

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

The Speaker: -- Before we begin with introduction of guests, we will take the introduction of guests of all those except for those who were special guests this morning. So could we take the introduction of all those except the special guests that will be introduced a little later.

Ms. Hamilton: -- Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of the Assembly, 56 grade 7 students from W.F. Ready School in Regina. They're in your west gallery today and I'm looking forward to having them watching the proceedings, look carefully at what is occurring in the Assembly, and be ready to ask me some very interesting and informed questions when we come together and meet in room 218 after for a photo and drinks as well.

I'd ask all members of the Assembly to give a warm welcome to the students from W.F. Ready School today. They are accompanied by Heather Gosselin and Karen Howard.

Hon. Members: Hear, hear!

Mr. Jess: -- Thank you, Mr. Speaker. I would like to introduce to you and the other members of this Assembly, 22 grade 11 and 12 students from Blaine Lake. And they are accompanied by their teachers, Pat Sonntag and Gerry Tkachuk. I will be meeting them in a few minutes for pictures and a few easy questions, I expect. I'd like to ask you to welcome them.

Hon. Members: Hear, hear!

Mr. Neudorf: -- Thank you, Mr. Speaker. I would like to introduce through you to members of the Assembly and to you three ladies in your gallery on the top row. They are Kami Frasier, Vicki Lissel, and Gloria Blake, all from Regina, Mr. Speaker, and together they form a support group for adult survivors of childhood sexual abuse. And they are here this afternoon to proceed and watch the proceedings in this legislature. And I would ask all members to help me welcome them this afternoon.

Hon. Members: Hear, hear!

Hon. Mr. Renaud: -- Thank you, Mr. Speaker. I would like to take this opportunity to join with the member from Redberry in welcoming the students from Blaine Lake. I grew up in Marcelin which was the very next town and we had quite a rivalry in high school playing football and other sports. My mom lives in Blaine Lake today and my sister also lives in Blaine Lake. So I would like to take this opportunity to welcome the people from Blaine Lake here today.

Hon. Members: Hear, hear!

Mr. Sonntag: -- Thank you very much, Mr. Speaker. It's quite a surprise. I certainly too want to take this opportunity to welcome one of my favourite 350 cousins, Pat Sonntag, here today. It's nice to see you, Pat. I hope you enjoy the proceedings here today. So welcome, Pat.

Hon. Members: Hear, hear!

The Speaker: -- Earlier today at Government House tribute was paid to nine Saskatchewan recipients of national and provincial honours. These nine recipients and their guests are seated in the Speaker's gallery today. We want to recognize them in the Legislative Chamber today.

I want to call upon the Premier, then the Leader of the Opposition, to make a few brief remarks. MLAs (Member of the Legislative Assembly) will then have an opportunity to introduce their constituent.

Hon. Mr. Romanow: -- Thank you very much, Mr. Speaker. Mr. Speaker, some of your colleagues, some of our colleagues, and certainly myself, we had the privilege and the pleasure of congratulating our special guests at the special ceremony at Government House.

At that time this morning I said -- and I repeat for the benefit of the House this afternoon -- that the recipients of these honours in your gallery are exceptional people who have given of themselves in service to others. Whether in an official capacity, in a professional role, or simply from their goodness of the heart and community spirit, each of these individuals can take pride and satisfaction in the contributions that they have made.

Mr. Speaker, the historian Barbara Tuchman wrote the following, quote: Honour wears different coats to different eyes. End quote.

Well I think, if I may be permitted, that notable quotation can be put in this context. The notable accomplishments of those whom we honour today have been recognized by many different eyes -- the eyes of the people of the province of Saskatchewan. This fact leaves absolutely no doubt that they are indeed some of the finest citizens to be found in our province and in our country. And I want to personally congratulate them and welcome them to the Assembly today.

Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. It is indeed an honour once again for me to rise and join the Hon. Premier in welcoming our special guests today to the Legislative Assembly. As the Premier said, we're honouring people from all different walks of life today who have contributed in so many different ways to the fabric of our province. It . . . are careers of long standing, careers dedicated to helping individuals,

and also careers that by their job daily interact with putting one's life on the line for others.

And in the gallery today, Mr. Speaker, we certainly have a collection of such people who have done it all. And it behoves us as legislators in the province of Saskatchewan to recognize people who have contributed so much.

So welcome to our Assembly, ladies and gentlemen, and your spouses and friends; and it is indeed an honour for me to be here today to honour you. Thank you.

Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Speaker, it is my pleasure on behalf of the member from Greystone to introduce to the Assembly the Hon. Dr. Stephen Worobetz, Officer of the Order of Canada and recipient of the Military Cross.

Hon. Members: Hear, hear!

Mr. Cline: -- Mr. Speaker, it is my pleasure to introduce to the Assembly, Mr. Edmund Alexander Sebestyen, Member of the Order of Canada.

Hon. Members: Hear, hear!

Mr. Draper: -- Mr. Speaker, sir, it's my honour to introduce Mr. Douglas Thompson from Assiniboia and Mrs. Thompson; they're up in the gallery there. Mr. Thompson is the Member of the Order of Canada, and I'd like you to join me in welcoming them to our Assembly today.

Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Mr. Speaker, it's my pleasure to introduce to the Assembly, Mrs. Marjorie Sinclair Butterworth, Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Hon. Ms. Atkinson: -- Thank you very much, Mr. Speaker. It's my pleasure to introduce to all assembled here, Mr. David Greyeyes, Member of the Saskatchewan Order of Merit and Member of the Order of Canada.

Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, it is my pleasure and honour to introduce Corporal Daniel Joseph Smith, Star of Courage.

Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Speaker, it is my pleasure to introduce Mr. Kevin Gelin, recipient of the Medal of Bravery.

Hon. Members: Hear, hear!

Ms. Murray: -- Thank you, Mr. Speaker. Mr. Speaker,

it's my pleasure to introduce on behalf of my colleague, the member from Rosemont, Constable Marlin Kroeker, recipient of the Medal of Bravery, and his wife, Susan.

Hon. Members: Hear, hear!

Mr. Van Mulligen: -- Mr. Speaker, on behalf of my colleague, the member for Regina Albert North, it is my pleasure to introduce to the Assembly Mr. Todd Sorensen, Medal of Bravery.

Hon. Members: Hear, hear!

Mr. Van Mulligen: -- Mr. Speaker, while I'm on my feet, one of the recipients earlier this year of the Saskatchewan Order of Merit was Ruth Pawson of Regina. She had hoped to be here but passed away a short time ago.

Ruth Pawson was a well-known, well-respected, and well-loved educator and artist. We are joined today by her sisters, Ms. Hattie Pawson, Mrs. Shirley McIntosh, Mrs. Searle Dufour. And we would recognize the memory and wonderful contribution made to Saskatchewan by Ruth Pawson by extending them a warm welcome today.

Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Speaker, I'd like to introduce to you and through you to the members of this Assembly, 24 grade 6 students from Shaunavon, on behalf of my colleague from Shaunavon. They are here today to see the workings of the Assembly and I will meet with them after question period. I'd ask the members of the Assembly to join me in welcoming them here today.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

National Garden Month

Ms. Murray: -- Thank you, Mr. Speaker. Mr. Speaker, I rise in the House today to draw to the attention of all members that this month, May, is National Garden Month. This is an annual observance by the Canadian Garden Council, the Saskatchewan Nursery Trades Association, and all ministers of Agriculture and Food throughout Canada, federal and provincial.

The designation of May as National Garden Month is most appropriate because spring is a time of renewal and hope. It is the time of year when we all take great pleasure in witnessing change and growth.

In Saskatchewan, spring is the time of year when almost everyone's thoughts turn to gardening in some fashion. And whether it be a market garden, kitchen garden, or a variety of pots sprouting geraniums and a few carrots on a high-rise balcony, the benefits of the activity accrue to the gardener.

We are told that it is uplifting mentally and spiritually to plan a garden, to put those plans into action, and to

reap the results. We are also told that it is good physical exercise. In many ways gardening of any type contributes to the environment and the economy.

In Saskatchewan, the horticultural industry which includes nursery, greenhouse, fruit farms, market gardens, and commercial vegetable gardens, creates about 1,000 jobs during the growing season. Activity in the industry results in sales of about \$100 million annually in plant products alone.

The rewards of gardening are many -- nutritious food, a summer of sunshine, the joy of creating beauty and bounty, a pantry of preserves in the fall. May is National Garden Month and I encourage everyone to participate in this annual celebration of spring.

Some Hon. Members: Hear, hear!

Champion Curlers Honoured

Mr. Neudorf: -- Thank you very much, Mr. Speaker. I'd like to take a few moments to talk about a topic that I'm getting pretty good at and that's curling -- talking about curling, not curling itself, I hasten to add.

Mr. Speaker, a few short weeks ago all of us in this Assembly had the pleasure of congratulating Saskatchewan's own Sandra Peterson's curling rink for their victory at the world curling championship in Germany. And I think we all felt a great deal of pride on that occasion. Tonight, Mr. Speaker, we will have a further opportunity to congratulate Ms. Peterson's team and thank them for acting as first-rate ambassadors for Saskatchewan to the entire world.

Tonight we will be pleased to join with hon. members from both sides of this House in attending an Evening With Champions, a public dinner held in honour of our curling superstars. And indeed, Mr. Speaker, superstars they are.

We will not only be enjoying distinguished company at this event, we will also, Mr. Speaker, be enjoying the newly renovated facilities of the Regina's old VIA Rail station, which I understand are quite spectacular.

The proceeds from tonight's dinner will be donated to the Marj Mitchell Curling Foundation, which will help ensure that Saskatchewan's hard-fought, well-deserved curling reputation is preserved for the future.

I would like to ask all members to join with me in extending our best wishes to the organizers of this event, and in once again congratulating these outstanding citizens of our province.

Some Hon. Members: Hear, hear!

SIAST Accreditation

Mr. Hagel: -- Mr. Speaker, today I rise to congratulate the Saskatchewan Institute of Applied Science and Technology, SIAST, for recently receiving accreditation for several programs at three campuses.

The decision for the endorsement came from the Ottawa-based Canadian Technology Accreditation Board. What makes it so special is the fact that it is very rare for technical institutes to receive this accreditation. Only a handful of technical schools in all of Canada have accreditation. The accreditation will allow students with diplomas in those programs to have their diplomas recognized Canada-wide. This is of great importance for Saskatchewan students looking for jobs beyond our borders.

Mr. Speaker, the newly accredited programs at the SIAST Palliser campus in Moose Jaw include architectural engineering, civil engineering, computer-aided design and drafting, electrical engineering, surveying engineering, and water resources engineering.

The Wascana campus in Regina was accredited for the electronic communications program and the Kelsey campus in Saskatoon for CAD/CAM (computer aided drafting/computer aided mapping) engineering, industrial electronics and mechanical engineering.

Once again, Mr. Speaker, I am pleased to acknowledge in this Assembly the national accreditation SIAST has received for many of its programs.

Some Hon. Members: Hear, hear!

Spinal Health Care Week

Ms. Crofford: -- Thank you, Mr. Speaker. Today I want to draw to the attention of the members of the Legislative Assembly that the week of May 1 to 7 has been designated by the Chiropractors' Association of Saskatchewan as Spinal Health Care Week.

Spinal Health Care Week is an annual undertaking of the chiropractors' association and endeavours to educate students and the public in general about the health and economic benefits of preventing spinal injuries. Back pain is a common ailment and affects a significant portion of our population. In cooperation with the province's school boards, various means such as posters, booklets and interactive exercise sheets are used to encourage students to develop good spinal health care habits at a young age. I know most of us who suffer from back pain wish we had had more opportunity for education and physical fitness to prevent our troubles and maintain good health.

The worthwhile efforts of the CAS (Chiropractors' Association of Saskatchewan) in this regard support our government's move towards a more wellness-oriented approach to health care. Over the years the chiropractic profession has played an important role in the maintenance of a high quality health system in the province and will no doubt, through initiatives such as Spinal Health Care Week, continue to make a significant contribution to new directions in health. Thank you.

Some Hon. Members: Hear, hear!

Goodluck Ventures Tire Fences

Mr. Whitmore: -- Thank you, Mr. Speaker. Today I would like to inform the Assembly about a very resourceful and innovative farm family from the Biggar area.

The past few years have been tough for Ken, Marie, and their son Wes on the Gidluck farm. Poor economic conditions and bad luck with the weather has made it hard for the family to make ends meet. Wes was forced to spend eight winters in Alberta working at the oil patch in order to help the family income.

But things may be turning around for the Gidluck family -- Goodluck Ventures, an innovative fencing company that the Gidluck family created with the help of Dean MacDonald last year. Fences here are not made of traditional wood or barbed wire but instead are produced from steel-belted radial tires. Six hundred tires are needed to make a mile of five-strand rubber fencing. Each strand is 1 inch in width.

The idea was born when Ken was visiting a horse-race track in the United States. He noticed the fences around the track were lined with tires, so if the horses went off the track they would not be hurt.

Goodluck Ventures was quickly formed and tire fences were being produced. Word caught on about these fences and many people, especially those who raise livestock, have purchased this new fence product so they can no longer have to worry about their livestock being badly cut by fences made of barbed wire. Today the family business is doing better than ever.

Mr. Speaker, I feel the Gidlucks are a prime example of imagination and fortitude that all Saskatchewan farmers possess. Thank you very much.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Compensation for Hepatitis C Victims

Mr. Neudorf: -- Thank you very much, Mr. Speaker. The questions that I have today are directed to the Minister of Health.

Madam Minister, Vicki Lissel, whom I introduced earlier, was diagnosed with hepatitis C in 1992. Hepatitis C, as you know, is a terminal form of hepatitis which attacks the liver. Even more unfortunate, Madam Minister, is that Ms. Lissel contracted this deadly disease from tainted blood she received during a transfusion after complications in an operation in 1984.

Madam Minister, could you tell us how many individuals have contracted hepatitis C through tainted blood in the province of Saskatchewan?

Hon. Ms. Simard: -- I don't have the details of that information; I'd have to take notice.

Mr. Neudorf: -- Thank you very much, Madam Minister. My information, as supplied by the lady, is that in 1992 there were 59 cases, 59, of hepatitis C in Saskatchewan as a result of tainted blood and close to 1,000 across Canada. That, Madam Minister, is a much higher total than those individuals who contracted HIV (human immunodeficiency virus) through the same tainted blood.

Madam Minister, you were willing to develop programs, compensation and other forms of help for 29 Saskatchewan AIDS (acquired immune deficiency syndrome) sufferers and their families, yet hepatitis C is just as deadly and people are four times more likely to contract hepatitis C than they are HIV.

In the AIDS package, claimants received \$20,000 immediately and \$30,000 until they die. In addition, spouses get \$20,000 at the time of death and \$20,000 for four years thereafter. Children, dependent children, get \$4,000 for four years.

Madam Minister, is your government willing to work towards compensation for the over 59 Saskatchewan families who are dealing with hepatitis from tainted blood from that same source?

Hon. Ms. Simard: -- Mr. Speaker, I would certainly be prepared to meet with the people who are suffering from this affliction. I of course cannot say at this point in time that there is compensation in that regard, but I would certainly be interested in looking into the matter further and hearing what they had to say.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Thank you, Mr. Speaker, and thank you, Madam Minister, for that commitment.

Now while waiting for a liver transplant to fight this disease, Vicki Lissel is paying \$140 per week for Intron A, which is the only drug that has been proven successful in treating her condition. In addition, she's paying over \$100 per month for other medication to fight hepatitis C. All totalled, 59 Saskatchewan families are paying high drug costs each month to combat this terrible disease with no financial help from the provincial or federal governments.

Vicki and her husband paid the majority of \$12,840 last year in medication and supplies, and they only have a gross income of \$30,000, Madam Minister. Your government is willing to increase monetary privileges it seemed to people who drive drunk and cause accidents. But Vicki and 58 other Saskatchewan families are not at fault for contracting hepatitis C through tainted blood, yet your government has offered these people no help, no assistance. Vicki has contacted your office and your department to no avail, Madam Minister.

Madam Minister, what steps have you taken, and will you commit to take steps, to help individuals deal with

the exorbitant costs of getting a supply of this life-giving drug?

Hon. Ms. Simard: -- Mr. Speaker, I want to thank the member opposite for bringing this matter to my attention. I think that the way we should handle it at this point is for the individuals involved to contact my office. I will tell them that I should have a meeting with them; we will talk about the circumstances; I will talk to the Department of Health about it. And that is the commitment that I can make at this point.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Madam Minister, will you further commit to meet with this lady this afternoon?

Hon. Ms. Simard: -- Sure.

Judges' Salaries Legislation

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Justice. Mr. Minister, this morning as I was grabbing a quick bite of breakfast, I happened to pick up one of our national papers; in fact it was **The Globe and Mail**. And it relates a story of how you as Attorney General and chief prosecutor implemented and then broke your own law. The article said that judges are beginning to go to court to determine their constitutional rights. And that appears to be where you are headed, Mr. Minister.

Mr. Minister, you claim when you overruled the law, when you changed the law, you did it because you were trying to save money, that you needed to save money. I wonder, Mr. Minister, if you could tell us what type of costs you may be facing should the judges go to court. I'm sure that your department has done a review of this, what may happen. And could you give us what those costs may be, Mr. Minister?

Hon. Mr. Mitchell: -- I read the same article, Mr. Speaker, and although my name was mentioned near the end of the article, most of the article was about the rather dramatic action that Premier Klein from Alberta took with respect to the judges of that province.

I understand that he is going to be sued by judges. I don't know that we are going to be sued. As far as we know, we're not. If we are, we'll just have to cross that bridge when we come to it, but right now we're not anticipating that to happen.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Minister, I find it interesting that you would continually refer to the Premier to the west of us and I guess that's one way of dodging the bullet.

Mr. Minister, we've seen on numerous occasions where your government has been taken to court; in fact I would think you've been taken to court more times than the **National Enquirer**. And I would assume that you would have an idea of what the court costs

should be should you end up in court because I would think, Mr. Minister, in view of the circumstances we've been facing . . . and just let's look at an example. Your Department of Justice was quick to release the cost of the Martensville trial and then you used cost as one of the reasons, one of your reasons, to refuse an inquiry into the case.

I'm sure, Mr. Minister, that your department also has a ballpark figure of what we and the taxpayers of the province may be facing should the provincial court judges challenge the rulings of this House. Could you give us those costs, please.

Hon. Mr. Mitchell: -- No, the department has not made any such estimate because frankly we don't expect to be sued. We don't understand on what ground we would be sued and we're not expecting it.

So far as the Martensville case is concerned, we assembled those figures as a result of a freedom of information request which was made to us, and as is required we produced that information. But we have made no calculations at all anticipating what we don't expect to happen so far as the judges are concerned.

Some Hon. Members: Hear, hear!

No-fault Insurance

Mrs. Bergman: -- Thank you, Mr. Speaker. My question is for the minister responsible for SGI (Saskatchewan Government Insurance). Mr. Minister, your no-fault legislation is coming out of nowhere and has left people bewildered. No-fault insurance was not an issue in the 1991 election. It wasn't even mentioned in the throne speech. Changes to our public insurance system should not be made without that mandate.

Mr. Minister, do you believe that you have the mandate to change the insurance system without public debate on the issue?

Hon. Mr. Goulet: -- Mr. Speaker, as a member of the government, most definitely we do have a mandate. We made it very clear that fiscal integrity was an important part of this government. When those members are talking from across and the Liberals, maybe they want a 24 per cent increase for the people of the province to pay for their insurance. On 37 per cent for the Leader of the Liberal Party.

Over a year we don't want to see the 24 per cent increase for a lot of people who are living in this province. We want to see something with better benefits and so on. I think that it's very important that we had a two-year process in this, we had a Sobeco report with members from the legal profession, from the medical profession, from the consumers association, and also from the brokers who sat in and examined the situation.

We have looked at this report, we have heard consultation from the people of the province on the 1-800 number, etc. Yes, we do have a mandate, and

yes, we do have a good program for the people of the province.

Some Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Minister, obviously you believe in no-fault. You are spending \$150,000 of taxpayers' money on an ad campaign to present your side of the argument. Part of the democratic process is recognizing and respecting the other sides of an issue. There are credible people with legitimate concerns about no-fault, but you have denied them the opportunity to present these concerns in a public debate.

Mr. Minister, if no-fault is the right system for Saskatchewan, shouldn't it withstand the scrutiny of a public debate?

Hon. Mr. Goulet: -- Mr. Speaker, we've had excellent representatives from the province of Saskatchewan who have sat in and listened to the people of this province. They have come out with a program . . . maybe the Liberals are against the seniors. The seniors in the province of Saskatchewan are going to have the best, not only in North America but in the world. Right now the existing system discriminates against the seniors after four years, after they go right now in terms of receiving loss of income. In this program the seniors will be receiving something for the length of their injury or for life. Maybe the Liberals are against the seniors of this province. Maybe that's what it's all about.

Some Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Minister, you had dismissed the opinions of the legal community on no-fault as self-serving. You have ignored the calls of the consumers' association and the Saskatchewan Head Injury Association for public debate and public hearings. I have here a letter from Dr. Michael Rushton, department of economics, University of Regina, an authority frequently quoted by government members.

Professor Rushton says, and I quote: In addition to questionable value judgements the empirical analyses of the current system are also faulty. He asks the government to delay the implementation of no fault until the policy has been assessed with the care it warrants.

Mr. Minister, will you listen to these concerns and involve experts in a public debate with you or your officials on this issue?

Hon. Mr. Goulet: -- Mr. Speaker, we are not only involving expertise in this province, we are involving the public in this province. People can phone in at any time on the 1-800 number. And they have done so, Mr. Speaker.

And they have said, yes you have a tremendous program in regards to home-makers; yes you have a tremendous program in regards to seniors; and for the

first time youth have been recognized in this province up to \$13,000 a year. And yes we have listened to the lawyer and legal community as well.

We have the right to sue. The no-fault system in Quebec and in Manitoba does not have the right to sue. In Saskatchewan we have the right to sue for loss of income.

We also have, Mr. Speaker, the right to mediation independent from SGI. I think that is tremendous. We also have over on top of the mediation, the right for the people to go to the Court of Queen's Bench. Yes, Mr. Speaker, I think we have a tremendous program for the people of the province.

Some Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Minister, you have been touting the study of Sobeco Ernst & Young. Professor Gary Tompkins, head of the economics department of the University of Regina says:

The foundation for the no-fault legislation was a report by Sobeco Ernst & Young, which is riddled with unsupported claims, inaccuracies, and misleading statements.

And that is from the head of the economics department of the University of Regina.

Mr. Minister, before you plunge head first into the no-fault insurance, will you open the issue to debate in the public arena so that these experts can make their case to the public -- a case that you have obviously chosen to ignore.

Hon. Mr. Goulet: -- Mr. Speaker, again the member concentrates strictly on . . . only on expertise. Yes, we recognize the expertise in this province, but we also recognize the public at large who want a good program. The public of this province don't want a 24 per cent increase. Maybe the Liberal Party wanted a 24 per cent increase for the judges, a 24 per cent increase in regards to the insurance rates, but we on this side do not want that 24 per cent increase. And when people talk about consumers, that is exactly the issue that they're talking about, and the improved benefits that I have outlined.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. Listening to the minister's response is kind of interesting. He seems to suggest that he's the only one who has experts that have been more than 25 miles from home and that they're the only ones that are valid. There are others, Mr. Minister, that are equally valid.

Mr. Minister, it's become increasingly apparent that your no-fault scheme has many serious flaws and that you personally lack a thorough understanding of what the problems are, let alone what to do about them. For the past two days you've been . . . we've been treated to the spectacle of you defending drunk drivers in this

legislature. Then after one of your officials apparently explained the issue to you, you tell reporters that you will make amends . . . make amendments in this Act although you still have no idea what these amendments will look like.

Mr. Minister, isn't it time you simply admitted this Bill is seriously flawed, that you don't understand it yourself, and that it should be pulled from the legislature?

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, I think there's a basic flaw in that person's thinking. He did not listen to the tremendous advantages in regard to the seniors. Maybe the member, including the Liberals, are against the seniors of this province. Maybe there is a flaw in his thinking that he is against the home-makers in this province. Maybe that he's against . . . that both the Liberals and the Tories are against the youth in this province. I think that there is a deep flaw of course in the person's overall questioning.

I said yesterday in regards to drunken driving -- and I would add in that regard on criminal offences -- we are examining and getting input from the people; the people are phoning. The thing that you have said no to in regards to the 800 number, we are providing and getting good input from the people of the province and they are saying good ideas to us. And we will be introducing amendments.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. It seems the minister's idea of consultation is after you've passed the legislation, you tell people what's happened to it. Your 1-800 number, Mr. Minister, you must be listening to your own propaganda.

Mr. Minister, one of the most serious flaws in this Bill is the discrimination against low income people, including seniors. At the beginning of question period, Mr. Minister, I provided you with another real-life example that we received from the Yorkton bar association.

In this case, a home-maker with two teenage children was permanently injured in a car accident in which the other driver was at fault. She received a settlement between 130 and \$150,000 plus medical expenses, plus interest. Under no _fault, she would get \$15,000 plus medical expenses. And because she has no income, she would not have had the right to challenge this settlement in court.

Mr. Minister, why isn't the right to go to court income tested, income tested under this no-fault scheme? Why should high income earners have access to the court system when low income earners are denied that right?

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, I think the member

has not been reading the Bill. Everybody who disagrees can go to a mediation and they can go to the Court of Queen's Bench. I don't think that member has been reading the Bill properly.

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, I think the member who talks to the people who phone in and provide excellent information to us, for that member to say that the people are propaganda is, I think, is a complete disrespect to the people of this province.

I think when you look at the idea of home-makers, home-makers in the new plan will go anywhere up to 300,000. I think the information you've got is completely faulty again. You say 15,000. You're looking at the existing plan on part II benefits and it's not even 15,000 -- the maximum they can get is \$16,100.

The new plan on home-makers will not only be \$300,000; we will be paying them \$550 a week in regards to personal care, \$400 a week in regards to dependants -- \$950 a week. I think that is a winner for the home-makers of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. Mr. Minister, home-makers get an income settlement if they have an income. If they have no income, they get nothing. Mr. Minister . . .

The Speaker: -- Order, order. Would the members just get everything out of their system and then I'll recognize the . . . Order, order.

Mr. D'Autremont: -- Thank you, Mr. Speaker. Mr. Minister, I'll repeat what I said. If home-owners have no income, they receive nothing under your no-fault scheme.

Mr. Minister, we've heard of the letter from Dr. Michael Rushton, the professor for economics at the U of R (University of Regina) and the head of a committee which is investigating the motor vehicle insurance system. And he concluded that the Sobeco Ernst & Young study which you use to defend this policy contained insufficient analysis -- insufficient . . . (inaudible interjection) . . . Yes, it is the same letter and it's a very important letter.

With regard to the settlement for home-makers, Dr. Rushton says, and I quote:

Some recent changes on the basis of awards, such as making appropriate awards for lost home-making services, are taken by the authors of the study to represent an upward trend in awards which will necessarily continue. This has not adequately been demonstrated.

It's not been demonstrated that home-makers are going to receive adequate awards. Mr. Minister, why

are you basing your handling of home-makers' awards on this faulty and insufficient analysis?

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, just in case he didn't listen last time, home-makers right now can get on part II, approximately \$16,100. If you go to court, you may get up to 33 to \$104,000, from the calculations that I have received. We will be getting up to 300,000 in this new plan. This means, on a specific weekly basis, we're looking at \$550 on personal and home care; we're looking at \$400 a week for dependants.

We value the children of this province, along with the home-makers, because that is the dependants. That is where we are putting our money. The existing system is discriminatory to home-makers and we are improving that on the new personal injury protection plan.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Mr. Minister, home-makers without children and no income receive nothing in that compensation package, not a thing. Not a thing, Mr. Speaker.

Mr. Minister, you talk of \$300,000, and I haven't seen that in the Bill either. But the lady I gave you the example of did receive between 130 and \$150,000 under the existing system. And the analysis shows that she would receive \$15,000 under your current system.

Mr. Minister, we mentioned the committee that is studying the insurance review, basing their review on what Sobeco and Ernst came up with in saying that it was faulty.

Mr. Minister, Gary Tompkins, the head of the economics department, said that the foundation . . . (inaudible interjection) . . . Yes, and it's a valid letter also. The foundation of the no-fault legislation in the report from Ernst and Sobeco was inaccurate and misleading statements. This policy is based on a poorly done study and more investigation needs to be done.

Mr. Minister, will you follow these recommendations that more investigations be done? Will you do what this committee and many other people are asking -- delay this legislation until it can be properly assessed?

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- Mr. Speaker, on the one hand, they say they speak for the poor people of this province. They devastated this province for 15 billion in 10 years in a row. Mr. Speaker, they asked experts from the university on how to run government at that time and they put us in debt.

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: -- They continue to look at expertise. Yes, Mr. Speaker, we will listen to expertise and we will listen to the people of the province as well.

I think one of the things in regards to facts because a person . . . these people never knew anything about fiscal facts. On top of what I have said on the home-maker, the home-maker right now would only get 10,000 on rehab. What we will be getting is 500,000 -- half a million dollars on rehabilitation for the home-maker as well.

So I think this member should read the legislation and read the facts before he gets up.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. Mr. Minister, you talk of consultation. You should have done your consultation before you brought this Bill in -- not through 1-800 number. Will you pull this legislation, take it to the public in real public consultation, and listen to what the public have to say -- not only listen but act on their concerns?

Hon. Mr. Goulet: -- Mr. Speaker, what the Liberals and the Tories are saying is that the seniors have to wait. They've been waiting for years, Mr. Speaker, for a good program, and this is a program that will pay them for life. Same with the home-makers.

I think that's very important to look at that. Maybe that you are saying no to the home-makers. You are saying no to the youth who are for the first time recognized.

I think that the Tories and the Liberals are only looking at themselves and trying to make an issue of delaying this thing without recognizing the needs of the people of this province.

INTRODUCTION OF BILLS

Bill No. 63 -- An Act to amend The Saskatchewan Farm Security Act (No. 2)

Hon. Mr. Cunningham: -- Mr. Speaker, I move that a Bill to amend The Saskatchewan Farm Security Act (No. 2) 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.

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

Hon. Ms. Carson: -- By leave, to make a public statement, Mr. Speaker.

The Speaker: -- Is this a ministerial statement?

Hon. Ms. Carson: -- A statement of interest to the members.

Leave granted.

ANNOUNCEMENTS

Establishment of Memorial Scholarships

Hon. Ms. Carson: -- Thank you, Mr. Speaker. At this time I would like to pay tribute to three employees of the Department of Municipal Government who lost their lives serving the people of northern Saskatchewan. We honour and celebrate the memory of Brian Goffin, Tom Fraser, and Darren Gatrell.

Brian worked as a manager of the northern development branch of Saskatchewan Municipal Government. Tom worked as a manager of northern community planning in the community planning services branch of Saskatchewan Municipal Government. And Darren was a community planner with the northern community planning unit of the branch.

Their work took them to many northern communities and it was during one of these trips that the plane in which they were riding crashed, taking their lives and the life of their pilot, Robert Glass. The tragic accident occurred on October 12, 1993.

Friends and colleagues have established two scholarship funds in their memory. One will be awarded to a northern resident to recognize his or her potential for contributing to the social, cultural, economic, and governmental development of the North. The other will be awarded within the regional and urban development degree program at the University of Saskatchewan.

There can be no more fitting tribute to the memory of Brian, Tom, and Darren than these scholarships which are dedicated to education and the betterment of the lives and institutions of northern people. Brian Goffin, Tom Fraser, and Brian Gatrell are sorely missed by their colleagues in Municipal Government, and will be remembered for their dedication to service to the people of northern Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. I would join with the minister today on behalf of the opposition in the tribute to the employees from the Department of Municipal Government who lost their lives in a tragic accident in northern Saskatchewan. And I think the minister said what is on the minds of all of us when she pays this tribute, that without dedicated public servants the Government of Saskatchewan simply would not function as it does today.

And these three gentlemen often flew many miles around the northern part of our province, providing services to people that otherwise wouldn't have had them. And it at times, I'm sure, is a very dangerous profession up there. And we'd just like to join with the minister in paying tribute to these three individuals and hope that the scholarship funds set up on their behalf are very successful, so that others will recognize the contribution of public servants in this province well into the future.

Some Hon. Members: Hear, hear!

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

Hon. Ms. MacKinnon: -- Yes, Mr. Speaker, leave to introduce guests, please?

Leave granted.

INTRODUCTION OF GUESTS

Hon. Ms. MacKinnon: -- It's a great pleasure to introduce to the Assembly through you, Mr. Speaker, three guests seated in your gallery. They are Helen Sinclair, the president of the Canadian Bankers' Association; Graham Dixon, the regional director of the Canadian Bankers' Association; and Dieter Jentsch, who I believe is the Saskatchewan president of the Canadian Bankers' Association -- and if he isn't, he should be.

So it's a great pleasure to introduce them and I look forward to meeting them in my office.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 61 -- An Act to amend The Municipal Revenue Sharing Act

Hon. Ms. Carson: -- Thank you, Mr. Speaker. I rise today to move second reading of Bill No. 61, The Municipal Revenue Sharing Amendment Act, 1994.

As many members will know, The Municipal Revenue Sharing Act establishes the level of provincial assistance to be allocated to both urban and rural municipalities. Accordingly the amendment gives legal effect to decisions reflected in the 1994-95 budget. The amendment provides for an overall adjustment in funding through the revenue-sharing program to urban and rural municipalities. This funding adjustment implements a strategy which was announced last year as part of the government's overall balanced budget plan. More specifically, the Bill provides for a reduction of 8 per cent in both the urban revenue-sharing pool and the rural revenue-sharing pool.

In addition, another \$2 million is redirected from the two revenue-sharing pools to the Saskatchewan Assessment Management Agency. This represents municipalities' contribution towards core services provided by the Saskatchewan Assessment Management Agency.

With regard to the distribution of revenue-sharing funds, the provincial government in consultation with the municipal associations, SUMA (Saskatchewan Urban Municipalities Association) and SARM

(Saskatchewan Association of Rural Municipalities), decided to apply the 8 per cent reduction on a uniform basis. While these reductions represent some challenges for municipalities, I'm confident that municipalities will be able to manage in the same manner as they have managed in more difficult times.

I commend municipal governments for their efforts in keeping local tax increases to a minimum while still being able to provide essential services to their residents. Municipalities have shown leadership with their innovative ideas of ways to deliver services effectively and efficiently through intermunicipal cooperation. I believe more of these kinds of cooperative efforts will be pursued by municipalities in the future.

In closing, the total revenue-sharing fund of \$77.8 million represents a significant level of financial support to Saskatchewan municipalities and I urge the members to support this Bill.

Accordingly I move second reading of Bill No. 61, The Municipal Revenue Sharing Amendment Act, 1994.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Just a few short comments, Mr. Speaker, before I adjourn the debate on this Bill, The Municipal Revenue Sharing Act.

Mr. Speaker, as we've seen in the past, we again see where the government is using third parties to offload some of the problems that they are facing, an offload as we've seen here, a reduction of \$8.9 million in funding to both urban and rural municipalities.

The thing I find interesting about this, Mr. Speaker, is the fact that the present minister happened to be a mayor of a community and I'm wondering, if the minister put her mayoralty cap back on, wonder how she'd be reacting to a government reducing funding.

Now certainly we can give local governments commendation for the way they have managed the funds that have been placed at their disposal. And I think, Mr. Speaker, what local governments are finding, as school boards and health boards are also finding, it's becoming more increasingly difficult, especially in the rural communities, to continue to survive, and the fact that they have to pass on higher and higher rate increases through property taxes.

Mr. Speaker, we don't begrudge the fact that the government is in a position of having to make some tough decisions. It's unfortunate that the present government didn't take the time while in opposition to give a strong purview to where the finances were at that time and would have been less demanding and offered some alternatives back in the late '80s and worked with the government of the time; we may not be facing some of the difficult decisions that have to be made today.

So I might add, Mr. Speaker, that I commend the local municipalities, both the rural and urban

municipalities, for the work they are doing -- the councillors and the reeves and the mayors for the way they are dispensing with their . . . disbursing their funds and the way they are providing services. And we look forward to working with them.

However I would suggest that they are finding it even somewhat difficult to continually look at reduction after reduction. And I guess the big impact we have here is the fact that these reductions . . . the minister I think has indicated no more reductions next year. I find it interesting that all of a sudden the reductions are over. What it indicates is, do your reductions quickly in the first year or two and the last couple of years no reductions. The same thing with the no-fault insurance -- no increase in insurance premiums but just wait till following the next provincial election; we've put a band-aid solution right now.

So I think what we have here, Mr. Deputy Speaker, is just another case of, it looks okay today, where are we going to be tomorrow? Are we going to work with communities to help strengthen the communities and work with the funds? Give them access to the funds that would give them the ability to provide the services to their individuals equally across the province of Saskatchewan.

With that, Mr. Speaker, I move to adjourn debate.

Debate adjourned.

Bill No. 62 -- An Act to amend The Assessment Management Agency Act

Hon. Ms. Carson: -- Thank you, Mr. Speaker. Mr. Speaker, I will move second reading of The Assessment Management Agency Amendment Act, 1994 at the end of my remarks.

Mr. Speaker, the Saskatchewan Assessment Management Agency is a body responsible for managing and directing the assessment system for tax purposes in Saskatchewan. This Bill is a product of extensive discussions over the past year with the Saskatchewan Association of Rural Municipalities, Saskatchewan School Trustees Association, the Saskatchewan Urban Municipalities Association, members of the Saskatchewan Assessors Association, and the board of directors of the Saskatchewan Assessment Management Agency, otherwise known as SAMA, and with representatives from many, many local governments across this province.

One reason but not the only reason for these amendments was to implement the provincial government budget decision respecting provincial funding for SAMA. The government gave notice last year at budget time that it would reduce its contribution this fiscal year. This change is part of the announced four-year balanced budget plan. The plan responds to calls for provincial deficit reduction from many sectors including municipalities. The need to balance our budget has required many changes, and this is one of them.

Historically the government has paid the major part of the cost of property assessment services by funding the central data processing, research and manual development, and property inspection services components, except in the four largest cities which pay for their own field services.

(1430)

This has been the case both since the establishment of SAMA in 1986 and before, when it was part of the provincial government. Establishment of SAMA in 1986 was a recommendation of the Local Government Finance Commission supported by SUMA and SARM. It was intended to give local governments a more direct role in respect of decisions relating to assessment through membership of SAMA's board of directors.

It also involved municipalities directly in financing assessment services. Local governments are in fact the major beneficiaries of property assessment policies and field valuation services. They rely on assessments to levy property tax and business tax.

This year's budget change takes into account this importance to local governments. Municipalities must be willing to accept more responsibilities for these services which they rely on so heavily.

The provincial government also has an interest, along with local governments, in certain assessment matters. These include assessment, research and policy development, maintenance of a central database, confirmation of assessment roles, and ensuring quality assessment data throughout the province.

The government remains responsible for enacting legislation regarding assessment. The government is certainly prepared to financially support those areas. This Bill reflects this, with an annual provincial funding of \$4 million for SAMA. In addition, there is provision which will permit transitional funding to SAMA of \$2 million more for this year, as shown in the budget, for a total of \$6 million in 1994 and '95.

The balance of SAMA's annual expenditures beyond the \$4 million are associated with carrying out local valuation services. These are the activities which produce local property assessments to be used by the local governments for tax purposes. Municipalities will have financial responsibility for this portion of SAMA's services as they are the main beneficiaries for those services. The transitional funding I refer to will ease the impact this year of that adjustment in financial responsibility.

However, as I said in the beginning, there is a lot more to this Bill than just financial provisions, Mr. Speaker. Since local governments are the primary beneficiaries of assessment services and will have increased financial responsibility for funding the property inspection services, the agency should be more accountable to them. This Bill does this, and many of these changes have received a positive reaction from

local governments.

With respect to the SAMA board of directors, the composition relating to local government representation remains as it is -- two each representing rural and urban municipalities; one representing the boards of education. The key change here is in the method of selecting the representatives. At the suggestion of a number of local governments, the board members representing municipalities and school divisions will be elected by local governments rather than chosen by the association, boards, or executives.

One of the two urban municipality representatives will be formally represented from the four largest cities. In addition, a member representing the Saskatchewan Assessors Association will be added to the SAMA board as well as another provincial at-large member.

Changes are also being made in the process within SAMA for making adjustments in assessment policy. A new, large-cities committee for the SAMA board will be established paralleling existing urban and rural SAMA board committees. This will draw in greater expertise and focus greater attention on these cities' assessment needs. The role of all three of these committees is being enhanced to focus more attention on assessment policy. A new technical advisory committee drawing on a wide base of experience in organizations will also be established to advise SAMA's management on an ongoing basis in operating and policy matters.

A new requirement for a SAMA annual meeting from municipal and boards of education delegates has been added; again this is an enhanced accountability. Delegates to the annual meeting will elect local government representatives on the board, consider resolutions and reports, and conduct other business. Recommendations which SAMA might make for changes in assessment legislation will now have to be considered at the annual meeting and then have the concurrence of a majority of affected municipalities and school divisions before being directed to the provincial government for legislative changes. This is to help improve SAMA's accountability and to ensure that changes proposed have local government support.

In the round of debate over SAMA's reassessment proposals which took place over the last couple of years, it became apparent that while extensive legislation amendments were sought, the reassessment proposals did not have the support of most municipalities. Many letters were sent to this minister asking that we not proceed with that legislation. The new provisions proposed in this Act will ensure local governments are consulted by SAMA before recommending changes in assessment legislation.

There are also some other financial changes intended to increase SAMA's accountability to both local governments and the province. Revisions to SAMA's

budget process are to be made. Presently SAMA sets its budget and sends out its requisitions. Both local and provincial governments are placed in the position of having to react to whatever arrives in the mail. The new budget process will require SAMA and its administration to come before a Treasury Board-like committee consisting of representatives of the three local government associations and the province to explain and account for the proposed budget. It provides an opportunity for input and direction to the SAMA board and administration before SAMA's budget is set.

New authority for a supplementary requisition by SAMA to municipalities for 1994 is included, due to the timing of these amendments relative to when SAMA had to send out its original requisitions this year.

At the recent SARM convention there was discussion by some municipalities of withholding payment of what SAMA has requested for 1994 because of the increases which are occurring. Much of this arises from frustration with SAMA in a number of other respects as well. The existing and proposed legislation gives municipalities a number of options to carefully consider before they decide in effect to break the law.

First the municipal requisition formula is determined by the SAMA board. The current formula used by SAMA considers population and assessment, but not services received. Municipalities can ask their representatives on the board who, by the way, form a majority on the board, to seek a review and revision of the formula.

Second, municipalities can ask their representatives on the board to review SAMA's proposed expenditures and budget and to reconsider whether they should be spending \$9.3 million this year or in future years. The SAMA board sets its budget and has to be made accountable for it. Changes could be made before the final requisition of 1994 is sent out.

Third, these amendments will provide all municipalities, not just the four largest cities, with the option of providing their own valuation services. Municipalities will be able to do this individually, or jointly with other municipalities. If municipalities are to have more financial responsibility for local valuation services, they should also have the option of providing their own services. A number of municipalities have specifically asked for this option.

Some safeguards are included along with this option in this Bill to ensure the quality of assessments is protected. These include, first, requiring assessments to continue to be done consistent with SAMA's assessment manual and policies and provincial assessment legislation. Second, requiring all assessments to be done by qualified persons who are to be certified by SAMA as meeting the standards set by SAMA. And third, providing that all assessment rolls continue to be subject to confirmation by SAMA, and are also to be subject to review and audit.

These safeguards are included at the urging of various interests. There will be an 18-month window for municipalities to make their decision in this regard. After this, opting back in or out of SAMA's field services could be done only with SAMA's concurrence. This amendment will serve to stabilize SAMA's operations and allow the agency to concentrate its energy on developing a new, updated assessment system for 1996 and beyond.

If some municipalities still do withhold payment for whatever reason, SAMA has existing temporary borrowing powers. Its existing right to take legal action is supplemented in this Bill by the right to withhold confirmation of a municipality's assessment roll for municipal tax purposes.

If a municipality refuses to abide by the law and contributes to undermining the assessment system by doing so, it should not simply continue to receive the benefit of SAMA services in spite of this. SAMA's board has a responsibility to be fair to the majority of municipalities who abide by the law and meet their obligations.

Finally, this Bill includes some assessment-related provisions. These are clarification of certain terms and definitions of the date of which assessments are set each year and of the base year for reassessed values. These have largely been requested by SAMA to improve its operations.

Mr. Speaker, as I noted when I began, this package of changes had been the subject of considerable debate before the Bill was drafted and reached the legislature. It represents a balance of various interests.

A March 1994 resolution from the SARM board stated that they would support development of an assessment body funded by the province, specifically created to provide core services to municipalities. And further, that we should devise legislation to allow for the provision of field assessment services by both a central and independent system for use at the option of all municipalities, and such services to be funded on a fee-for-service basis. We believe this Bill reflects the recommendations of that resolution and therefore should have SARM support.

A SAMA convention resolution called for election of board of directors and more fiscal accountability. Many, many municipal leaders have expressed strong opinions about making SAMA more responsive and more accountable. In this Bill, SSTA (Saskatchewan School Trustees Association) is recognized, along with municipal governments, as a major stakeholder and have voting rights at the annual convention. I believe this will address many concerns expressed by the boards of education and has the concurrence of SARM.

And finally, the assessors and SAMA, while not totally supportive of the opting-out clause, have indicated that the formation of our certification board to be followed next year by a professional appraisers Act is a positive move. Their greater participation on the

agency through membership on the board and in the technical committee allows them a comfortable degree of security and influence.

Mr. Speaker, I want to thank the SARM and its president for their advice and the comments. I appreciate the cooperation shown by SSTA and their help and support for the direction taken by this Bill. I'm especially pleased that the assessors who work for SAMA have participated in the development of the Bill and are willing to endorse these changes with appropriate safeguards for quality assurance being incorporated into this Act.

SUMA has been supportive of accepting more financial responsibility for field services but has presented some interesting arguments over election of directors at a SAMA annual meeting rather than at their SUMA convention.

I believe that the election of directors from an annual meeting of local government stakeholders, where issues can be debated and opinions of potential directors can be analysed by all stakeholders, provides the best opportunity to elect qualified people. Notwithstanding the objections by SUMA executive, it is my belief that most urban municipalities will welcome participation in an annual meeting.

In summary, Mr. Speaker, the Bill addresses not only the issue of permanent funding but also other issues like local government responsibility, representation, SAMA's accountability, safeguards to protect the assessment system, the process to reach consensus and to make changes in the system, consultation, and fairness.

Mr. Speaker, these are all important . . . or more important than the financial provisions in this Bill. This Bill does not end the debate over our assessment system, but it does turn the page.

The job now is to implement these changes and get on with the substantive issue relating to assessment and tax policy rather than remaining fixed on the debate over financing and governance which has gone on over the past several years.

The opposition will have heard parts of this discussion and perhaps from the various participants because it has been an open and public dialogue.

I would encourage the opposition to show a willingness to go forward with these amendments, recognizing both the fiscal content and the need to enhance the participation of local governments.

When the former government established this agency in 1986, they recognized a need to have more municipal control and involvement over assessment, as well as a need for greater fiscal responsibility.

Mr. Speaker, I move second reading of Bill No. 62, An Act to amend The Assessment Management Agency Act, and ask all members of the legislature to support

these amendments.

Some Hon. Members: Hear, hear!

(1445)

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I listened very intently to the presentation made by the member responsible for Municipal Government and I find the comments very intriguing in view of some of the arguments presented by the same member when she was a member of the Minister's Advisory Board on Rural Development -- SUMA representative.

However, Mr. Speaker, it's interesting to note that there have been a number of questions regarding SAMA and its operation over the past number of years, and certainly the government of the '80s had a number of questions raised regarding SAMA's objectives and goals. And I know that in our debates through the Rural Development, when I was the chairman of the minister's advisory board, there were a number of debates at that time as to who should be footing the bill for the SAMA board, how the SAMA board should be elected.

And we all know that it was elected, or appointments were made, through SUMA and SARM and the government and the school boards, and I'm pleased to see that the minister has, through this Bill, will be allowing for elections of members. And I guess one of the questions we'll be asking when we get to the debate in Committee of the Whole is whether the Bill sets out the number of individuals on the boards and how many people will be involved from the different representatives or groups that are interested. There are certainly a number of questions that can and will be raised at that time.

When I look at the Bill that's before this Assembly, I guess one of the biggest concerns that most people have, and the minister referred to it as well in the prior Bill on The Municipal Revenue Sharing Act, is the funding. Now I think when it comes down to funding of SAMA, even though local governments both urban and rural would be concerned with the fact that a greater portion of that funding is going to fall on them, I think at the same time they also want to have and feel . . . I think one of the major concerns most local governments had was the fact that they felt they really didn't have a lot of input and at the end of the day when assessments were changed it wasn't easy for local governments, it wasn't even easy for SAMA boards to justify the changes that they were suggesting regarding assessments.

So hopefully this Bill will allow for greater, as the minister indicated, consultation and a working relationship between the rural municipalities, urban municipalities, and school boards in coming to a common conclusion and working agreement regarding assessment and assessment management across the province of Saskatchewan.

Mr. Speaker, I believe there are certainly a few other points we should be taking time to discuss with the

interested parties, and I would at this time move to adjourn debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 38

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wiens that Bill No. 38 -- An Act to amend The Parks Act be now read a second time.

Mr. Neudorf: -- Thank you very much, Mr. Speaker. Ultimately, we will allow this Bill to pass. We support the general principles of the Bill. And there are some concerns that I just want to make note of at the conclusion of my brief remarks to give the minister an opportunity to present a credible response to those concerns that I will be raising.

The Act to amend The Parks Act, Mr. Speaker, is intended, the amendments to this Act are intended to help to protect and represent important ecosystems within our province, Mr. Speaker. And that's laudable.

And it's supposed to also at the same time, because of whatever changes are going to be made, increase the efficiencies in the administration reflecting the changing needs and the changing conditions that we have in our provincial park system.

And there are a few things, I noticed here, that are of some significance when we talk and the minister talks in a second reading speech about the Clarence-Steepbank recreation reserve, that it is now going to be designated as a provincial wilderness park and it's going to be adding 17,500 hectares of land to this public system.

Now that's necessary, Mr. Speaker. However, it begs a question, and the question that it begs is one that I have asked the minister once before in question period. And he took particular exception to the question and I have already since then pursued it with the Minister of Justice in terms of this idea.

And I think we're all working toward an international goal of taking up to 12 per cent of the world's surface and putting that area of land into what is considered to be the protected or endangered spaces. And the endangered spaces is supposed to be representative of the various ecosystems that exist in the world.

And that 12 per cent is a lofty goal. And I don't know, Mr. Speaker, if we will ever be able to achieve that within the province of Saskatchewan. Right now we're somewhere, I believe, just under half of that goal; somewhere close to 6 per cent.

And so when we take . . . And I notice later on that there are going to be areas being added in other areas

as well to the provincial park system. That is good. That is good. And as long as we do that in a responsible fashion, the government will continue to have our support.

But I guess the question that I would have in my mind is that while we have that laudable goal and we're trying to achieve that, and there are other areas within the province, as I understand it, where small portions of land are now being purchased to be added to existing parks, ostensibly at least, to achieve that endangered spaces goal that we have, but at the same time, when we already have land that is in a protected phase . . . and I refer specifically, Mr. Minister, to the Bronson forest area, as you know. I was coming to that.

And we have a major, major sale of land, Mr. Speaker, where we have land that is now controlled by the province, it's part of our province, it's part of the protected area of the province. And it's there; we have it. And now we're not only probably contemplating, but I think in fact it's completed, that this land is going to be sold. It's going to be sold and it's going to be put into private hands. And I use the term private; it's not government owned; it's going to be owned partly at least by the Thunderchild Indian Band.

And the question that I would have of the minister at that point is, what mechanisms have been put in place to ensure that that land, in spite of changing hands and becoming now part of a private ownership . . . and I know the reasons _- in 1980 or '81 Bowerman made a commitment, and all that.

And by the way, Mr. Minister, I would remind the Minister of Justice made a commitment that he would get to me the letter that was signed, the letter of commitment that was signed by Minister Bowerman back in those days, that I could have it in my hands and see this exceptional circumstance that causes you, and gives you the right, I guess, to make that sale . . . (inaudible interjection) . . . All right. Thank you. So I will be looking forward to getting a copy of that letter so we can peruse it before this comes up for third reading in committee, Mr. Minister.

And so I will be asking you what steps have you put into place whereby the people of this province will have the assurance that this land is indeed going to be taken care of? And I don't think I will accept the answer, well these are the aboriginals; these are the native people and they've done well over the years and they will continue to do well. Because there's a lot of pressures on those folks as well when it comes to economic viability and economic prospering.

And is the area going to be used, for example, for paid hunting? What are some of the potentials? Is it going to be dug up with oil wells? Is it going to be clear-cut for logging? Are you going to put any stipulations in there in terms of how this land is going to be used even though it's being sold? Or is it **carte blanche** sales saying, here's the land, it's part of the treaty entitlement settlement and now it's yours to do with as you will.

And if that's going to be your answer, then I guess we'll be into it for a little bit just to ensure the people in that surrounding area who also have a legitimate concern, and who are not part and parcel of a private group of individuals buying government land for whatever reason it may happen to be.

So, Mr. Speaker, with those brief remarks to the minister, I would now have no hesitation in letting this Bill go to committee.

Mr. Scott: -- Thank you very much, Mr. Speaker. I'm very happy to rise in support of this amendment as well. And I appreciate the general support of the parks system by the member from Rosthern.

I am especially pleased with the designation of the 7,200-acre Clarence-Steepbank Lakes wilderness park located east . . . or sorry, located north of Candle Lake. This park came about because of local public interest, cooperation from Weyerhaeuser, and the efficiency of the Department of Environment and renewable resources; and also to a great extent our colleague, the member from Saskatoon Sutherland-University, took a very keen interest in this particular park area and we're very pleased to see this coming to fruition.

The Clarence-Steepbank Lakes area consists of old-growth forest, and old-growth forest is a hundred years or more in age. This particular habitat is very important to a number of wildlife species, such as woodland caribou, northern flying squirrels, martins, and fishers. Birds also depend on old-growth forests. Certain species such as pileated woodpeckers, barred owls, white-winged crossbills, will only be found in old-growth forest.

We also have a number of migrant birds -- we call them neo-tropical birds because they come all the way from South America, Central America, to nest in Saskatchewan. And they too are dependent upon old-growth forest, such as the black-throated green warbler, Cape May warbler, and the Blackburnian warbler. These birds will be migrating through the province within the next couple of weeks.

So these forests are not only invaluable to our wildlife but also to people as well. And Saskatchewan's forests are very valuable. They create jobs -- there's a lot of jobs in the forestry industry. And unlike perhaps the forests in British Columbia, Saskatchewan forests are very accessible; there's no mountains to overcome.

And I guess most importantly about forests, is that they are a renewable resource if managed properly, and certainly in hindsight we could have done a lot more in managing our forests. Probably the most important thing is that reforestation, we are a way behind, and there's no use pointing a finger at this day and age. It's what we could have been doing 20 or 50 years ago. It's up to all of us, whether we are government or the public or industry, is to get a better handle on reforestation.

As the member opposite alluded to, it is universally accepted that we try to protect a minimum of 12 per cent of an ecological system in order to preserve species, diversity, and abundance. And certainly the Clarence-Steepbank Lakes wilderness park is one step closer to achieving this goal.

Another key element of the amendment is a designation of water courses within the proposed Grasslands National Park, and these water courses will be designated as protected areas with these amendments. And this again is one step closer to the realization of a Grasslands National Park.

This park was first proposed in 1957, some 27 years ago, and despite concerted efforts by governments of all stripes, and interests groups and cooperation, we still do not have a Grasslands National Park. And this is even in light of the fact that over 90 per cent of the land within the proposed park is Crown land and there was widespread public support for the park. So it does show, as the member opposite indicated, how long it takes to achieve some of our goals in protecting natural areas.

The Grasslands National Park is a very unique area in Canada with species such as yellow-belly racers and short-horn lizards, prairie dogs, sage grouse and others only found in this corner, this small area of Canada. So it's imperative that we continue to protect this area. And much of the land has been protected because it has been used for grazing by ranchers for decades, in fact since the land was settled. So hopefully we can proceed very quickly to officially proclaim the Grasslands National Park before too many more years elapse.

Well, Mr. Speaker, the environment and wildlife remain very important to Canadians. In a recent national survey, over 85 per cent of Canadians said that maintaining abundant wildlife populations was important to them. Government, along with private sector, NGOs (non-governmental organizations), and the public, must continue to work together in achieving the globally accepted goal of protecting a minimum of 12 per cent of each of our ecological regions in Saskatchewan. And I am very happy to support these amendments because they do inch us closer to achieving this goal. Thank you very much.

(1500)

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. 45

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Pringle that Bill No. 45 -- An Act to amend The Child and Family Services Act be now read a second time.

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

our opposition really doesn't have a lot of reasons that we should be holding up this Bill. I think that as we've reviewed the Bill, there are certainly a number of good ideas and good amendments that are going to be brought forward to the Bill and in the Bill, and certainly benefits which I think will benefit children across the province of Saskatchewan which we wholly support.

We support the concept of placing wards of the province into the care of a family in which the child feels comfortable, loved, and secure. And certainly as we view circumstances taking place around the world, I don't think there's anyone in this Assembly doesn't have a place in their heart for children and the problems that children face outside of this province and, Mr. Speaker, as well, inside the province.

And we have great concerns about the circumstances that children must live and the homes at times where they must face considerable verbal abuse, even at the hands of parents, and children that are in a situation where they're in foster homes. We certainly want to make sure that they are placed in homes where there is a loving and caring environment. And, Mr. Speaker, we're all quite supportive of this Bill.

I noticed there are a large number of amendments in the Bill, Mr. Speaker. I think we need to take a bit of time in committee to review the commitments and to review the amendments so we have a better understanding of where the government is proceeding with the amendments to the Bill.

I also would have some questions regarding the process for home studies and how the government determines whether a family is well equipped to monetarily care for a child.

So as I've indicated earlier, Mr. Speaker, we don't have a lot of concerns that we want to raise at this time through second reading, but we do have some questions we want to raise in Committee of the Whole, and we will at that time address those questions and quiz the minister on the roles and the goals that government has in the introduction of this Bill. So I would allow the Bill to now proceed to committee.

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

Bill No. 52

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Atkinson that Bill No. 52 -- An Act to amend The Education Act be now read a second time.

Mr. Toth: -- Thank you, Mr. Speaker. I look forward to the opportunity to question the Minister of Education on the specifics of Bill 52 in the Committee of the Whole. But today I would like to make a few short comments on the Bill.

The minister has stated that these amendments will eliminate the barriers to voluntary amalgamation of urban and rural school divisions. She has also stated that her government has no master plan for any province-wide restructuring of the school divisions, and I trust that she will honour that commitment.

Mr. Speaker, we all know the condition of the health districts and services in rural Saskatchewan since the NDP government forced communities into new health districts. It's quite chaotic out there, Mr. Speaker, as the Saskatchewan Union of Nurses pointed out in the media yesterday. I'm grateful that the Minister of Education has stated that any amalgamation of services will be done on a volunteer, pilot-like basis, unlike the NDP health reforms which were forced upon the people of Saskatchewan.

However I'd also like to have a little more than an assurance from the minister that the Health minister's plan will not be used to amalgamate school divisions, because there is a loss then of local control and local input, as there has been on the health boards, Mr. Speaker. People have lost the opportunity to have their own representatives represent them on the health boards. That kind of representation must be allowed on the school divisions, and the only way that can happen is if they voluntarily amalgamate, Mr. Speaker.

There are a number of rural areas that do have a number of concerns about amalgamation and how it will affect the operation of schools within their area. In her second reading speech, the minister stated that amendments in Bill 52 addressed a desire to retain local community and parental input and advice in the event of a voluntary amalgamation between rural and urban divisions. And I believe that is a must, Mr. Speaker, if any changes are made to the school division structure.

I will pose these and additional questions on the specifics of this promise in committee, because the people of Saskatchewan need a solid and concrete evidence that this input will be allowed and then what the minister is saying is simply not rhetoric.

Allowing communities to share secretary treasurers or directors of education in the school divisions is not exactly allowing for local control, Mr. Speaker. That's the bureaucracy of the system; that doesn't mean control. And in fact, to allow the sharing of secretary treasurers is not new. It's happening today in the two school divisions in my constituency and there's a very high probability that the sharing of director services will also occur in the near future in those two school divisions.

But according to the government, these amendments will allow boards of education to achieve efficiencies and provide better service through the joint acquisition or operations of any service within their division.

I find that interesting, Mr. Speaker, that while the government believes school divisions will be able to

save money through jointly acquiring goods and services, this is the NDP (New Democratic Party) Party that is also tying their hands through amendments to the labour legislation in this very Assembly. Basically these changes will force any arm of government to use union-only services and contracts, most of which will cost the taxpayers much more money than it's already costing them for those same services.

Provisions in The Trade Union Act will effectively prevent provincial and municipal governments, hospitals, universities and schools, and other arms of government from contracting out cleaning, security, and cafeteria services. This is from the same government who has offloaded hundreds of millions of dollars worth of spending cuts onto third parties such as municipalities and school boards. It's now preventing these same third parties from cutting their own costs by contracting services out to the more efficient private sector.

Mr. Speaker, I'm not sure why the government touts the freedom given to local school boards while tying their hands at the same time. It just doesn't make a lot of sense, Mr. Speaker, to say that the Minister of Education is going to provide an avenue for more local and parental input into the system while at the same time telling the school divisions that you will have to operate under this particular manner through The Trade Union and The Labour Standards Act.

So when the government claims to be consolidating services, I have to ask just how much is this so-called consolidation going to cost. I will ask those questions, Mr. Speaker, in Committee of the Whole.

There are changes which are needed and which will be helpful, Mr. Speaker, such as redefining the mandate of the Saskatchewan Book Bureau and protecting school officials, teachers, and students involved in the school safety patrol from legal liability. And that is one of the very definite benefits of this piece of legislation that the minister has introduced, is that it will protect those people who are trying to provide a public service, from legal liability.

And the children that are out there assisting the younger children across the street in the school safety patrols do a very worthwhile and a very credible job. They need to have the protection that they will not be liable for some action that they may have inadvertently taken which they took with the best intentions in mind.

Mr. Speaker, there's also one other section in this Bill which is worthy of comment. And it deals with the idea of setting up school districts within a division board jurisdiction. In the rural areas those school districts are already in place. The old school districts from years gone by remained in place and have a jurisdictional area within part of the school division. In the cities that didn't seem to happen, Mr. Speaker. You had the larger division board but you do not have any jurisdictional areas around each school.

In rural Saskatchewan each school district has its own local board of trustees which make recommendations and presentations to the division board. In urban Saskatchewan that does not happen. You may have a parent-teacher association but they're not an officially constituted part of the system. This will allow that kind of input to happen where parents can sit on a local school district board and have an official capacity within the school division.

What this Act does not provide however, Mr. Speaker, is any detail or outline on what kind of powers and responsibilities, what kind of access to the system that these kind of school districts and the people who may be represented as trustees on those school district have to the greater division boards. And that is one of the areas, Mr. Speaker, that the minister needs to clarify, and I will be asking her questions on that, Mr. Speaker.

I believe that we can deal with this situation perhaps better now in the Committee of the Whole. Thank you.

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

Bill No. 54

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that Bill No. 54 -- An Act to amend The Trade Union Act be now read a second time.

Mr. Neudorf: -- Thank you very much, Mr. Speaker. As you're aware and members are aware, this Bill has seen some focused attention and consternation on the part of many people of this province, Mr. Speaker, and a number of my colleagues have added their voice with that of the majority of the people of this province in opposition to this Trade Union Act as it has been presented by the Minister of Labour. And I want to put a few thoughts on record as well this afternoon, Mr. Speaker, to sustain that opposition.

One thing I think that has become clear to many people in this province is that this government has on a consistent basis used the legislative powers that it has by its majority as a weapon against those that oppose their will. And I might suggest to you, Mr. Speaker, that if the weapon were not legislative powers or if we could compare it to the weapon of a firearm, Mr. Speaker, the Minister of Justice, both at the provincial and the federal levels, would jump with great alacrity to have them not only as a restricted weapon but banned altogether because, Mr. Speaker, in many instances this government can be accused and convicted of using its legislative power in a most unconstitutional and even unlawful way.

Now, Mr. Speaker, the opposition that many people have to this Trade Union Act is that instead of trying to change labour laws in an open and consultative and democratic approach, this government has dealt and conducted itself in double _dealing, with threats to get

their way; if you don't do the way we say, you will suffer, you will be punished, they are saying, Mr. Speaker.

And that speaks loudly to the people of this province because they know that ultimately they have very little protection against a government that is concentrated and focused on one particular objective. They cannot be derailed. They cannot even be turned, it seems.

And we have ample evidence of that as the years have gone by with the numerous, long . . . with a long litany already of legislative actions that they have taken to get their will, mostly and largely, Mr. Speaker, at the expense of the people of this province.

The most glaring example of that is not something that has been passed yet, but it's because of the majority of this government it will be passed ultimately, and that's The Labour Standards Act that is a good example of that. And now they are doing that with this Bill that we're discussing this afternoon, The Trade Union Act.

(1515)

Mr. Speaker, one of the problems is that there was no consultation. In spite of what the minister says, there was no meaningful consultation and there was no compromise before the Bill was brought in, Mr. Speaker. Simply nothing.

Now the Bill thrown in before this legislature, like right now, was done with very little, with very little forethought other than to use this Assembly as a sounding board, to use this Assembly as a sounding board. If there's a lot of rancour, if there's a lot of resistance, well maybe we'll look at consulting the people then and see whether we can then implement a few changes, a few dots and a few t's crossed a little bit differently, something that we will be able to get away with and then it's going to be a done deal.

Mr. Speaker, the Bill before us, the one that we're debating right now, is an example of exactly that, and it proves that that is the case. I believe it is a Bill that is shoddily written and contains, Mr. Speaker -- listen to this
 _- I believe that this Bill contains every union concession ever dreamed of.

And so instead of doing their homework, instead of consulting with the business community as well, they went ahead and they introduced, Mr. Speaker, a backward piece of legislation which does, I admit, accomplish two things.

Oh yes. This Bill, this Trade Union Act, accomplishes two things. First of all, it pays off union leaders for their political support, and that was a bill long outstanding, as it were, for a couple of years now. And number two, perhaps even worse, Mr. Speaker, this Bill drives business and jobs out of this province.

So the two accomplishments in summary, Mr. Speaker, what this Trade Union Act will do is it will pay off the political union allies of this government, the union leaders. And secondly, it will drive business

and jobs out of the province. There's no doubt about that.

But neither of these two objectives are going to serve the general public. It is not for the public good, Mr. Speaker. In fact I would suggest to you and I would suggest to members opposite that it's going to have the opposite effect. It's going to hurt union members, as slowly, slowly jobs are being driven out of this province into other jurisdictions. So it may serve well for the union leaders, Mr. Speaker, but in the long run it has yet to prove that indeed the majority of workers in this province will benefit.

In fact, Mr. Speaker, this Bill is so Draconian, so harsh, so harsh that normally passive business leaders in the business community are now outraged. They are now outraged and they have gone public in their outrage in opposition to this Bill, Mr. Speaker.

And I would submit to you and I would submit to members of this Assembly and I would submit to members of the public, that in order for normally passive people to become so outraged as to voice their opinions in public in such a loud voice, that indeed there must be some reason for this type of action.

And actually, almost it's akin to what happened in Ontario under Bob Rae. For the first time ever in my life, I saw in Ontario the business community outraged to the extent that they took to the streets. Now we're used to seeing placards being waved on lawns in this Assembly, but Mr. Speaker, I submit to you, never have we seen placards waving in this Assembly with business suits attached to them and ties and white shirts, the white-collar folk.

That, Mr. Speaker, has not happened. It has not happened yet, is what I say to the members opposite. It has not happened yet, because the business community, Mr. Speaker, simply is outraged.

And so again as is the pattern of this government and the format and it's becoming the flagship of this government, we are going to help people, but in so doing they are actually counter-productive in so many ways. And time after time when I've gotten to my feet I've gone through a litany of the things that the government has done that in the end is not productive; it's counter-productive, and very often does exactly the opposite of what it was intended to do.

Now, Mr. Minister, and Mr. Speaker, in spite of what I've said, the Minister of Labour has literally the unmitigated gall to criticize, to criticize the business community for opposing these Bills, Mr. Speaker. He calls them ruthless. He calls the business community greedy. And he shouts out that they are extremists, Mr. Speaker. The business community is being accused by the Minister of Labour of being ruthless, of being greedy, and of being extremists. And those are quite the words for a Minister of Labour to use to a member of this society, or a group in this society that are responsible for creating the jobs, the jobs that are so essential for the economic recovery of this province,

and for that matter, Mr. Speaker, any province.

I refer you, Mr. Speaker, to **The Financial Post** under the section of "Insight," Wednesday, April 27, 1994, where it says, and I quote, that:

Saskatchewan Labour Minister Ned Shillington says the recently introduced, ground-breaking labour laws are needed to rid the workplace of conflicts created mainly by the greedy "ruthlessness" of business.

Can you imagine, Mr. Speaker, the reaction of the business community when the Minister of Labour, whom they are supposed to work with and have confidence in . . . What is the reaction of the business community, a Minister of Labour like that?

And he says that this is all brought about in the '80s because we are now living in the age of greed and the glorification of greed:

"There's a kind of ruthlessness that I don't think existed in the '70s," he said. "I think there was a more of a paternal sense of responsibility toward employees, which in many cases doesn't exist now."

The classic Marxist socialist attitude of the socialists across the way to business. It is a classic example that the almighty profit, the almighty dollar, is the be-all and the end-all as far as the business world is concerned, and that all businessmen in the business community have only one objective and that is the bottom line on the profit/loss statement.

And I submit to you, Mr. Speaker, and to the minister and members opposite that that is not the case, that we have a business community here that has as much concern for the productivity of its workers than the workers have themselves. Because every businessman who has a workforce working for him . . . And I have a workforce working for me. It's nominal, it's small -- it's only eight or nine employees on the farm --but I know that if I mistreat the employees, I know that if I don't respond and even anticipate some of the problems that they may have in the workplace, they are not going to be satisfied workers.

And unless a worker has that liaison with the employer that, if I do a good job there will be more production, and that's going to come back many fold to the worker. And the employer knows the same thing; that the employees are going to become much more productive. So it's in the vested interest, Mr. Speaker, of both parties to have that good working relationship.

But the problem is that the level playing-field that the minister is so fond of talking about doesn't exist. That level playing-field has now been cantered over in relation . . . over toward the employee, the union side, because what happens here is that The Trade Union Act amendments proposed to give major new powers to politically appointed members of the Labour Relations Board. And I want you to notice that, Mr.

Speaker. The Trade Union Act amendments proposed to give major new powers to politically appointed members of the Labour Relations Board.

So is the Labour Relations Board going to act in good faith and good conscience, or are the members of the Labour Relations Board going to jump to the tune of the piper that pays and for whom they owe their existence on the Labour Board? I think that, Mr. Speaker, goes without saying.

Now, Mr. Speaker, the Saskatchewan Construction Association president, Jim Chase, is one also that says that there are serious concerns that they have about this piece of legislation. Mr. Chase says, and I quote: our people have been going through tough times and you load this on top of them and they're just going to move out of the province, and this could be the kicker that will do that. Unquote.

Now, Mr. Speaker, I would suggest to you that that is serious. And if the government is intending to put forward legislation that is going to result in business moving out, well then, Mr. Speaker, there are going to be fewer jobs. And I come back to my earlier contention that many things . . . and many times this government does things that are counter-productive and will wind up doing exactly the opposite of what they would want to do.

And I quote in the final paragraph here, it says:

Shillington insists the controversy in Saskatchewan is overblown and driven by deep-rooted suspicion that the government is anti-business.

Well you know what, Mr. Speaker? I would say that that's exactly the case. There is this deep-rooted, underlying suspicion that this government is anti-business. And I go back, Mr. Speaker, to my earlier point that, Mr. Minister, this Bill will do certain things and it will do two things. And the first thing that it will do, and I repeat, Mr. Speaker, it will pay off the union leaders for their political support to your political body. But it also will do the other thing and that is drive business and drive jobs out of this province.

So the minister is also fond, Mr. Speaker, of saying, well show me proof. Show me proof that this Bill will hurt business. Well, Mr. Speaker, ill-advised statements such as this merely prove that the minister has not consulted with small-business people. Otherwise he would have known, first of all, that the business people are not greedy, they are not ruthless, or he wouldn't have made those kinds of comments. They are people, Mr. Speaker, like you and like I and like other people in the province, that actually create the jobs in this province.

And so the minister says, well show me proof. Well we have done this in the past, Mr. Speaker, and we have full intentions of continuing to do this in the future to provide that proof. The business community on a daily basis -- on a daily basis -- fax us information of

how these Bills, both The Trade Union Act and The Labour Standards Act, are going to detrimentally affect their business. And they fax them to us with facts, with figures, with proof. And the minister, I believe you have been receiving those same faxes. However, however hard we try to hammer this message home, it does not seem to be taking any effect.

Now I understand also, Mr. Speaker, that the government is considering bringing in amendments. We're going to be seeing about 10 amendments to The Trade Union Act. But it's the same game over again. It's the same game, Mr. Speaker, all over again.

And I look at the press release that the government members have given out today about the House amendments to The Trade Union Amendment Act. The one thing I can say about that in passing, before I put it down, Mr. Speaker, is that I noticed at the end, the tail-end, among other things that I could talk about, is that the minister said, well it hasn't been amended for 10 years. And Shillington said, I quote, said:

The new legislation will help to continue the development of a cooperative labour relation.

The amendments will be produced . . . in the last sentence here it said:

The amendments will be introduced in Committee of the Whole following second reading of the Bill.

And for those people who are wondering what's going on, this is the second reading of the Bill right now in adjourned debates, where members get up and basically put on line their thoughts on the issue.

But notice, Mr. Speaker, those amendments are not going to be tabled until Committee of the Whole. So that means now that we have to wait until we get into the Committee of the Whole, discussing that one particular Bill where the amendment will be effected, and then for the first time we'll have a look at that amendment -- for the first time. And ostensibly I assume that it will be the first time that the business community will have a look at those amendments.

(1530)

And that's not acceptable, Mr. Minister. If you want to be cooperative and you want to establish a cooperative spirit -- as ostensibly you're saying you want to -- why don't you come forward with those amendments right now? Why don't you table them so that we can look at them and discuss them? And then when we get into the Committee of the Whole, we'll be able to do it intelligently and be able to have a good discourse in terms of the pros and cons.

So that is what I am saying to you, Mr. Minister. You're doing exactly the opposite in the last sentence as what you were saying in the previous paragraph, with the cooperative spirit. That's not cooperation; that's

coercion. That's what it is, Mr. Minister, simple coercion.

So bringing in, I would suggest to you, Mr. Speaker, first of all a Bill like this, as far as I'm concerned and your relationship to the business community and job creation, is absolute lunacy. But you say, well we're going to fix it up a bit; we're going to make a few concessions, then settle for a Bill that's only half lunatic. And that, Mr. Speaker, is not progress. That, Mr. Speaker, is not cooperation, and that does not create jobs, Mr. Speaker. I'm sure that you realize that.

Mr. Speaker, this government started this campaign even before they introduced The Trade Union Act. We all remember the possibility the government was to bring in anti-replacement worker legislation. Do you remember that, Mr. Speaker? Before this legislation was passed, the word was out, it's going to include scab legislation, anti-replacement worker legislation. Why? Because they thought if they brought it in, subsequent legislation which did not contain such a clause, the business community would be relieved and they would wipe their brow and say, whew, we escaped that one, and that they would be pleased with the rest of it.

We see this in nearly every Bill that this government is bringing forward. It makes for great politics, Mr. Speaker. But with the greatest of respect, members opposite, I say it makes for poor government. It does, it really does.

So now we all wait for the Minister of Labour to bring in the 10 amendments, not unlike Moses delivering the good news from the burning bush; but, Mr. Speaker, at least Moses consulted with the proper authority. And I believe there was a lot more substance to that 10 amendments than what we are facing here with the amendments that this Minister of Labour is proposing.

So, Mr. Speaker, we have still a lot of concern. We have a lot of items that we want to talk about. And we want to give the Minister of Labour the opportunity and the time to give us those amendments so that indeed we can go to the Committee of the Whole, from a position of strength for both of us, so we can have that proper dialogue. So that the people of this province -- the people, not necessarily the workers, not necessarily the union bosses, but the people of Saskatchewan -- can reap the benefits of the legislation that you are proposing.

And so to do that, Mr. Speaker, I move that we adjourn debate.

Debate adjourned.

COMMITTEE OF THE WHOLE

Bill No. 59 -- An Act to repeal The Potash Corporation of Saskatchewan Reorganization Act and to enact certain consequential provisions resulting from the repeal of that Act

Clauses 1 to 4 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 21 -- An Act to amend The Rural Municipality Act, 1989

The Chair: -- At this time I would ask the Minister of Municipal Government to introduce the officials who have joined us here this afternoon.

Hon. Ms. Carson: -- Thank you, Mr. Chairman. To my right I have John Edwards who is a director of municipal policy and legislative services; and Ken Engel is on my left, director of municipal planning and advisory services; and Jim Anderson is the senior policy analyst who is sitting immediately behind me on my right.

Clause 1

Mr. Swenson: -- Thank you, Mr. Chairman. Madam Minister, I've just been going through this Bill again. And it's quite extensive, with a large number of amendments. And I'm wondering if the best way to proceed here would be to have you outline what each amendment will do and, where applicable, on whose request the amendment was drafted. Could you do that for me, please?

Hon. Ms. Carson: -- First off, Mr. Chairman, all the amendments that are in the Act that we're dealing with today have been either requested by the rural administrators' association or SARM or individual RMs (rural municipality). And it's through consultation with these groups that we brought these amendments forward into the Act today.

I will go over the changes so that you can get some insight into where the Act is going. Section 4 and 14 and 15 facilitate the reversion of small urban centres to the status of hamlet in rural municipalities. That was asked for. What they want to do is be able to facilitate the process through which a village can be reverted to a hamlet for governance under the RM.

Section 45 and 46 update conflict of interest provisions in line with amendments made to urban legislation at the last session.

Section 192 clarifies the long-standing practice that rural municipalities are not required to maintain undeveloped road allowances.

Section 214.1 provides and expands fire prevention and emergency response authority for RMs.

Section 221.8 will clarify the authority for public utility boards to borrow money.

Section 244 removes ministerial approval requirement if a municipality wishes to sell or give land to a district health board.

Section 254 removes the requirement of ministerial approval for formation of corporations, and section

332.1 changes assessment appeal provisions as requested by the municipal board.

And section 345 provides additional authority for rural municipalities to enforce tax collection respecting buildings situated on property owned by other persons, and there's a few other small housekeeping amendments besides that. But those are the main provisions.

Mr. Swenson: -- Thank you, Madam Minister. I believe you've stated in your second reading speech that the type of governance for small communities has been changed so that hamlets can deliver limited services beyond what they're doing right now. How will this make it more attractive for resort areas to remain in rural municipalities? Resort, yes. How will this make it more attractive for resort areas and communities to remain in rural municipalities?

Hon. Ms. Carson: -- The resort communities across Saskatchewan that have been within RMs have, for a number of years, felt somewhat pressured by a lack of autonomy and a lack of ability to manage some of their own services. We're reluctant to grant autonomy outright to these resort communities, to let them form more municipal districts or municipal organizations.

(1545)

What we have done is added into this Act amendments to allow them more autonomy to manage their own municipal or their own community services and still reside . . . and be governed by the RM at large. So what we have done is given them autonomy, given them the ability to manage their own fiscal services a little easier, but still not take them out of the governance relationship that exists between them and the RM that surrounds them.

Mr. Swenson: -- Madam Minister, are those, the requirements for resort communities to remove themselves from the RM, are they the same as say a hamlet or a village that wish to remove themselves?

Hon. Ms. Carson: -- The requirements to form a resort village are within the urban Act, and they don't exist within The Rural Municipality Act.

Mr. Swenson: -- So in other words they would have to apply on the basis of a hamlet in order to have themselves removed from the RM?

Hon. Ms. Carson: -- They would have to meet all the requirements that would allow them to be incorporated as an urban municipality.

Mr. Swenson: -- Okay. In the area dealing with rural public utility boards who are borrowing funds to establish water distribution systems for residents who are not now served, what sorts of regulations apply, such as the limits to funds, that type of thing?

Hon. Ms. Carson: -- Previous there was no provision in The Rural Municipality Act that allowed utility boards the ability to borrow. This Act provides that

authority for utility boards to borrow up to a hundred per cent of the cost of the project. Anything in excess of that, they have to go to the SMB (Saskatchewan Municipal Board) for approval.

Mr. Swenson: -- So what you're saying is that the particular RM then can go to municipal government board and borrow 100 per cent of the capital cost of whatever is within their boundary. Is that correct?

Hon. Ms. Carson: -- For the utility project that has been approved. They have to define the utility project. They have to have an analysis of the cost of that project, and then they have to go and finance the project. And this gives them the ability to borrow the capital cost.

Mr. Swenson: -- Okay. This is a fairly large issue in some places. There's the Wood River project where there's up to 12 RMs involved here. All of them together would be a very significant amount of money, I would think, that they would be going to Municipal Board to borrow. There's no problem with that, as you can see it, given the existing legislation?

Hon. Ms. Carson: -- The water utility boards, as you probably are aware, are utility boards that are user-driven. A group of farmers or people who live within the RM form together to form a utility board, and they make a request for a project to deliver potable water to their residences. They make an application to the RM to finance that project, based on their desire to pay a user fee for use of the water or utility that's delivered.

Based on that analysis, then the RM can go and borrow on behalf of the utility board the cost of that project. But it is driven by the user need or the residents of the area that have formed a group called a utility board, that have defined the project, defined the cost of the project, defined their services or their financial requirements and their utility bills under the project. And based on that, the RM will go and borrow or finance . . . borrow financing to approve the project.

Mr. Swenson: -- Do they have to make application to the Municipal Board before they can proceed?

Hon. Ms. Carson: -- They don't have to go to the Municipal Board to get approval. They don't have to go and make an application under the Municipal Board.

I think I misled you a minute ago. It is not the RM that does the borrowing; it's the utility board that does the borrowing, but the utility board is set up within the RM Act.

Mr. Swenson: -- Okay. So they don't have to have approval to go borrow the money; they can just go borrow it. Okay.

And there's no limit at all on funds that can be borrowed, no limit at all?

Hon. Ms. Carson: -- The Act allows them financing of 20 years for a project. The user group develop the business plan, if you like, for the project. They make application to a financial institution if that's where they want to go for financing the project, and there is a requirement in the Act that it's a 20-year project that has to be repaid through user fees by the patrons of the project.

Mr. Swenson: -- Okay. What you're saying is that government in no way is saying there's a limit to the amount of funds that you can borrow. You are empowered through this Act to do it. The ultimate liability resides with the utility board, not the RM.

Hon. Ms. Carson: -- The liability is with the utility board, not the RM, and the financing is defined by the size of the project and the capability of the financial institution that they're dealing with to provide those funds.

Mr. Swenson: -- Okay. Why then, Madam Minister, are groups of individuals not allowed to access natural gas under the same proviso?

Hon. Ms. Carson: -- That's an interesting question. I think perhaps it should be referred to the Minister of Energy. We're talking about utility boards that provide water services, potable water to residents. Now I guess we've not heard before of any group of residents in rural Saskatchewan who want to collectively form a board to deliver natural gas within their area, but we'll look at it. But it's not within the bounds of this Act to permit a utility board, that we are aware of, to deliver anything other than water services.

Mr. Swenson: -- Well as I read the Act, Madam Minister, I don't see anything that defines only water here. It's the utility board that you're empowering. In a deregulated gas market, a hospital goes direct to well-head -- all they need is a transmission facility in between, the same as a water pipeline. I mean you have a Crown entity, Sask Water; you have a Crown entity, SaskEnergy, and yes, there have been groups interested in forming a board because they see economic benefits to natural gas, the same as they see economic benefits to potable water being delivered to a number of communities.

And I see nothing in your Act here that would prohibit that taking place, nor the borrowing of funds to do the installation of the delivery mechanism. They can go direct to well-head the same as any other institution can.

Hon. Ms. Carson: -- It's not included as a definition of utility within this Act. We haven't had any application by any municipality or local residents to proceed in this direction. And I would suggest it probably fits under the Minister of Energy and Mines, because it's through his office that applications for delivery of and transmission of gas is processed, not through the RM Act.

Mr. Swenson: -- No, Madam Minister, it's the minister responsible for SaskEnergy that does that

particular function. The Minister of Energy only monitors the big pipeline system in the province of Saskatchewan and the transmission of gas in and out of the province, and the collection of royalties and taxes in regard to that.

The other business is handled currently by SaskEnergy, as Sask Water handles water. And I'm wondering if groups would come forward to you as the minister responsible for this Act, if you would grant an audience and allow them to present their proposal to you. Because the Act to me it . . . yes, it doesn't specifically name natural gas but it doesn't prohibit natural gas. And I'm wondering why you wouldn't allow the same type of cooperative effort to go forward in that regard as you would with water.

Hon. Ms. Carson: -- Section 226 of the Act describes those services that can be provided under public utilities:

- (a) for the supply, collection, treatment, storage and distribution of water;
- (b) for the collection, transmission, treatment and disposal of sewage or storm drainage;
- (c) for the provision of radio or television services or both; or
- (d) for the provision of a municipal transportation system.

Those are the utilities that can be provided under this Act as a public utility.

Mr. Swenson: -- Okay, Madam Minister, I stand corrected. Would you look at amending the Act to include natural gas?

Hon. Ms. Carson: -- Well this is the first time that it has come to our attention, and no one has requested it. And if there are groups of users out there that want to explore it, we will certainly consult with them and talk about whether it's an appropriate service to be delivered through a utility board.

(1600)

Mr. Swenson: -- The reason I ask, Madam Minister, is that the costs of delivery of natural gas as provided by SaskEnergy have become very prohibitive because of attitude more than anything else, and that program of rural distribution was basically put on hold. There's nothing going on out there. People are looking at ways to band together to achieve what they can't . . . because the old program has basically been discontinued. They don't have some of the same cost prohibitions that SaskEnergy has.

There's lots of areas in the province that didn't get it in the first go-around and are wondering why they can't have access to it when they see these water groups forming all over the place. They've got federal money involved through the PFRA (Prairie Farm Rehabilitation Administration) and there's possibilities they also can access other programs to deliver this in a collective sense.

And that's why I bring the proposition to you here today that they have people who own natural gas wells. There's transmission lines available. What they wish to do is do the same thing that water people are doing, and that's why I asked the question; at least that you would have an open mind about it.

Hon. Ms. Carson: -- As I said, we haven't had the discussion with any municipality or groups of residents and we certainly will keep our mind open on that.

Mr. Swenson: -- Thank you. Madam Minister, these amendments, as I understand, will allow rural municipalities to issue fire orders and supply emergency response services and to enter into cooperative arrangements with urban municipalities and Indian reservations to provide joint fire protection.

One other thing that's been brought to our attention, particularly on the emergency response services, is that they are quite fearful of the labour legislation that is presently before the House. And I'm wondering if you have had any indication from these particular areas in regard to that. They are telling us that their costs will go up significantly when SARM and SUMA -- or SARM particularly -- when you were talking to them about amendments, did this issue raise itself at all in your discussions?

Hon. Ms. Carson: -- Most of the fire departments that operate in rural Saskatchewan are volunteers and they are outside the purview of either The Labour Standards Act or The Trade Union Act, so I don't know what impact those could possibly have on the delivery of fire protection services in rural Saskatchewan.

Mr. Swenson: -- I'm specifically talking about ambulance services, Madam Minister, and like-minded things as far as emergency response goes. And I presume, unless I read it wrong, that those things would be included in these cooperative efforts that this Act allows.

Hon. Ms. Carson: -- The delivery of ambulance services would be under separate legislation. Particularly in this legislation we're dealing with the emergency response for fire or mutual aid districts but not for services that are under the Department of Health, like ambulance services. That's delivered, as you would know, under a separate Act.

Mr. Swenson: -- Okay, so none of the emergency response services that you envision would have . . . there would be no applications there at all involving either The Trade Union Act or Labour Standards?

Hon. Ms. Carson: -- Volunteers do not fall under either The Labour Standards Act or The Trade Union Act, so I can't envision a circumstance where there would be any repercussions by changes in those Acts and the delivery of services, emergency services for rural residents.

Clause 1 agreed to.

Clauses 2 to 26 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 59 -- An Act to repeal The Potash Corporation of Saskatchewan Reorganization Act and to enact certain consequential provisions resulting from the repeal of that Act

Hon. Mr. Penner: -- Mr. Speaker, I move this Bill be now read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 21 -- An Act to amend The Rural Municipality Act, 1989

Hon. Mr. Shillington: -- I move the Bill be now read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

COMMITTEE OF FINANCE

General Revenue Fund Municipal Government Vote 24

The Chair: -- And at this time I'd ask the minister to introduce the officials who have joined us here today.

Hon. Ms. Carson: -- Thank you, Mr. Chairman. To my right I have Bill Reader, the deputy minister. Behind me, to my right, is Ron Styles, associate deputy minister of Housing; to my left is Ken Alecxe, associate deputy minister of Culture and Recreation; immediately second to my right is Ron Davis, assistant deputy minister of municipal services; and behind me is Larry Chaykowski, executive director, administrative services.

Item 1

Mr. Toth: -- Mr. Chairman, by the looks of the number of officials we have before us, it might be hard to get a head count and see if indeed we've got enough MLAs in the House to conduct business of the House today. But a welcome to the minister and her officials for taking the time to come and join us this afternoon.

Madam Minister, I'd like to start off with a question that's been on the minds of a few people in Wapella for quite a while. I've been waiting for the opportunity to raise it with the Municipal Government. It's a question that I went through fairly extensively with the Minister of Justice, but it certainly is an area that's responsible to your department, and that has to do with tendering. And you're probably well aware of it. The tendering process that took place by the town of Wapella back, I believe it was in 1991 or '92, and at that time the local council had awarded a contract to

upgrade some water facilities, or a water treatment plant, to a local contractor or a contractor from the Esterhazy area.

And everything seemed to be fine and dandy until the second lowest -- or the lowest tender actually, as it ended up at the time -- the tenderer who took the town to task really wasn't that much lower than the tender that had been offered. But the town decided to let the tender to the contractor from Esterhazy, based on the fact that they had originally set their tender and let their tender with the notification that highest or lowest tender not necessarily accepted.

And they felt that they had covered every angle that might be thrown at them and that at the end of the day they should maybe look at the closer contractor, because if they had any problems that arose from the contract, that they would still be money ahead by the fact that the person living closer . . . it wouldn't cost them as much to bring the contractor back if there was some problems that had arisen that weren't really related to the original job contract.

(1615)

And we're all well aware of the fact now that they were taken to court by Mike Robinson Service Plumbing & Heating Ltd. And the court came out and awarded Mr. Robinson \$19,000 in damages. And the judge indicated -- and I'm just going to read into the record from the firm Osman, Gardner and Gordon that had represented the town of Wapella. Maybe I'll read the second paragraph, and there's a few other paragraphs I'd just like to read into the record here:

Mr. Justice Grant Armstrong of the Court of Queen's Bench presided at the Pre-Trial. It was obvious that the Judge had read all the pleadings and materials very carefully by the detailed questions he asked. He had also done some research in terms of the law and referred us to the **Canadian Business Law Journal** regarding the issue of liability.

Unfortunately, Madam Minister, I haven't been able to find out which specific law journal he referred to, and I've been trying to find out so I could get some information on what he was specifically looking at.

This article supported the Plaintiff's position and the Judge made it very clear that, in his opinion, the Town would not succeed on the issue. He stated that perhaps you could find a Judge who would have sympathy for the Town but really, that was the Town's only argument!

And then he went on to give reasons as to why he awarded the sum of money of \$18,000 -- pardon me, I think I said 19,000 earlier -- 18,000 of damages.

On page 2 of Ms. Gordon's letter, she says:

Finally, the Judge indicated to us that he certainly understood the difficulty of the council members in understanding the legal

interpretation of this "waiver or privilege clause". He went on to say that if you called many lawyers in Saskatchewan and asked them for their opinion (without doing research) they would tell you that you could choose whomever you wanted.

As the town did when they let the contract.

The Judge pointed out to the other side that actions such as this are particularly difficult for small towns which are facing many difficulties in these tough economic times (he commented on the possible loss of our service station). The Judge commented that he understood that council members were trying to do their best for the Town.

Finally, the Judge pointed out that the Saskatchewan case decided by Judge Halvorson (the one he was referring to and made his decision was based on) involved Graham Construction Ltd. Graham was awarded the contract and Kencor sued and was successful. George Gette notes that one of the owners of Service Plumbing and Heating had considerable experience as a previous employee of Graham Construction Ltd.!!

And it would seem to me that is the only reason . . . one of the major reasons Wapella to end up in a lawsuit, because it just so happened one of the employees of the Service Plumbing and Heating business that had also set a contract, happened to be aware of this case that had taken place a number of years ago.

The big problem facing the town of Wapella, Madam Minister, I'm sure you can be well aware of, is the fact that not only did they have a cost of some \$18,000 in damages; but by the time the end of the day came around they were facing something in the neighbourhood of around \$12,000 in legal fees just to defend their actions as well -- actions which they felt they had done properly; they had done nothing wrong.

The judge indicates he certainly understood where the town council was coming from. The fact that he didn't perceive that they had done anything wrong as well, as they had done everything in their best . . . what their understanding of the law and in the best interests of the community.

And what I'm wondering, Madam Minister, is what do towns like Wapella do when they set tenders or let tenders based on these facts and the knowledge that they have?

And I happened to pick up a local paper about, I think it was two or three weeks after this judgement came down, and I see that the tenders that are being let are still being let with that same waiver in mind. And I think what can happen . . . and it happens right across this province and it even happens the provincial government is letting tenders based on that waiver.

And I think, Madam Minister, your department and your government should be looking at ways of informing communities what can happen and what's the alternative. I think maybe what we need is a new process of tendering, at least informing people that this may not help you just by putting that waiver in.

And I would like to know what can be done for the people of Wapella -- number one, what other options do they have; and number two, what is your department doing in making sure that communities are aware of the problems they may face if they would release a tender in such a manner?

Hon. Ms. Carson: -- I thank the member for that question, and there's a lot of issues in it. Certainly you're right when you say that many small town councils are doing the best job they can, and circumstances like this are a surprise to them because it has been traditional that when tenders are put out there is usually a statement that says, the lowest or any tender may not necessarily be accepted. And this judgement of course puts into question the legitimacy of that kind of a statement.

What can we do for Wapella? There really isn't anything that we can do as Municipal Government department for the town. They have gone before the courts. A decision has been rendered by the judge on circumstances that he feels are those that pertain to the legalities of the situation.

But on the question of how we can help prevent this from happening in the future, is a good and valid question and I appreciate it.

Certainly we don't like to see municipalities get caught in situations like this where they have to expend monies that they hadn't anticipated through legal challenge, and it's difficult for them. And what we have done is send out a bulletin to all clerks and administrators of all urban and rural municipalities. And I'll read it for you so that you'll have an understanding of where we are trying to help, and perhaps you have some suggestions about what we could do more. And it goes like this, quote:

When municipalities are calling for tenders on projects or the supply of goods or services, many are using the following standard reservation clause: "the lowest or any tender may not necessarily be accepted and the village/town/RM of . . . reserves the right to reject any and all tenders."

Recent court challenges indicate this reservation clause may not be adequate to protect the municipality should it wish to accept any tender other than the lowest. Whenever a municipality advertises for tenders, the contract must be awarded under the conditions as set out in the advertisement or the tender document.

One condition that is of particular concern is a local preference policy. Municipalities must

notify potential bidders that a local preference policy is in effect when advertising the tender. This can be done either in the advertisement or in a separate tender document.

The municipality must outline the policy or where a copy of the policy can be obtained. The municipality must also review any similar policies affecting the awarding of the tender contract. All parties in the tendering process must have notice of the terms affecting the awarding of the tender contract.

We suggest that each municipality review its tendering process. To avoid potential conflicts, the tender notices should specify all terms and conditions or factors it may rely on in making a selection. This includes the unspoken municipal policies affecting the awarding of the tender contract.

Mr. Toth: -- Thank you, Madam Minister. Madam Minister, I'm wondering if you wouldn't mind tabling that letter for us, please, so we would have a copy of it on hand.

Madam Minister, so what you're saying is you've sent out notice to local governments, both municipal and rural. I would think that possibly the same notice should go to our provincial government. Because I think any time a tender is let . . . and I notice a number of contracts let out by the provincial government have had the same rider in it, and at any time any department certainly could be challenged if local governments can be challenged. And I think when it comes to the senior government, such as our provincial government, there could be substantially higher costs incurred if you run into a problem in that manner.

You indicated that towns could indicate in their tender that they leave it at their discretion to choose a local contractor versus another contractor if a local contractor should bid on a project. Is it in your department's mind the fact that that type of tender or that type of a qualification would stand up in court, or could that be challenged as well and maybe be found as being something that a specific contractor could challenge and maybe take a town to court on, Madam Minister?

Hon. Ms. Carson: -- What we're trying to do is advise them of the necessity to have their lawyers check out their tender documents very carefully in view of this decision by the court. We're not providing them with legal services. What we're saying is that where they have a reservation in the tender that is not necessarily going to accept the lowest bidder, that they have to alert the potential bidders of that circumstance. And it would be advisable for the municipality when they're developing their documents, to check it out with a lawyer before they release them, to make sure that they are covered and legal challenge will not result.

Mr. Toth: -- Madam Minister, it would appear to me that maybe we need some changes basically through

legislation as well to address some of these concerns so that councils have a better understanding. If you ask for your lawyer's interpretation, and as I indicated when I read the letter, the judge indicated as well that if he took the request to a number of lawyers, you could come up with a number of different understandings of how they viewed the interpretation of that type of a contract.

And what I'm wondering, Madam Minister, is if the Department of Community Services, in light of what has transpired here . . . And I understand that this isn't the only one, but simply because a number of communities have chosen to settle out of court, that we really haven't heard about a number of other circumstances. If the department has pursued what the Minister of Justice . . . doing some research that would basically strengthen contractual agreements so that municipalities, local governments, or even the provincial government would not get caught in the same format and find themselves at the end of the day with a cost that they really hadn't anticipated.

And as you've indicated as well, local governments are certainly strapped and they passed . . . introduced a Bill today that's going to cut some more of their funding which is going to make it that much more difficult. And certainly we don't want to leave them in a position where they're finding themselves, after having set their budget, all of a sudden having to find a substantial sum of money.

And in the town of Wapella I believe it was going to be 12 mills that they would have to levy on the property taxes just to make up the shortfall that they ran into in there unless they found it elsewhere. So I'm wondering, has your department looked at some options or other alternatives?

Hon. Ms. Carson: -- I expect that after we have sent this notice out to the municipalities, if there are problems out there that they have encountered they will be alerting us of those problems. And we certainly, with our officials and Justice, will sit down and see if there is anything that we can do through amendments or through process that will provide some sense of security or comfort to those municipalities that are issuing tenders in the future. But it will be something we'll take under advisement. I appreciate the comments that you have made and we will look into it.

Mr. Toth: -- Madam Minister, has SUMA as an umbrella organization for local governments raised this concern with your department at all?

Hon. Ms. Carson: -- No, the first we heard of it was from the gentleman from Wapella and comments that you have made in the legislature. But this is not an issue that has been brought to our attention by either of the municipal associations.

Mr. Toth: -- I think, Madam Minister, that's one of the things that has frustrated some of the people in Wapella as well, and the fact that their umbrella organization hasn't taken the concern and the

financial difficulty they've run into, the fact that they have picked up on that concern and raised it as an umbrella group. And I think that's one of their frustrations.

Madam Minister, if I'm not mistaken, Mr. Sokalski had written your office and asked for a meeting. I'm wondering, did you respond to Mr. Sokalski? Would you be willing to grant him a meeting?

It seems to me, the last I had talked to him, he still hadn't received or heard anything from your office or even the Minister of Justice's office regarding at least giving him an opportunity to raise some of the concerns on behalf of Wapella residents and seeking your input.

Hon. Ms. Carson: -- I know he has been in contact with my office. He has talked to some of my staff. On the issue specifically to Wapella, there's nothing that we can do about it. The judge has issued a judgement in the . . . or has issued an award in that case of \$18,000. I gather it was an out-of-court settlement. That decision is now set and we can't overturn it. There's nothing much that we can do for Wapella or for the gentleman.

I will talk to him if he wants to, but he must be aware that our actions now are proactive. We are looking at how we can prevent these circumstances from occurring in the future, but there's nothing we can do at this time for the residents of Wapella.

(1630)

Mr. Toth: -- Thank you, Madam Minister. And I certainly hope that your department does take some of these things into consideration because you're right. The fact that even though it is a pre-trial, I think the reason the town eventually -- and the town council -- decided just to settle out of court and accept the recommendations was that by the time they went to court . . . and it could drag out for one, two, or three years, and the costs associated would probably far surpass just settling out of court with the settlement the judges called for.

And as well in settling, it's already set precedent. How many times have we had this precedent set? And no doubt maybe when communities, when times are flush and there was a lot of money around, you didn't really consider an \$18,000 additional bill as being something to really worry about.

But I think most communities, as has been reflected through governments across this land, are becoming a lot more careful and concerned with the way they disburse and dispense their finances. And they want to hold onto them so they can provide a fair service to their constituents and to their ratepayers.

Madam Minister, maybe there's . . . I'm wondering if there's someone in your office that could give me an indication of whether a community or an RM, through their liability insurance, would be able to cover this type of an expense. Does liability insurance that most

communities carry cover this type of an expense they'd run into?

Hon. Ms. Carson: -- It would have to depend on their insurance contract. If they have errors and omissions included in their liability insurance, it may well be covered. But it would have to be under the terms of their insurance contract and they would have to look into it with their broker or their agent and find out whether or not it were covered.

But many of the municipal councils are quite aware that they should take out error and omission insurance, liability insurance, and in most circumstances it is because they want to be protected against these type of decisions. So I would say that they would have to check with their broker or their agent to see if this is covered under their local insurance policy.

Mr. Toth: -- Thank you, Madam Minister. So the best recommendation, I guess, that I could make then is that they would go to the agent that they've purchased the insurance through and the agent would go back and just see how far their insurance policy, what it covers, and whether it does cover that or have that error and omission clause.

I thank you, Madam Minister, for your comments. As I've indicated, it's unfortunate. And I've talked to people in the community of Wapella and it just seems that really, as we've discussed today, there isn't a lot that can be done; it's after the fact.

What I'm wondering, Madam Minister, would it be possible to find out which business journal the judge would have been quoting from in making his statement? I've done some research and I can't. I believe he was going back to a 1980 court case, but I haven't been able to . . . I understand there are business law journals and there's just one issue after another and we'd need to have an idea of which specific issue we're looking at in order to make that decision. Would that be possible? Could we get that information?

Hon. Ms. Carson: -- Yes, we'll ask our officials to work with the Department of Justice and provide you with that information.

Mr. Toth: -- Appreciate that. Thank you, Madam Minister.

Mr. Swenson: -- Thank you, Mr. Chairman. Madam Minister, I'd like to thank you for sending your globals over. That helps out a lot.

I have a few questions for you, primarily dealing with staffing and salaries and a few things like that that I'd like to talk to you about. I'm going to ask you three things and you can just take note of them and if you can supply the information at a later date, that would be fine.

I would like details of all expenses paid to ministerial staff in the last year. I would like detail on all expenses

paid to the minister in the past year. And I would like detail of all travel undertaken by ministerial staff in the past year including the total cost, cost per staff member, destination, and purpose of each trip. And likewise the detail on all travel undertaken by yourself in the past year including total cost, destination, and purpose of each trip, and who accompanied you on those trips.

Hon. Ms. Carson: -- We'll provide you with that information.

Mr. Swenson: -- Thank you, Madam Minister. This year you hired two new staff -- a Perry Erhardt and a Paula Hill. Can you tell me what their qualifications are and if there was any type of competition held by yourself in selecting these new positions?

Hon. Ms. Carson: -- The person who became the senior ministerial assistant in my office was a transfer and it was done internally and it was not through competition. That person is a lawyer and holds a B.A. (Bachelor of Arts) and a B.Ed. (Bachelor of Education) as well, and has worked within government for a year previous to that. The junior secretarial in my office has been there for over a year. She holds a B.Ed. degree and I don't know if she was awarded the position through competition or not. I will have to look that up and find out.

Mr. Swenson: -- Can you identify for me, Madam Minister, which one is the lawyer in the senior staff position in your office?

Hon. Ms. Carson: -- That's Perry Erhardt.

Mr. Swenson: -- Thank you. You also, it appears, Madam Minister, have acquired another ministerial assistant who does not appear in your globals under new permanent employees. Can you tell us when Margaret Morrisette was hired and if there was a competition for her position?

Hon. Ms. Carson: -- Margaret Morrisette came to our office, I believe, in November. I don't have the actual date; I'm trying to recall. That was not through a competitive competition. She was transferred from another minister's office to our office.

Mr. Swenson: -- It appears, Madam Minister, that Ms. Morrisette was transferred from the Department of Finance. Is she being paid out of that department or your department -- which is it?

Hon. Ms. Carson: -- She's being paid out of our department.

Mr. Swenson: -- Okay. It appears, Madam Minister, comparing the salary structure of Ms. Morrisette, when she was in the Department of Finance she was paid at 2,893, and yet in your operation is being paid 3,454. That's an increase of 19 per cent

I presume that this transfer was done through executive government.

What I would like to know from you, is a 19 per cent increase . . . would you consider that fair in light of some other recent decisions that your government has made?

Hon. Ms. Carson: -- Ms. Morrisette was reclassified according to the grid, and she is now the intermediate ministerial assistant in the office and it was through that advancement on the grid that she got the increase.

It is according to her qualifications and her responsibilities within our office, and because of that increase in responsibility she was awarded an increase in salary commensurate with her place on the scale or place on the grid.

Mr. Swenson: -- Well, Madam Minister, the individual came from the Department of Finance, which I would presume is one of the more difficult departments of government. She comes over to your department with this . . . basically the same position, as I can see, a ministerial assistant 2. We went through a recent by-election campaign when the Deputy Premier denied that any such raises were occurring at all.

What is so onerous about her responsibilities now compared to what she was doing in the department and with the Department of Finance that would necessitate a 19 per cent increase when you've just recently brought laws into this Assembly taking away 6 per cent raises for judges because that wasn't deemed in the public interest, and yet you have no problem paying a 19 per cent increase to a ministerial assistant 2 who switches from Finance to Municipal Government. Could you explain a little more what these onerous responsibilities are that would necessitate that?

Hon. Ms. Carson: -- I can't tell you what she was doing in the minister's office in Finance, but I can tell you what her responsibilities are in my office.

She is a ministerial assistant who is in charge of liaising with the department on recreation, cultural services. That is a very active side of our department. She is the person in my office who liaisons with the lotteries and all the lottery community as well. She has a responsibility there that I think is expanding and requires a lot of communication, a lot of work.

And I don't know exactly what her obligations and responsibilities were within Finance, but she is very qualified. She does good work and she accepted the position according to her place on the grid. And as she moved into the intermediate ministerial assistant position, the grid then allocated her an appropriate compensation, as that grid position indicated it should.

So I don't know if you say that's a pay increase; definitely it was a promotion. And when you have promotions you usually get pay increases with them.

Mr. Swenson: -- Well I think a lot of people in society today, Madam Minister, would really wonder at 19 per cent. I mean your department has hacked and

slashed your way through grants to the people that you deal with, with your relationships with Municipal Government. You've asked them all to take less. You're asking them to pick up extra SAMA bills. I mean it goes on and on and on. And yet, I mean, I think 5 per cent is what the rest of the folks in the real world would consider a lot of money.

Here we have this individual who moves from the same position to the same position -- you call it something else and you define a new grid -- and then you somehow can justify a 19 per cent increase for a political hack in your office. And that's what the public are upset with you about. That's what they were upset with you about in Regina North West. And yet you want to come into the legislature here and somehow justify this type of thing. And it simply isn't justifiable.

You can't bring legislation in here to deny one segment of the population an increase because it isn't in the best interests of the province and then turn around and give your political staff those kind of increases.

It seems, Madam Minister, that you've been very active in the hiring and the raise department, because since last year you have hired 33 new in-scope permanent employees and you are spending \$1.8 million more on this class of employee. That works out to \$54,545 per new employee. Even if we assume that all of your previous in-scope permanents got a 5 per cent raise, that only accounts for \$300,000 of the increased spending. In that case the new employees must be getting about \$45,000 each. And just for reference, last year your average in-scope employee got about 32,000. How do you explain this dramatically increased employee cost?

(1645)

Hon. Ms. Carson: -- Well first of all I'd have to say I don't accept your analysis of the figures. I think you obviously have taken a number of figures out of context and decided that you're going to work your magic with them.

I want to go back and talk for one more moment about Miss Morrissette. Again there was a salary grid that was developed in consultation with the PSC (Public Service Commission). It had with it certain qualifications and certain responsibilities. That, I think, was a step forward, and we have said that time and again.

When we have people who fall under those qualifications and with a number of years service, then they are allocated a certain salary. If that means that they were in an inappropriate position on the grid before or there was no grid before and when the grid applied to them they received an increase, I don't think that you can characterize that as a 19 per cent increase.

What happened was she was reclassified into another position. The position had different responsibilities. It

took into her account her education and her background, and according to that she was allocated a salary.

Now in regard to the positions that you're talking about, we will take your question and we will apply our own analysis to it and give to you the correct answer. But at this point in time I can't understand how you arrived at those conclusions that you have arrived at and what numbers you have taken out of the material that we've given you. But our officials will review that question and provide an answer for you.

Mr. Swenson: -- Well, Madam Minister, all I did was took the globals that were presented last year and the globals that were presented this year and just went category by category across the board.

I'll give you another example. Looking at your in-scope temporaries, you have more than doubled your spending in this class of employee even though you only hired eight more people.

You've went from 46 to 54. So just exactly so you know what the numbers are, in last year's globals which were presented here, you reported 46 employees receiving \$523,000. This year you have 54 temporaries receiving 1,088,022.

So last year the average temporary employee, just comparing the two, is 11,369. Even if we assume a 5 per cent increase, which is possible, this still comes out to 11,938 per employee, or a total of 644,000. And that would be for all of your 54 temporaries.

How do you explain the difference between the figure and the actual spending in this area?

Hon. Ms. Carson: -- Well when you're comparing the figures with last year, you'll have to be mindful that last year the figures were related to Community Services. We reorganized the government March 1, 1993. And under that reorganization, a number of positions were transferred from Rural Development into the new Department of Municipal Government, as well as a number of positions were transferred from Public Safety into the division of Municipal Government as well.

So there was an amalgamation of various other departments into our department, and that probably explains those increases in numbers that you have talked about. But our Department of Municipal Government is not the same as the Department of Community Services, and so the figures that you relate from last year to this year are just out of context.

Mr. Swenson: -- Well I don't understand, Madam Minister. We're just talking about numbers of bodies here. Now you can do all the reorganization and amalgamation you got, but the information that you gave me is that you have X number of bodies now; last year you had X number of bodies.

Are you telling me that people that were in Rural Affairs were paid that much more than the folks that

were in Urban Affairs? I mean, you've gone from 46 to 54. Okay? So you reorganized. They ended up with eight more bodies.

But you've more than doubled the total salary for the eight extra bodies. I can't believe, in my understanding of how the public service works, that those people make that much more money. We're talking about . . . and these are your temporaries here. How in the world can you spend nearly double the amount of money with only eight extra employees? They aren't paid that much more.

Hon. Ms. Carson: -- You are looking at the in-scope, temporary, casual labour services -- those are the numbers? Those are not full-time positions. They may be short-term contracts that come in for two or three months and then leave again. So it's hard to relate the number of positions and divide that into the salary and get what you think is a salary per person. It doesn't work that way.

There were, as I said, a number of in-scope, temporary, casual positions that were very short term in nature and had a specific job and a specific contract applied to them. So it's not a salary grid that you're applying here but it's a contract.

Mr. Swenson: -- Did you have 54 temporary employees in this category in the last year?

Hon. Ms. Carson: -- The number 54 relates to the number of people as of March 31, 1994 that were there. Now that number fluctuates up and down over the course of a year. It may have been more, it may have been less. But as of March 31, 1994 there are 54 in-scope, temporary, casual people. That number could have been greater on December 1 or it could have been less on June 1.

The salary that you have there is the global salary that was spent in that category for the whole year. So you can't relate just those 54 people divided into the salary and get a salary grid or any compensation that is meaningful out of that. As I said, you have to be aware that the 54 relates to the casual number of people on staff as of March 31.

Mr. Swenson: -- Madam Minister, last year I didn't get that . . . or my colleague didn't get that explanation, because we checked very carefully. When you were asked, the number that you gave last year was 46, and you didn't define that it was any specific day.

How many did you have then? I mean one of the reasons that we go through this exercise is so we don't have to . . . If you'd have put down 112 here on December 31, then I would have been able to do a little bit different mathematics.

So how many did you have, Madam Minister? Am I going to have to go through this whole package again and question every number that I'm given here? I wanted to know how many in-scope, temporary, casual people you've had, and you pick a number on

a specific day. I presume that number of 54 looks better than it has on some other day.

Hon. Ms. Carson: -- Referring you back to your question -- question no. 1(a), personnel report -- no. 1 says, record the estimated or actual number of employees or staff broken down by categories indicated at March 31, 1994.

So from your question, the staff presumed what you wanted to know was how many people were employed at March 31, 1994, and the figure was 54.

Mr. Swenson: -- Madam Minister, would you tell me what the greatest number of employees in this category you had some time in the last year.

Hon. Ms. Carson: -- We don't have that figure here, but we'll provide it for you.

Mr. Swenson: -- Okay. If you would provide to me, Madam Minister, what the greatest number were and what the least number were, maybe we'll change our map a little.

The committee reported progress.

The Assembly adjourned at 4:57 p.m.