talk about the way Saskatchewan's energy policies have been evolving in the past two years.

Two factors -- fiscal realism and a willingness to consult before acting -- seem to have brought about (by) this rapprochement between the free-enterprisers of the oilpatch and . . . (the) NDP regime.

To me that's an expression of confidence.

I now want to turn for a moment, Mr. Chairman, to the

main issue that was brought up by the hon. member, and that is one of non-utility generation or co-generation, as he also referred to. And we'll use those terms for today's argument interchangeably, but they don't necessarily mean the same thing.

First off, I would point out I did not head up the minister's steering committee. Don Geesen, who works for Kalium Canada, headed up the report. And I want to make that very clear. I know that's stated in some of the articles, but if the hon. member wants to use the **Leader-Post** as the authority on technical information, he won't be well served by what he reads in some of the articles that he's got on his desk.

The only one that I've heard about going to Alberta and voicing that quite strongly with their co-generation plans is one Tim Jeffery from Wascana Energy, formerly Saskoil. And you know very well who Tim Jeffery is. Tim Jeffery was a chief of staff in your government for the minister of Energy and Mines at the time. And he's still wearing the Tory hat that he wore when he worked in your government as a chief of staff for your Energy and Mines minister. If Tim Jeffery wants to go to Alberta, I say hallelujah. Go to Alberta if you want, Tim Jeffery, because all you're doing is voicing things for the opposition that don't do any good for the economy of Saskatchewan.

Paul Martin says it's an ideological argument. It's not an ideological argument. The members on the other side of this House should support what's happening in Saskatchewan. Everything you say, everything you say about co-generation and non-utility generation, is on the premiss that it's not going to happen in Saskatchewan. You are doing your best to kill what is a bright opportunity for the people in this province, and that is the development of non-utility generation.

An Hon. Member: -- Your announcement.

Hon. Mr. Anguish: -- And the member chirps from his seat, my announcement. My announcement was, is that the decision was not going to be made at this time.

I also heard the member talk about deposits being refunded. Well I would assume if companies that participate in the request for proposals want their deposit back, they'll ask me for their deposit back. And so if their deposit is paid back to them I have to assume that they're withdrawing from the competition. And if they're withdrawing from the competition because of the negative attitude that you project and misconstruing what was said in this House, then you should invite your friends who feed you this information -- or if they don't feed it to you, you develop falsely -- let's come clean with what was said in this House.

What was said in this House is that the decision wasn't being made now. Those people put in very valid proposals. They're technically feasible, they're environmentally friendly, and they're still in the running for co-generation in Saskatchewan or non-utility generation in Saskatchewan.

And so I don't know . . . (inaudible interjection) . . . and the member hollers out AECL (Atomic Energy of Canada Ltd.) is. That's why this government is taking the approach to have a long-term plan. That's why we have a comprehensive energy strategy. That's why that's being developed to give us guidance into the future of this province.

And when there's confidence because of the numbers and the articles I cite we want to maintain that confidence, and what you do in your political motivation is to try and destroy the credibility of this government. It won't work. It won't work because the proponents in Saskatchewan should be listening to what's being said. And if they listen to the papers and what the media is saying, they may get a different impression. But I want to go very clearly on the record today that this government will bring non-utility co-generation into the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: -- So having said that, I hope that the member will dwell on facts for the balance of the day and deal with the issues that are before the Energy Authority and the Department of Energy and Mines so that we can provide you with valuable information, and so that the people of Saskatchewan can have the facts rather than you to try and grandstand in the legislature.

And I hope the member, in the spirit of some cooperation on the recovering and developing economy of Saskatchewan, will work with us to help develop those that are the brightest lights in our energy sector, in our mining sector in the province of Saskatchewan, so we can have a long-term economy that follows a planned approach rather than reacting to specific situations.

And I ask the member to join with us in that, and if you have criticism, I welcome your criticism, but the criticism should be based on fact and not political rhetoric. If the member wants information, ask information questions, and I welcome those as well because we do have information that we want to provide to you.

So with that I hope the member will join in a spirit of cooperation in this House so that we can get on with the job that needs to be done, this being a very important part of the accountability process for both the Energy Authority and for the Department of Energy and Mines.

Some Hon. Members: Hear, hear!

Mr. Devine: -- Well, Mr. Minister, I see your colleagues are applauding because you've rewritten the release of budget day. You just said in this House, we will bring co-generation to the province of Saskatchewan. So you are responding to the heat, because you've changed your announcement, you've changed your whole mood, you've changed your attitude.

And when people start complaining because of your inconsistency and the games you're playing -- the big promotion, the Speech from the Throne, and then cancelling on budget day federally -- now you're starting to back up and you say, no, no, I really didn't mean that; I didn't mean that at all; we're going to do this; I want these companies to stay here, don't go to Alberta; and we're going to do that.

Now we'll be able to see, the public will be able to see, which side of your mouth you really want them to listen to. Are you going to close this co-generation, or are you going to actually do it? Now you've made the announcement. If the announcement was, well I'm just going to postpone the decision, why didn't you just say that? But you didn't say that. You said, we're going to cancel this. And then you went on today to say, but I really didn't mean that; this co-generation we will definitely do.

So now that we know, so when we're talking to the media -- we're talking to Randy Burton or to Murray Mandryk or to somebody that they've interviewed, like Tim Jeffery or somebody else -- we can say, no, we got the minister on record. He is going to do this in the province of Saskatchewan. It's going to happen. Now you said that unequivocally today.

If it's going to happen today, then I would like you to take that statement and get it back out to all these companies you've just cut off at the knees and said, I know you spent up to \$250,000 and I know I kind of had a wishy-washy announcement that we weren't going to do it, but today I've announced that we will do co-generation in the province of Saskatchewan, which means that we'll be led by the private sector and you will accept the proposals that have come in and that you will get it done.

Now unless you've got some other surprises -- is there another surprise that you're going to do it in-house only after you've got their information? Or is the media . . . Is it really true that you want . . . Now you've got all this information, you've sucked it out of them, plus their money, you can do it with SaskPower alone.

Will you make the commitment today, Mr. Minister, that not only are you not going to do co-generation, but it won't be just in-house, it will be with the private sector as you proposed when you put out this tender call.

Hon. Mr. Anguish: -- I want to for the second time, Mr. Chairman, put on the record in this House exactly what was said. And the hon. member should know full well what was said in this House because you sat here and listened to the statement. I gave you an advance copy of the statement. And for hopefully those who are interested in co-generation listening today, I'm going to go through that statement again. But before I go through that statement, I am unequivocally putting on the record that there will be co-generation in the province of Saskatchewan and the private sector will have a role in that co-generation.

I will read from the ministerial statement, Mr.

Chairman, that I put the other day, and I'd like the hon. member not to be deceitful to the people of Saskatchewan, like you were as the premier of Saskatchewan, and listen to the statement instead of quipping with your own members over there.

I said:

Thank you, Mr. Speaker. As the minister responsible for SaskPower, I wish to announce the government's decision regarding non-utility generation in the province of Saskatchewan. I'd like to outline how the government has arrived at its decision.

In 1992, the ministerial steering committee on co-generation identified the potential for non-utility generation in Saskatchewan. Following the steering committee's findings, SaskPower embarked on a program to develop a 25 megawatt non-utility generation demonstration project. All projects had to meet the criteria of being reliable, environmentally sound, and economic. The first step in that program was to go to a competitive proposal process. While a number of proponents expressed an interest in submitting proposals, in the final analysis SaskPower received 10.

A team of expert engineers, economists, planners, environmentalists and support staff from within SaskPower, assisted by outside experts both from within government and the private sector, evaluated these proposals. The result of the request for proposals is we now have actual costs based on solid data for non-utility generation projects that have undergone the most comprehensive and expert scrutiny.

While the first two conditions were met, the third, that being economic, was not met at this time. Therefore I'm announcing today that the plan to proceed with the 25 megawatt demonstration project has been postponed.

Purchasing electricity from a non-utility generation project can be a good investment for the people of Saskatchewan, but not at this time. In the final analysis, the provincial government cannot justify spending the additional dollars, during these times of fiscal restraint, to enter into a contract to purchase electricity that is not needed in our system. We simply cannot ask the electrical consumer to carry this additional burden.

While we will be postponing this project, progress has been made toward future non-utility generation developments. SaskPower now has a process to solicit and evaluate non-utility generation projects.

I want to emphasize that SaskPower and this government remain committed to proceed with non-utility generation. They will be an

important part of the considerations made in the development of our comprehensive energy strategy now under way. The strategy will bring forward a number of options for the future of our province's energy industry. I expect to have a final report on the comprehensive energy strategy this summer.

Given the significance of the first non-utility generation project, government has spent some time in reviewing the process and carefully weighing the costs and benefits of the demonstration project. While this review has delayed the announcement for some weeks, our main priority was to ensure the best decision was made on behalf of all people of Saskatchewan.

In conclusion, Mr. Speaker, I want to commend the proponents for the high quality of their proposals and the considerable effort they put into their submissions.

Thank you, Mr. Speaker.

(1215)

And now we find the opposition members in the House today spreading misinformation about what was actually said, trying to destroy the confidence that the industry expounds in pro-industry publications. The hon. member from Estevan holds up an article by Murray Mandryk from the **Leader-Post** filled with many inaccuracies. So if you want to deal with what's said in this House, you should appreciate as much as anyone the sacredness of this institution in terms of the democratic process.

Mr. Chairman, the hon. member should address the issues that we're here to address today. I cannot be any clearer than what I've been on the day I made my ministerial statement and what I say again today. There is a bright future in Saskatchewan for our energy sector, and co-generation will make up an important part of that bright future.

When you come to the point that you bring out about employees, a provincial entity is encouraging people to leave the province, that is not so. The employees that we have within our departments and within our Crown corporations are professional people, and you should be chastised for casting aspersions on the people who work for this government under what some time are very trying circumstances that were created for you . . . that were created for you.

An Hon. Member: -- Why don't we talk about gravel pits then? You cast a few aspersions yourself. How about some gravel pits? What a bunch of garbage that was.

Hon. Mr. Anguish: -- Well the member, acting leader . . . I mean they can't even get their act well enough to call a leadership convention in the Conservative Party; that's why they still have an acting leader sat over there. So why don't you get up and ask some

questions instead of chirping from your seat?

I think the biggest thing that you should be addressing is not what's happening with the credibility of this government, but should be the decimation that you suffered in the last election and the decimation that your federal cousins suffered returning the most dismal number to the federal House of Commons ever in the history of any party in Canada.

What you should do is look at your record and what you did, leaving this government in the financial mess that it was in, not following any plan that we can find. Maybe you should be tabling your plans in the legislature, how you got us into the fiscal mess that we're in in this province. What we have here fits into a plan. It fits into a plan to repair the decimation that you and your government put on the people in the province of Saskatchewan.

And I wanted to deal with the issues today of the Energy Authority, and we have the president of the Energy Authority here. And I wanted to deal with the issues that are before the Department of Energy and Mines. But you apparently don't want to deal with that. You still want to have your blinders on from the regime that you inflicted on the province of Saskatchewan.

The statistics, the industry, reflect confidence in this government. And you stand in this legislature and misconstrue the information that is before us, the factual information that's before us -- to try and do what? To rebuild your political careers? This is not about political careers. This is about repairing the damage that your government has done in the province of Saskatchewan.

An Hon. Member: -- Give us lots of leeway, Mr. Chairman. That's fine.

Hon. Mr. Anguish: -- Well the former premier chirps from his seat about me giving lots of leeway. Of course I'm giving lots of leeway. The House is going to adjourn in about 28 minutes and I assume that you'll get up and spin off the political rhetoric that you used when you were in government. People told you what happened during the last provincial election.

And from to time any government will come under some criticism. But I'll tell you, you criticize us for what we do wrong, not what we do right.

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: -- Because when you criticize for what we've done right, you destroy the credibility of this province, not this government that happens to be an NDP government. You destroy the credibility of the province. You destroy what's there in the future for the people of this province. And shame on you for the approach you take today in this legislature.

Some Hon. Members: Hear, hear!

Mr. Devine: -- Mr. Chairman, we must have hit a bit

of a sore spot, Mr. Chairman, when the minister delves into pure politics. Listen to them chirp as a result of the questions about your energy policy, the announcement that you made that said they were going to review this because it has serious cost consequences.

The paper says, in talking to the media, the response is: "So what's new pussy-cat?" What do you know now that you didn't know before when you set this thing up?

And the hon. member says, well you can't read the paper, you can't listen to the oil patch. We're talking about confidence -- public confidence in the NDP. The public is writing "what's new pussy-cat?" Why the big change? And I can quote it because that's what the industry is saying. And I'll quote:

But what really makes Anguish's announcement suspicious is the explanation itself -- more specifically, the lack there of.

Anguish announced Tuesday the project wasn't going ahead because it wasn't cost-effective and SaskPower won't need more electrical generation until well into the next century.

And then it goes on to say:

So what's new, pussy-cat?

This is precisely what a minister's steering committee recognized in its November 1992 report that got the test-project rolling.

While SaskPower's current generating capacity (plus import contracts) of 3,095 megawatts would suffice for the next 10 years, the steering committee (headed by . . . Doug Anguish) . . . "it would be prudent for SaskPower to phase into non-utility generation by adding demonstration plants ahead of capacity needs".

So what's new? And, Mr. Chairman, the minister does a press release so the media will come out. They put it in the Speech from the Throne so the media can respond and the media can talk to the Energy people and say, please come and do the co-generation. Now when we say that the media and the industry has been let down, they chirp from their seat and said, well why would you listen to the media?

Why did you have a news conference and all the fanfare and put it in the Speech from the Throne if you didn't want the media to cover it? And when the media turns around and calls a spade a spade, what's new pussy-cat, it's just promotion, we don't have confidence, then you say, don't read the newspaper.

Isn't that a fact? You can pick and choose what you like. That's the oldest Blakeney-Riversdale combination trick that we saw through the '80s and throughout the 1970s. That's why they lost the

election in '82 and lost again in 1986, and they're going to lose in the next election. It's the same gimmick stuff -- NDP gimmick, not confidence.

And if there's been change in the energy development in this province, we took natural gas from nine wells a year to a thousand wells a year. And you're riding on top of that, because thank goodness in the energy industry sitting out there shaking, I hope they don't change their mind; I hope there's not a knee-jerk reaction.

Well what you've got here this morning is the first major knee -- well not the first; there's the Kindersley flip-flop as well -- but a major knee-jerk reaction where you promoted it and hyped it, put it in the Speech from the Throne, invited the media, invited energy people in, and then you slapped them in the face and said, well we can't really do it because it won't be cost-effective. And they said, well isn't that why we were doing it all along, to research and study it?

And then when we put some pressure on him, he announces and reannounces today, I really didn't mean that; we're going to go ahead. We're going to go ahead in a co-generation with the energy sector.

My question to the minister is, is it a matter of weeks or a matter of months, or could he give the House some indication when the co-generation projects are going to go ahead. And if it's just a matter of weeks, would he explain to all of the industry people why he had to make this announcement on the federal budget day; that he couldn't have the announcement for a period of weeks. Why all the non-confidence and all the negative rhetoric if it was just a matter of weeks?

And if it isn't a matter of weeks, is it a matter of months or years or after the next election? Or could he be a little bit more precise to the people who put up hundreds of thousands of dollars because you asked them to invest in co-generation pilot projects here in the province?

Hon. Mr. Anguish: -- I think the best thing that could happen . . . you were quoting from an article from Murray Mandryk. And I mean there are so many holes in the article you could drive a Mack truck through it. He talks here about me being in charge of the steering committee. I wasn't. Don Geesen . . . you see, your problem is you don't listen. You never listened when you were premier of the province, and you still don't listen.

Don Geesen works for Kalium Canada, and I know that you'd be aware that it sits out there by Belle Plaine as a fertilizer company, right beside Saskferco. Right beside Saskferco. Don Geesen headed up the committee. I mean there's all kinds of inaccuracies throughout the article.

Why do you quote from this article like that? Do you know, Mr. Former Premier, that the best thing I think the people of the province could do is pack up you, along with Murray Mandryk, and send you out of the

province to Alberta to develop . . .

An Hon. Member: -- Send Murray out there.

Hon. Mr. Anguish: -- You and Murray Mandryk. And I think that's the best service, the best service anybody could do for the province of Saskatchewan, is to get you and Murray in the same vehicle and go to Alberta and do something there, because we don't need you here.

Mr. Devine: -- Mr. Chairman, we haven't seen a minister respond like this in a very long period of time, if ever, when he's now blaming the media for his problems and he's asking that we ship a **Leader-Post** reporter right out of the province because he disagrees with what you've done.

You made a major mistake, Mr. Minister. You made a major mistake, and you're going to have to reap the benefits of that because people will not speak positively about what you're doing. And you said energy development is based on confidence, and you have loads of non-confidence oozing out of your department and out of your policies. And you can't blame the media for that.

I'm going to quote the **Star-Phoenix**, or Leader-Star Services by Randy Burton, and you can send him out of the province, okay? Randy Burton says: "Company will look elsewhere." That's the headline.

Is that confidence? Companies will look elsewhere. And he goes on to say:

Saskatchewan could lose future job creation and the benefits of new energy technology if SaskPower refuses to proceed with the demonstration project on co-generation, says a company with a proposal on the table.

(1230)

Now if companies are saying that they are going to move, Randy Burton says that they are reported to be moved, Mr. Murray Mandryk is reporting them, and the minister's only response is, well, we can ship those reporters out of the province, don't you think that there may be, under history of the CCF (Co-operative Commonwealth Federation) and the NDP, energy companies and oil companies and investment companies and potash companies and mining companies that just might get the real message from this Minister of Energy from the NDP that the NDP is just up to their old gimmicks?

It's a bona fide socialist gimmick -- just keep them guessing and maybe we can keep them in here. But they really know what we're up against, they really know that we can't stand them, never could enjoy or have any respect for the energy industry. And what you really see here in the newspaper that's got their attention is the fact that you flip-flopped with a knee-jerk reaction, which is really what the socialists are all about.

It goes on to say:

In December, 1992, the government predicted the province's first co-generation project would be operating before the end of 1994.

And you predicted, Mr. Minister, that by the end of 1994 the province's first co-generation project would be in operation.

Now it says the power would cost too much at a time when the province needs no generating capacity.

SaskPower refuses to reveal how much it would cost, citing client confidentiality.

Wascana Energy was one of eight proponents to submit bids for the demonstration project. Others included North Canadian Oils for a Saskatoon project including the city and the university, Kalium Chemicals and Millar Western's pulp mill.

. . . SaskPower has never said what they would pay for the power. "They always said this was a demonstration project. That's why they picked the 25 megawatt size. I mean 25 megawatts is less than one per cent of the total generating (cost)."

If in fact the private sector was going to pay for this, Mr. Minister, and they're asking why you'd even started to so . . . (inaudible) . . . to initiate the proposals. If the private sector is going to pay for this, Mr. Minister, why are you now telling them that you have to put it off because of cost considerations?

Hon. Mr. Anguish: -- To the question, the answer to the question is -- I believe it related to confidence in the province, their record activities in some aspects of the oil and gas industry, their new mines on the drawing boards in the province of Saskatchewan -- those are signs of great confidence by the industry and those are the questions that apply to the department authority that I have here today, so thank you very much for that question.

Mr. Devine: -- Well, Mr. Chairman, the minister wasn't listening. I asked him why he would postpone the projects when he knows that the private sectors were asked to pay for the projects, not SaskPower?

Hon. Mr. Anguish: -- Well I believe the member's not accurate in that. Thank you for the question.

Mr. Devine: -- Would the minister care to respond to the question? I asked, if the private sector was going to pay for the projects and that was part of the proposal, why then you are cancelling them or postponing them because of the cost? Would you explain that to the general public and to the people who have responded saying they didn't quite understand why you are postponing it?

Hon. Mr. Anguish: -- His way clear that's appropriate

to the Crown Corporations Committee, I would be happy to do combat with the member when he gets there.

Mr. Devine: -- Mr. Chairman, we're talking about the policy and the objectives of the Department of Energy and Mines and it's to develop and promote energy development in the province of Saskatchewan. We're asking them about policy. The minister was kind enough to say it's based on confidence, so we're asking him about confidence.

If you flip-flopped on co-generation we want to understand why you flip-flopped and what that means specifically. If it's based on cost, didn't you know there was some cost when you went into it? And secondly, if the private sector bears the cost or the most of it, what's changed and why have you changed your mind?

Hon. Mr. Anguish: -- There's been no flip-flop. Thank you for the question.

Mr. Devine: -- Mr. Minister, your estimates are going to take an awful long time if you won't respond to the public. Do you agree? He finally agrees, Mr. Chairman.

Would you review for the private sector why you're postponing this announcement that has them so worried? Would you do that in this House? Because in Crowns you said, ask the questions in estimates. So now we're in estimates and you're the minister responsible for the policy development in Energy and Mines. Would you tell them what you had in mind when you postponed this and explain the cost considerations to the private sector?

Hon. Mr. Anguish: -- Yes I'd be more than happy to explain that to the private sector. There are commercial interests with each of the competing companies that put in the proposals and I'm not going to undress those figures here with you in front the Legislative Assembly. If you want those figures, those companies can either divulge them to you as individual companies or choose not to divulge them to you.

But I am not going to divulge figures that would have a commercial interest for those companies involved unless those companies ask me to discuss that in open public with you in the legislature during a forum which is not the appropriate forum. The member knows that. The appropriate place is when the officials are there before the Crown Corporations Committee.

I think that all you're doing is trying to destroy the confidence that the industry has in the professionals that work in our department and in this government and I will not get into those issues with you in this forum in the Legislative Assembly for those two reasons. It's the wrong forum to begin with.

And secondly, there's a commercial interest of the information involved, and I am not about to tell you

commercially sensitive information that would put at jeopardy, or possibly put at jeopardy, some of the companies that were involved with the request for proposals.

Some Hon. Members: Hear, hear!

Mr. Devine: -- Mr. Chairman, that was true when you put out the proposals. Everybody agreed that it would be confidential. Why did you make this announcement? What did you make this announcement on? You said there are cost considerations that are going to prevent you from having this carry on. Not that the tenders aren't confidential -- of course, they're confidential.

What's new, pussy-cat? Why did you make this announcement that this was on hold because of cost considerations? What cost considerations? They don't understand what you're doing. Your confidence level is falling because you will not explain what you're up to.

What's the reason for the announcement? -- not confidentiality. What new cost considerations are on the table now that weren't there in a non-confidential basis that allows you to say, whoops, we gotta put this on hold, or we're not going to do it, or reannounce it in here today that you're going to do it? Would you explain those cost considerations? Not on the confidential side, but what's new today that you didn't know when you put out the proposals?

Hon. Mr. Anguish: -- There was a competitive bidding process. Surely the member understands the competitive bidding process. On the other hand, maybe he doesn't understand the competitive bidding process. Because that's likely part of the reason that we're in the mess today and having to climb out of it, is because you didn't understand the competitive process that would serve Saskatchewan well.

So I repeat again, if the member wants to address those questions when the proper officials are here then we will address those questions at that time.

I've said very clearly, you are going on the premise that co-generation is dead in the province of Saskatchewan. The co-generation process is not dead in the province of Saskatchewan and it defies explanation for you because you either can't understand it or you don't listen to it. And I am not pursuing this matter of questioning any further because if someone will either be watching today or read what's in **Hansard**, they will know very clearly the position of the government and the position of myself as the minister responsible.

I take full responsibility from what I've said. I cannot be any clearer than what I've said up until this point. So I ask the hon. member to get serious about this and don't try and find fancy phrases to get yourself some media coverage or whatever you're trying to do. Because I actually think that if you got media coverage questioning the confidence of this government, the confidence of the government will likely go up.

Mr. Devine: -- Mr. Chairman, when a minister responds in an arrogant fashion when he's in difficulty, asking the media to leave the province, doesn't care if companies leave the province, won't answer the questions, obviously, number one, he's made a mistake. And number two, he is not going to add to the confidence level of his administration or as he said, for the private sector to have confidence in investing in Saskatchewan.

Now this individual, Mr. Chairman, who was put in cabinet at a late enough date that they knew they had some risk in running with this gentleman. Because of his attitude -- we see it now, Mr. Speaker, Mr. Chairman -- the attitude is one of arrogance and he won't even answer questions. He's afraid to answer. He made a mistake. He's got the media upset and the public upset and oil companies and energy companies and gas companies upset, and he's arrogant in the House. He says, I won't answer your questions. I'm in charge of energy and mining policy. I'm in charge of promotion and development but I'm not answering the policy questions.

And all we've asked him -- very simply put -- Why did you make the announcement the other day? And he won't . . . he won't say, well I don't . . . I think this has something to do with costs. Well what was new on costs that you didn't already know when you put the proposal out? Get some of that confidence back, don't get into the Blakeney administration or the Devine administration or some other things.

What is it that made you make that announcement? What about the costs do you know now that you didn't know then? Not the confidentiality, we all know that tenders should be confidential, although they don't believe that you'll probably keep them that way. But what's new? Why did you make that announcement when you knew that the private sector was going to pay most of the money, and the cost in the large part was coming from the private sector and they want to do co-generation? What was the new information on costs generally that got you to postpone it? That's what they want to know.

Hon. Mr. Anguish: -- Well the process is not yet concluded, and when the hon. member wants to put those questions at the appropriate place, we'll deal with them then.

I maintain that what you're doing is disrespectful to the process and disrespectful to the people of this province and disrespectful to the companies who want to be involved.

I have nothing to hide from you. At one moment you accuse me of being arrogant. To be arrogant, you must be upfront about things to be able to be arrogant. And then you sit in your seat chirping, I'm hiding. I don't . . .

Maybe the member could ask questions at our . . . in dealing with why we're here today. I mean it's hard to determine what it is that you actually want. And so try

and be a little bit relevant.

The process is still going on on co-generation and any of the companies . . . If Mr. Tim Jeffery wants to deal through the media with me, that's fine. The offer is open to all the proponents to sit down with myself, with SaskPower, to discuss the questions that they have and how they fit into the co-generation mix in supplying our energy needs in Saskatchewan.

And to get into a political argument with you is just fruitless; just fruitless getting into a political argument with you. Why do you try and destroy the credibility of the government, the credibility of the process, the credibility of this province? Why do you do that during the legislature? What political game are you playing? Why don't you join with us and help rebuild the province? Or are you so bent on the destruction you inflicted over Saskatchewan and its people that you want to continue what you've done in the past.

If that's the case, just continue doing what you're doing, just continue what you're doing. And please excuse me if it seems arrogant to you, but I have a hard time taking you seriously in the questioning line that you're on today.

And as a former premier, you should know the process well in this legislature and you should know process when it comes to economic development and the opportunities that go with that in Saskatchewan, but maybe you didn't. Maybe that's why we're in the fiscal mess that we're in in this province. Maybe that's why there's billions of dollars of debt there that future generations will continue to have to address. So maybe you didn't understand process.

I'm saying there is a process in place. This is all part of the process. You interpret an announcement as a negative announcement that in fact kills something. It doesn't kill anything. So I think maybe you should just come a little bit clean.

And I don't want to appear to be arrogant, I don't mean to project that. But I do have a hard time taking what you're doing here today in this legislature as being very serious because it's not to the benefit of this government. I maintain it's not to your benefit. And it certainly isn't to the benefit of the people of this great province.

(1245)

Mr. Devine: -- Mr. Minister, you stood up in the House and said, you're going to postpone these projects because the timing is wrong, and you linked it to costs. The public wants to know what you meant by that, because people have spent hundreds of thousands of dollars to participate in co-generation and then you announce the timing's wrong. What did you mean?

Hon. Mr. Anguish: -- In terms of cost there were three . . . Well I guess we'll get into this even though the officials aren't here that are equipped to deal with that because it's not their area of responsibility. So I'd ask

the officials, if you would please take your information and depart and go on about the very busy schedules that you have.

I'd like to thank you for your time today in coming out to the legislature. And we'll deal with an issue that's specific to co-generation in the House. And I do, Mr. Chairman, want to thank the officials for coming out today. I appreciate them being on stand-by to provide the professional and very good advice that they provide to us.

I would like to thank Mr. John Mitchell from the Energy Authority, Ms. Pat Youzwa, Deputy Minister of Energy and Mines, Bruce Wilson and Ray Clayton from Energy and Mines, and I apologize to you today for wasting your time in the legislature but I do thank you for providing with me with the good information that you have.

So more specifically, what we will deal with I guess, from now until the regular adjournment time of the House, is co-generation. And there are a couple of factors that you bring up.

One is a issue of cost. There are two things that determine cost. The cost that the proponents would want for the per kilowatt generation of electricity that they produce through a non-utility generation project -- that's one item of cost. Because I would hope that the member doesn't want to think that we would have these proponents giving it to us for free, so there's a cost there.

We have to pay for the electricity that would be generated. We also find that through the process there is a capacity there that we have to pay for, one of them being the Shand project which was started under your administration. You should know that very well. And we have to pay a cost that's ongoing of so much per kilowatt out of the Shand plant, which I'll use for the example because that's our most expensive and newest generating station within the province of Saskatchewan.

Those two things combined, and the flatter load growth forecast, make the situation not economically fit for doing the co-generation at the time when I was being pushed for an announcement. And I think in fairness to the industry, we want to tell them that this is going to be delayed for some time. And we will be committed, as we have been committed, to an element of co-generation within the province as part of our mix, because it makes sense to do it.

And I don't know what else you're asking. If you want to be specific on the questions, you be specific and ask the questions. So I've explained what the cost means. It's the generating capacity that your government built that we're still paying for and will pay for for a long time. And there's the cost also in terms of what we have to pay per kilowatt to the proponents of non-utility generation.

Those two added together make it more expensive than what we had anticipated in the beginning. That

expense does not fit in to our general plan. And we cannot ask at this point in time today, to ask the ratepayers in Saskatchewan to pay more than what they are paying right now for their electrical rates under our current system.

Mr. Toth: -- Thank you, Mr. Chairman. Mr. Chairman, I find it a little appalling that the minister would act in such a childish manner, to just ask his members to leave the Assembly.

Mr. Chairman, I happen to sit on the Crown Corporations Committee. And we've sat in Crown Corporations on numerous occasions -- and even with the present minister -- and we've tried to get answers to a number of questions. And we've been told: well no, that's appropriate to be brought up in the House in estimates. It would seem to me that if we're going to really get into a manner of trying to determine whether questions are appropriate in Crowns or in the House, maybe we should just bring everything before the House and forget the committee work; because we're just unable to really determine where we should be getting our answers, especially when you look at Crown Corporations Committee.

And for the minister to suggest to bring it up in Crowns . . . the minister knows very well that the first occasion we will get to discuss this question in Crown Corporations Committee is maybe a year and a half to two years down the road, when the final report comes out on the debate that is presently taking place in this Assembly.

And so it would seem, Mr. Chairman, that either the minister -- as his government has suggested that they'll be more open and accountable -- would stand here and respond, and answer the questions if he's got nothing to hide; if co-generation is such a sound, and viable, and economical project; if the government was so sure that it was going to bring jobs to this province . . . that the minister would be willing to stand in this Assembly today and respond to some of the questions.

And it would seem to me at times that the responses the minister has given haven't been directly related to the questions my colleague has asked him. So I can understand his frustration in trying to determine what he should be answering. If he doesn't want to answer the question directly we may as well just say, well I'm not interested in answering that, and I guess we might have to get on with life. But I think it's time we realized either . . . if we're going to get answers we're going to have to maybe find ministers who are willing to give the answers. And maybe the minister should just check with his officials a bit.

But I think, Mr. Speaker, if we're really getting into a more open debate and discussion in this House, and more openness in government, it would be appropriate to indeed give more direct responses. And let's not hide behind the fact that we should bring this up in Crowns because that's the more appropriate place to bring it up, when it's two years down the road when they finally get to that debate. Thank you.

Hon. Mr. Anguish: -- I appreciate some of the points that the member makes, Mr. Chair. I just expressed the willingness to you to deal directly with the issue. I asked the officials if they would leave because this is not their area of expertise in terms of dealing with the projects that you're calling into question.

The Crown corporation that dealt with that is SaskPower, and if you get into technical, detailed information I should in fairness have the officials from SaskPower here. If you want to deal with it in Crown Corporations, I'll deal with it in Crown Corporations. I'd be happy to deal with it in Crown Corporations. Maybe you could deal with the chair of Crown Corps and try and expedite this matter on the Crown Corporations, if you like. Maybe that would be a good thing for you to do.

But I think what I've given the willingness to do is that the member from Estevan can ask me questions and we'll deal with non-utility generation, co-generation, and let's get it out here on the floor of the legislature today.

It's not the purpose, but I also didn't want to waste the time of very valuable officials that have to do a lot of work under very trying circumstances.

Both the Department of Energy and Mines and the Energy Authority are lean in terms of responsibilities that are put on them, and so they need to go on to do their work. And if you want to be specific in your questions, get as specific as you want. And if I have the information off the top of my head, I'll provide you with the information as I can, as long as there's not a commercial interest.

And if you would have given me some advance knowledge that you didn't want to deal with the Energy Authority or with the Department of Energy and Mines, I could quite well have not had them come today and I would have brought the information knowing what you really wanted to deal with. So don't hide from now on, come out up front and tell us what you want to deal with.

I talked to you, the member from Estevan, just prior to coming in here. You mentioned nothing to me today about wanting to deal with this issue in the specifics of how it happened. I can talk about policy and I laid out policy to you. I laid out the statement again but you don't listen to that. You just want to make political hay. So you go ahead and make political . . . you keep calling policy.

The policy is, is that we're going to have 100 megawatts of non-utility generation by the end of the decade. That has always been there. That's what was in the throne speech. And you smile and chirp from your seat. The member from Estevan, I can't understand what it is that you want other than to continue the province on some path that you set it on and that's not the correct path. The policy is that there be 100 megawatts of non-utility generation in this province by the end of the decade. It will happen well

before the end of the decade.

The other thing that comes into question that has to do with policy is my statement in the House and I read that back to you word for word in case you weren't listening the day I brought it up here. So that's the policy. Now if you want to deal with the specifics, let's get on with the specifics. It's not the purpose of this House to do that, but I want to show a willingness to deal with those important, pressing questions you have. So let's be succinct and distinct about it and I'll do my best to answer them.

The committee reported progress.

The Assembly adjourned at 12:58 p.m.