

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Toth: -- Thank you, Mr. Speaker. I just noticed sitting in your gallery is a former mayor of the town of Wawota, Mr. Ron Choquette, and I'd like to welcome him and ask the members to join with me in welcoming Ron to this Assembly today.

Hon. Members: hear, hear!

Hon. Mr. Cunningham: -- Thank you, Mr. Speaker. I would like introduce to you and through you to the Assembly a guest in the west gallery, Mr. Jim Prokipuk. Mr. Prokipuk is a constituent of mine who is in town taking some courses and dropped in to see what it is we do here. Have a good time while you're in Regina, Jim.

Hon. Members: hear, hear!

STATEMENTS BY MEMBERS

Royal Canadian Legion Dominion Curling Championships

Mr. Britton: -- Thank you, Mr. Speaker. I would like to introduce to you and through you to the rest of our members an event that it is taking place in my constituency in the town of Unity. The Royal Canadian Legion Dominion Championships will be played in Unity.

This is a national event and it takes place at the Unity Community Centre curling rink. Mr. Speaker, we will be hosting nine rinks from the different provinces throughout Canada, and the games will be opened by Lieutenant Governor Sylvia Fedoruk, which we're really pleased to have Her Honour there.

The dates of this event, Mr. Speaker, is from March 19 to 25. And we certainly expect a great turnout judging from the interest that's been shown so far, and the Legion are already scrambling to find accommodations for the visitors they expect. And needless to say, Mr. Speaker, we welcome everyone to come and enjoy this very good standard of curling.

Thank you very much.

Some Hon. Members: hear, hear!

Commonwealth Day

Mr. Hagel: -- Thank you, Mr. Speaker. Mr. Speaker, today is Commonwealth Day, a day when 50 member countries of the Commonwealth pay tribute to 789 years of parliamentary government -- a system of government that began when bold representatives of the English people suggested to King John that they preferred to have a say in the affairs of their country at the time.

Well since the signing of the Magna Carta, parliamentary democracy has over the centuries been refined and has adapted with the times. And to this day, parliamentary democracy continues to be effective and the most liberating form of government available to people around the world. It is the legitimate and important role of political parties that differentiates ours from other forms of democracy, like our neighbour's to the south, and it is that reality that allows people with less wealth and power to influence public policy and political opinion.

As we acknowledge our ongoing commitment to parliamentary democracy here today, Mr. Speaker, I remind members of Winston Churchill's famous statement:

No one pretends that democracy is perfect or all-wise. Indeed it has been said that democracy is the worst form of government except all those other forms that have been tried from time to time.

Favourable Reports from Bond Rating Agencies

Mr. Wormsbecker: -- Mr. Speaker, the people of Saskatchewan have received some good news in the past few days. Reports that tell that their hard work, sacrifice, and perseverance are paying off. The reports of the bond rating agencies on the financial situation of the province are in and the reports are uniformly favourable.

For instance, Nesbitt Thompson reported:

In an environment which recently has been characterized by downward pressure on provincial credit ratings, we believe that Saskatchewan may well be the first Canadian province to be upgraded in the present economic cycle.

Burns Fry said:

We expect Saskatchewan to continue to hit its targets and therefore view the provincial credit rating outlook as positive.

Canadian Bond Rating Service has received its ratings outlook for Saskatchewan, and they are very stable. And, Mr. Speaker, Ted Chambers, the director of the Western Centre for Economic Research, said:

It seems to me that Saskatchewan has achieved a dramatic reduction in its deficit without a lot of fanfare . . . It was not done in a disruptive way.

It is reality, Mr. Speaker, that we must pay attention to these bond rating agencies and I'm pleased that these reports are positive. At any rate, the credit goes to the people of Saskatchewan and all third parties receiving funding from government, including boards

of education, post-secondary educational institutions, municipal governments, and hospital districts.

I wish to thank all of the people of Saskatchewan.

Some Hon. Members: hear, hear!

Canadian Taxpayers' Federation Deficit

Mr. Cline: -- Thank you, Mr. Speaker. I rise today to express my empathy with an organization that is currently undergoing some financial difficulties. As you may know, the Canadian Taxpayers' Federation, the national parent of the Association of Saskatchewan Taxpayers, recently announced an operating deficit for this fiscal year of \$60,000.

The members of this side of the House know very well, Mr. Speaker, how hard it is to operate with a deficit and still offer necessary programs and services. I can only hope that the measures the taxpayers' federation takes to eliminate its deficit are neither harsh nor unreasonable.

I would also hope, Mr. Speaker, that the taxpayers' federation will take action to prevent further deficits by perhaps amending its by-laws to prevent such occurrences.

Some Hon. Members: hear, hear!

Mr. Cline: -- Finally, Mr. Speaker, I would encourage the federation to seek advice from the Hon. Minister of Finance. As you know, she has had a great deal of success in overcoming deficits, some even bigger than those of the taxpayers' group. I'm sure her advice to them would be both wise and practical. Thank you.

Some Hon. Members: hear, hear!

Wildcat Musers Marathon

Hon. Mr. Renaud: -- Well, Mr. Speaker, this past week I had the honour to drop the flag and to attend the awards banquet for the longest dog-sled race in Canada, the Wildcat Musers Marathon. The 450-mile trail covered snow and ice and uphill, downhill, through open and through the beautiful forest areas in the Hudson Bay area.

We must congratulate all the entrants in this year's race. This year's winner and returning champion, coming in at 2:40 a.m. Friday morning, was Jim Tompkins of Christopher Lake; second, Roy Guignon of Stony Plain, Alberta at 6:24 a.m.; and Brian Wiese of Solway, Minnesota came in at 9:28 a.m. Friday. Ed Jenkins, the local musher, was fourth in a very respectable showing. Carole Danku of Prince Albert was the first lady musher and came in fifth.

I would like to commend the race organization, officials, volunteers for their hard work and dedication from grooming and marking trails, servicing checkpoints, to keeping the public updated as the race progressed. Congratulations to the mushers and congratulations to the community of Hudson Bay for hosting this world-class event.

Some Hon. Members: hear, hear!

Palliative Care Week

Mr. Koenker: -- Mr. Speaker, I am humbled today to rise in recognition of a historic event in Saskatchewan, and that is the first ever Saskatchewan Palliative Care Week being observed this week for the first time.

I also want to pay tribute to all those men and women across our province who work in the field of palliative care. And I especially want to recognize the work of Dr. Zach Thomas, the president of the association, for his tireless efforts on behalf of those who are terminally ill.

Yesterday afternoon I had the opportunity to visit the palliative care unit at the regional centre in Saskatoon St. Paul's Hospital and to have a tour by the volunteer coordinator, Carol-Lynne Zapf. They're doing wonderful work up there for the terminally ill. We all need to be thankful for that.

I urge residents of Saskatoon to visit the display in Market Mall this week, and better yet, to go up to the palliative care unit at St. Paul's Hospital and to visit the unit and see the work of Dr. Srinu Chary and Nancy Guebert who are the team leaders up there.

This is a wonderful complement to the work of health reform here and if people want more information, contact me or the Saskatchewan Palliative Care Association.

Some Hon. Members: hear, hear!

ORAL QUESTIONS

Workers' Compensation Board Rates

Mr. Goohsen: -- Thank you, Mr. Speaker. I am pleased today to present the first question in our ongoing direct democracy initiative. As you know, Mr. Speaker, the initiative gives members of the public the opportunity to participate directly in the question period.

This question comes from Margot Bussiere from Vonda, and she asks: Mr. Premier, I want to know, regarding the Workers' Compensation Board, why are companies penalized when we make a mistake in estimating wages for the year? It is an estimate at the board's request.

Our 1993 year greatly improved after our estimate was submitted. We created two jobs and therefore the estimate was inaccurate and we were penalized \$66. Why are you penalizing those who create employment in our province, Mr. Premier?

Some Hon. Members: hear, hear!

Hon. Mr. Shillington: -- The system employed by the Workers' Compensation Board, Mr. Speaker, has not

changed in many years, and certainly was in place when members opposite were in government.

The system is that each industry has, in a way, a fund of its own. And if the claims are higher than the fund, the rates are increased. If the claims are lower than the amount in the fund, the rates are decreased. Each industry sets its own rates.

And we might advise the correspondent that without knowing more detail, it's hard to comment without knowing the nature of their business and so on. But each industry sets its own rates by its claims experience, and my discussions with the workers and with the business community suggests that that's the way they'd like to keep it. They would like to have a high degree of accountability here so that those which do improve their safety record get the benefit of it; those who are careless take responsibility for it.

Some Hon. Members: hear, hear!

Trans-Canada Highway Repairs

Mr. Goohsen: -- Well thank you, Mr. Speaker. Well, minister, you can be assured that every word will go to your constituent for their evaluation, and I'm sure they'll be disappointed to know that you consider estimates to be the bottom line at the end of the year where facts are reality.

I have another question, Mr. Speaker, and this question comes from Terry Schmaltz from Fox Valley, a small town in my constituency: Minister, or Mr. Premier, when are you going to finish four-laning the Saskatchewan section of the Trans-Canada Highway. It's bloody dangerous. The whole country knows we're the highest taxed citizens of the province . . . of any province, rather. Can you at least show some results of this stifling taxation and rebuild and double-lane the No. 1 Highway?

Hon. Mr. Romanow: -- Mr. Speaker, I want to thank the . . . I think it's the hon. member for this question. I'm not quite sure who it's from, but presumably on his own behalf he's asking.

The answer to the question is very simply this: the member knows that we inherited, two and a half years ago, a horrendous financial situation which was the cause of the former administration of which this member is currently a party to. And I think that the person who wrote you understands full well the circumstance. I'm getting some of these Mr. Premier, I want to know, questions as a result of your advertisements.

And why I say that the questioner must know is because the one that I got a few days ago said like this: Mr. Premier, how you can tolerate this ridiculous, picayune nit-picking the Tories are flapping their gums over, considering the financial destruction they have unloaded on this province. They should be quietly hiding under Parliamentary desks acting like dust bunnies. Ellen Pegg.

And I think that this answer that Ms. Pegg wants me to give to her, which I'm very pleased to provide to her, is the answer which I would give to the hon. member to provide to the people in his constituency.

Some Hon. Members: hear, hear!

Cataract Surgery Waiting-list

Mr. Neudorf: -- Thank you, Mr. Speaker. I'm glad that the Premier is in an answering mood because Mrs. B. Cox from Melfort would like you to answer and give your opinion: why does cataract surgery take a wait of a year and a half? With an ageing population, it is ridiculous that we go for so long not seeing properly. It is time we were able to just pay to have this service done.

Mr. Premier, would you answer that, please?

Some Hon. Members: hear, hear!

Hon. Ms. Simard: -- Thank you very much, Mr. Speaker. First of all, the waiting-list for cataract surgery will depend on which specialist the person is seeing, and on whether or not it's indicated as an emergency. It will depend on the individual's case as to how long the waiting-list is and it will depend on the physician who's responsible for that person as to how long it will take before their surgery is dealt with.

Wildlife Damage to Crops

Mr. Neudorf: -- Thank you, Mr. Speaker. Mr. Premier, John Filipowich from Chelan would like to know if the government is willing to compensate farmers for the wildlife damage this winter, and if they are not, why not allow kill permits so the farmers can solve this problem?

Hon. Mr. Cunningham: -- Thank you, Mr. Speaker. We are certainly aware of the problem with wildlife damage in the north-east where some of the crops are laying out. We've done, through the Department of the Environment, considerable work to prevent that. We've had some meetings; we have a committee that's been struck to look at it.

We do not have special damage. They will be covered under crop insurance if they create a position where there's a crop insurance liability. If that occurs, then they will be covered under crop insurance. If not, there is only prevention that's available.

Saskatchewan Education Council

Mr. D'Autremont: -- Thank you, Mr. Speaker. My question to the Premier comes from Cheryl Nickolson of Wood Mountain. She writes: Mr. Premier, I want to know the purpose and cost of all the Saskatchewan Education Council established in 1993. Are you not reinventing the wheel?

There is a problem with Saskatchewan's education system. The solutions are coming from the Canadian Labour Market and Productivity Centre

recommendations, from the Saskatchewan Association of Communities and Schools Co-op, from the students, parents, teachers, and other individuals. All you have to do is listen.

Hon. Ms. Atkinson: -- I want to thank the member for his question. As the member may know, the Education Council was set up by the Government of Saskatchewan about a year ago. The Education Council is representative of all of our partners in education ranging from school trustees, the Teachers' Federation, the administrators, all the way to the University of Saskatchewan, University of Regina presidents.

The purpose of the Education Council is to advise the government of educational policy and the direction that all of our education partners would like us to go in the area of education and training.

Ethanol Production

Mr. Toth: -- Thank you, Mr. Speaker. My question is to the Premier as well. And my question comes from Edna Dash from Kipling: why do we not have more ethanol plants in Saskatchewan? Why is this environmentally friendly fuel not encouraged and promoted more? We would be the best province to produce ethanol as we often grow wheat that is not no. 1, and even the poorest wheat could be used to produce ethanol.

Hon. Mr. Lingenfelter: -- Mr. Speaker, I want to say that the production of ethanol does occur in the province. The problem of course is making it economical and the plants that are in place require a fair subsidy from the taxpayers to make them economical.

But on the bright side, we are working with a number of companies in the province who are very, very close to having their plants economically viable. And obviously, when that point is reached they will be a very good opportunity for people to invest in.

Underground Fuel Tanks

Ms. Haverstock: -- Thank you, Mr. Speaker. My question is to the Minister of Environment.

Mr. Minister, there are 7,500 gas stations in Saskatchewan, many of which are family businesses. And these owners employ people, they pay property taxes, and they collect a great deal of revenue for your government in gasoline tax.

Your government, through changes to the legislation governing underground fuel storage tanks, has decreed that the cost of digging up a large number of these tanks is to be borne by the owners, and the costs of excavation and removal range anywhere from 20,000 to \$300,000. An environmental assessment to determine whether an extension can be granted to low-risk sites is going to cost \$10,000, which is another cost to the owner.

My question is this: exactly what assessment have you done to determine whether independent businesses can afford to pay these huge costs?

Hon. Mr. Wiens: -- Mr. Speaker, there has been -- I appreciate the question from the member opposite -- there has been a great deal of discussion on this issue since the time I've taken over this portfolio. And one thing about which there is agreement is that before tanks begin to leak, they should be removed from the ground. And they're part of the capital equipment of a service station and as such are part of the equipment that is wearing out as time goes on. They tend to leak after 17 or 18 years, at a fairly high rate.

The other conclusion about which there is agreement is that if they do leak and there's a hazard to the public, that there needs to be a clean-up of the result of the leak. And to this time it is generally the owner of facilities where there are these kinds of spills who are held responsible to pay for those.

Now we have been working on the regulations to sensitize them. We've created a working committee in which the Environmental Fairness Association is represented, and hopefully we will make these regulations as sensitive as we can to address these questions.

Some Hon. Members: hear, hear!

Ms. Haverstock: -- Thank you, Mr. Speaker. Mr. Minister, it's interesting that you say that you have a group working on this and that you are being sensitive to the issues, because some of the people even involved in that do not think that you are being sensitive to the issues.

This legislation could cripple many family businesses, particularly those in rural Saskatchewan. The Double R service station near Yorkton is one of about 700 independent gas stations in Saskatchewan. Greg Rushka and his wife have owned and operated this business for some 29 years, and they listed their business for sale recently because they are hoping to retire. But the \$5,000 cost of upgrading their tanks is scaring away all prospective buyers. They fear that the business may in fact face even more government regulation and therefore people will not buy their business.

Mr. Minister, is your government addressing the fact that this legislation is sounding the death knell for so many Saskatchewan businesses in rural Saskatchewan?

Hon. Mr. Wiens: -- Mr. Speaker, one of the realities of doing business in the '90s is that we need to prevent liability accruing to our businesses, and more and more people are becoming conscious of that need at this time. This is not a function of government regulation; it is not a function of anything other than recognizing that if certain kinds of things spill into the atmosphere or into the environment, for public safety interest they have to be controlled. And that's something that we did not know to this extent some

time ago.

The difficulty is that people now in the circumstances you describe are finding this out for their businesses, through no one's fault -- not their fault, not anyone else's fault -- but they're now finding it out. And it's a business factor in the decisions they're making.

The regulations are there to try to guide people in becoming aware that these are risks and trying to be sensitive on the regulatory side to allow some time for these improvements to be made.

I can tell you that the . . . that what we did immediately upon seeing the dilemma that some . . . many Saskatchewan owners were in, we had an action plan that we announced about a year ago, and we've extended the deadlines for compliance with the regulations for all but the class A sites where the highest risks exist, for one year, from April 1, '94 to April 1, '95, and that we additionally have provided a three-year extension to 1998 for people to come into compliance with the regulations, providing they can demonstrate that their tanks are not presently leaking.

Some Hon. Members: hear, hear!

Ms. Haverstock: -- Mr. Minister, like the Rushkas, there are many other independent gas station owners who may conclude that the costs of excavating and upgrading their tanks are simply unrecoverable. And if they are forced to abandon their businesses, what's going to happen to those tanks then? Who will pay for their removal from an abandoned business, and who's going to compensate the local rural municipality or council for the lost property tax? Ultimately, who is going to replace all the jobs that your government regulations have destroyed?

Hon. Mr. Wiens: -- I think the question the member opposite asks, Mr. Speaker, contains within it its own answer. It is because we do not want to have business people in the circumstance of needing to pay for expensive clean-ups that the regulation and guidelines are there with respect to the timing of replacement of tanks.

And it is in fact so that there . . . we have extended the deadline so that there can be a gradual approach to upgrading, so that business owners can plan those improvements. Yes, it's still difficult, but they can plan their improvements and they can come into compliance with the regulations before there's a leak, before those rather more extensive costs of clean-up are there to be borne either by the owner, or in the event of the owner not being able to bear the cost, the public.

Ms. Haverstock: -- Thank you, Mr. Speaker. Mr. Minister, part of the problem here is the left hand doesn't know what the right hand is doing in government, and with a stroke of the pen, your government has destroyed the viability of numbers of businesses in Saskatchewan.

As Greg Rushka, the owner of Double R puts it, and I quote him: our business used to be an asset; now all we have is a liability.

If Mr. Rushka cannot pay for the costs of upgrading, he and his

wife have no choice but to walk away empty-handed from a lifetime of hard work because of your government's decision. They employ people, people who need jobs in rural Saskatchewan, Mr. Speaker.

How can you profess to care about job creation and the small-business economy when every move that your government makes serves to dig a deeper hole for struggling businesses and the workers who depend on them for jobs?

Hon. Mr. Wiens: -- Mr. Speaker, I believe I answered the question that the member opposite has asked, in my first answer. The thing about which there is no disagreement is that underground storage tanks should not be left to the point where they leak, because of the damage they then cause to the environment. And I would think the member opposite would be concerned about that, and the health risks which that causes to the public. I think the member opposite would be concerned about that.

So no one quarrels with that. It doesn't make it any easier for the persons writing you to pay that cost; it doesn't make it an ounce easier, knowing that it's the right thing to do.

But I'm a bit surprised that the member opposite would, in sympathizing as we all do with the plight of someone who has an expense that's difficult to bear, and the economic circumstances in which they exist, to then pretend to deny that there is a real environmental concern here that needs to be met. I'm very surprised at that.

Patronage Appointments

Mr. D'Autremont: -- Thank you, Mr. Speaker. The government members opposite were elected partly because of their promise to eliminate patronage in government appointments. The pledge was put in writing in the NDP *Democratic Reforms for the 1990's*, and it claimed that during the nine previous years the former administration had no fewer than 15 former or defeated MLAs appointed.

It goes on to say that the NDP government would unequivocally remove systematic patronage, partisan patronage, from government.

Mr. Speaker, the lid is coming off of that pledge. And when we brought to this Assembly the fact that the Premier had appointed 37 former NDP (New Democratic Party) MLAs (Member of the Legislative Assembly), appointees, or cabinet to government boards and commission -- 37 in two and a half years.

My question is to the Premier: Mr. Premier, I'm wondering if you would once again state your policy on political patronage and deny that your government is engaging in patronage.

Hon. Mr. Romanow: -- Mr. Speaker, what I'd like to say is thank the hon. member for the question in another of the ongoing series of: Mr. Premier, I want to know, questions, which I get directed to me. Perhaps the answer is set out.

This is delivered to my office. It says: Mr. Premier -- and I have to read the name because it's the way the question is worded -- I'd like to know why Mr. Rick Swenson and his team are so interested in hearing from us now. When they were in power they did their own selfish patronage and helping their buddies. Why now do they want to hear from me? That's what I want to know.

Mr. Ray Sider writes from Saskatoon. And I'm going to write Mr. Ray Sider.

Some Hon. Members: hear, hear!

Hon. Mr. Romanow: -- You see what I say, Mr. Speaker, in answer to the hon. member opposite, is that the public at large is a couple of steps ahead of the official opposition and the third party. They know exactly what Liberals and Tories do when they're in office.

And our position with respect to the civil service is that we believe in a qualified, competent, professional civil service which is protected by the Public Service Commission. There'll be always areas where in ministerial advice or certain boards and agencies the policies of the government should be supported by men and women who support those policies.

Some Hon. Members: hear, hear!

Mr. D'Autremont: -- Mr. Speaker, again the Premier denies that he is doing political patronage. Perhaps he isn't out of control and perhaps there is control in place, and indeed that's the problem, because unfortunately for you, Mr. Premier, and fortunately for the public, the lid is coming completely off of your government's patronage parade.

We have received a leaked copy of such a list dated May 19, 1992. And the list shows a very systematic and deliberate government operation to appoint certain people to government boards and positions.

Mr. Premier, the document lists 92 people, sorted by constituency, that were to be appointed by your government to boards and commissions. It also provides a list of people who were to be considered for future appointments.

Mr. Premier, please tell this Assembly how this list was put together. What's so special about those 92 people? How were they chosen out of the hundreds of thousands of people who might be eligible for appointments?

Some Hon. Members: hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, I obviously don't know what the hon. member is referring to. And quite frankly, judging by the tone of his question, I don't think he knows what he's referring to either. So we're at least on common ground in this regard.

I take the view, Mr. Speaker, that in the appointment of boards and commissions and agencies, men and women from around the province of Saskatchewan are entitled to apply, and in fact our system that we implemented very quickly on change and government was an application system and a screening system and then a vetting-out system to make sure the proper person is appointed to the proper agency, board, or commission.

I'm sure there are a number of documents that are floating around as we try to achieve that objective; that the hon. member has one or purports to have one I think adds nothing to the debate whatsoever.

I repeat again, our approach here is a great improvement to what's gone on from '82 to '91; much more can be done and we continue to work toward improving it.

Some Hon. Members: hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Premier. Vetting indeed, Mr. Premier. When you go through this list it becomes obvious that there's a common thread here and it's not merit.

Every one of these individuals are NDP supporters -- all of them -- 100 per cent of the people on your list are either former NDP MLAs, candidates, financial contributors, supporters or lifelong members. And a few of them even double as union leaders -- 92 out of 92.

Most appalling is the fact that in addition to the 37 former NDP MLAs and candidates you have already appointed, this list says that at least 15 more are being considered for future appointments, namely: Allan Oliver, Bob Robertson, David Miner, Barret Halderman, Allen Engel, Lawrence Yew, Ted Bowerman, Brian Oster, Earl Mickelson, Bob Porter, Carl Siemans, Owen Davies, Mel McCorrigen, David Bridger and Wayne Welke.

This appointment system sounds an awful lot like MCI's new calling system -- friends and family. Mr. Premier, the jig's up. Your government has been exposed for what it is . . .

The Speaker: -- Order, order. Does the member have a question? The member put his question, please.

Mr. D'Autremont: -- Mr. Premier, will you admit this today and join with us in ensuring that government appointments are based on merit and not political affiliation. Support our legislation.

Some Hon. Members: hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, I think we were around this discussion a few days ago, question

period, and I say to the hon. member opposite as I said then -- I repeat again today: if he is of the view that government should be as independent and competent and as professional as possible, I support him in that regard.

I think again as this questioner who writes to the Premier wanting to know suggests, it rather ill behoves the members opposite to make this suggestion, and that's why he's so agitated when I bring up his old record. But our record is very good in this regard. I think we can improve. There's no doubt about that. And we're going to intend to improve.

But I do repeat again that there is and always will be a place in government where people of a persuasion and a belief which conforms to the government's require a point. And I repeat my example . . . (inaudible interjection) . . . Well the former premier says that I didn't promise that. Exactly is what I promised, and I give you a good example -- the health boards. You're opposed to health boards. How could we appoint anybody that you suggest in the appointment of health boards? Can't do it.

Some Hon. Members: hear, hear!

Rural Emergency Health Care

Hon. Ms. Simard: -- Thank you very much, Mr. Speaker. Mr. Speaker, on Friday last, the member from Kindersley had asked me a question to which I said I would look into the matter on his behalf. And I would like to table today a letter from the North-East Health District that responds to the concerns he raised in the House. This letter clearly shows, Mr. Speaker, that once again the member opposite had his facts wrong.

The fact of the matter is, Mr. Speaker, that when the father phoned for emergency services, an emergency was not indicated. Also the nurse was not asked to attend at the arena, but did anyway as soon as possible. Furthermore, the parents indicate, and the mother is a registered nurse, that their son was well looked after and that the response times were quite appropriate.

I have tabled the letter, Mr. Speaker. I want the members opposite to know that in situations like this where they are genuinely concerned, they should be working with their district board instead of raising incorrect facts in the legislature to fearmonger. And we are working closely with district boards to make sure that there is proper attention. There was not convulsion or seizure, Mr. Speaker, in this case as the member opposite indicated.

Some Hon. Members: hear, hear!

Appointments Review Committee

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier.

Mr. Premier, my colleague has pointed out that there is a serious credibility problem with the promises that you made in 1991. And I remind you, Mr. Premier, that my party lost an election in 1991 partly because you made a personal commitment. And I've got a whole page of quotes here, Mr.

Premier, about why you as Premier would not indulge in a patronage system.

Today that's been revealed that you not only indulge in it, sir, that you have institutionalized that process. Mr. Premier, there is a solution being offered to you. And as I asked you last week, given the fact that you would have 92 of your friends either appointed or on a list ready to be appointed, that you've institutionalized patronage.

Wouldn't you agree that an all-party committee with a majority of members from your party, sir, reviewing appointments, would be better to the public than what you are doing with this institutionalized list of New Democrats? A party with the majority of your members, Mr. Premier, don't you think that is a better solution to the problem we face today, sir?

Some Hon. Members: hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, it is laughable to hear the leader, interim Leader of the Progressive Conservative Party, make this plea for legitimacy in the public service and in the appointments process. As Mr. Sider and others who write to me wanting to have me answer questions point out, this is the very last group that should be doing this. Working from a 1992 list -- gotten goodness knows from where, from what agency or what person that they obtained it -- working in that kind of a context and then assuming and concocting a case, I think is hardly the basis upon which to make the sweeping and unjust accusations the hon. member does.

Look, if the answer that you ask should be given is that we need to work toward having a professional civil service which is based on competence and ability, protected by a Public Service Commission, we have that. We have that. In the appointment of agencies, boards, and commissions, that's of a different matter. That is a matter where the public interest in the wider sense, other than Public Service Act regulations, is to come into place.

The example, I repeat again for your consideration, is health boards. For example, there's nothing that you could do in this regard because you oppose health boards and you oppose health reform, as does the third party. So what's the sense of seeking for your input?

Some Hon. Members: hear, hear!

INTRODUCTION OF BILLS

Bill No. 33 -- An Act to amend The Alcohol and Gaming Regulation Act

Hon. Mr. Lautermilch: -- Mr. Speaker, I move that a Bill to amend The Alcohol and Gaming Regulation 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.

Bill No. 34 -- An Act to amend The Animal Protection Act

Hon. Mr. Cunningham: -- Mr. Speaker, I move that a Bill to amend The Animal Protection Act be now introduced and read for a first time.

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

Bill No. 35 -- An Act respecting Agrologists

Hon. Mr. Cunningham: -- Mr. Speaker, I move that a Bill respecting Agrologists 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. Neudorf: -- Thank you very much, Mr. Speaker. On a point of order.

The Speaker: -- What is the member's point of order?

POINT OF ORDER

Mr. Neudorf: -- Mr. Speaker, on March 11, '94, the Hon. Minister of Health was asked a question by one of my members here, and the minister chose not to answer the question specifically, but did answer in a political way.

Today, Mr. Speaker, she gave . . . came up . . . stood up rather and gave an answer to a question that she had not taken notice of. So she got two opportunities to answer the one, single question -- first of all, on a political note and then on the premiss of having taken notice which she did not do, Mr. Speaker. I think she should be chastised for that action.

Hon. Mr. Lingenfelter: -- Mr. Speaker, it's just for the . . . Mr. Speaker, in terms of answering questions in the House and the need to respond, it seems hard to satisfy the members of the opposition. When you don't answer the questions, they're critical; when you do answer them, they're critical.

In this case, the minister said she would bring back information; she brought it back. And I'm sure that the members opposite will appreciate, once they bother to read the letter that has been tabled, the real answer to the question they asked on Friday.

Some Hon. Members: hear, hear!

The Speaker: -- Members will appreciate that I was not in the legislature on Friday and I will check the records and defer my decision and bring a decision back to the legislature.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: -- Mr. Speaker, as it relates to question 43, I do have a response here and I'll just find it in a moment

and submit it.

The Speaker: -- Question no. 43, the answer has been tabled.

(1415)

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 32 -- An Act to amend The Labour Standards Act

Hon. Mr. Shillington: -- Thank you very much, Mr. Speaker. I will at the conclusion of my remarks move second reading of a Bill to amend The Labour Standards Act.

Amending The Labour Standards Act, Mr. Speaker, is part of this government's plan to reform our province's labour laws. Our goal, throughout a number of Bills, has been to enact legislation which is fair, which is balanced, which is up to date, and which is the product of extensive consultation, which is consistent with today's economic development strategy and which attempts to build consensus and develop a cooperative relationship between labour and business.

I would like to speak briefly about the background to the current labour issues that this province faces. As I am sure all hon. members are aware, the workplace has been changing dramatically and rapidly in the recent past. For example, the first personal computer appeared only about 20 years ago, a year or two after The Labour Standards Act was last amended. It is now a common tool. The primary objective of the government then is to update the legislation to respond to current social conditions and current conditions in the workplace.

As well we see the function of the government as one striking a balance between the interests of workers and management. This government's essential interests are fairness in the workplace and working towards a cooperative approach wherever possible with management and labour.

The government has pursued these objectives through its efforts to broadly consult with people who are interested. For example, Mr. Speaker, in August 1993, CanWest Opinion Research surveyed 800 workers and 700 employers including, I might add, 300 farm workers.

Last October, over 1,400 employers, employees, employer organizations, labour organizations, community organizations, government organizations, aboriginal organizations, and others received a discussion guide and an invitation to submit their comments to the Department of Labour. Community round-table discussions were held in

eight centres in the province to solicit the views of business, labour, women, youth, persons of aboriginal ancestry, and persons with disabilities.

Input by business and labour has been strengthened through ongoing consultations with various parties as well as discussions with municipal bodies, with SUMA (Saskatchewan Urban Municipalities Association), with health organizations, and the like.

The review process was extended through outreach meetings with low income workers themselves, with women's community groups, with group home workers, with students, with farm workers, employers, and again, the aboriginal community. In the past three months, Mr. Speaker, I've toured the province and spoken with many people to determine the appropriate course of action in amending The Labour Standards Act.

With respect to the interests of labour and business, the consultation process has reached beyond the traditional stakeholder groups. We have tried to directly meet with and solicit the opinions of unorganized workers and many of the small businesses which employ them. In summary, Mr. Speaker, this government has made every effort to ensure that The Labour Standards Amendment Act reflects the general attitudes of the people of Saskatchewan.

Through our broad consultation, I believe, Mr. Speaker, we have reduced the areas of controversy between business and labour, maximized the areas of agreement on the legislation and the policies it contains.

In essence, we want to provide a framework which minimizes points of conflict between business and labour and provide a framework within which business and labour are able resolve their own problems.

In many ways, Mr. Speaker, consultation is a new approach to labour legislation in Saskatchewan and many other provinces. It is, in many ways, the development of the same logic which first gave rise to labour legislation. That is, we're moving from developing a better process to resolve conflicts to developing ways to avoid conflicts and to develop ways of cooperating together.

Labour legislation originated from the recognition that the violence which was common during the conflict between employers and workers is harmful to everyone. Early trade union legislation such as the Wagner Act, for example, which was passed in the '30s under Franklin Roosevelt's New Deal era, attempted to curb the violence that often attended strikes but made no attempt to change confrontation as the basic underpinning of labour relations. Instead, it simply sought to provide a process to which confrontation and conflict could be channelled without bounds.

Other societies, Mr. Speaker, have got beyond this. Perhaps the primary reason for Germany's post-war success was the partnership -- they call it co-determination -- partnership which was developed between business and labour.

In Asia the relationship has never been as confrontational as it

has been in North America. The ability of labour and management to cooperate in Japan, for example, has been a major reason for that country's astounding success after the devastation of the Second World War. In short, there is irrefutable and a strong correlation between the effectiveness of the cooperative process, economic prosperity, and the wealth and health of a nation's population.

In many ways and for a variety of reasons the quality of life in the workplace has declined rather than improved over the last 15 years. Mr. Speaker, in the '70s when this Act was last changed, we didn't see or indeed imagine that people would treat other people in the ways we see now. An example, Mr. Speaker, is that in 1977 when this Act was last passed, we legislated a 40-hour work week. It was assumed that a 40-hour work week meant five eight-hour days. However, Mr. Speaker, we've got documented examples of workers coming forward who work a single 36-hour shift.

Another example has to do with scheduling part-time work. Some part-time employees are virtually under house arrest because they can't afford to leave the telephone. If they do, they may miss a shift; if they miss many shifts, they may lose their job.

Through our consultation with workers and employees, we have reviewed our current treatment of workers against the basic standards which society agrees and respects. We must have labour standards, Mr. Speaker, which are in conformity to this province's basic social values.

The amendment to the Act will, I believe, Mr. Speaker, remedy some of the most pressing problems. The proposed amendments will improve protection and benefits for part-time workers including, provide that part-time workers in larger firms will receive, in proportion to the hours they work, the benefits available to all full-time employees.

It will provide the most senior part-time workers will get first opportunity to work more hours when they become available. It will require prorated calculation of public holiday pay for all employees. It will provide calculation of pay in lieu of notice for lay-off or discharge on the basis of the average weekly wage over the previous 13 weeks.

It will improve maternity and other family-related leaves, all with leave without pay -- I'm sure that's understood. The changes will reduce maternity leave qualifying period from 52 to weeks to 20 weeks so that it will be in conformity with the Unemployment Insurance Act.

It will provide an opportunity for job modification or reassignment before an employer may require earlier

starting of maternity leave; replace the 6 weeks paternity leave with 12 weeks paternal leave. It'll increase adoptive leave from 6 weeks to 18 weeks, to be the equivalent of maternity leave. It'll provide for the accrual of seniority and access to benefits for the period of maternal leave and parental leave.

In many ways, Mr. Speaker, what we are doing with the way we're organizing the workplace is that we are producing dysfunctional families. There's no way a single parent can hold down two or three part-time jobs with minimal notice of scheduling of each and still provide proper and adequate parenting for their children. We, Mr. Speaker, are remedying that, and hopefully one of the results of this will be fewer dysfunctional families and less stress on the family.

We're going to be providing the following improvement in protection against arbitrary dismissal. We're going to provide increased notice for employees who are dismissed without just cause from two weeks for people employed less than a year, to a maximum of 14 weeks for an employee of 10 years or more.

We're going to provide employees protection against dismissal in cases of illness or injury.

We're going to provide for the right of employees to be reassigned, where possible, where they become disabled, and we're going to protect employees against dismissal who report illegal activities to proper law enforcement authorities.

We're going to address the issues respecting hours of work and part time, including require one weeks notice of changes in work schedules. We're going to require a minimum of eight hours rest in a 24-hour period, provide 30-minute unpaid meal breaks, and specify daily overtime in averaging permits.

We're going to, Mr. Speaker, improve lay-off provisions by requiring one weeks notice for every year of service, to a maximum of 10 weeks.

We're going to provide for staged payment in lieu of notice according to regular pay schedule, and a reduction of pay in lieu in the event of early recall.

We're going to be increasing break in service without affecting continuous service from 14 days to 13 weeks.

We're going to improve the administration and enforcement of the Act in the following ways: we're going to clarify procedures for collection of wages; we're going to clarify that wage assessments may include holiday pay and pay in lieu of notice; we're going to clarify the procedure for issuing a wage assessment; we're going to provide for the recovery of enforcement costs, so that those who repeatedly violate the law will pay for the cost of the investigations against them where they're held to be in violation of the law.

We're going to establish the director's power to represent employees in a reasonable manner and to negotiate settlements.

We're going to establish a one-year time limit for the pursuit of claims and a two-year time limit for prosecutions.

We're going to clarify that the Act establishes minimum

standards. We're going to increase maximum penalties -- 2,000 for the first offence, 5,000 for the second offence, and 10,000 for the third offence.

We're going to clarify that employees who work out of their home are covered by the Act and location is not relevant in determining an employer-employee relationship.

We're going to require additional notice for group termination of 10 or more employees within a four-week period. The notice must be provided to the Minister of Labour, each employee, and the union if applicable. Notice must include those dates, those affected, and the reasons.

We're going to clarify calculation of annual holiday pay and require employees who have paid for previously approved vacation to be reimbursed. And we're going to establish a new adjudication and appeal system.

Mr. Speaker, before concluding, I want to comment that members opposite, when they read the Act, are going to find in the Act a framework for these principles, but much of the detail has been left to regulation.

I want to say, Mr. Speaker, that that was one of the ways that this draft legislation changed as the consultation process went on. Someone in the department, Mr. Speaker, estimated that -- I have a speech of about 35 minutes -- someone in the department estimated I gave it over a hundred times to a hundred different groups.

During this very lengthy consultation process, some things became apparent to us, one of which was that the world of work is varied. A system which will work . . . we were this morning in Prince Albert. The example I used was that a system which will work in a pulp mill will not work in a newspaper, and a system which will work in those two places of employment will not work in a restaurant.

(1430)

So, Mr. Speaker, we have left much of the detail to regulation. We are going to be using a method which we used successfully in drafting the regulations of The Occupational Health and Safety Act. Mr. Speaker, we set up a system which, as far as I know, is unique. We set up about 20 committees to draft regulations, really an industry-by-industry committee -- one management, one labour, chaired by someone in the department.

Mr. Speaker, even people who are unrelenting critics of the Department of Labour -- and given our nature, there are some -- even people who are unrelenting critics of the Department of Labour will say of the process for drafting regulations under The Occupational Health and Safety Act, it's been a great process.

It is often said, Mr. Speaker, that a camel is a horse put together by a committee. Well the occupational health and safety committees were a group which took a camel and made it into a very fine racehorse. That, Mr. Speaker, is the process which we intend to duplicate in The Labour Standards Act.

I want to say, Mr. Speaker, that as we travelled around the province, meeting workers and meeting employers, when we indicated that we were going to repeat the process used in The Occupational Health and Safety Act, in most cases most of the concerns evaporated. It is a process, Mr. Speaker, which the public in Saskatchewan have come to understand and trust through the occupational health and safety process; and it is a process and a success, I'm going to say, which we're going to repeat here.

Mr. Speaker, I said at the beginning of my remarks that our goal is fair, balanced, and up-to-date labour legislation which attempts to build consensus and develop a cooperative relationship between labour and business.

Mr. Speaker, one of the documents which was brought to my attention a few weeks ago was a letter from the International Labour Organization in Geneva. In their annual conference this year, the theme of their annual conference is part-time labour. It's apparent, Mr. Speaker, that . . . and I read through briefly some of the material which they had sent. It is apparent from that material, Mr. Speaker, that throughout the industrialized world, from Finland in the East to Japan in the West, the industrialized world has a problem with part-time workers. It's equally apparent that no one has attempted to solve the problem.

Once again, Mr. Speaker, it is in Saskatchewan where the government, through this legislature, are pioneering new approaches to deal with a problem which exists worldwide. Mr. Speaker, I'm proud therefore to move second reading of a speech to amend The Labour Standards Act.

Some Hon. Members: hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I just want to take a few moments to raise a few questions, a few concerns, make a few comments regarding the presentation the minister has given us today as to why the government feels that it's time to revamp The Labour Standards Act.

I would like to indicate, first of all, Mr. Speaker, that my colleagues and I find that there are certainly a number of things in the Bill that certainly aren't unobjectable and can be conceded as positive improvements regarding labour standards in the province of Saskatchewan.

For example, the requirements to reimburse employees for cancelled holidays, or the improved maternity benefits, and the extension of funeral leave to death of grandparents -- I believe,

Mr. Speaker, these can easily be seen to be progressive steps. And no doubt many people across this province, certainly part-time employees, will be looking forward to getting more information on these changes that are being suggested by the minister and by the government.

However, Mr. Speaker, as usual the government would appear to have tunnel vision on this issue and ignores many important concerns. Many changes, Mr. Speaker, may end up hurting the very people that they are meant to help. Mr. Speaker, by making it more difficult, expensive, and complex for employers to deal with part-time employees, this legislation may end up discouraging employers from hiring more employees.

And I must add, Mr. Speaker, that even in the area I represent, the constituency of Moosomin, I've run across a number of people who've indicated that they have no problem in working in part-time positions, especially housewives who do not want full time but are looking at part time so they can give a fair bit of their time and effort into raising their family. Some of the benefits that the minister has talked about will be a benefit to these individuals, but they don't consider it a major issue in their decision to find and seek part-time work.

In addition, Mr. Speaker, this Bill creates a competitive disadvantage for Saskatchewan in attracting business, again reducing not only the number of part-time but even the number of full-time jobs available in this province.

Mr. Speaker, the minister claims that his government has consulted thoroughly with both labour and business on this legislation. However, considering that the Canadian Federation of Independent Business has already come out against the legislation, one has to wonder just how two-sided the consultation really was. It seems that even the government appears to be uneasy with some aspects of this legislation since it has found it necessary to play with the numbers to justify their case.

Mr. Speaker, the government claims that these changes will have only minimal costs to employers. The number they use is that it represents only one-tenth of one per cent of total payroll costs. However, Mr. Speaker, by the very figures the government commissioned from Price Waterhouse, the legislation relating to part-timers only affects 10,900 employees in this province. Yet the incremental cost to employers is estimated -- and we all know how accurate government estimates are -- to be between 9.5 million and 14.2 million.

Mr. Speaker, that would translate into, per employee

cost to employers, of between 871 and \$1,302 per employee per year, which for a lot of small businesses struggling to survive in our economic times will be a major impact upon their bottom line. For a small firm employing 25 people, this would increase the business cost by around \$25,000 per year. And, Mr. Speaker, this certainly is not small potatoes for businesses trying to get by in difficult economic times.

In addition, Mr. Speaker, the benchmarks set by the government are arbitrary and will lead to widespread confusion and unfairness in the workplace. And I've already read a couple of editorials where there is a fair bit of confusion in the workplace and a number of employers aren't endeavouring to try and understand what the government and what the minister is saying regarding this piece of legislation.

People who work in businesses that have franchises, their branches may or may not be covered, depending on who owns the franchise. If someone works in a suit store whose owner only owns one franchise, he probably won't be covered. If his boss owns two, he will. Employees' benefits will vary widely from store to store within the same franchise.

Also, Mr. Speaker, setting any arbitrary number relating to employees simply encourages employers to stay under that limit. If an employer has 20 people on his payroll, the simple knowledge that he will face additional regulations and costs if he hires someone else will likely cause him to delay hiring that extra person as long as possible.

Mr. Speaker, this might be acceptable if the economy were prospering and growing strongly. But when the economy is in a downturn, any kind of delay and sluggishness in the labour market can be deadly to plans for recovery.

And I would also suggest, Mr. Speaker, that even if the economy is recovering, I would think that a number of businesses, as the farm community throughout rural Saskatchewan has found out in tough economic times, most people have learned that you don't just jump in because the economy is turning, because your business is doing better, that you start spending wildly again. But you take a closer look at your bottom line and you're very careful in how you spend your dollars.

Mr. Speaker, a couple things I also noticed in the speech that the minister was giving, he talked about protection for employees through dismissal. It would seem, Mr. Speaker, that there were a number of people following the October '91 election who would invariably have loved to have this piece of legislation in place as the government of the day decided that it certainly wasn't appropriate to offer severance packages -- in fact, took them away or froze those severance packages and just fired people at will.

So I would trust that, Mr. Speaker, this piece of legislation covers everyone in the workplace, not just the part-time employers. That if it's appropriate for one, that it's appropriate for everybody else.

The legislation also, as the minister indicated, has greater penalties or is incurring penalties upon offenders or businesses that may not follow the Acts or the intent of the Act that is laid

before them.

It would seem, Mr. Speaker, as we've seen through the legislation that has been brought forward time and time again since October of 1991, we are putting in more hindrances, not only in the way of business but also, Mr. Speaker, we keep bringing in penalties for, as I would term, putting penalties upon law-abiding businesses, individuals. When at the same time, you'd look at the cases around us and the court cases that appear, Mr. Speaker, we find that the courts tend to deal with individuals who are breaking the criminal law much more leniently than the way the government is now going to deal with individuals who may even break The Labour Standards Act. And I think, Mr. Speaker, as we get into Committee of the Whole and into this discussion, there are a number of points we want to raise. Because I don't think, Mr. Speaker, we want to be seen as holding a hammer over people who are trying to create business and generate jobs in this province.

Another thing I might bring out, Mr. Speaker, is the fact that the greater intent or the points of this legislation are going to be brought about through regulations. And I find that somewhat disheartening, Mr. Speaker; I find that somewhat offensive, because of the fact that regulations are brought into place and implemented by Executive Council. And Executive Council has to answer to nobody. They don't even have to answer to the Legislative Assembly when it comes to regulatory changes.

Mr. Speaker, I think it would be very important -- it should be important, it should be number one, high on the government's priority list -- that any major changes that would affect business, that would affect job creation in the province of Saskatchewan, that would affect employer-employee relationships, should be discussed at least at this level, at the floor level of this Assembly, rather than going to regulations and then deciding how you're going to implement all the stages of the Bill outside of public perusal.

So, Mr. Speaker, as you can see there a number of areas that even though there are some very good, solid points in the Bill and areas that men and women across this province, and teenagers, young people finding jobs, can agree with, there are other areas that we must take the time in committee or when we reach that stage to raise some of these very strong points.

And I trust that the minister will have some very solid, serious answers with us. And we also would ask that the minister would even give some consideration to some of the suggestions that we would put forward that could be beneficial in the long run for employment throughout the province of Saskatchewan.

Mr. Speaker, the fact that this piece of legislation is quite new, is quite extensive, and that we would

like an opportunity to talk to interested groups across the province and seek their input and before we get into the major discussion, I now move to adjourn debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 17

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. MacKinnon that **Bill No. 17 -- An Act to amend The Municipal Employees' Superannuation Act** be now read a second time.

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, we aren't going to have any objection to this Bill moving along into committee. I think having had the opportunity to consult with a number of people around the province, that my opinion of this Bill is that it does alleviate many of the concerns that municipal employees have had. The question of portability of pensions has been one that has become a real issue in Canada in the last 10 years, and I think it's very important that that portability be recognized.

Surviving spouses is a question that this Bill I think goes a long way to addressing, as does the issue of marital break-up when there is a pension issue at stake.

And I think, from what I've heard so far, that this particular piece of legislation . . . And I congratulate the minister responsible for taking the time to consult with the people that will be most affected. And I think it's important now that the House go to the next stage, which will allow us to ask some very detailed questions in a few areas, comparisons of this new Act with the pension Act that was passed in 1992, and see how those things stack up.

So at this time, Mr. Speaker, I would move that we go to third reading.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

(1445)

Bill No. 18

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Mitchell that **Bill No. 18 -- An Act to amend The Meewasin Valley Authority Act** be now read a second time.

Mr. Neudorf: -- Thank you, Mr. Speaker. I have only a few comments to make on this Bill to amend The Meewasin Valley Authority Act, and as such we're not going to stand in the way of this Act, Mr. Speaker. But I want to make a few comments before we allow this Bill to proceed in the next stage, and that being the Committee of the Whole.

I notice, Mr. Speaker, that essentially what this Act is going to do is implement some budget-related decisions. The biggest

budgetary decision I think has been made, is that essentially the '94-95 funding is going to be frozen at the previous year's level.

Now, Mr. Speaker, that kind of thing obviously puts a fair degree of restraint and constraints on any kind of a board that is going to be trying to operate and fulfil its mission, and that is essentially of maintaining at least . . . at least maintaining the degree of program services and so on that it was used to doing. So essentially what this means is that there is a cut because of inflation and so on. It means that they will really have less purchasing power to implement those kinds of things that they would feel are necessary.

So I would ask the question of the minister: can this Authority, can this board, can this Meewasin Authority board now be . . . fulfil the functions as they would like, as they feel should be done in order for them to do it properly?

Now that does not mean, Mr. Speaker, that it is only the Government of Saskatchewan that funds this organization. And I know and -- it's in your home area as well -- you know that it is the city of Saskatoon and the University of Saskatchewan that are also partners in sharing the responsibilities of this Authority.

So while the minister says that this is not going to have a significant impact on the operations of the Authority, Mr. Speaker, when the appropriate time comes during Committee of the Whole, I certainly intend to pursue this line of questioning so that indeed all of the residents in the area of Saskatoon can be assured that the Meewasin Valley Authority has the wherewithal to see to it that its mandate is fulfilled.

So having said those few words, Mr. Speaker, I am going to take my place, and hopefully other members will concur with me that this Bill now be allowed to go to committee.

Mr. Koenker: -- Thank you, Mr. Speaker. I concur also with the member from Rosthern that this Bill be allowed to go to committee. And more than that, I would concur with many of his observations regarding the impact of this Bill on the ability of the Meewasin Authority to function. There's no question that it will function but will function in a little bit of a constrained fashion as a result of this Bill.

I can reassure the public however that it was a New Democratic government that gave birth to the Meewasin Valley Authority in Saskatoon and that we don't intend to preside over its demise, even though there are serious fiscal constraints on the Authority, as there are in municipalities and the University of Saskatchewan as well.

As we all know, this is a partnership funding arrangement between the University of Saskatchewan, the city of Saskatoon, and the

Government of Saskatchewan. The province, incidentally, kicks in \$740,000, the U of S (University of Saskatchewan) kicks in \$573,000, and the city of Saskatoon kicks in \$556,000, to make a total of almost \$2 million for the Meewasin Valley Authority in Saskatoon.

I might say, on behalf of many citizens in Saskatoon, we are not happy that funding has been frozen a second year, but we understand it and we're pleased that funding hasn't been cut from what it was last year.

Finally, we all look for the day when there will be a return to financial solvency in the province so that we can begin to fund Meewasin Valley Authority in an expansionary kind of fashion as it really needs to be funded these next years for future generations.

Some Hon. Members: hear, hear!

Ms. Haverstock: -- Thank you, Mr. Speaker. I too am very pleased to speak this afternoon in support of the Act to amend The Meewasin Valley Authority Act. In speaking to the people at the MVA (Meewasin Valley Authority), it is clear that the impetus for the changes to the structure of their committees comes from them and is, therefore, welcome to their members.

Essentially the amendment changes the composition of the advisory committees in order to reduce the amount of time on committee work without reducing the scope or variety of perspectives that are offered on the applications for development of the river valley which are put before the MVA.

Previous to this amendment, there were actually two committees which review applications coming to them under development review. One committee consisted almost entirely, I think, of engineers, while the other committee involved architects and planners. And the change to this legislation, Mr. Speaker, will establish a joint committee which ensures that there will be a reduced number of engineers involved but which will retain the engineering perspective on all decisions.

I believe this speaks to the desire of the committee to operate as efficiently and effectively as it can while not diminishing the scope of the review process.

The Meewasin Valley Authority is an extremely significant part of Saskatoon's development -- as you well know, Mr. Speaker, representing a seat in Saskatoon for so many years -- and indeed it has an impact on our province overall. Since its establishment in 1984, the MVA has brought enhanced enjoyment to the North Saskatchewan River valley while respecting the delicate balance between man and nature which must co-exist in the system.

The members of the Authority are to be congratulated for fostering a cooperative effort between all levels of government, industry, service clubs, and private individuals to generate support for the many valuable projects undertaken during its first decade in existence.

Anyone who has strolled along the trails or participated in events that take place in our beautiful river valley in Saskatoon has surely reflected, as I have on many occasions, on the

enormous difference the MVA has made to the quality of life that we all associate with Saskatoon.

It is no accident that Saskatoon was chosen among the top three places to live in Canada, and the tremendous vision evident in the development of our river valley has a great deal to do with the impression Saskatoon makes on tourists and visitors every year.

There have been difficult times for the MVA over the years and much of that difficulty has come at the hands of continued funding cut-backs by different levels of government under various administrations. But the members and supporters of the MVA, which include the University of Saskatchewan and the city of Saskatoon, have continued their support in spite of those difficulties.

So the changes to this legislation provide some relief from 10 successive years of cuts in that the amendment establishes that the funding for 1994 and 1995 will be held at last year's level. I share the hope of those involved with the MVA that this is a sign of brighter times to come and that the province will consider increases to that funding if our economy improves.

What is important to acknowledge is the support that has been provided to the MVA, not only by the provincial government, the University of Saskatchewan, and the city of Saskatoon, but the level of support that has come from private donors, local service clubs, and companies.

If one includes the tremendous response to the Wanuskewin project, the MVA has generated more than \$3 million in donations many of which, surprisingly, came from out of province -- national companies, Mr. Speaker. And from that perspective, as well as from the value of tourism attracted by the river valley, the MVA is in itself an economic generator for the Saskatoon economy.

But the efforts of the MVA are almost as far-reaching as the Saskatchewan River itself. It is a little-publicized fact that the Saskatchewan River -- the North and South Saskatchewan -- form the second-largest river basin in all of North America, second only to the Mississippi system. From their source in the Rockies, both the North and South Saskatchewan converge east of Prince Albert, flow through Saskatoon and across Saskatchewan and Manitoba into Lake Winnipeg and out through the Nelson River system into Hudson Bay.

The Meewasin Valley, in addition to its efforts to develop the valley and to establish education programs in the schools in Saskatoon, is now reaching outside the local community.

The MVA is currently working, with the support of the federal government, to develop an information-sharing network about the Saskatchewan River system, which involves partners from the source of the rivers in British Columbia right through to its basin in Hudson Bay. There are over 100 organizations partnered and all will join in promoting and sharing information about our rivers, the North and South Saskatchewan.

So I am very pleased to support this amendment to The Meewasin Valley Authority Act and to express my hope that their tremendous work will be improved and facilitated as a result of these changes.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

Bill No. 19

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 19 -- An Act to amend The Wascana Centre Act** be now read a second time.

Mr. Neudorf: -- Thank you very much, Mr. Speaker. I would basically want to reiterate the remarks that I made with the Meewasin Authority, simply because this Bill essentially does the same thing as the previous Bill, Mr. Speaker, and that is to limit the funding for the upcoming year to that of the last year. And I suppose if I take note of the comments made by the other speakers this afternoon, a no-increase-decrease budget is a good budget, according to what previous speakers have said.

And recognizing obviously that with that limited amount of money we are going to be able to only do those things that we did in previous years by some very, very careful management. Because, Mr. Speaker, maintaining the same kind of budget and having the impact of inflation, even though that is very, very slight but increases the prices of goods, and then still maintaining the same level of service is very, very difficult to do. And certainly we are very fortunate that we have the types of leaders, both in Meewasin and also in this Wascana Centre park as well.

And I think it should be noted, Mr. Speaker, that indeed we in Saskatchewan can be very proud of what we have in Regina here, because I don't view this park in Regina as being the exclusive enclave of Regina but rather that of all of Saskatchewan because it is indeed, to a large extent, the taxpayers' dollar, Mr. Speaker, that maintains this.

And rightfully so. This is the seat of government. This is where our legislative buildings stand. And I know that visitors who come in here from outside of Saskatchewan, perhaps even outside of Canada, when they come in July and August, Mr. Speaker, these grounds are something to be very, very proud of.

And I know the various activities that go on here, from canoeing to boating to walking in the park; and of course, I think it's only Regina, maybe Vancouver, that has the geese on the grounds and so on. So certainly, we have something that makes this a rather unique place -- a place to be proud of.

I recall back in my younger days, when I was a high school student, we came into this centre and we visited many of the activities that you can in Wascana, from the heritage park to the museum to the science centre, I believe it is. Something that certainly stuck in my mind, and even at that stage, I was kind of awed by these premises.

And so having said that, I think all of Saskatchewan recognizes how important this Wascana Centre is, and we are pleased, I must say, that the government has been able to see to it that at least it is able to maintain the funding, even though the increase, which I'm sure most people would have liked to have seen, has not been coming.

(1500)

But with those few, brief remarks, Mr. Speaker, and a few questions that I would have from the minister in respect to the significance of this centre, for example in Regina . . . I know that many centres around the world -- well maybe that's stretching it -- but certainly many centres in Canada, Mr. Speaker, look upon Regina and what we've done with the inner core of this city, which I think this centre is largely responsible for, they stand in envy. Because while the inner core of many of the larger cities of Canada are decaying and people moving out and becoming centres for crime and so on, this is certainly not the case in Regina, which goes exactly the opposite of the traditional things that happen to cities as they become larger.

So again, we have a lot to be proud of. And when this Bill goes to committee, we have some questions but we certainly will not stand in the way of its progress. Thank you.

Some Hon. Members: hear, hear!

Mr. Scott: -- Thank you very much, Mr. Speaker. I'd certainly like to elaborate on some of the remarks that the hon. member from Rosthern made with regards to Wascana Centre Authority. It is certainly my belief that Wascana Centre, here in the heart of Regina, is certainly a major attraction to the city and a great benefit to the people of not only Regina, but also of Saskatchewan.

This 2,300 acre park which includes 300 acres of water is by far the largest man-made urban park in Canada, and certainly is something that the people of this province can be proud of.

As the hon. member from Rosthern mentioned, the Wascana Centre is the home for the seat of government here in Saskatchewan. But there are many other facilities in the centre as well, including the Saskatchewan Museum of Natural History, the

science centre and IMAX Theatre, the Douglas Park track and field, the Plains hospital, and the Wascana Rehabilitation hospital, Centre of the Arts, University of Regina, MacKenzie Art Gallery, several government office buildings, and even the CBC (Canadian Broadcasting Corporation). So, Mr. Speaker, you can see that many facilities do exist in the centre and obviously these facilities attract hundreds of people every day.

Wascana Centre is also a place for people and celebrations as well. In addition to the hundreds of thousands of people which visit the park on a daily basis to walk or cycle or play sports, have picnics, reunions, musical entertainment in the band shell throughout the summer, and even weddings are held here in Wascana Centre. There are some major celebration days such as Waskimo, Canada Day, Pile O' Bones Sunday and, more recently, the Dragon Boat Festival which gets bigger and better every year . . . (inaudible interjection) . . . That's right, Mr. Speaker.

The natural area of Wascana Centre is certainly of great interest to many people. And in addition to the 200 or so pair of Canada geese which nest in the centre each year, there's many other wildlife species. Wascana Centre is a very important staging area not only for migratory waterfowl, but also for neotropical birds coming all the way from South America. Many of them rest and feed in Wascana Centre during their spring and fall migration.

Rare species such as white pelicans, bald eagles, are also found in Wascana Centre at certain times of the year. And even the first sightings of particular birds ever seen in Saskatchewan have been found right here in Wascana Centre, including the green heron and Mississippi kite.

So the importance of the natural areas in this park is very valuable to the people of Regina and the province. And it is certainly a tribute to our forefathers for making sure that green spaces were left in the city here so that our children can go and feed the geese and bird-watchers can scout around looking for birds throughout different times of the year. And certainly it is up to the people of today to maintain these natural areas for the people of the future.

Well, Mr. Speaker, like many other agencies and departments, the Wascana Centre has over the years, the last number of years, received budget cuts, and at the very least, frozen budgets. This has certainly taken its toll on the staff of Wascana Centre.

We've seen the staff, the permanent staff complement drop from 104 down to 46. And despite this major impact, the staff at Wascana Centre have been able to cope and make do with less. And it is certainly a tribute to the people who are very dedicated over at Wascana Centre in maintaining the park to the best of their ability. And certainly some things had to be let go, but by and large, Wascana Centre is still a show-piece for Regina and this province.

Well, Mr. Speaker, in closing, it certainly behoves the three agencies responsible for Wascana Centre, including this government, the city of Regina, and the University of Regina, to pool their resources and expertise in maintaining this great asset for the city. And not only for the residents here, but it is

also a tourist attraction for people from not only in Saskatchewan, but throughout North America and elsewhere.

And as we get closer to a balanced budget and hopefully better economic times, urban parks need to receive immediate funding attention as we try to catch up on some of the things that may have fallen behind over the years.

So thank you very much, Mr. Speaker.

Some Hon. Members: hear, hear!

Mr. Trew: -- Thank you, Mr. Speaker. I'm almost reluctant to rise and speak to this Bill in the legislature, following that excellent speech informing us all about the Wascana Centre Authority from the member from Indian Head-Wolseley.

Mr. Speaker, on a bit of a note, I'm very proud of the job that that member did. And as many of my colleagues will know, I was the buddy MLA for Indian Head-Wolseley. And I want to just take a little bit of a bow for the fact that Lorne is here. In some small part I may have helped that.

The Speaker: -- Order, order. I think the member knows he can't refer to the member's first name, but by his constituency.

Mr. Trew: -- Mr. Speaker, I apologize for that -- I assure you, an oversight.

Speaking to the Wascana Centre Authority, as one who has at various times utilized one very, very beautiful park that we can all be intensely proud of here in Regina, I want to echo the sentiments expressed by the member for Indian Head-Wolseley. But there's a couple of slightly different things I'd like to speak about.

Certainly the Wascana Centre Authority is one of the former premier, Hon. Allan Blakeney's proudest achievements. And it is one that I recall vividly, as the former premier was having his final day in this Legislative Assembly, it was one Act . . . The Wascana Centre Authority was one of a select few achievements that he chose to speak of and that others who knew him well spoke of.

I think that the former premier had great vision when he put together the Wascana Centre Authority and had partnership with the city of Regina and with the University of Regina to make that urban park something that we could all be very, very proud of.

And it's especially so when you recognize that the city of Regina was blessed with a certain innate beauty; but it's a beauty that's unrecognized by a great many people and it's largely the Wascana Centre that makes

Regina an even more beautiful and prestigious city in which to reside.

But I want to point out, in addition to that, the need, Mr. Speaker, for the . . . for example, the road and the path through the Wascana Centre are in desperate need of renewal. There is no question about it. I want to commend all Wascana Centre Authority employees and management for the job they've done in keeping the Wascana Centre patched together and as beautiful as it is. Indeed, it is a remarkable effort on their part that has allowed the Wascana Centre to be as attractive as it really is.

I, too, very much look forward to the day when we can be expanding and providing some of the much needed funds that the Wascana Centre Authority and its staff so richly deserve. This is one area that as we collectively, together, all 1 million people in the province collectively move towards a balanced budget, the Wascana Centre Authority is one area that unfortunately has been feeling the pinch, and I look forward to that pinch being loosened so that in fact the Wascana Centre can continue its advancement in making the park even greater, even more beautiful, than it is as it is today.

Thank you, Mr. Speaker.

Some Hon. Members: hear, hear!

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

Bill No. 22

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. MacKinnon that **Bill No. 22 -- An Act to establish Crown Foundations for Saskatchewan Universities** be now read a second time.

Mr. D'Autremont: -- Thank you, Mr. Speaker. Bill No. 22 establishes Crown foundations for Saskatchewan universities, and this is similar to what's being done in British Columbia, in Manitoba, in Alberta, and Ontario.

Mr. Speaker, our universities are suffering. They've received dramatic decreases in their provincial operating grants over the past two years and are struggling to provide quality education for Saskatchewan students.

This is part of what this Crown foundation will be all about, Mr. Speaker. It's because of these cut-backs that universities have received, they have to look outside of the provincial structure for funds. Simply adding on tuition fees to students will not answer all of that need, Mr. Speaker. This will allow . . . these changes will allow citizens and corporations to provide monies, research seed monies to the universities, in exchange for some tax benefits.

They will be allowed to write off some, or perhaps all -- I'm not sure how that's going to work -- of their donation to the university. This type of foundation, Mr. Speaker, has certainly benefited universities, other universities in Canada, and it has particularly benefited universities in the United States.

It's my hope that the establishment of these foundations will help offset some of the slashes in funding our universities have received from the provincial government, because research is very important to the progress of our province and indeed to our society as a whole. Since this proposal was initiated and brought forward by our universities, and because it has been approved by both the federal Department of Finance and Revenue Canada, I see no reason, Mr. Speaker, why it should not be sent to the Committee of the Whole.

Ms. Haverstock: -- Thank you, Mr. Speaker. The Act to establish Crown Foundations is legislation which does exactly what its title indicates. The university currently operates under a tax deduction for donors which allows donations to be written off over a five-year period of time at 20 per cent per year.

As many of you probably know, recently a donor who was terminally ill had plans to donate a sizeable amount to the University of Regina but requested that there be a provision to allow a 100 per cent deduction in that tax year, for obvious reasons. The only way to accommodate this request and the situations of other donors who may not be in a position to benefit from the five-year carry-forward is to incorporate a separate body, distinct from the university, known as a Crown foundation, which is eligible under federal revenue statutes to offer the 100 per cent deductibility in the current year.

This Act puts in place the necessary legislation to establish the Crown foundation and will give the fund-raisers on both campuses a green light to pursue opportunities for donations without the restrictions previously faced by the absence of a Crown foundation.

Both Ontario and British Columbia have had similar foundations and I believe this has been a very positive situation for them. I hope that this will produce similar positive results for our universities, because they are most definitely in need of as much financial assistance as they can muster, given the reality of the funding cut-backs and spiralling costs of operation. I note that the University of Regina will face a deficit of more than \$1 million this year, and that speaks to the urgency of empowering the university to generate revenues from all available sources.

(1515)

It is significant to note the importance of The Crown Foundations Act and the stipulation that there cannot be conditions attached to the donation.

I believe that it is important to consider and respect the wishes of those who donate to our public institutions, but it is critical that the final direction be left in the

hands of those responsible for carrying out the dispensation of those monies, in keeping with the needs and the vision of the recipient institutions.

So I am pleased to offer the endorsement of the Liberal caucus for this important change to our statutes which will allow for establishment of Crown foundations at both of the university campuses in Saskatchewan.

Mr. Koenker: -- Thank you, Mr. Speaker. It's a pleasure to speak to Bill 22, An Act to establish Crown Foundations for Saskatchewan Universities. As has been noted, this legislation is not new to Saskatchewan . . . is new to Saskatchewan, although it's not new to Canada or to North America.

While other members have spoken to the letter of the legislation, some of the facts of the legislation, I'd like to speak to some of the spirit of the legislation this afternoon. First of all, I'd like to say that this is an extremely important legislation for the constituency of Saskatoon Sutherland-University. It's important in as much as it gives the Saskatchewan public a new model of responsiveness to educational funding at a time when such a model is very badly needed.

During tough economic times, during times of restraint, we have to look to the private sector increasingly for support of some of our public institutions. This may not be the way we would choose to go, but this is the reality that we have to deal with, given the present financial circumstances of our province. These times will pass, these times of restraint. But while we're in them, it's very important to come up with new models or vehicles for the good public of Saskatchewan to assist the University of Regina and the university of Saskatoon in the educational process.

This doesn't mean the creation of Crown foundations; it doesn't mean that government can simply distance itself all the more from the educational process and from funding of education. The Government of Saskatchewan simply cannot walk away from the university system, and this legislation in no way sanctions the walking of the Government of Saskatchewan away from the University of Saskatchewan or the University of Regina. It's intended to assist the university communities. And this legislation is part of government's responsibility or response, even in the face of economic restraint, to the university communities.

I want to comment particularly on the importance of this legislation for alumni who have graduated from the U of S and the U of R (University of Regina). This legislation, Mr. Speaker, will allow U of S alumni or U of R alumni to personally make a living memorial gift to their Alma Mater, to extend some of the benefit they have received from their education back to the institution that gave them that education.

And I think this is a very significant step for Saskatchewan to take. We've been out of step with other provinces in this regard, not having such legislation enabling donations to Crown foundations. With the passage of this legislation, we'll have provision for Saskatchewan alumni to personally make living memorials to their Alma Mater.

And so this legislation is certainly important for the

administration of the University of Saskatchewan or the University of Regina and we recognize their efforts in bringing this to the attention of the Government of Saskatchewan. It's certainly important also to the faculty of the University of Saskatchewan, to the support staff -- I think of the support staff 1971 at the U of S. It's important also to the research community at the universities.

But most of all and most importantly I say, it's important to students at our universities, students present and students future, that they will have a new vehicle for educational funding in this province at a time when it's desperately needed.

So I conclude by saying Saskatchewan may be johnny-come-late with the establishment of Crown foundations here in Saskatchewan, but I'm sure, as all members of the Assembly who have spoken so far have said, it's better late than never. And we welcome this legislation and we look for it to make a real difference in the lives of all students in our province. Thank you, Mr. Speaker.

Some Hon. Members: hear, hear!

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

Bill No. 27

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 27 -- An Act to amend The Superannuation (Supplementary Provisions) Act** be now read a second time.

Mr. Martens: -- Thank you, Mr. Speaker. We're going to allow this Bill to move to committee but I think there are a number of questions that we're going to raise in regard to this Bill. Number one is that the definition of what the age will be for pension and superannuation for individuals, and what the government will anticipate a threshold for moving these people into retirement position will be. We'll be asking those questions. There, I believe, are a number of agencies of the Crowns and government that are involved, and we're going to be asking about that.

One of the things that it does is it allows the cabinet to make this decision. And we will be asking questions about whether that is legitimate, whether it is important enough to deal with outside the framework of this Assembly, to handle superannuation for those early retirements. And we'll be asking questions in relation to that.

I think the role of this Assembly is somewhat being restricted by having the changes to these pension plans being made by Executive Council. And therefore, Mr. Speaker, we're going to be asking why the government thinks that they need to have this outside of the Legislative Assembly.

And there are quite a number of them that are going to be applied to this, I suppose. In the overall scheme of things, there's about 30,000 people employed by the public service, and therefore we're going to take a look at how the government intends to do it and the process they intend to use in making these decisions. And we'll be asking the minister questions in

relation to that.

And we will be able to find out the majority of that information, Mr. Speaker, in Committee of the Whole, and we'll be looking forward to the minister's answers to those and other questions.

Hon. Mr. Shillington: -- Thank you very much. I just say to the member opposite, I thank him for the courtesy of notifying us of those questions. We'll see that they're brought to the attention of the minister and that if possible the answers are available when it comes back to Committee of the Whole.

The Speaker: -- I'm not quite certain that that is in order. If the member wishes to speak to the Bill, I think he should have done so, rather than . . .

An Hon. Member: -- Well he was speaking to the expediency with which the opposition moved the Bill forward.

The Speaker: -- We will not accept that as a precedent in this Assembly.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

COMMITTEE OF FINANCE

General Revenue Fund Saskatchewan Research Council Vote 35

The Chair: -- Before we proceed I should like to ask the minister to please introduce the officials who have joined us here this afternoon.

Hon. Mr. Anguish: -- Thank you, Mr. Chairman. I have with me Mr. George MacKay who is the senior vice-president, external services and corporate development; and I also have behind me Ron McGrath who is the controller at the Saskatchewan Research Council. I'd also like to pass on the regrets of Mr. Jim Hutch, who is the president, and is unable to be with us here today.

(1530)

Item 1

Mr. Neudorf: -- Thank you, Mr. Chairman, and Mr. Minister, and welcome to your officials. I was also looking forward to renewing my acquaintance with Jim; we seem to be getting into an annual affair here. But I'm sure that George and Ron will be very, very adequate in answering the questions that we'll be directing to your direction this afternoon.

Mr. Minister, I'm just wondering, your department, as every other department in the government, was the recipient of a sheet of questions, what we call the generic questions or the general questions. And I'm just wondering if you have those questions answered, if you have them available for us today, if you intend to answer them. Could you bring me up to date on that.

Hon. Mr. Anguish: -- I'm sorry, I don't have that list of questions here today in any kind of completed form. If you wanted to run through the questions quickly we could do that, or I could provide the answers to the question for you at a later date.

Mr. Neudorf: -- Mr. Chairman, and Mr. Minister, I wouldn't want to go through them this afternoon because it would take me until 5 o'clock. This is a standard set of questions that every department has been getting, not only this session but last session as well, and we thought that we had instituted a rather unique approach here which would be time saving.

You people got the questions ahead of time and could prepare them, and then in the House you simply gave them to us, and in the evenings we could look at them, and if there were any subsequent supplementary questions that we had on those, then the issue was resolved.

So what I would propose to do then, Mr. Minister, is if you have got these back in Saskatoon or whatever, your officials are going to have to come here at some future time anyway because you have an amendment to the Saskatchewan Research Council Act, and so at that time perhaps we could get back into the Committee of Finance and pursue these questions.

So could you indicate whether you have them at all or not; and if not, I'll see to it that you get another copy.

Hon. Mr. Anguish: -- I'm sorry. I apologize to the hon. member. It seems that for one reason or another the officials at SRC (Saskatchewan Research Council) did not receive these questions until Friday last, and have not had the time to put them in the form that you've requested.

Now there's a couple of avenues I think we could use, and one is that I give you my undertaking that I will provide those to you as soon as the SRC have them completed. And I do appreciate getting the questions in advance; I want to reinforce that. Or we can come back another day; they can be provided to you either another day for estimates or when the SRC Bill comes before the legislature. My preference is that I would provide them to you as soon as they're completed. And if the member is willing to accept that, then I would undertake to do that.

Mr. Neudorf: -- Yes, Mr. Member, I think what we'll

do is we'll just leave them for today and give your officials an opportunity to answer them. And at some future time we can have a look at them and pursue them if there's anything of significance that we are concerned about.

So leaving that for the moment then, Mr. Minister, I would ask you that I'm going to give you an opportunity, Mr. Minister, to indicate to the House and to interested people any significant changes that may have occurred in terms of direction, in terms of policy, that you would want to share with us in programming or whatever, since the last time we met here, approximately a year ago -- anything of significance to the SRC policy or general workings that you might want to share with us.

Hon. Mr. Anguish: -- I want to seek just a little bit further clarification from the hon. member before we do that. I do have a list of some questions that ended March 31, 1993. I do not have them for the year ending March 31, '94, of course, because that year is not completed and we would have to make some assumptions in that regard.

So if the member is asking, I have on one sheet the questions that are at least very similar to what you asked in your written questions for the year ending March 31, 1992 and the year ending March 31, 1993. I can provide those to you today, but I cannot provide you the year ending March 31, '94, of course, because that fiscal year has not ended and we would have to make some assumptions. And since a lot of the people there are scientists that work with exact things, I'd rather provide you with exact rather than estimates, especially from the Research Council.

Mr. Neudorf: -- Yes, we have a discrepancy here between us as politicians that don't necessarily work with an exact science, so I hope your officials will be able to accommodate us as we go through this.

In answer to your concern, the end of '93 fiscal year is what I would be looking for then, as opposed to the end of '94.

Mr. Minister, I will give you an opportunity now to respond to the previous question.

Hon. Mr. Anguish: -- . . . Research Council in the past year. There have been some of what I would think minor, but nevertheless exciting changes.

One of those changes are the start of an endowment fund, I think it could be described as, whereas an individual who was formerly a resident of Saskatchewan provided, I believe, half a million dollars to the Saskatchewan Research Council to start an endowment fund. And the title of the fund actually is technology in action.

And I would want to commend Mr. Wahn who is currently living in Toronto, a former Member of Parliament, a very distinguished Canadian who has seen fit to put some of his hard-earned money into the trust of the Saskatchewan Research Council for the work on future programs.

The Saskatchewan Research Council, as I recall your questions from last year and you'd be interested in this, continues to draw the largest portion of its funding from the expertise that they

provide to the private sector, usually on a contract basis to private sector firms and individuals who wish to seek out expertise that they do not have in-house or cannot afford to have on an ongoing basis in-house, and therefore contract with the Saskatchewan Research Council.

Those avenues are continuing not only in Saskatchewan, but in Canada and internationally in where the Saskatchewan Research Council do have projects under way or being pursued.

And I think that those are the two items that would be a change from last year. I have nothing that comes to mind in term of change of direction. We are quite pleased I think as you are, with the direction of the Saskatchewan Research Council.

We view the employees and the people who contract as highly skilled professionals that do provide a needed service to Saskatchewan residents and those beyond our borders for transfer of technology and research.

Mr. Neudorf: -- Mr. Chairman, Mr. Minister, last year . . . you referred to last year's estimates, and during those estimates you stated, and I quote:

. . . the Saskatchewan Research Council will play a major role in helping Saskatchewan rebuild its economy.

Could you give me some specific detail as to how the Research Council has gone about trying to achieve that goal and with what success?

Hon. Mr. Anguish: -- Well there are some major projects under way at the present time at the Saskatchewan Research Council. I'm not sure that I'm at liberty in the House to discuss the specific projects. But one that I can think of in particular has an environmental impact to it. The same project would provide a much needed product to Saskatchewan manufacturers, and it will be undergoing a pilot project within the confines of the Saskatchewan Research Council facilities in Saskatoon.

We are very hopeful that the pilot project will prove successful, and it could mean a major new industry for the province of Saskatchewan. And I would commend the Research Council for having that expertise. I'd also commend the proponents of the project who are very interested in seeing Saskatchewan develop along an economic as well as environmentally sound basis.

That is one project that comes to mind that will in fact develop the province's economy, should the pilot project come to fruition and a plant is actually built within the province.

There are a number of other smaller ventures. If the member would be more specific in terms of projects, I'd be more than happy to comment on specific projects as we go along here this afternoon.

Mr. Neudorf: -- Well, Mr. Minister, I'm asking the question. You made the statement that the SRC was going to have a significant role in rebuilding Saskatchewan economy. So I'm asking you for examples of specific objects or objectives that are being met through the work of the SRC.

You are the one that made that statement. And now what I'm asking you is for some specific examples of how that laudable, I might add, objective is being met. And you have indicated one. So it's not me who has to be specific about the projects. I just want to know from you how that objective is being met. And I'm sure if the officials had the opportunity, they could probably talk for an hour or an hour and a half on an exposé of the things that they are doing.

Now you could read that article, that booklet, which I get on a consistent basis as well, but I would like a brief summary of some of these projects of the SRC that attain that goal.

Mr. Minister, you've already alluded to this in one of your previous comments. I know for a fact that the funding of the SRC comes from a variety of sources certainly -- and we'll be discussing the exact budget here from the government -- so a certain amount comes from out of the Consolidated Fund. I know that you have contracts from industry, and that's the most exciting part, and I think that's where the tremendous potential of the SRC lies.

So we have government contracts, we have private contracts, we have money coming from the Consolidated Fund. And I believe, if I recall correctly, and my figure here indicates that last year you told me that 53 per cent of these . . . 53 per cent came from contracts or the funding of the SRC. And I'm just wondering, has that figure changed and if so, in what way?

Hon. Mr. Anguish: -- First off I'd want to comment, if the member is interested, in a number of specific projects. There was just a release at the end of 1993 which is the agricultural green plan funds target rural water supplies. The joint funding of this project, which could cost up to 3.2 million, the Research Council, the Prairie Farm Rehabilitation Administration, and several provincial agencies, private companies, and educational institutions will be working on.

The key components are to reduce levels of dissolved organics and prairie surface waters by identifying and evaluating catchment area management practices; to evaluate cost-effective, small-scale water treatment systems designed to remove dissolved organics and microbial contaminants of surface water; also to investigate and evaluate dugout systems designed to improve water quality for on-farm use; and to develop instructional material covering surface water quality management issues on the prairies, and improving the level of knowledge of the government staff who work with the producers.

We also have been doing a lot of work in other areas that affect agriculture. The work that has gone on in the automated

ultrasound equipment concerning ultrasound in the beef industry have been very successful and I think there are some exciting things there that the Research Council and all Saskatchewan residents can be proud of.

In terms of a private sector company, Agtron Enterprises of Saskatoon has developed a seed monitor which has the potential to save Saskatchewan farmers a lot of time and money. We've done some work also with a company in Tokyo, and the Toyo Oil Mills company has entered into some work that will provide the Saskatchewan Research Council and more particular the Saskatchewan canola industry with economic benefits.

If we look at other things in terms of the environment, the atmospheric dust collector provides accurate sampling of the extent and type of organic chemicals that atmospherically enter into the environment. These are all issues or all projects that can help build the Saskatchewan economy, not only for direct use in Saskatchewan but also for use in a number of other places throughout the globe.

A couple other things you may be interested in is the first phase of a Chevy Sprint Geo Metro gas vehicle conversion has been completed, and this is looking at natural gas vehicles. And initially the project looks very, very good. There are a number of people now in Saskatchewan who drive natural gas vehicles. This is a good, clean alternate fuel which is cheaper and more environmentally friendly than our traditional gasoline or diesel that have been used in engines.

And there's been a successful evaluation of membrane technology for the production of sodium hydroxide for Ormiston Mining & Smelting, and this has resulted in submission to the western economic diversification for a 20-cell pilot plant. And that's the first one that I mentioned, and that has some very exciting possibilities for Saskatchewan. It concerns the environment; it concerns the pulp and paper industry; it concerns the sodium sulphate mines in the province, and has a great deal of spin-offs to it.

(1545)

I hope that that gives the member some idea of the projects that are being worked on by the Saskatchewan Research Council. And there certainly are many, many more.

I wasn't trying to be flippant at all by suggesting that the member might be interested in other specific projects. I only said that because there are so many projects that the Research Council are working on, that we could certainly spend well past 5 o'clock going into each of the different projects here.

In terms of the revenue by source in the fiscal year '92-93, the breakdown of revenue to the Saskatchewan Research Council is, by grant, 27 per cent; provincial government, 8 per cent; federal government, 17 per cent; and industry, 48 per cent.

Mr. Neudorf: -- Thank you. Thank you, Mr. Minister. One of the main reasons for me making that comment about the project was I thought that you, and I certainly thought that the officials would appreciate the opportunity to show all the good things that the SRC is doing. And if we're going to be spending public money here, I wanted to give you that opportunity to tell the people who are watching and who are listening some of the things that the SRC is doing and the amounts of monies that we are allocating toward that.

Now you indicated to me the breakdown for the '92-93 year of grants, 27 per cent, and then the provincial government, 8 per cent. Now it would seem to me that those grants . . . could you indicate to me the difference between those grants? Where would those grants be coming from on that 27 per cent? And is the 8 per cent that you told me about the provincial government, does that include that 7.5-or-so million dollars that we're talking about, or is that the grant structure? Could you clarify that?

Hon. Mr. Anguish: -- The amounts I mentioned on the breakdown to the hon. member when I mentioned provincial government, that would be contract work or joint shared work between other government departments and the Saskatchewan Research Council. The 27 per cent is the core grant that comes from the Consolidated Fund. Just for your records, the year before the amount of the grant from the Consolidated Fund was 28 per cent of total revenue.

Mr. Neudorf: -- Thank you, Mr. Minister. I thought that that would be the case. So the provincial government is saying, we need some help on this particular expertise or some testing done, for example, in the Department of Highways. And then you would go to the SRC and in effect hire them for services provided, and you pay them a fee for service. That's what that 8 per cent would indicate -- is that correct?

Hon. Mr. Anguish: -- Yes, the 8 per cent could be a number of things. When the Research Council does work for a government department or agency, they would expect that government department or agency to pay for it in most cases just like they would expect private sector to pay for it.

And I imagine the departments most often that deal with the Saskatchewan Research Council would be those involved with energy, those involved in mining. The Department of Highways, I would think, would undertake some work from time to time; the Department of Agriculture. There's many departments and agencies of government that come into contact with the Saskatchewan Research Council, and when they do, they're expected to pay for that expertise that's acquired or is in-house at the Saskatchewan Research Council.

There may be also circumstances whereby the Research Council will work with other government departments or agencies for a particular client. In that case there may sometimes be a charge to the department or agency.

Mr. Neudorf: -- Mr. Minister, I notice also that in 1992-93 -- the year that we're talking about right now -- the grant . . . and that's right out of the Consolidated Fund. Is that correct? Can you confirm that?

Hon. Mr. Anguish: -- Yes, the grant of 27 per cent I mentioned comes directly from the Consolidated Fund. It would be a line item in the budget.

Mr. Neudorf: -- Right, Mr. Chairman. Mr. Minister, thank you. One thing that catches my eye as I look on this document, which you might have as well, and the top half of that page indicates 1985-1986 SRC revenue by source. And I notice that, while in last year the provincial government contract work to the SRC amounted to 8 per cent of their entire budget, in 1985-1986 this contract work by the provincial government was, in my estimation, a whopping 30 per cent. Why would there have been this reduction of work referred by the various departments to the SRC over that period of time?

Hon. Mr. Anguish: -- Part of the explanation for that particular review, 1985-86, it's . . . You're correct, 30 per cent, and that's twice of any other year, or almost twice of any other year. That had to do with some petroleum work which was jointly funded by the federal government and the provincial government. And part of that is matching money that went in . . . or our money went into the Saskatchewan Research Council as our arm to do our share of the costs that were proportioned out. And in later years it was decided to do it directly than rather through the Saskatchewan Research Council. That's why, partly at least, why you would see a drop in '86-87 down to 22 per cent and then to the more traditional level in '87-88 of 15 per cent.

Mr. Neudorf: -- Mr. Minister, excuse me for not completely following because in the meantime the page brought me your answers, which I thank you for, and we'll peruse them and see if they are indeed what we were anticipating. But that'll come at a later time.

Did you say that part of the drop was because of less federal cost-sharing, or what was the relationship between the federal government contracts and the provincial? I didn't quite catch that.

Hon. Mr. Anguish: -- During those couple of years there was a petroleum program that the federal government was funding and the provincial government was funding. The federal government put their funding directly into the program. The province put their funding through the Saskatchewan Research Council. And then there was a decision made, by your administration at some point, not to fund it through the Research Council and fund it directly into that

particular program.

So no, there wasn't a drop of the federal funding, there wasn't a drop of the provincial funding; there was a federal-provincial agreement. And in the initial years we funded it through the Saskatchewan Research Council, and then over a two-year period decided to fund it directly into the program itself.

Mr. Neudorf: -- I wasn't aware of that, Mr. Minister, and I thank you for that information.

If we could just continue to compare the charts here. In 1985-86 the industry component of the SRC budget was 16 per cent. And that I would assume would be direct contracts entered into by the SRC and private industry. Is there any indication at that time that there were some of these contracts let out, not to industry as such, but to other research councils? And I'll give you the ARC as an example, Alberta Research Council. What is the liaison that your SRC has with the ARC and perhaps with Manitoba as well?

Hon. Mr. Anguish: -- Both of the research councils you mentioned, we have memorandums of understanding with them. Also on a very, very regular basis there's contact from our president to the other research councils, not just within those provinces but other provinces as well.

And the work that we do is certainly not confined to the province of Saskatchewan. There's a history of expertise that's been built up at the Saskatchewan Research Council. And as I mentioned in my opening statement, quite often the expertise that we have in-house or have access to is required not only in other parts of Canada but in the international market.

Mr. Neudorf: -- Yes, I'm well aware of the memoranda of understanding. I accompanied the Hon. Ray Meiklejohn on the Alberta tour when we signed that memorandum a few years back, Mr. Minister.

But my question is: the research that would be interchangeable . . . I know that we do some research for them and they do some research for us in different fields because there is areas of expertise that each of these research councils has. What I'm wondering is, do you pay each other for that? Is part of that industry 16 per cent in 1985-86, for example, would that have been some of that revenue from these other research councils that you have this memorandum of understanding with?

Hon. Mr. Anguish: -- Yes, when we do work for other research councils, they would be charged for it on a contract basis; and if they do work for us, we'd expect them to charge us on a contract basis. The amount that's included under the industry percentage of revenue would include work done for other research councils.

Mr. Neudorf: -- Mr. Chairman. Thank you, Mr. Minister. In 1992-93 -- and I guess this is what I find the most exciting about this whole dialogue so far -- I notice that the industry component of revenue for the SRC was 48 per cent. Now I thought it was 53 and that's why I mentioned 53 in my opening remarks. But according to this, I must have been wrong or I got a different figure from a different time, I'm not quite sure. Maybe you could indicate that to me.

But, Mr. Minister, I find that very exciting, and to me indicates that we're on the right road here, where the SRC now is getting almost half of its revenue through contract by private industry and perhaps other SRCs. And I would like you to comment on that, perhaps from your perspective, perhaps from your officials' perspective.

The trend is obvious, from 16 per cent in '85-86 to 48 per cent last year. Now has that been a gradual trend, or was there a dramatic shift as there was in the provincial government's share as we discussed previously? And if it is a trend, what do you anticipate for two, three, four, five years down the road?

Hon. Mr. Anguish: -- Well it depends I suppose on the . . . (inaudible) . . . but I view it as a gradual trend, whereby the Research Council have looked at other research councils across Canada, and some of the other research councils have not done very well, and I think partly because they relied too much on their government grant and didn't go out enough to the private sector. That's my own analysis, and if it's inaccurate certainly don't blame the officials for that.

But the year you use is '85-86, it was 16 per cent; the following year it was 18 per cent; the next year it was 25 per cent, then 34 per cent, then 41 per cent, then 46 per cent, then 51 per cent. And there's a slight drop off of 3 per cent in '92-93 to 48 per cent.

So I would call it a gradual increase, but remarkable, and I commend the Research Council and their officials and the employees for that, that it continued to increase without any fluctuation in it, and although you could say it fluctuated somewhat for '92-93, I view that as a very minor amount. And we're hopeful that the Saskatchewan Research Council, because of their credibility, will continue to progress from a position of mostly government support to the position that they're in now, that that will in fact continue.

(1600)

I do though view it as very important that there's some component from the government, either federal or provincial, into research councils so that they're working with the people of the province to have that entity that represents the government and its people who live here.

So I don't foresee a position whereby we would be taking away from the grant that's there. My view is that the grant should hold about stable where it is, maybe some minor decreases in future years. I can't project that, but certainly we encourage the Research Council to increase the amount of revenue that they draw from the private sector and from other research councils across the country.

Mr. Neudorf: -- Mr. Minister, give me some comfort level that indeed we have not reached the high peak and are on a downward trend. You mentioned we were up to 51; now we're at 48. That may be a blip on the horizon. Could you give an indication to me why that occurred so that indeed I can have the comfort of knowing that it was probably only a one-year blip instead of a trend that was being started.

Hon. Mr. Anguish: -- The officials are looking at whether or not there's an established reason for the drop of 3 per cent in industry funding. But I predict that the trend will continue, so that in general at least there's an increase in the amount of revenues drawn from industry.

I look here at a copy of the article in the Saskatoon *Star-Phoenix*, and just to quote the business editor, it says:

As research councils in most of Canada disappear or are taken over by other agencies, Saskatchewan stands alone, a unique success story. And much of that success can be attributed to the fact that it was given a mandate to find its own revenue stream by selling its services to private and public sector clients. In effect, it was partially privatized with dwindling reliance on public funding.

Now while I don't advocate the privatization of the Saskatchewan Research Council, I do in fact support the direction that the Saskatchewan Research Council has taken.

In terms of the drop in revenue, we do view this as a bit of a blip because the projections right now for '93-94, which we don't have all the year end in as of yet, the Research Council will have greater than 51 per cent of its revenue from industry sources in that year 1993-94, the current fiscal year that we're in.

Mr. Neudorf: -- Well, Mr. Minister, I don't know really how much faith to put in your predictions. I certainly hope that you are accurate, but I think time will tell on that.

The fact that you're not advocating the privatization of the SRC -- I'm not going to get into that debate with you -- but I might suggest to you that maybe you're heading in that direction whether you know it or not. Because all I have to do is take a look at the funding available for the SRC and I find out that indeed the provincial government is stepping back and saying, whoa, you fellows got too much money last year or you took too much in on your own; I'm not quite sure of the reason. But when I take a look at '93-94, it was \$7.496 million that was allocated out of the Consolidated Fund for the SRC.

This year the projected . . . the budget anticipated is \$7.386 million. Now that is 110, I believe, \$110,000 reduction coming out of funding from the Consolidated Fund. Is that a trend or why would that have occurred?

Hon. Mr. Anguish: -- The budget, Mr. Chairman, to the hon. member, is basically the same. There was a one-time amount that was included in last year's budget -- it's not included in this year's budget -- for air quality work being done with Saskatchewan Property Management Corporation. So if you take that amount out, the budgets are virtually exactly the same. It has not decreased or increased.

Mr. Neudorf: -- So what you're telling me, that what I see in the blue book here is not going to have any effect at all on the operation of the SRC.

Hon. Mr. Anguish: -- Well of course what you see in the blue book will affect the operation of the SRC because in the blue book for '93-94 there was an amount budgeted of \$7.496 million. The budget for the year that we're going into is \$7.386 million. There's a difference of \$110,000 there. The one-time amount that was put in was to do some special air quality work and the reduction is exactly \$110,000. So the amount will not . . . the appeared decrease in the amount would not affect the work of the Saskatchewan Research Council because this project will have been concluded at the end of the fiscal year and that funding was not required for an ongoing project.

Mr. Neudorf: -- Well now you've got me confused because that's exactly what I said in my question. Will it affect it? And you got up and said, no it won't. Now you're saying at the end, yes it will. So will it or won't it?

Hon. Mr. Anguish: -- I haven't said either. I said that the amount of money to the Research Council will, in effect, be the same for their budgetary purposes. Although there is a \$110,000 difference between the two years, that's exactly the same amount that was provided for the air quality work, which was one specialized project that they were working on. They drew that money from the Consolidated Fund. The work is not required in that project any longer because the project will be completed as of the end of this fiscal year, so it won't be an enhancement and it won't be a reduction in budget.

The amount of money for real projects, if they have to assign other money from the Consolidated Fund or their grant, will be the same as the previous year. The Research Council and myself anticipate that having no effect, either plus or minus, on the Research Council's operations.

Mr. Neudorf: -- Well let's explore this a little bit further. We have two categories here where the provincial government puts money into the SRC. One is through the grant and that is out of the Consolidated Fund; that's the amount that has been reduced by \$110,000.

You're telling me that reduction of \$110,000 is because there was a project specific -- you said some kind of engineering work being done on air quality. Why would that have come out of the grant out of the

Consolidated Fund? Why would a project specific then not have been funded by the Department of the Environment or what other department would have been responsible for accessing this kind of expertise?

Because that would, according to the way I look at it, fall in under that provincial government of 8 per cent in '92-93. Why would it not have been included in that column? Why was it paid out direct out of a grant out of the Consolidated Fund for its project specific?

Hon. Mr. Anguish: -- Well as the member would know, SPMC (Saskatchewan Property Management Corporation) which is the agency this work was done in concert with, was paid as part of their accommodation and service -- you'd certainly know the history of the Saskatchewan Property Management Corporation -- and it was done internally within their organization instead of SPMC getting someone else to do the work for the facilities that house the Saskatchewan Research Council; they did the work themselves internally.

So if you look at a further breakdown, the operating grant to the Saskatchewan Research Council for 1993-94 is \$3.963 million; in '94-95 it's exactly the same amount -- \$3.963 million. But the amount to SPMC varies, and I point that out to the hon. member.

The amount in '93-94 to SPMC was \$3.533 million. The year that we're going into for estimates now, '94-95, was \$3.423 million -- a difference of \$110,000. This has to do with their accommodation charge. I would point that out to the hon. member. I didn't mean to mislead him that they were doing a special program that was being paid for out of the Consolidated Fund. That's not the case. This is work they were doing internally for their landlord, so to speak.

Mr. Neudorf: -- What is the relationship between the SRC and the feed test lab on campus in Saskatchewan, University of Saskatchewan?

Hon. Mr. Anguish: -- There is no direct relationship. From time to time the Research Council will do analytical tests in their own research lab. And in those cases it's done on a contract basis and they would be paid for the work that they do.

Mr. Neudorf: -- Thank you, Mr. Minister. I thought that would be the answer.

Last year, Mr. Minister, I think that SaskPower provided a contract to someone in relation to wind power for generating electricity, and that the SRC bid, I am told at least, came in second on that project. And I was wondering if you could tell me whether SRC has brought forward any proposals of ideas for co-generation projects, since you were already almost involved in that on your failed bid with SaskPower.

Hon. Mr. Anguish: -- No, the Saskatchewan Research Council has not done anything on co-generation in terms of a project. They've not done, it's my understanding, any work for any proponent of co-generation.

Mr. Neudorf: -- Well I don't want to tell them how to do their work, but it seems to me that would almost beg the question, is

there no interest in this area; is there no future in this area; is it beyond the scope of the SRC; does the SRC initiate any projects entirely of their own that would fall within this or is it that no proponent has come forward to make a contract with the SRC? I'm just wondering, and I'm asking this from the perspective it just seems to me that this is a field that is just begging and asking for some research. And what you just told me now, Mr. Minister, is that the SRC has nothing on the books at all.

Hon. Mr. Anguish: -- Well if you look at the growth of SRC over the years, the staff numbers have increased from 180 staff in 1983 to over 250 in 1994. And usually what happens at the Saskatchewan Research Council is that as expertise is required by them because of requests from industry SRC will then acquire the expertise, and once they've acquired it they try and develop it if it's ongoing. And in this case I don't believe that SRC has had any requests from proponents to co-generation and they would not acquire this expertise unless they had a request from industry to provide assistance or to provide research in this particular field.

Mr. Neudorf: -- Am I to conclude from that answer, Mr. Minister, that the SRC will not embark on projects unless they are requested by some outside source to make a contract?

Hon. Mr. Anguish: -- Well yes, the Research Council does initiate some projects on their own, but it's part of the condition of their grant actually -- the money they get from the Consolidated Fund -- is that they find partnerships or other people to do the work with or do the work for; and in this case in the particular example you've mentioned, that has not been the case at this particular time.

But certainly there is extensive research done into energy because energy is something that we feel the Research Council is on the leading edge of, going back to such things as horizontal drilling in the province where the Research Council I think can take a great deal of the credit for the success story of horizontal drilling.

I don't think that you can take that as the Research Council not being interested in a particular area; it's just that with the resources they have, they prioritize the work that they do and they look at areas where they can joint venture, areas where they can find partnerships, areas where they can find industry participants to in fact in some cases do the work for it.

(1615)

Mr. Neudorf: -- Mr. Minister, I fully understand that there are so many potential projects out in the world that the SRC could not possibly be expected to be on top of every one of them. I'm not even casting aspersions on that aspect of it. But I didn't even want

to get into this topic, but we're kind of falling into it.

But it just seems to me that with the emphasis these days on co-generation and the fact that SaskPower a while back -- and I don't know whether it was a year and a half or whatever it was -- made a specific request for proposals to be brought forward for co-gen. And I know that there were 10 projects that were initiated and were brought forward to SaskPower. And these folks paid \$10,000 each to have SaskPower analyse the potential within that particular project.

And I shouldn't say I know, but I've heard that some of these people have spent up to \$250,000 just on research on these particular projects. And I guess what surprises me is that none of these -- and some of these are small towns and so on, scattered throughout our province -- that none of them would have accessed the expertise of the SRC in coming up with their project. And I guess I'm expressing more amazement that the SRC would not have been involved in some of these projects in one way or another. And perhaps they were; I don't know. Would you mind telling me?

Hon. Mr. Anguish: -- Well that's because -- I tried to explain it but maybe I wasn't clear enough -- is that currently the Saskatchewan Research Council does not have any considerable expertise on co-generation. The type of expertise in terms of energy that the Saskatchewan Research Council does have is in advanced technology for demand-side management or conservation. And they have a petroleum branch that looks more at the traditional energy source of hydrocarbons and technology, to be more efficient in extracting those hydrocarbons from the ground.

So on the demand side management part and on the hydrocarbon petroleum developments, they have considerable expertise. If a proponent would have come to the Saskatchewan Research Council and indicated a strong interest in participating and needing the technology on co-generation, then I'm sure that the Research Council would have paid due diligence to find that expertise or look at whether or not it was an economically viable thing for them to do, and that they could in fact be some benefit to the client who would come forward to them.

In terms of alternate energy, I believe that's a third area where we do have some expertise at the Research Council. I would point out to the hon. member though that any of the eight proponents that put forward the 10 projects for non-utility generation have considerable expertise in-house; otherwise, they would have not gone to the stage that they had actually gone to in presenting the proposals.

So I would assume that they did not feel a desire . . . some of them were power companies, some of them were energy companies with a co-generation branch to their company -- that they felt they had considerable expertise in-house and felt not a need to go to some outside source to develop their expertise in co-generation.

And I think that likely the second reason that proponents would not have gone to the Research Council is that they wanted to ensure that the information they had is very guarded and very confidential. And the member would know that that would be

the case when you're in a competitive situation with a number of other companies.

And although I pride very closely the confidentiality in which the Saskatchewan Research Council deals, these companies that are dealing with very large projects I think have the expertise and would want to assure that only their company knew what the inside knowledge was about their proposal.

Mr. Neudorf: -- I don't know, but it just seems to me if I was involved in that, I would be kind of uneasy now that SaskPower has access to eight, you say, or 10 projects like this with all that expertise that has been in-house, as you put it, has now been funnelled into one computer, namely that of SaskPower.

You talk about confidentiality. I'd tend to be a little bit queasy about having all of that information at your fingertips at the expense of these other folks.

There's another aspect of this, and that's the biotech. And I thought our SRC was fairly high profile in that area. I also have heard quite a few stories about the federal government and the NRC, the National Research Council, perhaps not the NRC as much as various departments within the federal government and research, R&D, that's carried on by the feds.

Have you done any exploring, or has the SRC done any exploring in terms of being able to access some of that expertise and actually being able to pull in some of the biotech research that's going on in Ottawa and bringing it out on the prairies where we have the animals, where we have the grains, where we have a university that is already known for its expertise in terms of research, be it medical or be it in other fields?

I'm just wondering, have you done any promotion to get some of the research capabilities that are at the federal level right now and bring them into Saskatchewan, bring them into the SRC and the University of Saskatchewan in particular?

Hon. Mr. Anguish: -- There's a couple of examples I can give you. One is the Building Science Group in which the participation with the National Research Council is firmly centred in Saskatchewan; otherwise this project may not be in place.

The Advance Technology House is an example of that whereby . . . I shouldn't say it's directly from the National Research Council, but in cooperation with Energy Mines & Resources Canada, of course a federal government department.

The other is the Bovine Lab, the blood lab in Saskatoon which is a centre of excellence. We also have IRAP (industrial research assistance program) which in '92-93 there were 3,160 small/medium

businesses that were provided assistance in bringing in from one million to a million and a half each year of federal funding to Saskatchewan small businesses.

So those are three examples of federal programs that the Saskatchewan Research Council moulds into a Saskatchewan perspective that I think are beneficial to all the people in the province.

But in those particular cases -- the one is small business, the other has to do with the bovine blood lab -- it would have to do with the agricultural sector and the advanced technology for your home-owners in Saskatchewan, or those who rent dwellings, to make sure that they're as energy efficient as possible.

Mr. Neudorf: -- Thank you, Mr. Chairman. Mr. Minister, just one series of questions, or maybe only one question, depending on how you answer. And that deals with a topic that we will be discussing at a future date when we make an amendment to the Act, the Saskatchewan Research Council Act, to accommodate concerns that the council has.

And as a precursor to the discussion, I'd like you to answer the question, is the SRC now considered to be an independent body, semi-independent body, an agent of the Crown, or a Crown corporation? What is the status of the SRC right now?

Hon. Mr. Anguish: -- The Saskatchewan Research Council is recognized as an agent of the Crown.

Mr. Neudorf: -- On whose say-so? Who gives you that recommendation?

An Hon. Member: -- The legislation does it. It's in the Act.

Hon. Mr. Anguish: -- The Department of Justice agrees with that opinion, the Research Council agrees with that opinion, and it may be debatable as to whether or not the Act actually is as explicit as what it should be. So I think that myself, the SRC, the Department of Justice, recognize the Saskatchewan Research Council as an agent of the Crown.

Mr. Neudorf: -- Well I'm glad that you do, Mr. Minister, but I have more of a reason for asking that question. You say the Department of Justice. Well the Department of Justice has an opinion that it is an agent of the Crown, but in a few days time or a few weeks time, there will be a Bill in this legislature and the Bill will be saying that we are going to amend the Saskatchewan Research Council Act to make it an agent of the Crown.

That's one of the reasons given for making that amendment, to make it an agent of the Crown. But you just told me now that you, the SRC, and the Department of Justice are already saying it is an agent of the Crown.

And I'm not disagreeing with you. All I'm trying to do is ferret out some of the information and take a look at the case that you're making, why we should have that amendment. Who then does not accept the fact that it is an agent of the Crown that makes this necessary? Is it the federal government, is it the Department of Treasury or Department of Internal Revenue in

Ottawa? What is the reason why we have to do this to make it explicit? You have an opinion, they have an opinion, the Department of Justice has an opinion, but apparently that's what it is -- it's an opinion.

So we're doing this, or going to be doing that. And, Mr. Chairman, we're talking in anticipation of this Act, but I thought if we had this preliminary discussion here we would know better what we were going to be doing when that Act came forward.

Hon. Mr. Anguish: -- The changes proposed in the Act that's before the legislature are to clarify that in fact the Saskatchewan Research Council is an agent of the Crown. This is done especially for Revenue Canada, so that we can accept money like we did from Mr. Wahn who provided \$500,000 to the Saskatchewan Research Council for an endowment fund, and we see other people who may want to contribute money as well. And so it's mainly for the purposes of those who want to make the contributions in future years.

And secondly for Revenue Canada, to make it very clear in the Act that the Saskatchewan Research Council is in fact an agent of the Crown.

Mr. Neudorf: -- Well that's what I thought, Mr. Minister, and that's why I wanted to bring it forward and put it on record what the problem seems to be here. And I don't know if I'm particularly pleased that we in the province of Saskatchewan, in this legislature, have to react to something that Revenue Canada, in their wisdom, says it isn't, when our own Department of Justice is saying, yes it is an agent of the Crown and it's always been recognized as such.

But if those are the machinations we have to go through to satisfy Revenue Canada, I guess that's what we have to do. And in anticipation of that Act, Mr. Chairman, you'll find that the opposition is not going to be in opposition to that.

I believe the member from Regina North West has some questions, Mr. Chairman. And at the conclusion of her remarks, I would recommend to the assistant House Leader that perhaps we would report progress and continue on, on Indian and Metis Affairs, I believe.

Mrs. Bergman: -- Thank you, Mr. Chairman. Mr. Minister, I'd like to express our welcome to the officials of the Saskatchewan Research Council and speak to you first about the mandate of the SRC which is, to quote: to assist clients to develop a viable economy with quality jobs and lifestyle through research, development and transfer of scientific and technological solutions, applications and services.

That's quite a mouthful, but a very meaningful and significant mandate where our future is concerned.

Can the minister outline what discussions have taken place at the ministerial level about setting the direction for how the activities of the Research Council are expected to fit with the economic development plan of the province?

(1630)

The Chair: -- Why is the Minister of Municipal Government on her feet?

Hon. Ms. Carson: -- With leave, to introduce some guests, Mr. Chairman.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Ms. Carson: -- Thank you, Mr. Chairman. I would like to introduce in the Speaker's gallery today three people who are visiting us from Newfoundland -- the minister of municipal government and housing from Newfoundland, Arthur Reid; and his officials with him, George Sweeney and Bob Noseworthy.

I'd like the House to welcome them to Saskatchewan and wish them well on their return trip to Newfoundland.

Hon. Members: hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Saskatchewan Research Council Vote 35

Item 1

Hon. Mr. Anguish: -- Well the connection is the connection we hope that all people and all agencies in the province would have, and that is one to enhance as much as we possibly can the economy of the province.

The Saskatchewan Research Council has developed a vision that supports the use of research and technology as the keys to creating wealth and prosperity. Secondly, that the province has identified a central role for the Saskatchewan Research Council associated with the province's strategic industrial clusters. And thirdly, that the SRC's programs are market driven by the needs of the private and public sector clients.

So those are three reasons . . . or three things that dictate the direction of the Saskatchewan Research Council. And in terms of the priority areas that the Research Council deals with, they deal with agriculture, biotechnology, mining, energy, forestry, and information service. And if something fell outside of those areas, we'd have a very close look at it, but the priority is certainly in those six areas that I mentioned to you.

Mrs. Bergman: -- Mr. Minister, have you any method of measuring the value of the activities of the Research Council in terms of the number of jobs created through the activities outlined in the mandate statement?

Hon. Mr. Anguish: -- Well I point out to the member that it is not the direct job of the Saskatchewan Research Council to

track the number of jobs that are created by a project once they've done the research work and maybe transferred the technology on to a private sector client. It's not their job then, once that leaves their office or their research labs, to determine how many jobs it creates. It's not part of the mandate.

I think there are ways of finding that out. You can deal with the statistics that are gathered through traditional methods within the province, and usually you have groups like StatsCanada who tell you whether you're increasing in your jobs or you're decreasing in the number of jobs that are there. There is a project report that was done by Peat Marwick Stevenson & Kellogg that was done for the Saskatchewan Research Council in January of '92, but that deals more with the spin-off effect in certain sectors that the employment would be created. In terms of exact numbers, it's not the role of the SRC to determine that; it would be another government department.

Mrs. Bergman: -- Mr. Minister, there has been evidence in the amendments to the Act which established the Research Council as an agent of the Crown, that private sector donations have played an increasingly important role, and you were talking about it before with the member from Rosthern. Perhaps you could just forgive me for being . . . not understanding completely, but what concerns me is the decrease in provincial government funding that has accompanied the increased support from the private sector.

Can you tell me how the continually increasing expectations being placed on research as an economic generator are supported by the Government of Saskatchewan having decreased its funding by the 3 per cent you were talking about? How do you balance your commitment to research with your actions in cutting funding to the SRC?

Hon. Mr. Anguish: -- Well because the bottom line is, is that we are likely the most successful research council anywhere in Canada. And the proof, I guess, is in the pudding. The success of the Saskatchewan Research Council stands for itself by the employees we have here and the employees that work out of the offices and are contracted by the Saskatchewan Research Council.

And we found it was prudent not to follow the direction of other research councils elsewhere in Canada where in some cases their research councils have disappeared. And what should happen at the Research Council, and has been happening for a number of years, is that the Research Council is driven by the need of the community it serves. And primarily that's the community of Saskatchewan. And because of doing that they've been able to transfer some of their technology and their expertise outside of our

borders.

The Saskatchewan Research Council isn't in the role of providing humanitarian aid regardless of how worthy that should be. Their role is to do the research, transfer the technology, do developments that bring money into their coffers; therefore, to a large extent it's market driven. But we realize as a government we have a responsibility to ensure that research and development does happen in the province because it's so very important and will have an increasing importance into the future as we move into a highly technological age which we're likely in at the present time but will get even more competitive.

If Saskatchewan is going to get onto the leading edge of anything, we have to have the research and development. So what's happened over a number of years is that we've tried to balance the market driven, and therefore having the industry pay for the research that they get out of the Saskatchewan Research Council, to balance that with the work that's actually done because of the core grant that is given by the province of Saskatchewan.

And if you look at it in recent years, there isn't a dramatic change away from the amount of money that's given by the provincial government. As I said earlier, in the answer to the member from Rosthern, if anything, we hope that it will stay flat, maybe reduce a little bit, but hopefully stay flat and that they'll continue to increase the amount, although there'll be some dips in the road to where they eventually end up, is that there will be a constant growth in the amount of money that the industrial sector, the private sector, puts into work that's being done by the Saskatchewan Research Council.

Mrs. Bergman: -- Thank you, Mr. Minister. Mr. Minister, can you give me a list of the various research projects that are under way in Saskatchewan, and what portions of their funding are sponsored by private sector donations or funding?

Hon. Mr. Anguish: -- Well if there's a purpose in that maybe the member could explain it to me. But we run upwards of anywhere from 800 to 1,000 projects a year through the Research Council, a number range from confidential to highly confidential because of the competitive nature that the Saskatchewan Research Council does for industry.

And I don't know if you want a list of the thousand or so projects that are . . . and some of them ongoing over a number of years -- I suppose we could. But you let me know first the detail that you want on them and let's have a little dialogue about what it is you actually want because the people at the Research Council can do a valuable service in terms of the work they do rather than tracking this down. If it's of value to you, then we're willing to provide you with some description of the projects.

There may be some that we can provide you with no description of the project, but at least to let you know a project is there. But keep in mind there's anywhere upwards of 800, 1,000 projects that we participate in every year. So maybe if you tell me a little clearer what you want.

Mrs. Bergman: -- I guess what I'm asking you is, are there

sectors of that 800 to 1,000 projects that are more likely to be funded by the private sector and others that have much more of the public funding?

Hon. Mr. Anguish: -- Well, for example the petroleum division, since it's got such an important role in Saskatchewan, there is some of the core grant would go into the petroleum division. There's some of the core grant, I guess, goes into each of those sectors that I had mentioned to you a bit earlier but the amount for any particular project, is done by a private sector client, is all charged back to the client on a contract basis. This core grant is to provide the core body within those six different sectors of the Research Council.

The officials here just pointed out to me that the Research Council consults with its clients on a continuous basis and SRC has some 5,800 clients, of which about 4,000 are small and medium-sized business. The revenue in terms of activity, if you're interested in that, for '92-93 broken down by activity -- 41 per cent of the revenue comes from research and development; 26 per cent comes from technological transfer; and 34 per cent come from services provided by the Research Council.

Mrs. Bergman: -- That's very helpful, Mr. Minister. Can you provide a list of those products which have been developed by the SRC and are currently being marketed by private sector companies outside Saskatchewan? And a list of those being marketed within the province?

Hon. Mr. Anguish: -- Well you ask questions that are a little tough to deliver on. I don't have such a list that's here right now. But one of the greatest success stories that's used extensively, not only in Saskatchewan, but throughout the world is the adaptation of horizontal drilling to the oil and gas industry.

I think also of something you'll see advertised on television called E-ZEE WRAP 1,000. This was an invention of a Saskatchewan entrepreneur who wanted the rough edges fixed up so it could be put into a North America or maybe a world market. They came to the Saskatchewan Research Council. Saskatchewan Research Council did their work, did the marketing plan, did the business plan, and I think that's a success story. And it's something that's very small but has a great impact on our Saskatchewan economy.

Saskatchewan has a great number of inventors out there, local, little entrepreneurs. Some people say it's because farmers in the wintertime sit around and think of how to fix these problems, and they're very inclined to do some of these things but don't have all the expertise at home in their shop, or on the farm to put the product from the idea that they have in their mind into the market-place.

The Saskatchewan Research Council has a great deal of expertise in that area and have helped a number of people who can brag about the success that they have that they wouldn't have had on their own. They've got it because they worked in partnership with the Research Council, and of course, paid the Research Council to do that work for them.

There's air sampling systems that have been developed by the Saskatchewan Research Council. And if I'm not mistaken, the minitube air sampling system, the acronym MASS, I think is marketed internationally, not just in Saskatchewan or Canada.

So if you want to have a list of these products and where they're marketed . . . I mean you ask a very difficult task unless there is an end purpose to it. If you have some specific project you want to know what happened to it, we'd be happy to sit down and discuss those with you. But it depends on the detail you want versus the work that these people have to do back at the Research Council. We like to drive them as hard as they can. They drive themselves as hard as they can and we get very good value out of the money we invest in the Research Council.

Mrs. Bergman: -- Well in terms of the projects you mentioned, there's obviously very impressive work that the Research Council does. But it would be very interesting to have a larger -- and I think useful for Saskatchewan people to have -- a larger view of the kinds and types of projects that end up being marketed internationally as well as in the province.

Mr. Minister, can you provide a comparative budget of the Saskatchewan Research Council vis-a-vis the amount of per capita funding from the other provinces?

(1645)

Hon. Mr. Anguish: -- We don't have that information. Some of the research councils . . . There's been dramatic changes over the years and some of the research councils as we know them in Saskatchewan are virtually non-existent in some of the other provinces. And we wouldn't have the information as to the details of other research councils. We can only provide you, in this forum, the information about Saskatchewan and what's happened here. If you wanted to gather information, we'd be more than happy to provide you with at least addresses or telephone numbers of the other research councils that we know about.

Mrs. Bergman: -- Thank you. Can you explain how much of the budget for research is devoted . . . you named six areas. What were those six areas again?

Hon. Mr. Anguish: -- The target client groups in terms of programs, agriculture and resources -- this is out of the core budget now, the grant comes from the province from the Consolidated Fund -- agriculture and resources would be \$2,093,500; small manufacturing, \$957,600; and then something they call diverse, it would range across the other areas, \$639,600; then internal corporate development, \$218,400 -- giving a total of \$3,963,100 which would be the total core budget for '93-94.

Mrs. Bergman: -- Could you tell me what the internal

corporate development is?

Hon. Mr. Anguish: -- Internal development, the human resources component, the administration internally, I guess, the accounting that has to be done to service the clients, and also to continue the professionalism of the employees who work within the corporation.

Mrs. Bergman: -- I guess I got a little bit off track here. What I was asking was those areas where . . . your project areas. You spoke of the project areas that the Research Council has, biotechnology, etc. What were the other ones there?

Hon. Mr. Anguish: -- Well the branches that we have, there are six of them. There's agriculture, biotechnology, mining, energy, forestry, and information service.

Mrs. Bergman: -- Could you speak of some of the specific projects, say in the energy area, specific current projects going on?

Hon. Mr. Anguish: -- There are some of the ones I mentioned a bit earlier. In terms of energy, the breaking of water and oil emulsions in the field produced some results, and the project was funded by CANMET, Sceptre Resources, Norsen Energy, Saskoil, and Pan-Canadian.

There was some field testing on the heavy oil-in-water emulsion pipeline was completed for a private sector client.

We've done the first phase of a Chevy Sprint/Geo natural gas conversion vehicle, which proves very promising, and there are now various people in the province using natural gas vehicles and using natural gas as the fuel.

There's some membrane technology, the production of sodium hydroxide. This is a major, major project and will affect energy if it goes ahead because of the demand side . . . or sorry, the supply side of electrical generation in the province.

The petroleum, under the research branch there have been two enhanced oil recovery schemes incorporating horizontal wells and methane gas. There's an initiative focused on the investigation of enhanced oil recovery using oil and water emulsions. There's a scaled . . . physical models were constructed and tested to investigate the effectiveness of horizontal wells with steam injection.

There's a high pressure physical model experiment has been performed to investigate carbon dioxide as an injection fluid for heavy oilfields in Saskatchewan. There's a development of a unique method for

predicting *in situ* combustion in terms of the oil and gas industry.

As I mentioned, there's some 800 to a thousand projects and I'd prefer not to have to read them all off to you in the Assembly here this afternoon.

Mrs. Bergman: -- That's thoughtful of you, Mr. Minister. On the area of information technology, is the Research Council doing projects in conjunction with SaskTel?

Hon. Mr. Anguish: -- Well we've done that type of work in the past. We've done contracts with SaskTel previously and my officials tell me in fact there's a project being negotiated right now with SaskTel. And if my understanding is correct, we compete quite often, like any other private sector firm would compete, for that business.

Mrs. Bergman: -- Could you, in these six areas . . . could you explain how much of the budget would go to each of these six areas?

Hon. Mr. Anguish: -- The only breakdown that we have here with me today is the breakdown I've already given you. Under agriculture and resources, \$2,093,500; small manufacturing, 957,600; diverse number of areas, \$693,600; and internal or corporate development, \$218,400. And I'm sorry, that's the only breakdown I could provide you with here today. I can't provide you with each of those sectors.

Mrs. Bergman: -- Just back to the question before, can you tell me the value of that contract with SaskTel?

Hon. Mr. Anguish: -- No.

Mrs. Bergman: -- What I'd like to know is some possible explanation of what that project is for, or based on.

Hon. Mr. Anguish: -- Well as I mentioned, the Saskatchewan Research Council quite often competes with other companies and I'm not about in the legislature to divulge to you what the project is while it's in a negotiating stage, or what the dollar amounts are. I think it would be not prudent of me to do that because of the commercial interest and the commercial nature of the negotiations that would be ongoing.

Mrs. Bergman: -- Thank you for clarifying that for me, Mr. Minister. I'd like to thank you for answering my questions this afternoon. Thank you to your officials as well, and thank you, Mr. Chairman.

Hon. Mr. Shillington: -- I move we report progress in these estimates.

Perhaps we might as well call it 5 o'clock. It's only six minutes to. It doesn't seem to make much sense to have the Energy and Mines people troop in; they're going to follow themselves by leaving again in a few seconds.

Perhaps, Mr. Chairman, we can call it 5 o'clock and we'll start with Energy and Mines then at 7.

The Assembly recessed until 7 p.m.