

The Assembly met at 1:30 p.m.

Prayers

### ROUTINE PROCEEDINGS

#### INTRODUCTION OF GUESTS

**Mr. Trew:** -- Thank you, Mr. Speaker. It's my pleasure today to introduce to you, and through you to all my colleagues in the Legislative Assembly, a group of Grade 12 students from Robert Usher Collegiate in north end Regina. Accompanying this group of students of course is their teacher, Mr. Ast.

I look forward to meeting with them in your boardroom, which I thank you for, sir, after question period, and look forward to a discussion with them at that time. I ask all members to join me in welcoming the grade 12's from Robert Usher.

**Hon. Members:** Hear, hear!

**Hon. Mr. Wiens:** -- Mr. Speaker, it gives me a great deal of pleasure to welcome a very special group of grade 8 students from Rosetown Central High School and their teachers, Mr. Jake Wiebe and Glenda Covlin, to the Assembly. It's a special class by any measure, but it's an especially special class because my second-youngest daughter, Stacey, who is trying to ignore me up there right now, is in it.

So I ask the members to join with me in welcoming them. I'll be meeting the students for pictures. And I think instead of going to 218, we'll go to my office; it's more fun there. So join me in welcoming these people.

**Hon. Members:** Hear, hear!

**Mr. D'Autremont:** -- Thank you, Mr. Speaker. Through you and to the members of the Assembly I'd like to introduce a group of grade 4 students from the Oxbow School, sitting up in your gallery, Mr. Speaker. They're here with their teacher, Mr. Earl Huenison, with chaperons, Kim Haacke, Brenda Miller, Darlene Scott, Connie Hannah, and Sheila Flahr.

I would like to ask members to welcome them here today.

**Hon. Members:** Hear, hear!

**Mr. D'Autremont:** -- Thank you, Mr. Speaker. I'd also like to take this opportunity to introduce Lyle McDonald, who is sitting in the second row up in the Speaker's gallery. Lyle is the RM (rural municipality) secretary for RM No. 32, and his office is right across the street from mine in Alida. I'd like to ask the members to welcome him here today.

**Hon. Members:** Hear, hear!

**Hon. Mr. Penner:** -- Thank you, Mr. Speaker. I'd like to introduce to you and through you to the Assembly two very fine people in this audience that are sitting in

the second row in your gallery, Mr. Speaker. Irene Stoy and and my wife, Jo, are here to watch the proceedings this afternoon.

**Hon. Members:** Hear, hear!

**Mr. Keeping:** -- Mr. Speaker, it's a pleasure for me to introduce to you and through you to the members of the legislature our oldest boy, David, who has just returned with the Canadian navy from the Adriatic Sea. He's part of the NATO (North Atlantic Treaty Organization) forces over there, supporting the United Nations' efforts in that part of the world.

And I know I speak for our whole family when I say how pleased we are to have him home and to have him here today, and I'd ask you to help me welcome him back.

**Hon. Members:** Hear, hear!

#### STATEMENTS BY MEMBERS

##### Boundary Commission North-West Mounted Police wagon train and trail ride

**Ms. Bradley:** -- Mr. Speaker, I'm happy to announce that July 2 to 8, phase 3 of the Boundary Commission North-West Mounted Police wagon train and trail ride, Saskatchewan segment, will take place.

This ride, as you know, re-enacts one of the most stirring and one of the least-known combined episodes in western Canadian history. From 1872 to 1876 the members of the North American Boundary Commission surveyed and marked the border which defined Canadian territory. This commission linked up with the Mounties coming from the East in 1876. It marked the peaceful, orderly establishment of Canadian society on the Prairies.

Last year, it was a beautiful sight to see phase 2 of the re-enactment as the riders and wagons came over the hills of the Big Muddy. One of the highlights was that Doug Miner, a member of the last RCMP (Royal Canadian Mounted Police) horse patrol of 1938, was able to participate. This year's re-enactment trail ride leaves from Kelly's Outlaw Caves and arrives at Wood Mountain on July 8th, in time for the Wood Mountain rodeo.

The ride will take wagons and riders through the Big Muddy. There'll be nightly entertainment, catered meals, water for horses and people, and wonders of wonders -- flush toilets. The planning committee's only worry is maybe the ride is becoming too successful and their challenge is to handle the large number of participants.

This is a fine tourism event for southern Saskatchewan. I congratulate the Coronach Tourism Association and all of the organizers making this year's event a great success. Thank you.

**Some Hon. Members:** Hear, hear!

### National Public Works Week

**Mr. Kluz:** -- Thank you, Mr. Speaker. I'm proud to announce to the Assembly, that the week of the May 15 to the 21 is National Public Works Week. This annual occasion allows members of the various public works agencies across North America to celebrate past achievements, feature ongoing activities and discuss future objectives.

The American-Canadian Public Works Association is celebrating its centennial year in 1994. This is a good time for those involved in this area to reflect upon the achievements of 100 years of organized public works. To help commemorate this occasion an essay contest has been established with the theme of: how public works are important for the future of my community.

The Saskatchewan Public Works Association is a proud member of the 64 chapter American-Canadian Public Works Association. This chapter is strictly a volunteer, non-profit organization whose members come from all areas of Saskatchewan. Mr. Speaker, this government would like to recognize the accomplishments and efforts of the men and women in public works.

**Some Hon. Members:** Hear, hear!

### Saskatoon Paint Exchange Day

**Mr. Koenker:** -- Thank you, Mr. Speaker. It may not be very exciting to watch paint dry and I didn't do that Saturday, but I did go over to Parr Auto Body in my constituency and witnessed the first-ever Saskatoon Paint Exchange Day. Sponsored by Parr Auto Body, the city of Saskatoon, and SaskTel, who provided coveralls and respirators, these three sponsors each put in \$1,500 seed money.

Volunteers came from SaskTel Pioneers, Parr Auto Body staff, and even the Muskeg Lake reserve in the Sutherland constituency. And they opened, sorted, dumped, and recycled hundreds and hundreds of cans of paint and varnish and the like.

Some of the paint will be immediately used or reused by those people who picked it up that day; others will be reused by organizations like the Salvation Army, the SPCA (Society for the Prevention of Cruelty to Animals), Friendship Inn, and the Saskatoon Horses & The Handicapped organization. Some of the less usable paint will still be used as barn paint or paint for grain storage bins. The frozen latex and the old oil-based will be shipped to Sarnia and used as fuel, believe it or not.

Special thanks then to Rebecca Elbourne, Roland Barrett, and Hubert Georget for their efforts, and also to the Sask Waste Reduction Council for this historic occasion in Saskatoon.

**Some Hon. Members:** Hear, hear!

### Gravelbourg Garage Sale

**Mr. Draper:** -- Mr. Speaker, sir, thank you. We had another interesting event in Gravelbourg last Saturday, to wit, a quadruple garage sale. Now there's nothing new about a garage sale, sir, but for a group of families to get together and arrange that the garage sales be held the same day and advertised in all the nearby towns, is an interesting new twist. This made it worth while for people to come into Gravelbourg from surrounding areas for the day and spend the whole day cruising from sale to sale, and then eating, drinking, shopping in our Main Street stores. My wife, who's an expert garage saler, tells me she met a lot of old friends at all her stops and picked up some lovely curtains for \$8 and no tax.

So I pass this information on to the members because it is apparent that garage sales are the in thing. And it seems to make a lot of sense for people to cooperate and get together and to try and make a major event out of them. I recommend that hon. members spread this idea around, especially in rural areas, where they could be held when, for example, the ball tournament is in town to act as an added attraction to bring people in.

And finally, sir, I would like to point out the ultimate joy of garage saling is that it can be enjoyed in all weathers, even if there is no wind, and there's no danger of drowning. Thank you.

**Some Hon. Members:** Hear, hear!

## ORAL QUESTIONS

### Increased Utility Rates and Fees

**Mr. Martens:** -- Thank you, Mr. Speaker. The Conservative caucus is once again pleased to present at this time questions sent to us from members of the general public. The first question today comes from Isaac Block in Saskatoon. He asks this: Mr. Premier, when are you going to stop the hypocritical practice of additional taxation via the back door, i.e., Crown corporations, gasoline, licences and permits, etc.

**Hon. Mr. Penner:** -- Thank you, Mr. Speaker. I thank the member for the question. I think it has to be clearly understood that when you pay your utility rates, that'd be electricity or power or gas, or buy your insurance, you're buying a commodity. And that commodity in Saskatchewan is a fairly priced commodity. It is competitive with any commodity anywhere in Canada. And this is not a tax but it is a commodity that you purchase at a fair market price. The utility rates in Saskatchewan are the lowest utility rates anywhere in Canada, and if they consider this a tax, I think it's a misconception that is being fueled by members of the opposition.

**Some Hon. Members:** Hear, hear!

### District Health Board Elections

**Mr. D'Autremont:** -- Thank you, Mr. Speaker. My question to the Premier comes from Lyle McDonald of

Alida on behalf of the RM 32 Council. The question reads: union hospitals were given specific deadlines in forming regional health boards, with the understanding that failure to meet that deadline meant that boundaries would be imposed on them. At the same time the government stated that board elections would be held in the fall of 1994. Why is it that union hospital districts were bound by deadlines but yet all indications are that the provincial government is not going to meet its own commitment in providing for democratic elections in 1994?

**Hon. Mr. Calvert:** -- Mr. Speaker, I thank the member for his question. The commitment made by this government, after much discussion across the province of Saskatchewan, made in this House through legislation, is that for the first time in Saskatchewan's history district health boards would have elected members. We're very proud of that commitment, Mr. Speaker.

At no time, at no time was the date of the first election fixed. So, as the member will know, we have a consultation happening across the province even as we speak, to recommend the timing of the first health board elections and a wide number of other issues.

Because that consultation is happening, I would recommend to all members in the House and to all of their constituents, to be in touch with the commission to share their views.

**Some Hon. Members:** Hear, hear!

#### **Prescription Drug Plan Benefits**

**Mr. Boyd:** -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier as well, or to his designate. It comes from L.D. Johnson of Mildred, Saskatchewan, and the question is as follows. Why were we not notified until November 1993 that persons whose income was below \$50,000 were eligible to have their share of drug costs reduced to 35 per cent? There must be hundreds of cases like ours where persons whose income was under \$50,000 who did not receive the guaranteed income supplement, were not aware of that provision.

An employee of the Department of Health expressed surprise that there were so few applications from persons whose income was below that \$50,000. No wonder.

**Hon. Mr. Calvert:** -- Mr. Speaker, I want to say generally, that given the fiscal circumstance of our province, we are yet one of only three Canadian jurisdictions to offer a whole drug plan for the entire population. And we're proud that we've been able to maintain that, Mr. Speaker.

In terms of applications for benefits which exist under the drug plan, it did come to our attention as government that a number of people who should be eligible were not applying. In that circumstance, Mr. Speaker, we undertook a general mailing to all of those whom we could identify have high drug use. Mr.

Speaker, the response to that mailing was to add about 10,000 new applicants to the drug plan.

**Some Hon. Members:** Hear, hear!

#### **Labour Legislation**

**Mr. Goohsen:** -- Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, on Thursday the Saskatchewan Chamber of Commerce called on you to fire your Labour minister. On Friday, 10 major Saskatchewan business groups called for a meeting with you to discuss the devastating effects your new labour laws will have on Saskatchewan's already suffering economy. And on Saturday the Saskatchewan business coalition ran a full-page ad in the daily papers under the heading, "Would the last person to leave please pay their utility bills and the remaining taxes."

Mr. Premier, the business coalition asked the following questions about your labour laws. Is this any way to establish a positive climate for economic renewal? Is this any way to encourage new business investment or create new jobs? Is this any way to build partnerships?

Mr. Premier, will you give the Saskatchewan business groups the meeting that they are asking for so that you can get together and discuss these very serious questions?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lingenfelter:** -- Mr. Speaker, I want to say to the member opposite that not having been here during the period from 1982 to 1991 during the period that the Conservatives were in government in Saskatchewan, he cannot be blamed for the huge and massive deficit which is one of the big millstones around the economy of Saskatchewan, which is known and talked about by economists right across this country, the huge problem that that has caused for the people of this province.

But I want to say, in dealing with the economy of Saskatchewan we have in fact worked closely with business. We've reduced the small-business tax from 10 to 8 per cent. We've removed the E&H (education and health) tax on 1-800 numbers. We've made other tax adjustments that have been beneficial to businesses, particularly small business. And the economy is in fact responding.

If you look at retail sales during the past year, they were up considerably. Job creation in the non-agricultural sector of the economy were up between 12 and 14,000 jobs, when you exclude the reduction of 16,000 in the agricultural sector.

And I want to say, when it comes to labour legislation you will find that the legislation coming from this government, as it would apply to business, as it would apply to labour, in terms of taxation you will find very moderate. It may not satisfy the extremes in labour or the extremes in business, but I can tell you for the vast

majority of people in this province, they will find the legislation we bring in to be very, very middle of the road and conciliatory.

**Some Hon. Members:** Hear, hear!

### Electronic Gaming Pay-outs

**Mr. Neudorf:** -- Thank you very much, Mr. Speaker. My question is to the gaming minister. Mr. Minister, could you tell this Assembly what the process is for determining the odds for video lottery terminals? For instance, how are the odds for blackjack programed into a VLT (video lottery terminal); who determines those odds; and who or what government body oversees the programing of those machines and the central computer system?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lautermilch:** -- Thank you, Mr. Speaker, and I want to thank the member for the question.

The odds and the payback are determined through electronics in a system that is put in place by the people who manufacture the electronic technology that we use in Saskatchewan. The pay-out is 93 cents and the keep is 7 per cent or 7 cents out of each dollar. That is all set electronically. It is monitored through the central computer system in Saskatoon. And I can say to the member opposite that since that program has been introduced, we have computer printouts available to us on a regular basis, and they have held true to form in all that I have seen.

**Some Hon. Members:** Hear, hear!

**Mr. Neudorf:** -- Thank you very much, Mr. Speaker. That's very interesting, Mr. Minister. As you know, one of the first places to get VLTs in the province was the casino run by the Battleford's Exhibition Association. We've been informed that during the period February 25 to March 1, '94, some machines were paying out well over 100 per cent.

Mr. Minister, some have suggested that this was premeditated. Some have told us that this was done to ensure that your VLT introduction was a success. They were so successful that long line-ups were experienced at each machine until the units were rejigged back to 93 per cent pay-out. Mr. Minister, can you confirm this information?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lautermilch:** -- Mr. Speaker, I can only say to you that there is no jiggling with the machines either in North Battleford or in any of the outlets that we have. They are set and over a period of time they will pay back 93 cents for every dollar and keep seven.

Now I want to say to the member from Rosthern that may have been the way the Tories would have ran a program, but that's not how this administration works.

We put in place a program, and a VLT program, based

on proven technology. We have put in place the best equipment we can to monitor that technology. And let me assure the member from Rosthern that we don't have people around jiggling the machines -- they operate and they operate fairly and they operate properly.

**Some Hon. Members:** Hear, hear!

**Mr. Neudorf:** -- Thank you, Mr. Speaker. Again the situation becomes more interesting. Mr. Minister, this jiggling of the machine that I am talking about, one can only assume that this was done intentionally.

You verified yourself, on May 10, right in this Assembly, and your first answer this afternoon. And you said on May 10:

. . . with respect to that particular program, we haven't had a glitch since it started running. The central computer system is working well . . .

And you said that again today. But I say again, Mr. Minister, and I quote you: ". . . we haven't had a glitch since it started running."

Now we know that everything that you say in this House is the gospel truth. So the VLTs in North Battleford would have had to be set deliberately to be paying out over 100 per cent because there hasn't been a glitch in your system -- you said so.

So I guess the question, Mr. Minister, is: are you misleading us now or were you misleading us on May 10? Which is it, Mr. Minister?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lautermilch:** -- Well, Mr. Speaker, I want to thank the member for his question. But first of all, let me explain to him how this functions. These machines are not programed over a cycle of three hours or four hours; they're programed over a cycle that takes much, much longer than that. There are times when a machine will pay out more than it's taking in -- that's how people win on them. And there are times that it will pay out less than what people put in -- and that means they lose on them.

But what I will say to the member opposite, that the kind of technology that we have brought to this province will pay back 93 cents for every 100 cents over a period of time that a consumer will put in.

What I will also say to him is, that these are not machines that were bought through Guy Montpetit. These are not GigaText computers. These are proven technology, and this technology is working, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Neudorf:** -- Thank you very much, Mr. Speaker. And to the same minister for gambling. Mr. Minister, we have been informed otherwise. We have been told

that the exhibition association in Battleford lost \$14,531 instead of making \$3,850, which they should have made over that period of time. You say it's cycle. There's a low cycle and pay-outs are more, and then there's a cycle when the pay-outs are less.

Well if that's the case, Mr. Minister, if that's the case . . . (inaudible interjection) . . . and the House Leader says: now I've got it. Fine. I'm glad, Mr. Speaker, that we all understand the situation now.

When the association informed the commission of their losses, and the lottery foundation was informed, the folks in Battleford were told not to worry; that they would be taken care of. They were told that, rather than removing the machines which would be an embarrassing situation for your VLT program, that they would be reimbursed for their losses.

Mr. Minister, we were informed that the Battleford's Exhibition Association were subsequently advanced \$10,000 from the lottery foundation and then were reimbursed for their remaining losses and given the profits that they should have made. Mr. Minister, is this your official government policy? Is it policy to allow machines that are paying out 100 per cent to run unchecked, then jig them back to 93 per cent on the q.t.?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lautermilch:** -- Mr. Speaker, let me say to the member from Rosthern that I have learned in this House a long, long time ago never to trust at face value the statements that are made by the members of the opposition. I want to say, Mr. Speaker, that it is dangerous to give either a Liberal or a Tory a computer, because they never are able to handle coming up with the right numbers.

I want to say that over a period of time that the VLT programs, whether it be in the exhibition at North Battleford, the pilot projects that were run there, or whether it be some of the taverns or some of the beverage rooms in this province, that these machines run on a cycle and will pay back 93 cents from every dollar that is put in over a period of time.

Now I will also say that there are times when machines will pay out more in a week or in a day than are put in by the customers, which means a net pay-out by the establishment. But there are also times when those establishments will make much more.

But what I will say, Mr. Speaker, is his reference to the lottery foundation mystifies me because the lottery foundation has absolutely nothing to do with the video lottery terminal program. So what I will commit to the member is that I will get the facts from the Gaming Authority, and I will pass those over to the member from Rosthern because I know what I will get from that operation will be the truth, rather than what he would present to this House today.

**Some Hon. Members:** Hear, hear!

**Mr. Neudorf:** -- Mr. Minister, the facts that I'm quoting today are the truth because they are not my facts; they come from the North Battleford association. Now answer this question: if this is cyclical over a long period of time that it will even out at 93 per cent, why did your organization, the lottery organization, pay the Battlefords' association over \$18,000?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lautermilch:** -- Mr. Speaker, as I said to the member from Rosthern, I will find out the facts, as they will be; and I will report them to him, as they have happened. I would far sooner deal with facts that would come from the Saskatchewan Liquor and Gaming Authority than the member from Rosthern or any of his colleagues, who don't have a record of presenting actually the straight goods on many occasions in this House.

**Some Hon. Members:** Hear, hear!

**Mr. Neudorf:** -- Thank you very much, Mr. Speaker. Mr. Minister, here are the facts: after the machines were fixed, there were line-ups at the machines; staff at the casino noticed many people plugging hundreds of dollars into machines, thinking that they would continue to pay out at that high rate, as they had. In effect, your slot machines hooked people, got them addicted, and then took their money.

For a government to be involved in this kind of activity, Mr. Minister, is simply unconscionable. It appears that you are making your gambling policies as you go along, and there's very little that the public can do to scrutinize them.

Mr. Minister, the director for the study of gambling in Nevada recently reported that government-run gambling here has a number of very real dangers. One is and I quote:

A potential for scandal because of the absence of checks and balances.

The question, Mr. Minister: what checks and balances are in place for you and your government on gambling? Your empire is impervious to the scrutiny of this legislature as we all know. What checks on your activities exist, Mr. Minister?

**Hon. Mr. Lautermilch:** -- Well, Mr. Speaker, let me say to the member opposite, what he might want to do is spend a little time talking with the executive of the Saskatchewan Hotels Association who have been hosts and housing the video lottery terminal program since its inception some eight months ago. And he may want to talk to any one of the those hoteliers. Just pick one, any one, sir, and ask them over a period of time how the system functions, because I don't think you understand or maybe you don't want to understand.

And I want to say to the member opposite that there has been a great deal of monitoring. We have one of

the most sophisticated computer systems in place in this province to ensure the integrity of the system.

And I want to say, Mr. Speaker, if the member from Rosthern is concerned about the lack of access to the program or to information, I find it strange, the fact that of any members in this legislature I have answered perhaps questions in question period more time than any other member. But what I want to say to the member opposite, if you don't believe me, what you might want to do is check with the hospitality industry in this province and ask them if they're satisfied with the integrity of the program because it's their reputation that hinges on how they function as well.

**Some Hon. Members:** Hear, hear!

### Infrastructure Works Program

**Mr. McPherson:** -- Thank you, Mr. Speaker. My questions today are for the Minister of Municipal Government. An infrastructure works program for rural roads was recently announced that would supposedly see benefits all across Saskatchewan. However the funding formula used by your government has a number of rural municipalities concerned.

Madam Minister, the federal portion of the infrastructure program pays for 15 per cent of the cost of primary grid reconstruction. The province contributes approximately 77 per cent in revenue sharing for these types of projects. A quick calculation shows that if this is the case the two upper levels of government should pay about 92 per cent of the total cost with the RMs paying the remaining 8 per cent. Yet RMs we have spoken to tell us that the benefits are far less than what they expected. Madam Minister, why is that?

**Hon. Ms. Carson:** -- Well, Mr. Speaker, when we announced the program back in January, we said that through the infrastructure program the rural municipal portion would be \$10 million.

We also said when the program was announced that provincial government did not have the capacity to cost share that as a one-third, one-third, one-third. But what we would do is allow them more access to the futures program. And we have done that. We put \$4.6 million back into the futures program to allocate towards the grid road system in Saskatchewan.

So the formula that is being used is a formula that has been in place for many years, used on the conditional grant program. SARM (Saskatchewan Association of Rural Municipalities) is the one that requested it to be done that way. We worked very closely with the administrators and with the SARM board, and they're comfortable with the way it is being delivered. And I have not heard any of them criticize the program to this date.

**Some Hon. Members:** Hear, hear!

**Mr. McPherson:** -- Well, Madam Minister, I'll tell you why these RMs are having to pay more, is because you're not funding 77 per cent of the total cost of each project. You're funding 77 per cent of the cost that remains after the 15 per cent federal funding has been accounted for. Your 77 per cent is out of 85 per cent, not of 100 per cent.

Madam Minister, in effect your government has found a way to keep almost all of the federal infrastructure money. You're clearly not passing all of this on to rural municipalities. So tell me, Madam Minister, where is the money going?

**Hon. Ms. Carson:** -- Mr. Speaker, when the infrastructure program was announced, we sat down with the president and executive of SARM and of SUMA (Saskatchewan Urban Municipalities Association), and we talked about the cost share that would be allocated.

The SARM asked for \$10 million from the infrastructure program. We gave consent to that \$10 million. And at this point in time, if you want to know where the rest of the money of the \$57.7 million will be allocated, it will be divided between urban municipal government projects and other projects that will be delivered by the provincial government but for the benefit of many communities across Saskatchewan.

The provincial government did not scoop that money, did not take it. It's being used to benefit many communities in many different ways beyond the simple infrastructure program. So most communities that I have talked to are very happy with the program as it is delivered and they do not feel cheated.

**Some Hon. Members:** Hear, hear!

**Mr. McPherson:** -- Madam Minister, you know full well the monies I'm referring to are the monies that the province is holding back, your department is holding back.

Madam Minister, the intent of the infrastructure program is to create jobs while undertaking road reconstruction that needs to be done. By withholding some of this funding, you are limiting the amount of road construction work and employment opportunities that this program has to offer.

It makes people wonder what schemes other departments in your government have found to withhold monies. Madam Minister, why are you playing games with these numbers that are costing jobs?

**Hon. Ms. Carson:** -- Mr. Speaker, the only one that's playing games is the member from Shaunavon opposite. We are not playing games. And SARM is very well aware of the \$10 million that has been delivered. It is being delivered to the conditional grant program under a formula that has been in existence for many years. They know exactly what they're getting. We are not holding any money back. And the

only one that does not have his facts straight is the member from Shaunavon.

**Some Hon. Members:** Hear, hear!

### ORDERS OF THE DAY

### GOVERNMENT ORDERS

### SECOND READINGS

#### **Bill No. 65 -- An Act to amend The Natural Resources Act and to enact a Consequential Amendment to The Forest Act**

**Hon. Mr. Wiens:** -- Mr. Speaker, after my remarks I will be moving second reading of The Natural Resources Amendment Act, 1994.

The amendments are housekeeping in nature but important none the less. First is the repeal of the forest renewal and development fund which was set up to collect softwood lumber export taxes levied by the Canadian government on behalf of Saskatchewan during the softwood lumber dispute with the United States.

The softwood export tax issue has been resolved. The federal government no longer collects softwood export taxes. In accordance with recommendations of the Gass Commission, the government has eliminated several special purpose funds to ensure proper accountability in the handling of public monies. Eliminating the forest renewal and development fund is consistent with this recommendation.

Related to this is a consequential amendment to The Forest Act to allow management of forest renewal funds in instances where no forest management licence agreement exists.

A second amendment to The Natural Resources Act expands the authority of the resource protection and development revolving fund to allow contractual services to be provided to other jurisdictions. This change is one of many small but innovative initiatives across government that are directed at achieving financial stability.

The current resource protection and development revolving fund legislation permits revenue-generating projects only within a very narrow range of services. After extensive consultation, the opportunity to repair forest fire suppression aircraft for other western provinces has been identified. Forest fire management branches, northern air operations unit, has the mechanical expertise and the facilities to do this work in-province.

Revenues generated will help offset the high cost of protecting Saskatchewan's valuable forest resources. In the past, Saskatchewan-repaired aircraft parts were purchased out of province, many as far away as Montreal and at costs as much as 80 per cent higher than estimates under this initiative. By repairing our own forest fire suppression aircraft and those from

other western provinces, substantial financial benefits can be realized.

Combined, these amendments to The Natural Resources Act, Mr. Speaker, will help ensure financial accountability and contribute to effective and efficient government operation. Therefore, Mr. Speaker, I now move second reading of the amendment to The Natural Resources Amendment Act, 1994.

**Some Hon. Members:** Hear, hear!

**Mr. Toth:** -- Thank you, Mr. Speaker. Mr. Speaker, I'd like to make a few comments regarding the Bill before us, An Act to amend The Natural Resources Act and to enact a Consequential Amendment to The Forest Act. The minister has indicated that this is certainly a housekeeping Bill and that what the Bill is doing is basically just bringing the legislation up to date with current actions.

I believe the minister talked about the forest renewal and division fund that was set up a number of years ago and the fact that the federal government used to collect an export tax on soft-core lumber. And with the changes in the soft-core lumber industry and in the discussion that has taken place over the years between the federal government and our export partners, Mr. Speaker, I understand the province has come to an agreement and the federal government has come to an understanding of how to handle soft-core funds and the tax, and therefore it's no longer needed.

Mr. Speaker, I think what we also note from this Bill even though it is . . . would seem to be a fairly insignificant Bill, the minister did indicate that there are some very important pieces of legislation to the Bill. I've taken a quick review of the Bill and it would seem to me that certainly it isn't a long, withdrawn out Bill; it is a Bill that doesn't have a lot of amendments to it and subclauses, but was trying to bring up to date The Natural Resources Act and enacting the consequential amendments to The Forest Act.

The minister talked about the province also entering into contractual services to repair forest-fighting equipment, namely aircraft. And certainly I think we could take a moment to compliment forestry services for taking the initiative to look at and are looking at other ways of trying to recover some of the costs that are associated with their fire-fighting; looking at ways in which they could, rather than sending equipment outside of the province -- and most notably, it would seem to me that most of this equipment would probably head east for repairs, or we'd be bringing repairs in from eastern Canada -- that the province has decided and the forest industry has decided that we do have the expertise, we do have the abilities right within our own province not only to repair our own planes, but to even look at the other western provinces and to contract and to repair their forest fighting aircraft.

And I think, Mr. Speaker, that's certainly something that's positive and it's beneficial, can certainly be a

benefit to the province of Saskatchewan; and I'm sure to many people in Saskatchewan involved in forestry management, involved in the aircraft industry, and people who are working in the industry and looking at jobs and looking at some job security, to realize that some of the benefits and some of the expertise that they have developed over the years will be used at home versus sending equipment outside of the province or even buying parts from outside of the province.

I think, Mr. Speaker, that it certainly is something good for us to note that we have the type of personnel that can look at ways of managing our resources -- not only managing our resources, but even managing the dollars that they have to work with.

And I think, Mr. Speaker, just what I've heard on the news lately about the problems northern Saskatchewan is already facing in relation to fires in the forest sector, I'm sure that the government and the minister will be looking at and be pleased to note that they've found some areas in which they can find some savings. Because they're probably going to have to be asking Executive Council for additional funds to fight forest fires unless the good Lord gives us an abundance of rain in that forest fringe area to combat the dry conditions that are being faced up there.

And, Mr. Speaker, I think as we look at the forest industry, the forest industry in this province has been something that has been . . . had a major impact and has been . . . certainly played an important role in the economic activity and the economy of this province.

And over the years, regardless of what government or which party is in power, Mr. Speaker, all governments have looked at ways in which they can work together to develop and continue to enhance our forestry.

And, Mr. Speaker, when we're looking at and discussing with companies like Weyerhaeuser and Meadow Lake pulp, and talking about forestry renewal, and talking about being a little more restrictive in our cutting and a little more selective and taking the time to replant and re-establish forestry, Mr. Speaker, one of the essential services we need is a good forest-fighting equipment unit. And the fact that we've got aircraft that have the ability and we can repair them here in this province and we can utilize them to protect our precious resource, and the fact that we can save some money by doing the repairs here, I think is certainly beneficial.

I think, Mr. Speaker, we have one of the . . . our forest fighting is second to none in the province of Saskatchewan or anywhere. And, Mr. Speaker, I think my colleague, the member from Rosthern, can certainly verify the fact that we've got some excellent equipment, some good aviators. When he had the misfortune of having a fire on his hog farm and was able to call in a water bomber out of North Battleford, or Prince Albert, I believe it was, and they came in and with precision, dropped a repellent, or not a repellent but a fire retardant on the fire, and certainly gave the 200-plus people the upper hand on a fire that was

certainly ravaging his livelihood and his economy.

And I think that just speaks very well, Mr. Speaker, of the industry and of the people in the forestry business and forest-fighting and the individuals who provide the services and provide the expertise to man these aircraft, Mr. Speaker.

(1415)

I think, Mr. Speaker, what we saw displayed a week ago on the farm of the member from Rosthern, Mr. Speaker, is a sound indication of the type of personnel we have working for us. I think that, as well, as I've indicated earlier, certainly goes a long ways to show what people in Saskatchewan can do for themselves if given the initiative, and if we would just take the time to acknowledge their expertise and their abilities and allow them to put those abilities to practice and put their expertise and put their experience and the technology that is available in Saskatchewan.

And so, Mr. Speaker, I'm pleased to hear the government talking about ways in which we can save money and looking at alternatives. Because, Mr. Speaker, when we look at some of the alternatives that this government has . . . and some of the directions that this government has moved into, I think if other ministers followed the example of this minister and looked at savings they can find in the different sectors of their portfolios . . .

And in regards to this minister, I want to thank the minister as well for his input and some of the discussions we've had regarding the whole environmental issue and underground tanks and the concerns that have been raised by people across the province, and the fact that the minister has indicated that he's asked his department and they're doing a review and will be taking the time to meet with people, and I think that's commendable.

And I would just suggest that it would be . . . it's unfortunate that we do not have other ministers of the Crown taking the same initiative and doing some solid and serious review of some of the pieces of legislation. While one minister is working to enhance business and business activity in this province, other ministers are looking at ways in which they seemingly are destroying that business, Mr. Speaker.

So I would like to again, Mr. Speaker, suggest that the Bill before this House, even though it isn't large, even though there isn't a lot of information . . . or major initiative changes via the Bill, Mr. Speaker, it does have some important aspects to it, and I think there are a number of questions we would like to raise in committee.

It's just unfortunate, Mr. Speaker, that I don't have the time to expand all day on this Bill. But I want to indicate to the minister that I appreciate his comments and I appreciate the work that he is doing, and the efforts that are being made by the people across the province of Saskatchewan. Certainly people in the forestry commend them and wish them well in their

further endeavours.

And certainly at a future date, Mr. Speaker, we'll have more that we would like to add to this Bill. Therefore at this time, I move adjournment of debate.

Debate adjourned.

## MOTIONS

### Hours of Sitting

**Hon. Mr. Lingenfelter:** -- Mr. Speaker, I move, seconded by the member for Churchill Downs, that with leave:

That notwithstanding rule 3, this Assembly shall, following the adoption of this motion, meet Monday, Tuesday, Wednesday, Thursday, and Friday, from 8 a.m. until 10:30 p.m. with a recess of one and a half hours at 12 noon, and a recess of two hours at 5 p.m.; and that routine proceedings shall commence at 1:30 p.m. Monday, Tuesday, Wednesday, Thursday and at 10 a.m. on Friday.

I so move.

Leave not granted.

## COMMITTEE OF THE WHOLE

### Bill No. 54 -- An Act to amend The Trade Union Act

#### Clause 1

**Mr. Martens:** -- Thank you, Mr. Chairman. I want to acknowledge a number of things before we begin. I think that there are some things that need to be said regarding process and I think that I will say them here as we begin.

One of the things that has concerned me as we've gone through this discussion, Mr. Minister, and Mr. Chairman, is that we on this side of the House have given a considerable amount of latitude in determining how things are to be done, and the government has worked along with that. And as we've approached the end of the session and there is basically three substantive Bills left on the order paper that the government wants to move through, we have come to the place where, as we just witnessed a little earlier, that the government is asking for leave to move to extended hours -- and extended hours from 8 o'clock in the morning till a significant time in the evening.

And I'd say to you, Mr. Chairman, that as we went through some of this discussion on last Thursday and last Friday, when we moved a considerable amount of business through this House in agreement with the members from the NDP (New Democratic Party) and the government, we did that with the knowledge and understanding that there was going to be a considerable reasonableness from the government side.

And what we've witnessed today, Mr. Chairman, is that the government has just decided its heavy hand is going to ram this through the House, just like it did to the business community. The business community has asked for the minister's resignation. The business community has asked the minister for time to come and visit with him. The business community has asked -- from across Saskatchewan -- has asked for him to come and speak to them, to adjust his schedule. They're prepared to meet any time with him. And yet here we see that their heavy hand is just as dominant in this process as it is in the relationship that the minister has to the business community as regards these two Bills.

And I say to this House that that is really a concern to the people. And it concerns them in a number of areas, Mr. Chairman, and those areas are, number one, the volumes of businesses that are really seriously going to be negatively impacted. Business communities from all over Saskatchewan, including the chamber of commerce, the various boards of trade, various individuals, who are independent businesses, have written us letter after letter after letter saying this is not good for Saskatchewan, it's not good for the economy in Saskatchewan, and it is seriously and negatively going to impact in the province.

The minister has made a significant note of saying a couple of other things, Mr. Chairman, and that is the Workers' Compensation Board had nothing to do with the kind of conditions that exist today; the conditions that have the highest welfare volume in the history of Saskatchewan, the highest welfare volume people in the history of Saskatchewan -- 40,900 cases which extends itself into over 82,000 people on welfare.

Mr. Minister, that is deplorable. That is nothing to go around bragging about. And I say to you that that is a part of your labour program, your labour . . . your decision in the part of yourself and your executive branch and cabinet is to put labour at the leading edge in this country as to the rights and the things that they should get. Not a balance like we've been talking about; not with a balance like the business community has been talking about. And that, Mr. Minister, is where the problem is.

You have decided that there is absolutely nothing going to stand in your way. Nothing. And whether people are going to be leaving this province as we saw in the ad on Saturday, a full-page ad in the **Leader-Post** and the **Star-Phoenix** saying, when you're finally done, you finish paying the taxes, because there's nobody else going to help you. Nobody.

And if we think about this a little further, Mr. Chairman, and Mr. Minister, those nine municipalities around the city of Prince Albert sent you a signal, Mr. Minister, that municipal governments aren't tuned in to new taxes and new pressures. They aren't tuned in to those kind of things at all. And that, Mr. Minister, is a part of the problem. You're not listening. You're not listening.

You said you went around the country and travelled the province. But, Mr. Minister, what have you really done? What you've really done is decided that there is going to be an example made in Saskatchewan on how labour is going to get substantial benefits over everywhere else in Canada.

Mr. Chairman, what does that do? Mr. Chairman, that says to me and to people across Canada, when **The Financial Post** comes out and said this minister calls the businesses in Saskatchewan ruthless and greedy, those are the things that really, really make business flourish in this province, aren't they, Mr. Minister? The boom in this province is just making . . . there's hardly anybody left to find that is going to work for you.

Mr. Minister, in my community there is a little town called McMahan. And in that town they have one business, it's a fuel business. And they have a fuel business as a small co-op and they run that business six days of the week. And that little co-op decided they wanted to get a new employee to run that co-op. That little co-op is going to pay \$1,300 a month, Mr. Minister, \$1,300 a month.

And do you know how many applications they had for that job? -- 19, 19 people were prepared to quit what they were doing and go and work for \$1,300 a month. That's hardly any more, Mr. Minister, than minimum wage. That is the way things are happening in Saskatchewan.

And if you ever decided to go out into Saskatchewan, outside of the . . . past the Lewvan and past the Victoria Square Mall, you'd find out that there is significant hurt in this province, and this substantially increases that. It substantially increases that.

Eighty-two thousand and growing on welfare. And I haven't even talked about those that are unemployed. I think it's 41,000 people unemployed in this province. Those are significant numbers in relation to the volume of people that work in this province, and you want to establish these criteria in these two Bills that you've brought forward -- Labour Standards and The Trade Union Act -- you want to set down the criteria that will only make them suffer more.

And that's the difficulty that all the people across this province have. They've asked us to defend their position. They've asked us over and over again -- they had a meeting in P.A. (Prince Albert); they had a meeting . . . two meetings already in Davidson, Mr. Minister -- and they have said over and over again, this is the kind of thing that has to stop. We can't afford it. We can't afford the kinds of things that happen.

(1430)

I'm going to make this observation about a gentleman who runs the McDonald's in Swift Current. He told me a week ago Saturday, he said to me, he said, I'll tell you what you do when you get in there and talk about these two Bills. He said, you tell the Minister of Labour and the minister responsible for CIC (Crown Investments Corporation of Saskatchewan) to come

out to Swift Current and I'll give them a list of the names of my McDonald's employees. And then I'll ask you which ones you want to fire. That's what he said to me.

Now these are high school kids who are working for the first time in their lives. They're earning that additional income in order to provide for themselves maybe a grad dress, maybe a chance to do things a little different on graduation, or maybe to buy themselves an old vehicle to drive around with -- to do those kinds of things that a teenager would normally want to do. Those are the people that he said to me, you tell me -- meaning the minister -- you tell me which ones of those 50 employees, the 25 that he has to get rid of. Twenty-five he said he had to get rid of.

And now, Mr. Minister, he's asking you to come out and lay them off -- lay them off. And that, Mr. Minister, is how the people in this province feel about your kind of legislation. And that, Mr. Minister, is not helping the economy grow. It's not helping it grow one little bit. In fact it's going the other way.

Mr. Minister, you said the other day when we were talking about this, your workmen's compensation hadn't impacted at all. Well your job creation is down, your volume of people working is down, the people unemployed is up, and the people on welfare is up. How much impact does that have on those numbers? I would say, Mr. Minister, a very significant impact on the kinds of economic conditions that exist in this province.

The business community is saying to you, Mr. Minister, as we deliberate, they're saying to you, why don't you come out and visit, and postpone this legislation so that we can visit with you to put it together in a proper way.

My question to you today is that. Why don't you go out and visit with the business community so they can clearly understand, so that they can clearly understand what your goal is, and that you would be able to understand what their goal is. Because the two are not running parallel to each other at this point. They are in alternate directions, heading for a severe accident and a wreck. And these people are saying to you, Mr. Minister, why don't you come out and visit and talk about the things that can really, truly make this province grow.

And, Mr. Minister, the labour community and the community that generates wealth in this province has to be concerned as well, for the kinds of conditions that you lay down on them. And they want to know from you, why don't you go and see them?

**Hon. Mr. Shillington:** -- I've answered this question extensively and I'll summarize my comments for the member.

We had extensive consultations with business people in every community. I think certainly on the part of the Department of Labour and myself there was a degree

of understanding as to the needs of the business community. There was also, I think, a degree of understanding of the needs of the workers who work for them. We think those needs can be balanced. We think at the end of the day that they have a common objective and that is to have the enterprise flourish. When it does they both succeed. Our legislation is tailored to achieving that objective.

I would add, before taking my chair, that I do not accept the proposition of the member opposite that we are acting contrary to the interest of part-time workers by providing them with benefits. It may not be a major item to a high school student who wants to save up money to buy a grad dress, but for people who have to try to make a living off one or two part-time jobs, it does make a difference. And I think almost universally they applaud this legislation, as do I think fair-minded people everywhere applaud the initiative which this government has taken to provide some measure of protection for part-time workers.

**Mr. Martens:** -- Mr. Speaker, with leave to introduce some guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Martens:** -- Thank you, Mr. Chairman. On behalf of my seat mate, the member for Thunder Creek, who is at a funeral this afternoon, it's a pleasure for me to welcome the school students from Pense here today. They are grade 8 students and they're here together with their teacher, Mr. Mathieson. I'll be visiting with them later on this afternoon. If the member from Thunder Creek comes here then we'll exchange places. However at this point he's still in Moose Jaw at a funeral. So if you'll acknowledge that, I'd like to have this Assembly welcome these students to the Assembly here today.

**Hon. Members:** Hear, hear!

#### COMMITTEE OF THE WHOLE

##### Bill No. 54 (continued)

##### Clause 1

**Mr. Martens:** -- Mr. Chairman, and Mr. Speaker, I want to say to the Assembly here today that there are a number of reasons why I believe that you should go and visit with the business community in this province. The business community have asked you, the business community have said to you, it's time to adjust your schedule so that that can happen.

And, Mr. Minister, in 1991 a decision was made by the government to hold meetings in conjunction with the changes to a farming program. And it became my responsibility at that time, Mr. Minister, to go around this province meeting the farming community; taking the time out of a hectic schedule that I know that ministers have; taking the time to go and visit with

those people who are directly associated with the kinds of changes that will have a huge impact on them and their communities.

And, Mr. Minister, we had upwards of over a hundred meetings. And we averaged, Mr. Minister, we averaged 400 people at every meeting. I sat in those meetings for hours telling those people exactly what was involved in the new program that they were supposed to have. And, Mr. Minister, as I went through those meetings I began to discover that the people were, number one, concerned. They had a certain degree of empathy for the responsibility. They had a lot of very important and positive suggestions to make.

Mr. Minister, that's the kind of opportunity you should present yourself with as you go around now to say, I am going to go to that community and say to them, what do you really want to have; what we can all live with; what consensus can we build as we go through this process? And, Mr. Minister, that is exactly what you're not doing.

You said you've met with these people. Well I have heard reports of how you've met with these people, and they are not glowing -- they are not. And I know that I went to those meetings where I had over 800 people at them, and they said, this is a good meeting; you listened, and you not only listened, you responded in not an adversarial way but we built consensus about what those people wanted.

And, Mr. Minister, the business community is asking you, asking you to do the same thing. They're serious about this because they're the ones that put the dollars out to build the economy. You aren't. You aren't. In fact you are curtailing the amount of opportunity that they can have; that's what you're doing. You're setting roadblocks in many different ways through policies that you have that seriously impede people in their opportunities for economic development in this province.

These two Bills clearly point that out to us along with some of the other things that you have done. And that, Mr. Minister, is why the business community is asking you to go out to see them. They're the mom and pop shops across this province who have had years and years of experience; years and years of investing their time and their money in this province, Mr. Minister, in putting a dollar out to get a dollar and a quarter return so that they pay the interest, they can pay their food, they can pay their labour, and do all of those kinds of things.

That's what they've . . . they've done that for years, Mr. Minister, in this province, and you're going to say to them your opinion isn't worthy anything. Your opinion has no value. Your opinion will be pushed to the side in lieu of a specific group of people getting a greater advantage.

And, Mr. Minister, those people have said to us: why doesn't the minister give us an opportunity

to speak to him? Why doesn't the minister give us an opportunity so that he can understand what we really have as a problem? And that, Mr. Minister, is what they're asking; they're asking us to ask you.

If you think that I would prefer to be here rather than being on my ranch, you got that sadly mistaken. But those people are going out of their way in a similar fashion. They're going out of their way in a similar fashion to point out to you, sir, that they want to have a chance to make the economy of this province grow, and you're not letting them.

Right now the people in this province have to go till just about the middle of July to pay all the government bills that they have to pay. Other provinces end up somewhere in the first and second week in June, but this province goes right till the middle of July; and that, Mr. Minister, is why they're saying we can't afford to do this any more.

When I went into my community, which is Swift Current, those people there said this is not the right thing to do. They've said it in spades. In fact they get so angry they can hardly talk about it. That's the feeling, Mr. Minister.

You think that there's consensus out there because nobody says anything. Well you're sadly mistaken, Mr. Minister. They know what they have to pay. They know what they have to do to deal with the two Acts that you've brought forward and they are very, very concerned about it, very concerned about it.

And those people say to you, why don't you come out and visit about it and let's talk about it and see whether we can't get some consensus on it? And that, Mr. Minister, is again the question that keeps coming up. Why don't you come and visit with us? Why don't you do that? Why don't you make an opportunity available so that you can come out and see us? Why don't you do that?

**Hon. Mr. Shillington:** -- In the year and a half that I have been Minister of Labour, I have met every single request for a speaking engagement made to me. In the last six months that's been over 200 of them, and I have met almost every request for a private meeting in my office. I have not refused any meetings.

Whether or not those meetings allow us to reach a consensus is a different question of course, but I have met every single request made by any group to meet with them.

**The Chair:** -- Before the members continue in the line of questioning and answering, can I establish that clearly we are on Bill 54, The Trade Union Act.

**Mr. Goohsen:** -- Thank you, Mr. Chairman. Well, Minister, we haven't had an opportunity to get into The Trade Union Act very far so far, because we've spent an awful lot of days on The Labour Standards Act. But for the Chairman just to know, most of the general public feel that these two Bills are intertwined and are actually affecting the same people, and that the arguments used for one definitely apply to the

other.

So the general public will know that if we are speaking about one, we are generally speaking about the same affected groups in our society. And they are overlapping in so many ways that occasionally we may stray from one to the other, but the meaning will be the same.

So we just wanted to make that clear so that we have everybody aware of the fact that we know what Bill we are on, but the same people are being affected by these two labour Bills and we need to take that into consideration as a double whammy on society.

We see in recent days, Minister -- and I guess we may as well deal with recent days as well as to go back into the Bill itself as we have to as time goes by, and to try to clarify some of this awful mess that we seem to have gotten ourselves into in this province -- but we now see, as you note in the **Leader-Post** and as we had a question related to in question period, we have the business community, a large segment of our business community, spending, I should imagine, a fair sizeable chunk of cash to buy a whole page news ad; I can't even unfold it all on my desk here. But interestingly enough, the words are big so that there's not that many of them, and I think it is proper that we should run over what the business community has said on this page, so that you can respond to it. And it said:

Would the last person to leave please pay their utilities and the remaining taxes.

(1445)

It then says:

Saskatchewan closed for business.

Saskatchewan has a shrinking population and a smaller tax base.

There are 12,000 less jobs in Saskatchewan than in 1991. In the last three years a net total of 24,000 people have left the province.

If there's anything wrong with those figures I'm sure that everyone in the general public would appreciate your correcting those numbers.

And I notice that the member from Swift Current wants to get into this debate in the worst possible way, so perhaps he will lend some information to you about how these business people have erred in their one-page full ad that they took out in one of the biggest newspapers in this province. And certainly they must have spent an awful lot of money to distribute this information. So if there's something wrong with it, we'd appreciate hearing what it is that you think is wrong. I'm sure the business community would appreciate hearing as well what you think is wrong with these figures and with this approach that they are taking.

Obviously we've struck a note of discontent in your government already today without hardly even getting started, with the member from Humboldt also is trying to let us know his displeasure. Or was it the member from Rosemont? I've confused your voices over there. Well there's a lot of noise coming from over there; I knew it was one of you two. Anyway I'm sure you'll have your opportunity; so not to panic, fellows, you'll get your chance.

I want to finish though, the ad for the general public, and to let the minister on the record here in this Assembly comment on what he thinks of the business community and the words that they've put on and into this advertisement.

It goes on to say where I left off:

New labour laws are about to be passed by the Saskatchewan Government that will scare off investment and result in even fewer jobs.

If there's something wrong with that, and if they're wrong, you say so when I get finished quoting it to you. It's going to be your opportunity to tell the business people where they're wrong.

Only in Saskatchewan will powerful labour unions be guaranteed freedom from future wage concessions or other necessary constraints -- i.e. existing, non-competitive union contracts will never expire and can never be terminated unless the union bosses say so.

Only in Saskatchewan will there be new laws that will effectively prohibit crown corporations, provincial agencies, municipalities, hospitals, universities and school boards from ever lowering costs by contracting out many services to non-union local firms (look out for more taxes and higher utility rates!)

It goes on:

Only in Saskatchewan will new concepts of workers seniority rights be imposed on thousands of firms -- whether unionized or not, and despite current bargaining agreements.

Only in Saskatchewan will employers be forced to pay costly and impractical new benefits to many student, casual and seasonal part-time workers who just want a job, and who would rather maximize take-home earnings.

Only in Saskatchewan will there be new laws that give a politically appointed Labour Relations Board more powers than the Courts (with no right of appeal on matters of fact).

Minister, this is a devastating attack on your administration. And it goes on to say, "You should be concerned!" in big, bold letters across the entire page.

Is this any way to establish a positive climate for economic renewal??? Is this any way to encourage new business investment or create new jobs??? Is this any way to build partnerships???

Those are good questions, Minister. I hope that you have some just as good answers.

It goes on to say:

Ask your MLA, or the Premier at Room 226, Legislative Building Fax (306) 787-0885 Regina, Saskatchewan Phone: (306) 787-0958

Saskatchewan Business Coalition

Saskatchewan business working for job creation and economic renewal

Minister, what do you say to that ad?

**Hon. Mr. Shillington:** -- Many of the factual assertions in there are inaccurate. I'm sure they were honestly intended. Many of the assertions though are simply inaccurate.

With respect to the general tenor of the ad, let me say that the deep air of pessimism and gloom simply is not shared across this province. It was apparent across this province during these labour tours that there was a mood of optimism. The recession is receding; things are slowing but surely improving. In some sectors the recession is receding at a very slow pace; in some cases it's receding very quickly. But receding, the recession is.

So the general tenor of the ad is simply out of sync with the Saskatchewan mood. It's also out of . . . very little of this ad has to do with The Trade Union Act, I might add. Most of it has to do with Labour Standards.

We're not on that Bill, but let me very quickly say that the vast majority of people we met were fair-minded. The vast majority of employers we met were fair-minded employers. They took a pride in their relationship with their employees, and were genuinely anxious to provide the best possible job and working conditions for their employees. Those people I frankly don't think share some of the more . . . some of the gloomier statements in that ad. I do not believe that ad reflects the current Saskatchewan mood in the business community or anywhere else.

**Mr. Goohsen:** -- Thank you, Mr. Chairman. Well, Minister, you've posed an interesting question. You say that parts of this ad are inaccurate. I would like you to explain to us which parts you think are inaccurate.

**Hon. Mr. Shillington:** -- I just finished. The member might want to check **Hansard** tomorrow morning.

**Mr. Goohsen:** -- I never heard you point out one inaccuracy in this ad, not one. You've made a vague generalization that applied to society as a whole but you never specifically said any one thing that is in this

ad that is wrong. And I challenge you to say one thing that's wrong in here -- one thing that's not right. Because these are accurate figures and accurate statements.

For example, I'll show you how you're leading people down the garden path. You said this doesn't relate to The Trade Union Act in the most part, okay.

Only in Saskatchewan will there be new laws that give a politically appointed Labour Relations Board more powers than the Courts . . .

Is that The Trade Union Act or not?

**Hon. Mr. Shillington:** -- For the first time ever the members of the Labour Relations Board have a fixed term which should take the politics out of the Labour Relations Board, not put it in.

**An Hon. Member:** -- Who appoints them?

**Mr. Goohsen:** -- But it is The Trade Union Act not The Labour Standards as you said.

You claimed perhaps that some of the figures are wrong. Perhaps the 12,000 less jobs in Saskatchewan was inaccurate? Would you say that?

**Hon. Mr. Shillington:** -- The whole business of job figures is much manipulated by a wide variety of people. The last set of job figures I had showed a marked reduction in the number of jobs on farms. I talked to nobody who was able to explain that. That accounts for much of the loss of jobs, is the loss of jobs on farms. That clearly is not an accurate fact. Clearly the same number of hours is being put into farming as always was and it is somehow or other a statistical elaboration.

**Mr. Goohsen:** -- Are you saying, Minister, that jobs on farms don't count?

**Hon. Mr. Shillington:** -- No.

**Mr. Goohsen:** -- Well that's what I heard you say. You tried to justify the fact that there's 12,000 less jobs because you said there's some manipulation of the figures and that most of them were farm jobs and somehow they didn't seem to matter because . . . I don't know what the heck you're trying to say; it's impossible to figure this one out.

You say there's something wrong with this ad. Perhaps it's the 24,000 people that have left the province? Do you find an error in that statement?

**Hon. Mr. Shillington:** -- The problem with the ad, I'll say again for the benefit of the member who may not have been listening when I said this earlier, the problem with the ad is the general tenor. There is a mood of optimism which is beginning to pervade the business community, the recession is leaving us, and a recovery is underway. The whole mood of the ad that this province is going to come to a dead halt if these

Acts are passed, I think that sentiment is shared by very, very few people. It's the mood of the ad that I object to most.

**Mr. Goohsen:** -- Well at least that's better, Minister, because now you're saying that it's the mood of the ad that's wrong and not the actual facts of the ad, that in fact the information in the ad would be accurate if the mood were more positive. That's what you're saying -- if they'd only say that the mood is more positive, then the facts would be right.

**An Hon. Member:** -- Ask him if that's the way he would agree.

**Mr. Goohsen:** -- I suppose I'd better let you agree or disagree because everybody's pressuring me to do that.

**Hon. Mr. Shillington:** -- If the mood were accurate, the article would be a **non sequitur** -- it wouldn't make any sense.

**Mr. Goohsen:** -- If the reality of life were that in fact the mood was optimistic in Saskatchewan, then you wouldn't have to bring in these kind of legislative moves, the general public wouldn't have to take out full-page ads, and we'd have enough jobs for our kids that are coming out of universities right now, instead of having 12,000 less jobs and 24,000 people having left and another whole line-up of young people waiting for an opportunity to finish their classes and to move on to other provinces and the rest of the world because there's nothing here for them.

If you found any optimism in this province in business, I'd truly like to see you show it to us. Because I haven't found it, with one exception -- there's a handful of canola growers that are smiling. Other than that, there's nobody. But you just said that farm workers don't count anyway, so I don't suppose that that matters what the canola price did.

As for farm workers who are so much forgotten by you and your administration, which is an amazement to me -- but because we're passing through this area -- it is an amazement to me that your government who seems so bent on bringing justice to the labour movement and to labour issues, it is an absolute amazement to me that you've totally and absolutely ignored some of the basic, fundamental needs of farm workers; not one mention of them except to criticize them and claim that they don't in fact count or matter. I'm quite sure that an awful lot of those folks are going to be amazed and bewildered to find out that they are seen as being so little thought of by your administration.

So, Minister, I wonder why it is that suddenly you've taken such a dramatic stand for the trade union leaders, where you have taken the opportunity to jeopardize perhaps the entire province's well-being, and yet you leave out some of the basic, fundamental working-class people that actually could use and need some help in society, for as simple a thing as to have the right to collect their wages. And yet you

ignore them and say they don't matter.

Have you any place in this legislation that would alleviate the problems of the working people that I've just . . . along those lines that I've just mentioned?

**Hon. Mr. Shillington:** -- I would be actually more than interested in entering into discussion of protection of farm workers under The Labour Standards Act. This is The Trade Union Act; it has nothing to do with that issue.

**Mr. Goohsen:** -- Well of course, you wanted to give the trade union leaders the right to organize unions, and are you saying that farm workers aren't good enough to have a union leader or to have a union representative? That they don't count under The Trade Union Act? That they'd never be included there?

**Hon. Mr. Shillington:** -- I did not say farm workers didn't count nor will my words at all bear that interpretation. You are simply wasting the time of the . . . I say to the member from Maple Creek, you're wasting the time of the Assembly putting such bizarre interpretations on my comments.

**Mr. Goohsen:** -- Minister, I can assure you, you haven't seen the start of bizarre yet. Wait till next Tuesday. That's when it's going to start to look really bizarre. Because you and I are going to be here for a long time, not for a good time. We've got all kinds of problems, minister, so we're going to take a long time to take care of it.

I've just picked up an interesting article here this morning. It says "When is law law?" It actually pays some compliments to your government. But I think it's got a message in it here that we should discuss to see if it has any merit or not. I shall have to quote a little bit of it to you, so you'll know what it's about because you may not have read this. It came out of the Saskatoon **Star-Phoenix**: It says:

So Premier (and it uses the Premier's name there) . . . thinks politicians should substitute their decisions for a tribunal's even though they may disagree with the body's ruling. The Premier was responding to a suggestion that his government could have pressured the Labour Relations Board to allow a decertification vote of 140 workers at the Woolco store in Moose Jaw.

The fact that the store was unionized was seen as the reason it was not included in the Wal-Mart's take-over of the Woolco chain. Consequently the Moose Jaw workers will lose their jobs.

And of course that's already a fact. They've had their lay-off notices and they are already going to lose their jobs.

It goes on, Minister, to say that:

The Premier's stand should be applauded.

That's what most residents want to hear, a government which upholds its law.

You have to listen to this, because it takes a different kind of a twist. At first I wondered, where is this guy coming from, applauding somebody who just cost 140 folks their jobs? But it does make sense when you get to the bottom of it, so just bear with us and listen. It's quite intelligently written.

However, what happened when another tribunal -- this one setting pay for Provincial Court judges -- made an equally unpopular ruling? This government had no trouble abandoning the Premier's principle in favour of overruling the decision. There are other examples of legal arrangements which this government found not to its liking and altered.

The dispute with the Federated Co-operative over the upgrader and the renegotiation of the Weyerhaeuser loan guarantee are two examples.

(1500)

And just in passing I think we could probably throw in the farmers' problem with crop insurance and their contracts with the Crop Insurance board and those kinds of things that went on even earlier, before this. But those are examples that are used here, and it goes on to say that:

Although these actions make Romanow's words ring hollow, they were not the wrong moves. Most Saskatchewan residents support the government's attempt to correct bad deals. The problem is, the refusal of the Labour Relations Board to accept the reality of the Moose Jaw situation fits that description. The government should treat it as it has the others. If it fails to do this it appears to set a double standard, changing the law only when it suits it.

In other words they're saying that the government here is flip-flopping. They take one stand one day, they take another stand another day, and you've got the whole province in a very worried mood. And that's the problem. Nobody trusts what's going on here. I guess reality is they don't trust the government.

And when you bring forward laws like The Trade Union Act . . . And I know the member for Rosemont would like to get in here, and I quite invite him to come on over and join us later and we'll discuss this, and certainly he can have his say. I'm sure that the chairman will allow him to do that as time goes by.

Now what we need to do, Minister, is to go through this Trade Union Act and find out exactly how it's going to affect the people. Now earlier today, you will recognize, sir, that we had a preliminary House agenda that had The Labour Standards Act on first, so naturally I had prepared my notes for that Act, and at the last minute someone in your organization, just for the record, decided to change horses in midstream

and said we will talk about The Trade Union Act, and that was announced to us after we got into the House. So I don't exactly have all my notes in perfect order so we may have to go helter-skelter through this thing back and forth, but you can blame those people that decided to change things at the last minute.

But I do have here the summary of the proposed amendments, and I think we better go into that so that we get a bit of a basis and a groundwork of what the Act is all about and what we want to discuss with you.

Now The Trade Union Act . . . amendments Act rather, and this is a summary of the proposed amendments. And what I want to do is go into the summary, part by part, and have you explain to us and the general public how this is going to apply. And I suspect that I'll have to quote a little bit of this in order to get us off the ground with it:

The Trade Union Act sets the ground rules for union-management relations. The Act deals with the collective bargaining, organizing, and disputes, and contributes to stability in labour relations. The current Trade Union Act was introduced in 1972 and last amended in 1983. The proposed amendments bring the Act up to date, taking into account the many changes in the workplace and the economy over the last decade.

The amendments are intended to promote collective labour relations and reduce points of conflicts between employers and unions.

Now these proposed amendments are the final step in a comprehensive overhaul of the province's labour legislation to ensure that it is fair, balanced, up to date, and in line with our **Partnership for Renewal** . . . (yes) economic development plan. Amendments would promote productive collective bargaining and cooperative dispute resolutions by, first of all, requiring parties to bargain collectively and apply agreements in good faith.

Now what part of that is being changed that that particular statement, Minister, would fall under the summary of proposed amendments?

**Hon. Mr. Shillington:** -- There was a requirement in the original amendments which would have required the parties to bargain collectively and apply agreements in good faith. In fact we received representations from both sides to the effect that actually, while that is obviously a desirable goal, actually writing it into the Act can do more good than harm. So we are removing that section.

**Mr. Goohsen:** -- I think I'm going to have to get you to explain that a little further. You say that now we're going to remove this part about bargaining in good faith and you say that is good to have that out of there?

You'll have to educate me a bit more on why that would be good. I would have thought that the union

people would want that in there.

**Hon. Mr. Shillington:** -- I think the . . . what the parties would have told you, what I tell you, is that there is already that requirement in common law -- parties prefer to rely on the common law rather than any statutory statement of that.

**Mr. Goohsen:** -- Ah, so now common law is not a part of this Trade Union Act. Is that true?

**Hon. Mr. Shillington:** -- Yes, of course it is.

**Mr. Goohsen:** -- Would you care to explain that for myself?

**Hon. Mr. Shillington:** -- Well I'm not sure this is the place for jurisprudence 101, but let me try it. Common law refers to the system which exists in England, in Great Britain, the Commonwealth, and the United States, whereby the decisions of the judges in and by themselves form a body of law. That's what common law is. Common law is simply the decisions of the judges. It is not a statute nor is it an obscure theory; it is a process. The process is the judges' decisions themselves form part of the law. And thus the judges' decisions on this Bill will form part of the law.

**Mr. Goohsen:** -- Now, Minister, you say this common law that the judges come up with through their decisions, a minute ago you said that that constitutes a part of The Trade Union Act. Now if it's not a written law, how can it form a part of the Act?

**Hon. Mr. Shillington:** -- No, now common law is a process by which the judges' decisions become part of the law and they are binding on other judges. That is not the case in France or Germany or Spain or Mexico or South America, which don't have the common law. Common law is a process and it is a complex . . . it is simple to describe but complex to understand.

I am not sure the estimates on The Trade Union Act is an appropriate place to arrive at a thorough grounding in how the common law operates.

**Mr. Goohsen:** -- Minister, actually I'd beg to differ with that. I think this is exactly the right place for us to find out how The Trade Union Act is going to be interpreted and how it's going to be ruled on and how it's going to affect people's lives.

The member from Moose Jaw must certainly be concerned about the fact that he's got 140 workers in his city unemployed as a result of trade union problems. Surely he would be in his place beside the Minister of Labour, trying to convince him that something should be done to get those folks back to their jobs, rather than to lend to the argument that we should cut this debate short and not have people understand how the law actually is going to work and how it will apply.

You see that's the problem with our laws. We've written such a complicated legal system in our society that nobody except foreigners who take law degrees

in other countries can figure out what they think we are trying to say in our legal system. Instead of using the very simple language of the day that common folks use every day to day in their lives, they've got it complicated with all these whereas's and what for's, and nobody knows exactly where we're going to go or how when we're going to get there when we've got a law finished.

Now I do understand though that in some of the Slavic countries they have a book of law that is so simple that everything is written down specifically. And maybe you should try this with The Trade Union Act.

The member from Rosemont wouldn't like anything quite that simple because it would separate all of the debate for which he has gotten himself elected. Because he's gotten elected on the basis of Trade Union Act interpretations and his support of those phoney boloney kind of debates that he says exist in our city between our rural people and our city folks. Things that never, ever existed to begin with. He's been getting elected for years on that phoney boloney stuff about how he's the only guy that can defend the rights of the workers because he's the only guy that understands what the law really means or how people are being misused or mistreated, when in fact they're not being misused or mistreated at all.

And in fact if you wrote this law in simple English so that everybody could understand it, we'd most likely have most employers sitting down with the employees and solving their own problems. You wouldn't need any unions. Wouldn't have to have one at all. They'd sit down and interpret the law.

And as I was saying, in this book of simplicity that they have in one of the Slavic countries, they have all the laws of the country are written down in everyday language of the people that they use on a day-to-day basis and it's simple and straightforward. Even the penalties if you break the law are written right down there. You hardly even need to have a judge except to say guilty or not guilty. That's all you need because everybody knows and understands exactly what's right and what's wrong.

The lowest crime rates of the world exist in those countries where they have the simplest laws. Because people know what's expected of them. Most of society wants to live by the rules, just given an opportunity to know what the dickens the rules are. And half the time we don't.

Especially in a Trade Union Act that is this thick. And I tell you, now this is just amazing. Now this year is The Trade Union Act amendment. I don't think . . . oh, it's got pages and pages. There must be 50 pages of this thing. Absolutely ridiculous to think that you need 50 pages of complicated jibberish out of a legal text to tell people how to get along in good faith on the job site. That's absolutely silly.

But anyway this is your silliness and we have to go through it and suffer through the pain of it. And you try to tell me now that common law is going to be the

basis of which we're going to do a lot of this stuff but it doesn't matter because, for some reason, we wouldn't understand it and it's better for us if we don't question what we don't understand. But we're going to do that anyway.

The second thing it says here is providing assistance in reaching first agreements. Now I have a fair understanding of first agreements because that was the problem down at Woolco, I understand, or one of the big problems. But I think you need to put on the record what you're changing in the Act and how this applies.

**Hon. Mr. Shillington:** -- Well the latter is a fair question. It comes at the tail-end of, let me just say, one of the more unusual commentaries that I've heard made in estimates. There has got to be some relationship between the language used by lawyers in The Trade Union Act but it's pretty distant.

With respect to the first contract legislation, I've answered this before but I will do so briefly again. The Act initially stated that if the parties could not reach a first contract, the Labour Relations Board was empowered to, on the application of either party, to set in motion a process which would arrive at the first contract, the process being pretty much in the discretion of the Labour Relations Board.

This changes that, spells out some of the details, provides that the contract shall . . . the first contract shall have a two-year term; further provides that either party may give notice to terminate the contract on establishing to the satisfaction of the Labour Relations Board, either party may terminate the contract after the expiration of the two years on establishing to the satisfaction of the Labour Relations Board that the parties bargained in good faith and that an impasse has been reached in the bargaining. On establishing that, they may unilaterally change the terms of the contract. Those are the changes.

**Mr. Goohsen:** -- Could you give us an example, Minister, of the kind of things that would be in this first contract, other than the limit of two years. What would this two-year contract be covering? Who would be compelled to do what?

**Hon. Mr. Shillington:** -- It will cover everything a collective agreement normally covers.

**Mr. Goohsen:** -- Well, Minister, you must understand that 80 per cent of the people in this province don't belong to unions and might not particularly understand what a first contract is, or what it might have in it. So even though you would imply by the tone of your voice that everybody must know and understand what these legal documents have in them, the reality is that 90 per cent of the folks, I think, would be right along with me in admitting that we don't know what the dickens is in here and what's involved. So I think you should indulge us and tell us what kind of things are in these agreements.

**Hon. Mr. Shillington:** -- Very little that is in The Trade

Union Act is unique to Saskatchewan. That's not true of The Labour Standards Act, but it is true of The Trade Union Act. There's very little in this Act that doesn't exist in other Canadian provinces.

This provision exists in other Canadian provinces. The jurisprudence which has grown up around it is that the Labour Relations Board arranges for kind of a minimal contract. And thus they cover wages, working conditions, and not an enormous amount more. So reduced to its simplest, one might say that the first contract will cover wages and working conditions and probably not a lot more.

**Mr. Goohsen:** -- Well now, Minister, I always thought that The Labour Standards Act was supposed to cover working conditions. Now you're saying that the collective bargaining agreement in the first contract would also have the working conditions. Aren't we duplicating to some extent?

**Hon. Mr. Shillington:** -- No, of course not. A collective agreement may provide for other and better working conditions than are stipulated as the minimum in labour standards.

(1515)

**Mr. Goohsen:** -- In other words you're saying that The Labour Standards Act do not give the people the same protections that you can get from a contract.

So you're saying that, even at this point then, what you're in essence saying is that The Labour Standards Act is not doing enough so The Trade Union Act has to be made more powerful. Is that what you're saying?

**Hon. Mr. Shillington:** -- The Trade Union Act provides the parties with the opportunity to bargain collectively.

**Mr. Goohsen:** -- Yes, but for more than what The Labour Standards Act already has in it. Is that what you're saying?

**Hon. Mr. Shillington:** -- That opportunity exists, yes.

**Mr. Goohsen:** -- Well it seems to me that you have a duplication of the two Bills doing the same thing, and you know I seriously wonder why these contracts should have been held in such high regard in the situation like the Woolco in Moose Jaw. You already had The Labour Standards Act that covered people and yet you said that these people could not go on and continue to work unless they had a unionized shop, and as a result, they've all lost their jobs.

You know, I think this was pretty thin stuff here in what I see as nothing but a power grab by a few union leaders. I think that's really what it's all about, isn't it? It's political power that the unions are after here. They're not really after anything that the workers need or want.

You've only got what? About 20 per cent of the people that are getting these super-contracts or the

super-benefits that The Trade Union Act would afford to people under this collective bargaining process. In these first contracts less than 20 per cent of the people would get that super-advantage and yet you're saying that The Labour Standards Act, which protects the other 80 per cent, should be allowed to have a lot less conditions in it. And that's good enough for 80 per cent of the people, but the 20 per cent that the union bosses are controlling and the 20 per cent that the union bosses get paid from, they should have some kind of super-control, super-power, and super-benefits. Is that a fact?

**Hon. Mr. Shillington:** -- This conversation is completely unrelated to The Trade Union Act. A moment ago the member was putting in time by reading my second reading speech. I think that's as good a use of the time as these questions. So why doesn't the member go back to rereading my second reading speech?

**Mr. Goohsen:** -- Well, Minister, this might be a joke to you, but the fact of the matter is, it's no joke out in the countryside and no joke in the city any more either. Because there's a lot of people want to know why you're giving these super-powers to the trade union people through The Trade Union Act when in fact you're not giving the same benefits to 80 per cent of the people in the province through The Labour Standards Act who are not protected by The Trade Union Act.

And this is a valid question, and 80 per cent of the people of this province want to know the answer. But if you'd rather that I spend my time reading your speeches, I'll be quite happy to do that. I don't think I'll have enough time today, but I'll get through most of it.

Under request, Mr. Chairman, of the Minister of Labour, I would like to now take the time to read his last numerous speeches and put them on the record. And I just don't know which one he wants me to start with, but I'll just get right at it here, and we'll start.

But in the meantime we should consider, Minister, that you've got an awful lot of the people in this province upset with you. The people from the business community have stated quite emphatically that they don't agree with your position; they've stated quite emphatically that they see you for what you are, a man who is trying to provide political power to the trade union movement for the purposes of gaining political favours, which means support in the next election. It has nothing to do with fairness; it has nothing to do with helping workers.

Even if The Trade Union Act were to help workers, it could only in effect help about 10 per cent of the population, less than that perhaps, so that 80 or 90 per cent of the population is actually not getting any benefit at all from this great power grab. You yourself have just admitted that this is a fact, because you're unwilling to answer the questions. You say they're frivolous or nonsensical because you don't really want to give the answers, because the answers are too

embarrassing for you, because in fact what you're doing is destroying this province and the people in it.

And the workers themselves that need the most help, the very lowest on the scale, which you say don't matter, those folks are getting nothing out of this legislation, absolutely no protection whatsoever at all.

So in fact you're not only hurting the business community here, you're actually hurting most of the workers in this province. But we've got to go through these amendments that you've put up; and it's my job to do it, and I'm going to do it, no matter how tough it gets for you.

And the third thing you've got listed here is providing more labour relations services, including the appointment of special mediators to assist in resolving disputes. Now, Minister, people want us to have further explanation of what you mean in this area.

**Hon. Mr. Shillington:** -- Again, I've answered these questions before. I will briefly do so again.

We are doing three things in this area. We are providing expedited arbitration, which is a quicker and hopefully a cheaper form of arbitration. There are strict time limits within which it must begin and strict time limits within which the arbitration must end.

We are recognizing something that has been done to date; that is, the use of special mediators, and we will be encouraging additional special mediators, with the additional use of that.

We're also providing for grievance mediation, voluntary grievance mediation, through the Department of Labour. It will allow mediated settlement of grievances without having to proceed to costly and time-consuming arbitration. That's what's in there.

**Mr. Boyd:** -- Thank you, Mr. Chairman, Mr. Minister. Mr. Minister, I guess we've got down to the short strokes here on this piece of legislation, as we see it. We're into the period of time now where the government sees it necessary to impose extra hours on the legislature to try and wear the opposition down so that you can hopefully get this piece of legislation through prior to a business rally that's going to be held next week in Saskatoon. And I think the people of Saskatchewan will be aware of that soon; the news media have picked up on it. And your motives are becoming increasingly clear to the people of Saskatchewan with respect to that goal, Mr. Minister.

Fortunately it doesn't appear that by the workings of this legislature that you'll be able to meet that goal. The extended hours and all of those kinds of things won't preserve the time that you need to deal with that problem that you have. I think we're into a period of time where the minister is under a great deal of pressure to make changes. The minister and his government are under a great deal of pressure. I think the minister's under a great deal of personal pressure as well.

And I guess when you brought this kind of legislation in you should have expected it, and probably did. And I guess that's why when we see the minister making flippant comments about his honour being preserved and those kinds of things, with the trade union people, that it might be great talk, it might be great talk for slapping back a few beers in union halls, Mr. Minister, but I can assure you that the business community isn't amused with your attitude or your flippant way of dealing with them and their concerns, Mr. Minister.

I spoke to a number of business people in my constituency over the weekend and I think they echoed the same kinds of concerns that the editorials all over this province have been coming out against you, sir -- business reporters, business editorialists all over this province saying things like, this is the wrong kind of message for the people of Saskatchewan, the business community within Saskatchewan; that you're a misfit minister as far as labour legislation is concerned and should be stepping down, and the Premier should be asking for your resignation.

That must be a great deal of concern to you and your government, I'm sure, Mr. Minister. While you make light of it in the media, I suspect on reflection, sitting back in an easy chair at 1 o'clock in the morning in the dark by yourself, it probably causes great concern to yourself personally. And I guess I can appreciate that kind of a problem that you're faced with.

Unfortunately I don't really sympathize with you, sir, because I think you've brought it all on yourself by those kinds of remarks that you make. And we've seen that kind of stuff coming from you and your government before. And unfortunately, a lot of your problems are your own doing, sir.

Business leaders all over this province are angry with you. They're very upset with you. They cannot hardly believe that a Minister of Labour would be making some of the comments that you make against them and accusations you make against them, sir, that they are ruthless. And it goes back to that the labour relations in the '70s were better and there was a more paternalistic, I think it was, was the word you used, view of management-labour relations back then, compared to now.

And I'll have you know, sir, that the business community takes a great deal of pride and concern with the welfare of the employees that work for them, sir. I know in the businesses that I'm involved in, we've never had any labour problems. We've taken great pride in being able to overcome those kinds of concerns and sit down with the people who have worked with me and worked for the companies that I'm involved in and my family's involved in. And there's never been any big concern.

And I think that's exactly what the problem is here, sir. We've been able to sit down, and I think business has in general been able to sit down with their employees and work out their differences. And now what happens is, is you no longer want to embark upon that

type of labour-management relations. You want to bring in legislation that swings the pendulum, as you call, back to the centre, when you know very well, sir, that the pendulum has not swung to the centre, but it has swung dramatically, dramatically towards the labour union side of the pendulum.

And, Mr. Minister, I think it's unfortunately that you would do that. It's too bad that you would do that. I think it puts the wrong message out to the business community in this province. And I think it highlights the concern that business leaders have in this province, Mr. Minister.

It's no wonder that we see full-page ads being taken out in the daily newspapers over the past weekend, essentially saying that Saskatchewan is closed for business. And I don't know whether that's of any concern to you and your government, sir, but I believe that it should be of great concern to you and your folks.

One only has to wonder about what kind of thoughts would be going through someone in we'll say Ontario or United States, that might be considering moving to Saskatchewan and setting up shop here, when they see that kind of full-page ads taken out by the business community, the ones that are most familiar with you and your government's policies.

You would think, you would think that would give you pause for reflection for a moment; that maybe you've just gone and swung the pendulum a little too far. You'd think that that would be what would come out of those kinds of discussions and that kind of thought process, where you'd look at it and say to yourselves, maybe, just maybe we went a little bit too far with this and we should back off a little bit, get business on our side, get some economic development going on in this province, get some people to work in this province, get the people off welfare in this province, deal with the problems that we have in this province, rather than creating more.

But oh no, that isn't what's going to happen, is it, sir? We're going to go to extended hours; we're going to go into long, protracted debate about this piece of legislation; you're going to ram it through, no matter what it takes. Because I think you've made some commitments to labour that you don't think you can back off on. And unfortunately, I think we find ourselves in exactly that situation -- you've forced our hand, we force your hand; business forces your hand, and now you're going to force business.

And I think, Mr. Minister, at the end of the day it's the general public that loses in this debate; and at the end of the day it's the general public and the business community and the employees that you claim to be representing that are going to lose at the end of the day. Because we see people all over this province saying, and full-page ads being taken out, saying that business is going to back off in this province; business is not going to expand in this province; business doesn't want anything to do with you and your government, sir, any longer.

You had a pretty nice relationship going for a little while, not that bad. And I have to give you credit. The Premier was able to keep them on side for quite some time, a couple of years. It's been pretty good, pretty good relations between the government and business in this province. The chamber of commerce and other groups like that were relatively supportive of your government and the direction that it was taking, particularly with deficit reduction and a few things like that. They were relatively supportive of it.

But unfortunately it looks like, sir, you've brought that to a screeching halt, that kind of good relationship that existed for a period of a couple of years. And I don't think any amount of side deal cutting with the Premier running around this province trying to cut some deals with major business leaders in this province for their specific industries -- and you know very well what I talk of when I say that -- is going to make a difference on this one, sir. Because I think the small-business person out there, the little guy out there with three or four employees, or ten or twenty, or whatever, they're not buying into that.

(1530)

You can buy off, you may be able to buy off a few big business leaders in this province by giving them exemptions and a few things like that, but you cannot buy off the employer in Kindersley with two or three employees, or half a dozen, or ten or twenty, or that sort of thing, because this has major impact on them, sir.

This legislation is dreadful as far as they're concerned. They see it as nothing but as affront to them; they see it as nothing but an intrusion by a government that doesn't seem to care about the interests of their small business in Saskatchewan; and they see it as something that is totally unnecessary and a government that's simply bent on pushing forward labour agenda type legislation because their piper has been called.

The labour unions in this province have called you up on the carpet I believe, sir, and said we need something now for our support. It would be an interesting time I suspect to be in your office with a few of the labour leaders in this province and hear exactly what goes on. I'll bet it's earth-shattering, the kinds of stuff that would come out of a meeting like that between you and a few like Barb Byers, George Rosenau and folks like that, the kinds of demands that they make of you and how you try and finesse your way and stick handle your way through all of that sort of stuff, Mr. Minister.

It would be an interesting time I bet, eh, to be a fly on the wall and listen to those kinds of comments and how you're going to stick handle your way through this.

But at the end of the day, at the end of the day it's always the people of Saskatchewan, isn't it, Mr. Minister, that seem to lose in these things, the people

that you claim to protect -- the home-maker out in Saskatchewan, anywhere in Saskatchewan, that wants a part-time job to provide a little bit more, a little bit more for their family. Always seems to be them kind of people that lose in the deal, isn't it. Because you know what happens, sir? You think that this is going to be helpful, you think that this is going to protect the opportunities for those part-time workers, but I assure you, sir, it isn't.

We've had representations and we've had letters and telephone calls and faxes from all over the province where employers are saying to me and you . . . and you've got them all too, you must have hundreds by now. You must have literally hundreds by now I would think -- of business owners that are saying, we're not going to hire; we're not going to hire that part-time employee because it isn't worth the hassle any longer.

And I know that's exactly the way my partner looked at it as far as his business was concerned. He said, no darn way; it's not worth the hassle any longer. It's not worth the problems associated with going through all of this. We'll just go out and we'll just have to work a little bit harder ourselves in our business, and have to deal with the problems associated with the peak labour times in the summer period of Saskatchewan, when of course that is the maximum . . . or the period of when you most likely will need short-term help.

We're moving into that period; farming operations have moved into high gear over the past couple of weeks in this province, Mr. Minister, and I know exactly that's what happened. Business owners and farmers all over the province are telling us they're going to get by; they're going to run that tractor themselves an extra hour or two a day, or whatever it takes to get their seeding operation in. Or they're going to work that extra hour or two at night in their fast food establishment or their restaurant or their small business or their welding shop or their print shop, or whatever it is. They're going to do a little bit more themselves so they don't have to go through all of the hassle of putting up with you and your labour agenda legislation. That's what they're going to do, Mr. Minister.

You may think that that's all hogwash and is all out to lunch and all of that kind of stuff, but I know that that's what they're telling me that they're going to do, and I have no reason to doubt them. And I don't think you should either, sir. And I don't think you should be going around this province calling people, particularly as the Minister of Labour, going around this province calling people ruthless or greedy. Because I don't think that that sends the right message to anybody in the business community either. No one likes to be called ruthless or greedy, and you know that, sir.

Again I say to you, that may make great talk when you're standing in the union halls and having a few beers with your friends there. That may make great rhetoric and it might be that kind of stuff that makes you a pretty popular guy hanging around those places.

But I'll tell you, the interests of business do not think it's all that great of you to say those kinds of things about them, sir. They don't believe we're into a ruthless era of greed where the business community takes no prisoners, type of attitude. Because I don't think they do.

I think everybody in this province has long got over that kind of thing, Mr. Minister. I think they believe now that the only way that you're going to be able to put up with this government, the only way you're going to be able to deal with the high cost of doing business in this province with respect to things like taxes and utilities and all of the things that you people have jacked up on them in the last couple of years, I think they realize that the only way that they're going to be able to survive in this province is to just hunker down and do the absolute best job they can with the employees that they've got and have very harmonious relationships with those employees.

Because I think they see at the end of the day that there's no other way to stay in business in this province because of the high cost of doing business in this province relative to other places.

And even with that attitude, Mr. Minister, we still see an exodus of business into places like Medicine Hat. Some time you ought to get the member from Swift Current, the economic development minister for the city of Medicine Hat, to take you down there and show you around. He knows darn well what's going on there. His city's draining out slowly but surely, and so is the whole south-west corner of Saskatchewan, is draining out slowly but surely into Alberta, Mr. Minister.

You ought to take the time to go down there sometime and see it for yourself. Housing starts, incredible housing starts, incredible business start-ups in places like Medicine Hat. And what advantage does Medicine Hat have over Swift Current, or any other place in Saskatchewan for that matter, Mr. Minister? None, except that they have a government regime, a government that seems to feel that business can work in Alberta. And in Saskatchewan we have a minister that thinks they're ruthless and greedy.

That's the difference, Mr. Minister. A lot of times in business the difference between being successful and being a failure is that little bit of confidence in there -- that little bit of confidence. And I think you know that, sir.

From what I understand, you're involved in small business yourself. And you know very well the difference between staying in business and going out of business and being there for the long haul and through the tough times is that little bit of difference called confidence, sometimes, and management skill and having a government that believes in business and having a government that works with them rather than against them. That's the difference, sir.

And you know very well that that's the case. You know very well that the government of other

provinces in this country and other states bordering Saskatchewan, of the United States, have a different relationship with business than you do and your government. You know very well that that's the case.

Your government seems to have this labour agenda stuff on your mind and you just can't seem to get over it. You seem to be back in that 1940s, '50s type of attitude that people . . . that anyone that has any capital invested, anyone that has any person working for them somehow or another is ruthless and greedy.

And it kind of slipped out. I suspect, Mr. Minister, you wished you'd never said that kind of thing. It's kind of like one of those Freudian slips. It kind of comes out and you wished you never done it.

And I understand that. From time to time we all get caught up in those kinds of things, Mr. Minister, but unfortunately you got caught up and some major newspapers and some . . . **The Financial Post**, I think it was, and the **Leader-Post**, and others like that picked you up on it, took you to task for it.

And it's no wonder, Mr. Minister, that we see editorials all over this province starting to come out against you and your government and saying that you've got to step down, sir, or the Premier's got to relieve you of your responsibilities.

And my guess is, is yes, we're going to see this stuff pass and, Mr. Chairman, you know very well that that's going to happen. At the end of the day, I suspect this government will press ahead and they'll pass this legislation.

But I also expect come about August, when the people are away on holidays and hopefully nobody knows what's going on in the province of Saskatchewan, that that minister will be relieved of his responsibilities by the minister. He'll be shifted aside, he'll be shuffled sideways, probably. He'll still have his cabinet minister's salary maybe, and he'll still have his car and all those kinds of things that go along with it. And he'll still have his pension at the end of the day, and he'll still have all of those kinds of things. But he'll be shuffled aside, because this has been nothing but bad news for you and your government. It's been nothing but a tragedy right from start to where we're at today, Mr. Minister. And I think you know that.

Mr. Minister, we see editorials, the headlines saying things . . . Unions are the big winners this time. And they are. Is that good for the province of Saskatchewan? I don't know. Business interests don't think it's good for the province of Saskatchewan. I guess that's why they're taking out full-page ads. We're going to see this piece of legislation . . . Bruce Johnstone and others are predicting that it is not centring the pendulum . . . (inaudible interjection) . . . And the member from Swift Current speaks up from his seat and says, it's called the experts.

I guess . . . I don't know, if you can't . . . When you look at business, when you look at the chamber of commerce and the Canadian Federation of

Independent Business and the north Saskatoon business institute or business group, I mean, and others like that. Are those the experts, Mr. Member?

The member from Swift Current, the one the bankrupted the credit union out there, are you the expert on labour relations in this province? I guess you are. I guess you are. I guess you are the expert on all of that sort of stuff. I guess you are the expert on that, aren't you, sir? I guess you are. Interesting . . . (inaudible interjection) . . . we'll maybe see about that some day, sir. Yes, we'll see about that. Yes. He doesn't like it when he's exposed for what it is, Mr. Chairman.

**An Hon. Member:** -- . . . go outside and say that.

**Mr. Boyd:** -- Yes. Well what would happen if I did? You'd take me to court. We'd have this little dust-up in court, and you'd say that you'd never bankrupted it, and I'd have to present some information showing that you did. At the end of the day, what would happen? At the end of the day, what would happen?

**An Hon. Member:** -- . . . not bankrupt, and that's the whole point.

**Mr. Boyd:** -- The point is it's not bankrupt; they saved it before you could do it. And you know very well that that's the case. I'm surprised at your . . . after the comments you made with respect to Medicine Hat, you'd be wanting to even talk about your relationship with the city of Swift Current.

**An Hon. Member:** -- Pretty good relationship.

**Mr. Boyd:** -- Yes, I'm sure it is pretty good. Have you been home lately? Have you been home lately? Have you been out there in six months? Have you been out there in six months to talk to the business people out there, the ones with the plywood on the door downtown Swift Current? Been out there to talk to them lately? I'll bet you have. I'll bet you have. I've been downtown Swift Current. On my way home I go through Swift Current, and I talk to a few of the business people on a regular basis. And they say, this is the kind of stuff that you and your government are bringing forward, this labour union stuff, and they don't like it, sir. They don't like it, sir . . . (inaudible interjection) . . . We'll see. Put my name on the ballot? My name's already on a ballot. I represent a constituency called Kindersley -- maybe you've heard of it.

**An Hon. Member:** -- You won't make it there.

**Mr. Boyd:** -- Well maybe I will, maybe I won't make it there. We'll see, I guess, come next election, won't we? But I assure you that there will be lots of New Democrats go down when the people of Saskatchewan have to put up with any more of this kind of stuff -- this labour union crap that keeps coming forward more and more and more from this government, this kind of stuff . . .

**The Chair:** -- Order, order. I just want to remind

members that we're on clause 1, Bill 54. And I would just like to caution the members who are getting involved in the debate from their seat to just wait till their turn comes.

**Mr. Boyd:** -- Thank you, Mr. Chairman. Mr. Minister, we just got some information here from the Canadian Federation of Independent Business, one of those extremist groups that you speak of, one of those groups that are made up of nothing but ruthless and greedy folks. And they have some specific concerns that I'd like to address with you this afternoon for a while.

The employer's right to make unilateral change. And they have some specific concerns and some information that they've sent us here recently, that I think is important that we deal with this afternoon.

Employer's right to make unilateral change. This is found in all jurisdictions in North America, including Ontario and British Columbia, which allows an employer to make unilateral changes to an expired union agreement. Although there are hoops that an employer must go through, at some point after the contract expire, the rights exists.

The concept has been discussed by labour writers in the Supreme Court of Canada. In the Pacaar -- I think it's pronounced -- case, the Supreme Court of Canada accepts the model of unilateral change as reasonable.

Paul Weiler, an accepted expert in labour relations policy, writes as follows, and I quote:

The basic assumption of our industrial relations system is the notion of freedom of contract between the union and the employer. There are powerful arguments in favour of the policy of freedom of contract. We are dealing with terms and conditions under which labour will be purchased by employers and will be provided by employees. The immediate parties know best what are the economic circumstances of the relationship; what are their non-economic priorities and concerns; what trade-offs are likely to be most satisfying to their respective constituencies.

(1545)

He goes on to say:

The freedom to agree logically entails the right to disagree, to fail to reach an acceptable compromise. Most of the time good faith negotiations does not produce a settlement at the bargaining table often without a great deal of trouble.

And I guess that's what we're dealing with now.

But often it does not, and at that point the collective bargaining system diverges sharply from other components in the market economy. The tactical premiss underlying the

system is that both employment status and collective bargaining relationship will persist indefinitely through one series of negotiations after another. And it is precisely for that reason that the means of resolving deadlock in negotiations between union and management becomes a serious social issue.

At the same time we must appreciate the very different perspectives of that employer and the union on that subject. The employer typically has no direct and immediate interest in successfully getting a new contract settlement. That settlement almost invariably will provide for compensation increases, often in sizeable amounts. All other things being equal, the employer would just as soon stick to the status quo.

It is the union which ordinarily must take an initiative to move negotiations off dead centre. True, this is not always the case; sometimes the status quo may be distasteful to the employer. Suppose the employer cannot get an agreement from the union to change these requirements in a new contract. In that event, management is entitled to act unilaterally. It can simply post an announcement to its employees that this is reducing the price they will pay for labour and the amount of labour that it is going to use.

That is what it means for management to exercise the rights of property and of capital -- to be able to propose the terms upon which it will purchase labour for its operations.

What rights and resources do the employees and their unions have in response? In essence they only have the collective right to refuse to work on those terms; to withdraw their labour rather than to accept their employer's offer. That is what a strike consists of.

The legal right to strike is not justified, not on account of intrinsic value, but simply by its instrumental role in our larger industrial relation systems.

A lockout is not the employer equivalent of a strike. As I have shown, the reciprocal employer lever is really the management prerogative to maintain and change the terms and conditions which the employer will pay its employees who want to work in its operations. A lockout is usually the instrument of an employer association, employer union which wants to defend itself against selective trade unions of its members. The principles of our system are that the employers' equivalent of a strike is unilateral change. By removing the employer's right to unilateral change, the two sides will no longer have equal rights.

Consider the problem of the employer who needs concessions in the contract. Under the new system, the union never has to agree. The

employer, no matter how unreasonable the union is, will never get the change.

What if they want to lock out? This would stop production. The capital investment is at risk; the employer cannot stop production without losing all income, and therefore the ability to pay the bills. The options are therefore to continue to pay higher amounts or take away the means of paying the costs of doing business. It should be remembered, in Saskatchewan it appears that the employer cannot tell the union if it did not agree to the concession, the business will close -- section 11(1)(i) of The Trade Union Act.

The only option therefore is to make an irreversible decision to close. In concession bargaining this is what the result would be.

Business concern therefore is that, with the legislation which is unprecedented in North America, who will lose existing businesses and fail to attract new business? If you compare this legislation, which ties the employers' hands, with other provinces where there are some employer rights to change, who would not be on equal footing when we try to attract these businesses to Saskatchewan?

The legislation is unfair as it fails to recognize that an employer will not be able to deal with an unreasonable union with rights that are equivalent to the right of strike. Just what is the employer's right?

And I guess that's a rather lengthy look at the employer's right to make unilateral change. But, Mr. Minister, I'm wondering if you would care to comment on the employer's right to make unilateral changes and your feelings as to the need for it or its impact upon losing business or attracting new business into Saskatchewan?

**Hon. Mr. Shillington:** -- The provisions which will be in effect once this Bill passes which prohibits unilateral change were in effect in this province from 1972 to 1983, the period of the greatest prosperity in the province's history.

So if you want to relate . . . if you want to use anecdotal evidence, I'd use that. It was in effect and worked fine.

**Mr. Boyd:** -- Thank you, Mr. Minister. Labour Board appointment and the powers under section 4 and 5.

The proposed changes would add extensive powers to the Labour Relations Board with no right of appeal. They would in fact have more powers than a court without the rights of appeal that exist in the court.

There are two areas of concern. The first concern, the limits and controls of the board's powers; the second, the matter of appointment of those who get those powers.

And I wonder, Mr. Minister, if you would care to comment on that, the rights of appeal as well as the powers, and who gets to appoint the board and the difficulties that business seems to feel is inherent in those two areas?

**Hon. Mr. Shillington:** -- The right of appeal and who appoints them is standard throughout the civilized world.

Governments in office appoint them. I think that is the case from one end of the globe to the other.

The appeal is standard in Canadian provinces. It is the same right of appeal here as it is everywhere else. The appeal is limited to questions of jurisdiction.

**Mr. Boyd:** -- Thank you. The other area that you didn't touch on was the board and the appointees to the board and those who . . . and the concern with the power that the board has.

**Hon. Mr. Shillington:** -- The civil courts, someone needs to interpret the contract and the rights arising out of the contract. All Canadian provinces and most U.S. (United States) jurisdictions leave that . . . but not all U.S. jurisdictions -- but all Canadian provinces have a labour relations board which interprets the rights arising out of the contract.

The civil courts have proven themselves to be an awkward venue in which to interpret those rights. It is slow and expensive. This is an area in which you need a decision right away. And so all Canadian provinces have set up the Labour Relations Board. Ours is in the mainstream of Canadian . . . the powers given to our board is now in the mainstream among Canadian provinces.

**Mr. Boyd:** -- To understand the concerns, you have to understand that a labour relations board is supposed to be a board consisting of labour and management experts chaired by an impartial chairperson. However, without changes, all appointments are made by the government without any criteria to determine the level of expertise necessary to get that appointment.

And I think that's an area of concern, Mr. Minister -- that you don't have a situation where both groups are represented on this because they are appointed by government and there's no criteria. I wonder if you would care to take the time to explain the criteria that you use for the appointments as well as why business isn't able to put forward their own folks onto that.

**Hon. Mr. Shillington:** -- In fact the precise opposite is true of what the member says.

For a lengthy period of time, stretching back through several administrations, equal numbers of appointees are taken from management and from labour.

**Mr. Boyd:** -- With the government appointing them -- is that the case?

**Hon. Mr. Shillington:** -- And with the parties recommending them.

**Mr. Boyd:** -- At least with the courts, sir, external bodies like the Canadian Bar Association that qualified people for the court . . . applications are made by people and a committee determines if they qualify. Even then, the decisions of the judges are subject to appeal.

With the new Trade Union Act there is no direction on what is required to become a representative of management or a chairman of the board. Surely a way to set the appropriate board members should be a priority before powers are expanded. Only after a method to determine the new labour board is set, should added powers be given.

And I wondered what your comments are on that, sir?

**Hon. Mr. Shillington:** -- The qualities needed by a good judge are not capable of precise decision, precise description. This is a judicial role as surely as a Queen's Bench judge. The qualities needed of a good judge are very difficult to define.

I don't know anyone, anywhere, in any legal jurisdiction, who's ever tried to do that. It is a certain quality of mind, a certain sense of fairness, a certain ability to understand, a certain dignity which you bring to office. I don't know anyone, anywhere, who's tried to define the qualities which make a good judge.

**Mr. Boyd:** -- In addition:

To give powers without any idea of limits or how the powers should be exercised is unfair. Even with clearly defined powers in the courts, checks and balances on the forms of appeals are allowed. There has to be discussion on checks and balances in every system. These checks and balances should be discussed before unlimited powers over the economic lives of citizens are given to the present tribunal. At the very least, these new concepts and powers should be delayed until a method of appointment and some checks and balances are discussed.

And that's the view of the chamber of commerce. And I think that you should take the time to consider those concerns. And I wonder what your comments are on that.

**Hon. Mr. Shillington:** -- We certainly did take time to consider them. I've already commented on them. The method we have for appointment of members to the Labour Relations Board is the same as it is in every other province. It's basically worked pretty well.

**Mr. Boyd:** -- The next area of concern that they have is with the first contract arbitration.

Once a business is certified to a union, there is a

requirement to bargain. The first contract negotiated is generally the best for the employer. Usually the employer wishes to bargain as close as possible to the way it operated before the union arrived. Such items as promotions or selection of the best people to jobs are examples of ways you operate a productive business that you wish to retain.

And I'm wondering if that's you and your department's view as well.

**Hon. Mr. Shillington:** -- I'm sorry, I would have to have the documents you're reading from. I wasn't entirely sure what it is you want me to respond to.

**Mr. Boyd:** -- Well what I'd like you to respond to is, is indeed that the case that the employer generally, in the first contract, receives the best of the deal, essentially I guess is what they're saying here; that usually the employer wishes to bargain as close as possible to the way it operated before the union arrived. The first contract negotiated is generally the best for the employer.

**Hon. Mr. Shillington:** -- I don't think we would share that view. I think it would vary from case to case.

**Mr. Boyd:** -- Mr. Minister, to look at the above example. A union will likely argue for seniority-based system in which a senior person gets any job without . . . any job opening they wish, and is that . . . I think that's an area of concern that business has, is that if they are forced to have a union shop that they cannot deal with things like promotions and selection of the best people to do certain jobs within their shop, that seniority will be the area that the system will be based on. And I think that's an area of concern.

Do you share that view that in a newly-formed unionized shop that an employer will have difficulty putting people into a position that they wish the person should be in?

**Hon. Mr. Shillington:** -- No, I certainly don't. The vast majority of the very successful businesses in the world are unionized; the vast majority of the most successful businesses are all unionized. It depends upon the relationship between management and labour. The relationship can be good and productive; it may be bad and very destructive. That will vary according to the personalities on location.

**Mr. Boyd:** -- Well you make a fairly general and wide-sweeping comment there, that the businesses in the world that are most successful are unionized. What kind of criteria did you have to back up that assertion? Does that extend to very small businesses as well, or are you only thinking that in order to be successful you have to be employing a certain number of people? Or what kind of information can you provide us with that supports that claim?

**Hon. Mr. Shillington:** -- The comment which I made to the member is that at a certain size the majority of businesses become unionized.

**An Hon. Member:** -- What's the size?

(1600)

**Hon. Mr. Shillington:** -- Oh, well it would vary from one industry to another. Normally unionization occurs when there is . . . oh, it would be hard to generalize -- let us say 50, 60, 100, 150, somewhere there around, most businesses become unionized at somewhere in that range. Why? I think it has not much generally to . . . it probably has something to do with the management.

Also it is simply a more difficult and complex relationship as it gets larger. As the business gets larger, the relationship gets more complex. In many cases it's easier to handle if the workers are organized and you speak to the representative of the workers, rather than trying to deal with each one of them.

I made the comment that that unionization which occurs to most businesses in that range does nothing to inhibit their success. Many of them go on to become very large, very successful. I made the comment to point out unionization does not prevent a business from being run and managed successfully; the evidence is the opposite. Most of the very large, very successful businesses are all unionized.

**Mr. Boyd:** -- So your advice to the people of Saskatchewan is, is unionize your shop and you'll become successful. I wonder how many businesses in Saskatchewan employ more than 50 people, which was your break-out figure of where, generally speaking, in your view at least, that they become unionized after that point.

Businesses in Saskatchewan that are based in Saskatchewan, I don't think there'd be all that terribly many, sir, that are actually . . . only operate in Saskatchewan. You have a number of major chains, and things like that, that operate in Saskatchewan. But I have some difficulty with that, that I think that you can be . . . your company can be successful in a number of ways without having 50 employees or more.

I think there's a great deal of small-business owners in Saskatchewan that take a great deal of pleasure in operating a small business. And what I call a small business, I think of something 20 employees or less. I think there's lots of people in Saskatchewan that make a very, very good standard of living for themselves and their employees by employing that kind of numbers of people.

And I think that that's why people in Saskatchewan, small-business people in Saskatchewan have difficulty with you, sir. Because you throw out these kinds of things like, well, you know, to be successful you need to have a unionized shop. That's the kind of thing they have difficulty with.

Because I don't think in a lot of cases they want to necessarily have a union shop. If they do, that's fine

with me; I don't care. But on the other hand, you seem to suggest to the business community in Saskatchewan that in order to be successful, in most successful businesses you throw that out and say they're unionized. Do you think that's a responsible way of discussing issues with the business community in Saskatchewan, to say that . . . to make those general, sweeping types of observations that a lot of people would disagree with?

**Hon. Mr. Shillington:** -- I did not say that nor will my words bear that interpretation. If the member wants to misinterpret it, nothing will stop you, and the time is yours. I did not say that, nor will my words bear that interpretation.

**Mr. Boyd:** -- Well I'm glad you cleared that up, sir, because that is exactly the way I interpreted it, that in order to be successful, your view was that you had to have a unionized shop. Because you said, and I think **Hansard** will back me up on this, that most successful businesses are unionized. I recall, and I'm quite sure that that was what the comment was, that most successful businesses are unionized. And therefore I guess from there it would seem only logical that the next conclusion would be that in order to be successful you have to be unionized, would be your way of providing some advice to the business community in Saskatchewan.

And we'll go back to this first contract arbitration concerns that the CFIB (Canadian Federation of Independent Business) has. On what basis are the terms to be set? Will the labour board or arbitrator require you to change your methods of operation? Will promotion in the above example be based on seniority or competition? And the example was the newly formed unionized shop that we discussed earlier, where there's some concern whether or not they'll have the ability to select certain folks without basing it on seniority.

Allowing a government-appointed board to impose the rates of pay or working conditions creates problems that the business will have to operate under without the accountability for those who impose the terms. Now do you see that as a difficulty, sir, as the CFIB obviously does?

**Hon. Mr. Shillington:** -- No, of course I don't. There are many . . . one of the myths that the opposition are desperately trying to peddle is that the result of this Trade Union Act is, everybody's going to be unionized. In fact it would surprise me somewhat if the percentage of the workforce which was unionized rose rapidly after this was passed. That would truly surprise me. It's not the aim of the Act nor I think will it be its effect.

There are many businesses where there are unions where there is an extremely productive relationship between management and labour. It can also be equally destructive. It depends upon the parties involved.

**Mr. Boyd:** -- Thank you. Mr. Minister, we've dealt

with just a few of the concerns that the CFIB has brought to our attention, and now I am in turn bringing them to your attention.

And every single one of them -- it seems like there's a pattern here, Mr. Chairman -- every single one of them seems to be of concern to them. And we bring them forward and you say no, there's no reason to be concerned about that.

Well how do you deal with groups like the CFIB when they bring forward their concerns to you, sir? What do you say to them? Do you just dismiss their arguments as irrelevant all of the time? How do you, in a formal or informal setting, deal with the concerns that these folks have? Do you just brush them off with those kinds of comments that you make here?

**Hon. Mr. Shillington:** -- None of the people that I've met with would stoop to engage in the kind of discussion which is going on this afternoon in the legislature. None of them try so desperately to spread misinformation, false facts, and confuse others. No legitimate business group would stoop to the level that the opposition here is stooping to.

So the discussion starts out at a very different plane. The discussion begins with them telling us what their concerns are. We deal with the CFIB as we deal with everybody else. We hear their concerns, we consider them; on occasion we will find that we don't share their concerns, on occasion we will find that they do; and we modify our approach accordingly. But the discussions are usually productive.

**Mr. Boyd:** -- Thank you. Well that's interesting, Mr. Minister. This is their material; this isn't mine. I didn't write this. This was sent to me by the Canadian Federation of Independent Business as concerns that they wanted to be addressed to you, sir. I didn't have any input into writing this information.

These were the concerns as they set them out; not me. It's not me that's taking out full-page ads in the **Leader-Post** and the **Star-Phoenix** around the province of Saskatchewan. It's not me that's sending out . . . (inaudible interjection) . . . No, it's not the CFIB that did that; it was the Saskatchewan business coalition, I think is what's it's called, a number of business interests all over Saskatchewan -- chambers of commerce, CFIB, North Saskatoon Business Association, Regina Chamber -- a few outfits you should be aware of.

And I think . . . (inaudible interjection) . . . I'm sure there are some from my constituency, yes. Most definitely, there's lots of members of the Canadian Federation of Independent Business in my constituency, Mr. Member. There's lots of them out there.

They were sent from a number of groups around the province. The Leader of the Opposition, in question period last week, read out the full list. I forget it now. Ten or twelve different business groups all across Saskatchewan. So this isn't my work, Mr. Minister, this

is their work. And it's them that's taking out the advertisements, and it's them that's calling for your resignation. It's not . . . well we most definitely are calling for your resignation, there's no question about that, but it certainly is with the agreement of business groups all across Saskatchewan.

The chamber of commerce, for the first time I think probably in the history of Saskatchewan, were calling for a minister's resignation. And they're not . . . I don't think the people of Saskatchewan would think they're unreasonable people. I think they're very, very . . . considered by most people to be very reasonable and relatively straightforward with you, sir.

And you say that it starts out at a higher plane. Well I think it did start out at a higher plane, but it certainly has degenerated from there with the business community, hasn't it, sir? It's degenerated to the point where they're taking out full-page ads in major newspapers at their own cost, asking for changes to this legislation.

And it's also degenerated to the point where they're asking for people to bring forward the concerns with the minister in places like the legislature and in places like open meetings in Saskatoon and Davidson, and places like that. Next week they meet in Saskatoon. I'm hoping that you will attend, sir.

In question period today you were asked, your government was asked whether you'll be meeting with this group. And the minister for Economic Development cleverly side-stepped the question and went into some rant about other stuff. I don't even recall what it was any more, but he didn't even get within 50 miles of the question about whether your government . . . excluding you, incidentally; they don't want to meet with you any more, I understand. They want to meet with the Premier, the Finance minister, and I believe the Economic Development minister because they believe that they are the heavy hitters in this government and the ones that have the ability and the authority to make some changes, and hopefully realize that what your government is doing is wrong.

Just to go on with the first contract arbitration. Business is concerned about the imposition of these contracts. However if this method is to be used, a method to select people who decide is very important to business, at the very least the actual people who decide, or the criteria for appointment should be established before this section becomes law. And I wonder if you and your department have given consideration to that.

**Hon. Mr. Shillington:** -- Well the Labour Relations Board, the members of the Labour Relations Board are charged with responsibility for the administration of this. I understand the practice in other provinces has been that non-monetary items are determined by Labour Relations Board; monetary items are determined at arbitration.

I've already answered the comments with respect to

the appointment of the Labour Relations Board. We use the same criteria everybody else uses.

With respect to the arbitrators, we have discussed but not brought to any fruition a system for appointment of arbitrators, in which we might have a list of arbitrators and use them on a rotational basis, again to try to bring some of the politics out of the system of appointing arbitrators.

A thrust of this department has been to take politics out of the appointment system, and to some extent I think we've succeeded.

**Mr. Boyd:** -- The difference is, sir, is the criteria may be the same for appointing people to the boards -- and I'm not sure whether it is or not, but we'll accept your word for that -- but the difference is, is that you're giving the board, the Labour Relations Board, so much more power than other places, and that's why the concern is. And that's the reason why I think they're calling for some criteria for board appointments, as well as clearly defining the powers of that board before they want to go any further. And I wonder if you'd comment.

**Hon. Mr. Shillington:** -- There are differences from one province to another. In the main, however, the Labour Relations Board in each province enjoy the same powers. They enjoy broad jurisdiction to interpret the rights under the contracts.

There aren't . . . there isn't any enormous difference between what's found here and what's found in other provinces. I was going to say there aren't any differences. That's probably not true; there are certainly some. Each legislation is a little different. But there aren't any major differences between the powers our board enjoys and the powers enjoyed in other areas.

That's true of so much of this legislation. So much of what is being vigorously resisted by members opposite is already working well elsewhere. And it's also true of the Labour Relations Board.

It's true of first contract legislation. It is true of so many things. What is working well . . . many of the things which you people are so vigorously opposing is working well in Manitoba, B.C. (British Columbia), and Ontario and Quebec, which have these powers in them.

**Mr. Boyd:** -- Well then why, Mr. Minister, do you think the CFIB brings these objections and these concerns forward? If it's all as cut and dried as you say it is, why does the CFIB have difficulty with what you're saying with respect to this first contract arbitration? Why do they have these concerns if you indeed say that the rest of the industrialized world doesn't have a problem with this? Why does the CFIB in Saskatchewan have difficulties with this?

**Hon. Mr. Shillington:** -- That would be an excellent question for you to put to them.

**Mr. Boyd:** -- Well, Mr. Minister, I think they have tried that with you, sir. I think they have tried that with you and somehow or another . . . (inaudible interjection) . . . Well I'm not the Minister of Labour in the province of Saskatchewan, Mr. Minister -- you are. I think it should be you that takes the initiative to ask the CFIB about their concerns, not me. I'm an opposition member. You are the one that's the Minister of Labour in this province. Maybe you should take some initiative, sir, and step forward and ask the CFIB about their concerns and sit down with the CFIB and address some of their concerns.

All that we can do as opposition members is bring forward their concerns to you, and then you in turn throw it back at me and say, well why don't you go and talk to them and see what the problem is? I'm not in a position to be able to make the changes that you are in a position to make the changes for. So don't you think it's your responsibility to deal with that, not the opposition's?

(1615)

**Hon. Mr. Shillington:** -- The point I was trying to make -- and I would have thought it would have been obvious to the member from Kindersley when I said you should ask them -- it seems to me that when these provisions are working well in other jurisdictions, whose demography, economy, and other things, are basically similar to Saskatchewan, that raises a question about whether or not in fact these are legitimate concerns. That's the point I was making.

**Mr. Boyd:** -- So it's your view that the CFIB's information that was faxed to me not more than an hour ago, an hour and a half maybe, is irrelevant. None of their concerns have any merit whatsoever. This information . . . I'll supply a copy of this to you, sir, so that you can look at it and see and verify for your own benefit that this was indeed sent to our office.

And it isn't our concerns -- it's the concerns of the CFIB. And I think that you should take the time, sir, to take these up with them. And I wonder if you would commit to that.

**Hon. Mr. Shillington:** -- No, we are not prepared to delay the passage of the legislation for further consultations. We're prepared to meet . . . as I said, I have not turned down a request to meet, and I don't foresee myself doing that. Although obviously for the next few days it's not going to be possible to be out of the legislature. But within any reasonable time frame I've not turned down any meetings and I don't anticipate doing that within a reasonable time frame.

I would say, however, to the member that we have had extensive consultations. Time has now come to pass this legislation, put it in effect, and I think once it is in effect, that will allay many of their concerns.

**Mr. Boyd:** -- So it doesn't meet your agenda. The CFIB's concerns don't meet your agenda. You've listened to them as much as you intend to listen to them. You're through listening. You're leaving the

province.

I don't know what's up in the next few days that's of such great concern, but it seems to me that the concerns of one of the major business groups in Saskatchewan should be your concern as the Minister of Labour in this province. But I guess it's painfully obvious that you're through listening, and it's your view that this legislation has to move forward and you intend to ram it through at all costs. And the objections of anybody -- too bad. Is that the conclusion to the whole thing?

**Hon. Mr. Shillington:** -- We intend to see the legislation passed at this session.

**Mr. Boyd:** -- Well, sir, during this session maybe it would be a good idea to address some of these concerns with them prior to the conclusion of the session and the conclusion of this legislation. Maybe, just maybe, they have some legitimate concerns. Did you ever consider that? Did you ever consider for one moment that they may have some legitimate concerns that you and them, if you sat down, could work them out? Does that concern you?

**Hon. Mr. Shillington:** -- We have had extensive consultations with them.

**Mr. Boyd:** -- And the results of those consultations still are that they have the same concerns and you still have the same ideological bent that you're going to push this stuff forward.

**Hon. Mr. Shillington:** -- We expect the legislation to pass at the current session.

**Mr. Boyd:** -- Well the next area of concern that they have is with successorship and contracting-in. This is a method to require business to be union even though their employees have not selected a union. It will usually apply when a government or agency contracts their work and when a business that contracts to government loses the bid to a competitor in food -- or, pardon me, in cafeteria or food, janitorial, or cleaning or security services.

And I think that this is something that's important to deal with, Mr. Minister, and I wonder what your thoughts are on this. Is that indeed the case, that we'll see those kinds of things happening?

**Hon. Mr. Shillington:** -- The difficulty with these kind of services is they are frequently tendered. And the difficulties these people have is that they go to the effort -- and considerable is involved -- to set up a union. Then the contract is retendered and they may lose all of their rights to bargain collectively. They may well have to start all over again.

This is an attempt to recognize that these people, who, I may say, are at the bottom of the ladder in an economic sense, these people . . . This is an attempt to provide some protection to these people at the very bottom. And I sense if there's any area upon which there's broad general agreement -- and I think there's

many, but this is one -- and that is that those at the bottom should get some protection and that that's overdue.

**Mr. Boyd:** -- The CFIB says that with the House amendments some parts of the original Bill have been improved. In particular, this section cannot apply to private sector businesses except in an indirect way. The section will now only apply to provincial or municipal government and government-funded agencies, such as health boards and universities. This section will make any contracting out of cafeteria, cleaning, or security services automatically covered by the union agreement. This would mean that a private business that successfully bids on the type of work for a government agency will be unionized to the same union as the government workers that previously did that work.

Is that the correct interpretation?

**Hon. Mr. Shillington:** -- No, it really is not. The clear suggestion there is that once they're unionized they're unionized forever. The basic tenet which underlies this legislation and has been the foundation of every single Act of this sort since the Wagner Act was passed by the Roosevelt government in the '30s is that workers have a right to organize. That is a basic human right. This Act recognizes that.

It is also their right to decertify. It is their right to have their union decertified if they so wish.

This Act simply recognizes peculiar problems which these people have because the service which they provide is retendered on a regular and frequent basis.

**Mr. Boyd:** -- Well the CFIB's view is, from a practical point of view, that this means that the work cannot be contracted out as business will usually not be able to carry out the terms of an agreement. It is hard to understand why those funded with tax dollars now have their hands tied in attempting to reduce costs of providing services to taxpayers.

That's the view of the CFIB, Mr. Minister. And I wonder if your discussions that you've had with them up till now, whether that was brought to your attention or this is new information that is available now, and what your view on that is.

**Hon. Mr. Shillington:** -- No, I've heard these comments before.

**Mr. Boyd:** -- You don't subscribe to that view?

**Hon. Mr. Shillington:** -- No.

**Mr. Boyd:** -- The next area is successorship-related businesses. Under this amendment the labour board can declare businesses owned or controlled by the same or similar shareholders or people to be one employer for the purpose of dealing with a union. Because the principle is that employees are supposed to decide if they want a union to represent them, there is a concern that employees of a second business

could be unionized without a change to decide if they want the union to represent them.

This is another example of the expanded powers to a labour board to unionize businesses without employee support. I wonder if you would share with us your thoughts on that, Mr. Minister.

**Hon. Mr. Shillington:** -- These provisions are found in other legislation in Canada and they work reasonably well. I suspect they'll work equally well here. There's nothing particularly leading edge about these provisions.

**Mr. Boyd:** -- It seems like with amazing regularity we see the minister saying that CFIB's concerns have no merit.

The next area is a return to work following a dispute. This section requires an employer to take striking workers back or pay them in lieu of notice as provided in a back-to-work agreement under The Labour Standards Act.

We are told the intent is to allow the parties to negotiate any back-to-work agreement they wish without regard to the minimum standards of The Labour Standards Act. In this section, it is . . . pardon me, if this is how it is to be applied, it will solve one of the concerns of business to this section.

However, because this section can be used to put economic pressures on businesses during a dispute, an employer is going to have to serve a lockout notice in every dispute and negotiate a back-to-work agreement on terms suitable to it before employees return to work at the end of the dispute.

If not handled properly, this section has the potential of adding large costs to employer both during and at the end of the dispute. What are your thoughts and your department's thoughts on that?

**Hon. Mr. Shillington:** -- That is simply at odds with current experience. Current experience is the vast majority of strikes have, at their conclusion, a protocol agreement. It is not necessary to lock everybody out to get a protocol agreement. And I think the rather dire consequence which the CFIB anticipates simply won't occur. Protocol agreements are common in most cases now where a strike comes to an end.

**Mr. Boyd:** -- Thank you, Mr. Minister. The next area of their concern is certification is an unfair labour practice . . . if an unfair labour practice. The House amendments take away the right of a labour board as found in the original Bill to certify a union if there is no majority support.

Now the labour board has to order a vote. This will eliminate business concerns of these amendments. And it appears that this might be one area that you've done something in. Is that the case?

**Hon. Mr. Shillington:** -- Yes, you have the amendments before you.

**Mr. Boyd:** -- They also have the concern with benefits during a dispute.

House amendments to the original Bill have clarified that there is no obligation on the employer to pay any benefits during a dispute or guarantee that those who provide the benefits will actually provide the benefits during dispute. With the House amendments, business concerns have been removed.

Is that your understanding as well?

**Hon. Mr. Shillington:** -- Well again, I invite the member to read the House amendments which have been filed. It is our view that the House amendment simply clarified what everyone had always understood to be the case, and that was the benefits might be tendered by a union or the employee, and if so, they had to be remitted. But there was to be no cost to the business. That was what was always intended.

**Mr. Boyd:** -- The next area is technological change.

House amendments to the original Bill provide that in circumstances where you have to implement a change or to prevent serious damage to your business, you can proceed with technological change. However, this section is still poorly worded on how long the change can be stopped in normal circumstances.

While there are some arguments that can be used to deal with the concern that a change could be delayed longer than 90 days after you first give notice to the union, it would be far better if clearer intention were expressed in this section.

**Hon. Mr. Shillington:** -- Now this section initially came out of a nationwide strike by the railways in 1958. The wording hasn't changed significantly since then and not a great deal of problems have occurred with respect to it.

So I suspect that we may simply call upon our history with this section which is very considerable. I suspect we won't have a lot of problems with it.

**Mr. Boyd:** -- Thank you, Mr. Minister. There are still a number of groups that have been writing to us over the past few days; and again, we've been receiving them in the last little while. I want to present another one to you this afternoon.

This one was I guess May 10, '94, recently. It was major concerns with The Trade Union Act amendments for public sector employees, and this one comes courtesy of the SUMA, SSTA (Saskatchewan School Trustees Association), SAHO (Saskatchewan Association of Health Organizations), and SARM, Mr. Minister. And they say:

Significant concerns over Bill 54, An Act to amend The Trade Union Act, remain for our

coalition of public sector employers. The coalition, which includes the Saskatchewan Urban Municipalities Association, the Saskatchewan School Trustees Association, the Saskatchewan Association of Rural Municipalities, the Saskatchewan Association of Health Organizations, was responding to the House amendments to Bill 54 tabled by the Labour minister.

The association wishes to commend the Labour minister for addressing several of their concerns in the House amendments, but point out that major issues which represent significant cost for the public sector were not considered.

And here are their concerns. They include:

Amending the definition of technological change. Bill 54 proposes to define technological change as:

(c) the removal or relocation outside the appropriate unit by an employer of any part of the employer's work, undertaking or business.

This will restrict public sector employees . . . or pardon me:

This will restrict public sector employers from reorganizing internal work assignments to achieve the most cost-effective service delivery for our taxpayers. The associations maintain the definition must be amended or withdrawn to permit employers with multiple bargaining units to shift workload between bargaining units.

And, Mr. Minister, I think we'll go through these. I think there's a few concerns that they have. I wonder what your comments are on that, Mr. Minister, that they have.

(1630)

**Hon. Mr. Shillington:** -- Let me read for you the comments contained in an article entitled "Mr. Cholod, you have been a naughty boy". This was contained in the **Leader-Post** supplement distributed to every house in Regina on Sunday. It's called the Sunday **Sun**.

In there, the writer, Neil Scott, says as follows:

One of the specific points mentioned by Cholod were proposals in the Trade Union Act that could limit the ability of cities, school boards and hospitals to contract out certain jobs (security guards, janitors, cafeteria workers and perhaps others).

Cities and other public sector employers need flexibility to contract out certain jobs in order to keep costs and taxes down, Cholod argues.

But -- while money can sometimes be saved by contracting out -- it is questionable if the practice can be justified if the only real savings comes by replacing unionized workers with lower-paid, non-unionized workers employed by private contractors.

**Mr. Boyd:** -- The second area of concern that they have is reinstating the termination of contracts during open periods.

Bill 54 entrenches existing collective agreements as a base that can be enhanced through negotiations, but which cannot be reduced. For the public sector this means that local taxpayers are obliged to finance existing collective agreements indefinitely and regardless of the negative effect that obligation may have on the local tax base or local service delivery.

This is an unwarranted intrusion into collective bargaining that will result in adversarial labour-management relations. The employer's option to terminate contracts during open periods must be reinstated.

How do you deal with their concern on that?

**Hon. Mr. Shillington:** -- The notion -- which is not peculiar to the cities, the municipalities, universities, schools, and hospitals -- the notion that these contracts can never be changed is just not accurate. Of course they can be changed. They can be lowered, but that must be done by negotiating with the employees. It can't be done unilaterally. And that we think is fair and makes sense.

And I might add, I could name any one of a number of different companies which had achieved remarkable turnarounds after negotiating lower wages. I might mention Chrysler. The Chrysler minivan plant at Windsor is a model of what a car plant should be. One of the things they did, 10, 12 years ago was negotiate lower wage packages. But it was negotiated, and that is how employers should proceed. They should proceed by negotiating with employees. And if the business . . . if the continuation of the business depends upon it, in most cases, you'll get that consent. And that's also true of the municipalities.

So it is simply not true that these contracts can never be lowered. The benefits can be lowered, but they must be negotiated.

**Mr. Boyd:** -- The third area of concern that they have is with withdrawing contracting-out, amendments.

Public sector employers contract out service delivery as a cost control measure, caused in part by harsh reductions in provincial transfer programs. The association maintains that public sector employers must retain the option to use contracting out as a means of reducing service costs and of managing service delivery within budgets.

How do you deal with that concern that they have?

**Hon. Mr. Shillington:** -- I already have dealt with that concern, and I did so by reading the article from the *Sunday Sun*.

**Mr. Boyd:** -- As far as these groups are concerned:

Wages and salaries represent the single greatest expense in the public sector. Left unchanged, the government's proposals prevent public sector employers from responsibly managing that expense in the best interests of the citizens of Saskatchewan.

The provincial associations are united in calling on (and I'm quoting from this, Mr. Chairman) Mr. Shillington to introduce additional House amendments to address their concerns and provide public sector employers with the flexibility needed to responsibly manage the cost of service delivery.

Now I'm wondering, Mr. Minister, if you . . . this came in May 10, I understand. I'm wondering if you've taken the time to write to these people and have addressed point by point the concerns that they have. And if you have, if you would provide a copy of those, of that information to us please.

**Hon. Mr. Shillington:** -- It is unlikely, if that is dated May 10, it's unlikely that I would have responded at this time.

**Mr. Boyd:** -- Thank you, Mr. Minister. The next one we have comes from, I believe it's Merit Contractors -- and I think you're probably familiar with them -- Association. Yes, respectfully submitted by Merit Contractors Association, May 29, 1992, Mr. Minister. This is some information that came to us recently.

On April 8, 1994, Bill 54, The Trade Union Amendment Act, was introduced into the legislature. Due to the speed with which these amendments will be passed, the scope of this commentary is primarily limited to representation issues and related powers of the Saskatchewan Labour Relations Board. There will none the less be some wandering commentary on issues which may be addressed in the unionized employer contract.

Their general assessment of this piece of legislation is as follows:

The proposed amendments are intended to promote greater industrial peace between Saskatchewan's unionized employers and employees. Much mention is made of the proposed amendments which will not ban replacement workers. Media isolation on what is effectively a historic non-issue in Saskatchewan has effectively diverted attention from the subversive amendments which will undermine employee rights

respecting workplace representation and the ability of employers to bargain effectively with the trade unions.

That's their general assessment of it, and I wonder what your thoughts are on it.

**Hon. Mr. Shillington:** -- Well I obviously don't agree, and I think I've already commented in these estimates on those general sort of comments.

**Mr. Boyd:** -- Point (a) in their submission is:

. . . acceding exclusively to labour's demands. As with Bill 32, amendments to The Labour Standards Act, Bill 54 amendments give operational, legal effect to most changes called for under the Saskatchewan Federation of Labour's, SFL's discussion paper, "An Economic Agenda for Saskatchewan Labour in 1990."

Is this where this information, this legislation has come from, sir?

**Hon. Mr. Shillington:** -- Of course not.

**Mr. Boyd:** -- Well these people seem to think so, Mr. Minister. Do you have a copy of the economic agenda for Saskatchewan labour in the 1990s which is written by the Saskatchewan Federation of Labour? Are you familiar with that?

**Hon. Mr. Shillington:** -- No, I must say I'm not intimately familiar with it.

**Mr. Boyd:** -- Well we'll have to ask our research department to get a copy of that. Because if that's the case, Mr. Minister, I think it lends some support to the view that businesses and the opposition has been saying that this information has come forward directly from labour to you and your government. And I wonder if you have any comment on that.

**Hon. Mr. Shillington:** -- Legislation was the product of extensive consultation, sir.

**Mr. Boyd:** --

The paper called for repealing Bill 104 granting automatic certification, i.e., without employers' votes due to employer unfair labour practices; continuing labour agreement provisions after agreements expire; strengthening union successor rights in cases of contracting out; imposing first collective agreements, etc. All of the measures and more are contained in Bill 54 and appear despite the protests of the business community which has advanced well-reasoned positions on possible amendments since the Trade Union Act Review Committee was initiated in 1992.

I guess that's just one piece of evidence to suggest that it indeed does come from the SFL's "Economic Agenda for Saskatchewan Labour in 1990."

**Hon. Mr. Shillington:** -- I don't know what response I'm supposed to make to these allegations. They are the same. You've been making the same allegations all afternoon. I've been saying no, it's not true, all afternoon.

If the member wants some assistance in carrying on a filibuster, I can lend you some ideas which will work a lot better than this.

**Mr. Boyd:** -- Thank you, Mr. Minister. I would suggest that if you want to do something helpful, you could make some changes to this legislation. That would be the most helpful thing you could do.

I'm just simply bringing forward the concerns of the groups across Saskatchewan. I mean you can belittle them all you want and belittle us in opposition all you want, but it's really of no concern to me, sir. It should be of concern to you though, that business groups across the province are concerned about this legislation. And you should be dealing with it, rather than offhand flippant comments that you tend to make whenever you seem to get frustrated with the process.

No matter how much you look at that clock, it isn't going to speed up, sir. This afternoon and tonight and day after day after day I think we're probably going to be going through this kind of stuff, Mr. Minister, because I think this is important. I think that it's important that the business groups have opportunity to hold a rally in Saskatchewan . . . or in Saskatoon next week to bring forward the concerns of business groups all across this province and develop a focal point of opposition to this and to your government's agenda with respect to this.

So we're going to continue, sir, and I don't know whether it's going to be successful or not. We hope that the business groups will continue to put pressure on you to deal with this piece of legislation. I'm sure you're still continuing to move forward with this, but I'm hopeful that business will be able to shake some sense into this legislation before it does pass.

Once again organized labour has succeeded in obtaining, through law, in Bill 54, what it would have been unable to obtain through grass roots organizing efforts and democratic procedures. First contract arbitration, otherwise enhanced arbitration procedures, in extending terms of expired agreements, also ensures that what cannot be achieved through free collective bargaining process will be imposed by law or third parties.

Clearly these new rules are solely intended to give organized labour . . . and put these amendments that are desperate attempts to expand union influence on the workplace despite the fact that less than 10 per cent of Saskatchewan private sector employees are unionized. The government may point to various surveys, studies, meetings, commissions, etc., as an indicator of how broadly it consulted in an attempt to develop legislation. However, the general, unanimous opposition of business determined not to replicate the unbalanced and uncompetitive laws

recently introduced in Ontario and B.C., meant the government could not create the illusion of consensus or broad support for the measures contained in Bill 54.

At the end of the day it is clear that the proposed amendments in essence reflect an imposition of new rules by governments and unions at the expense of employees and employers.

Mr. Minister, you've said that you've consulted broadly on this issue, and I expect you probably have talked to a great deal of people, a great number of people. Are there any business groups in Saskatchewan that you can point to as examples -- any at all -- major business groups, that support this legislation?

**Hon. Mr. Shillington:** -- I think I'm going to decline to get involved in the discussion. Yes, there are. Your next question is going to be who, and I'm going to refuse to answer it, just to anticipate your next question.

I've had a large number of conversations with business groups and most of them have been confidential. And so while there are people who have said this is the right thing to do, this is an idea whose time has come -- anticipating your next question -- I do not intend to reveal individual conversations.

**Mr. Boyd:** -- Well that's quite a statement, Mr. Minister. There's people out there that support me but I'm not going to tell you who they are. That's incredible, Mr. Minister, how you can stand with a straight face, say that to the people of Saskatchewan, that there are business groups out there but it's a confidential nature. We have talked to them and they don't want their names associated with any of this stuff and they don't want to give us their full fledged support. They don't want to come forward and let you use their name publicly. Is that what you're saying, sir, that they're supportive but you don't have their permission to trumpet that support? Is that what the problem is?

**Hon. Mr. Shillington:** -- I'm saying private conversations are just that.

(1645)

**Mr. Boyd:** -- Private conversations. So we have to assume that somehow or someone out there has had a private conversation with you and that you have elicited their support but you don't want to reveal the people who they are, Mr. Minister. That seems a little bit hard to understand or believe, quite frankly, sir, that if they support you, I'm quite sure most business leaders in Saskatchewan would stand up and say, because they're forthright people -- they're not ruthless and greedy; they're forthright people, I think -- they'd stand up and say, yes, we're supportive of this legislation. The minister has our support and we freely admit it. Or what seems to be the problem with this, Mr. Minister? Why, if a group is supportive of it, why do you think that they wouldn't be prepared to publicly say that?

**Hon. Mr. Shillington:** -- I've already stated that I'm not going to get into the issue of naming individuals.

**Mr. Boyd:** -- Are we talking about, Mr. Minister, are we talking about these little side deals that are going on that we're aware of? That the Premier and I think probably the Economic Development minister are engaging in these days, hustling around from one corporate boardroom to another trying to elicit the support of major business leaders?

I see one member shaking her head in agreement that that's probably the case, Mr. Minister. Is that what we're talking about -- the Premier going around to the various corporate boardrooms? There was one person shaking their head -- you look at me that I'm not telling you the truth. But is that what we're talking about, Mr. Minister?

**Hon. Mr. Shillington:** -- No.

**Mr. Boyd:** -- What are we talking about then, Mr. Minister? You're saying that you've got support but you won't reveal it. We're aware that side deals are being looked at right now. Your government's trying to appease a few heavy hitters in this province these days to get their support for it. It seems to me, Mr. Minister, it's pretty conditional support, isn't it, when you can't even get them to come forward and say that they're supportive of this legislation.

Should it be a concern, Mr. Minister of Labour, in this province, to small-business people when a government goes out and tries to cut side deals in order to get support and be exempted from this legislation? Should that be of concern?

**Hon. Mr. Shillington:** -- Mr. Minister, let me say that we put forth this legislation because we believe it is in the best interests of the public of Saskatchewan. We do not do so after tallying who supports it in the trade union community, who supports it in the business community; you add them up -- if it's a plus figure you go, if it's a minus figure, you don't. That actually is the kind of government in which the former administration participated and it really is disastrous.

What we have sought to do is determine what is in the best interests of the province of Saskatchewan and proceed with it. We believe at the end of the day, governments which do that are successful; those which attempt to run a government by polls are not. It's the difference between driving a car by looking out the front window -- which is what we're doing -- or looking out the rear view mirror, which is what running a government by polls is.

So we make no apologies for the process. The questions which you asked do not determine whether or not this legislation goes forward.

**Mr. Boyd:** -- Mr. Minister, no one is suggesting that you line up one side and you line up the other side, and then you count the number of people on each side and make a determination as to which direction your

government is going to go.

I think what business is only suggesting, I think what business is suggesting is that you deal with this by consensus and you deal with it in a way that addresses the concerns of all, not just labour. That's the concern, Mr. Minister. And I don't think you've addressed the concerns that business groups in this province have. And that's why you can't get support for them unless you cut them a deal, unless you cut them some kind of a side deal.

Is that the case, Mr. Minister?

**Hon. Mr. Shillington:** -- No.

**Mr. Boyd:** -- Mr. Minister, this group goes on to say that:

Undemocratic measures in enhancing third-party powers. At the behest of organized labour, NDP governments across Canada continue to erode procedures and rules that would protect the fundamental principle of trade union legislation to protect the right of employees to organize in unions of their own choosing to bargain collectively.

These changes have included greater restrictions on the fundamental rights to have a secret ballot vote on certification or decertification applications. There are also growing numbers of circumstances where the right to vote is being effectively eliminated.

Mr. Minister, is that the agenda of you and your party across Canada?

**Hon. Mr. Shillington:** -- No. The process with respect to certification and decertification has not changed at all.

**Mr. Boyd:** --

Regardless of employee wishes, the Saskatchewan Labour Relations Board, whose members now sit for fixed three- to five-year terms instead of at the pleasure, retains the unfettered discretion to order a secret ballot vote on union representation regardless of the level of employee support evidenced.

Amendments would also now permit the LRB to order certification without an employee representation vote in instances of employer unfair labour practices and through common employer declarations. Although rules regarding the employer free speech, as evident in the LRB 169-92 attached, are already highly restricted and there are multiple instances of reverse onus provisions which reverse the burden of proof onto employers in dealing with unfair labour practice charges, section 11, greater restrictions will be placed in employer communications for proposed under section 11(1)(a) amendments. As evident in the LRB

149-92 attachment, I believe the current LRB invited both amendments to be included in this series of amendments.

Mr. Minister, is that the case?

**Hon. Mr. Shillington:** -- If the member had any understanding of what he was reading, he'd recognize that comment is out of date in light of the recent House amendments.

**Mr. Boyd:** --

Section 37 gives the LRB free rein to interpret within the broadest meaning of an Act whether a secret ballot vote on representation is warranted. Upon the sale, disposal, or leasing of assets or business, the LRB may order the transfer of a union and collective bargaining agreement regardless of the employee wishes.

An example provided in LRB 172-9 attached, wherein employee wishes were totally disregarded and there was no legal requirement for the board to order a vote.

However proposed section 37.2 amendment is positive in that it permits a vote to be taken. However as the section is currently worded, similar to section 5 dealing with the LRB powers for regular votes on certifications, there is no express duty placed on the LRB to order a vote, i.e., "shall" should replace "may".

The expansion of board powers in the absence of compulsory voting requirements is particularly disconcerting, given section 37.1 and the amendments to section 43 dealing with technological change. Section 37.1, contracting out of services to be a sale for purposes of union successorship. Providing this would likely be considered a removal or relocation of work covered by the definition of technological change covered under section 43(1)(c), workplace adjustment plans, i.e. mitigating measures, would also have to be negotiated.

Two side issues may also be relevant: the express inclusion of services to mining camps, covered under section 37.1(1)(a)(iii) seems curious. It is understood that various native organizations are entering into joint ventures and establishing their own business enterprises to provide these types of services as part of their economic development strategies. Unless these circumstances are covered by a Canada labour code, proposed amendments concerning contracting out of services may in fact hinder as opposed to facilitate greater native control over their economic future.

Second, it is important to note that the threshold of significance applying to section 43, technological changes, is between 13.7 and 20 per cent.

Is that the case, Mr. Minister?

**Hon. Mr. Shillington:** -- Once again, let me say that the existing Trade Union Act gives the board really an unfettered discretion to order secret votes. None of this adds to that.

**Mr. Boyd:** --

Expanded powers to declare a non-union employer to be a common employer with a unionized employer, as proposed in section 37.3(1) also leaves the LRB with broad discretionary powers over employee voting rights. Perhaps even more disturbing is the new power to grant any relief by way of declaration or otherwise that the board considers appropriate.

While it may be said that this language is patterned after section 18 of The Construction Industry Labour Relations Act attached, the LRB's authority in the proposed amendment does not appear to contain the same language limiting the relief to circumstances related . . . the company has deliberately done so to avoid a collective agreement or its collective bargaining objectives.

And their conclusion, Mr. Minister:

As with Bill 32 respecting labour standards amendments, Bill 54 respecting The Trade Union Act amendments reflects essentially the realization of legislative goals and policies as set out by organized labour.

And that's a fairly serious accusation, Mr. Minister, and I'd wonder if you'd comment on that?

**Hon. Mr. Shillington:** -- I would simply repeat what I've been saying all afternoon; it is not. It reflects our view of what is in the public interest.

**Mr. Boyd:** --

The formal consultative process undertaken in spring 1992 can only be characterized at best as a failure. History will record this process as more likely a sham to begin with. Many of the proposed amendments reflect a betrayal to both non-union working people, who see more and more of their fundamental democratic workplace rights eroded, to unionized employers who have had the ability to bargain competitive agreements effectively emasculated.

Again that's a fairly serious charge, Mr. Minister, and I'm wondering what your thoughts are on that?

**Hon. Mr. Shillington:** -- What the member said was, the consultation process which took place in the spring 1992 was a sham. We don't have any comment. Nobody sitting here played any role in any

consultation which took place in the spring of 1992. That was before the committee, which eventually led this legislation, was set up. Either the member has read the date wrong or you're referring to something different than The Trade Union Act.

**Mr. Boyd:** -- Next, Mr. Minister, I have an article that came out of the **British Columbia Report**, May 3 of 1993, and I think it highlights some of the things that were happening in British Columbia at the time, and should give warning to the people of Saskatchewan as to what's going to be the problems here.

If the LRB rules an employer has interfered with the union organizing effort, it can simply declare the workers as unionized.

Mr. Minister, they seem to think that that's a problem in B.C.; do you share that?

**Hon. Mr. Shillington:** -- What's happening in B.C. is of no relevance to this legislation.

**Mr. Boyd:** --

The NDP claimed the loaded gun it handed to labour would be only used for protection. But it's becoming obvious that labour considers the code a powerful, offensive weapon.

Again, Mr. Minister, a very serious accusation. What are your comments?

**Hon. Mr. Shillington:** -- I'm not sure what is to be gained by these broad, general accusations which have nothing to do with The Trade Union Act, but are simply more an expression, I think, of frustration than any comment about The Trade Union Act. All I can do really is get up and say to each one of them: I disagree.

**Mr. Boyd:** -- Well you're right, Mr. Minister, it's becoming painfully obvious that the concerns of business are of no concern to you. The people in Saskatchewan that represent business interests all over the province whether it be the chamber of commerce here in Regina or in Saskatoon, or the North Saskatoon Business Association, or the CFIB, or group after group, the Saskatchewan Construction Association, the hoteliers, retailers all over Saskatchewan, fast food outlets, small-business people, large-business people -- other than the ones you're trying to cut a deal with -- all disagree with you, sir.

All seem to feel that these changes do not represent the best interests of the people of Saskatchewan.

And somehow or another, Mr. Minister, you seem to fail to recognize that. You categorically deny any concern that there's people out there that support you, but you don't identify them, which seems awful curious to us, Mr. Minister. Business interests don't believe that; I don't believe that. I don't think the general public of Saskatchewan believes that.

Just who are you trying to protect in all of this, Mr.

Minister? Are you trying to protect your job? Is that the only concern you have here? You've got yourself in so deep now that it seems painfully obvious to me, and I think people all over Saskatchewan, that you're going to try and ram this stuff through come . . . no matter what.

Mr. Minister, it seems painfully obvious that . . . and in clear evidence, and I think that was this afternoon when the Minister for Economic Development tried to slap and impose extended hours on the opposition. That's always been the tactic of this government, is the moment that there's any opposition, make it tougher and tougher and tougher and tougher for the opposition to deal with it.

And the Minister of Economic Development, he knows that. He's a master of dealing with these kinds of things. We've seen it from time to time in this legislature. He's a master of dealing with this kind of problem and we know it. He knows it. Slap some extended hours on it, make it so the opposition wear . . .

**The Chair:** -- Order, order. Order, order. I frankly question what the member's comments have to do with the Bill before us. In any event, it's 5 o'clock and this committee stands recessed until 7 o'clock p.m.

The Assembly recessed until 7 p.m.