

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
March 6, 1995

The Assembly met at 1:30 p.m.

Carlyle area. Mr. Speaker, I so present.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Knezacek:** — Thank you very much, Mr. Speaker. I'm pleased to present petitions on behalf of a number of my constituents who come from the communities of Langenburg, Marchwell, Churchbridge, Esterhazy, Gerald, Yarbo, and Spy Hill. And I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to unequivocally oppose changes to present legislation regarding firearm ownership, and instead urge the federal government to deal with the criminal use of firearms by imposing stiffer penalties on abusers, and urge the federal government to recognize that gun control and crime control are not synonymous.

And as in duty bound, your petitioners will ever pray.

I'm pleased to lay these on the Table.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'm happy to present petitions for people from my constituency today. I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding dedicated towards the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program towards double-laning Highway No. 1, rather than allocating these funds towards capital construction projections in the province.

And as in duty bound, your petitioners will ever pray.

From the town of Gull Lake and district. And I'd like to thank Caroline Selles for sending these today.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I also have gun petitions to present today. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to unequivocally oppose changes to present legislation regarding firearm ownership, and instead urge the federal government to deal with the criminal use of firearms by imposing stiffer penalties on abusers, and urge the federal government to recognize that gun control and crime control are not synonymous.

And as in duty bound, your petitioners will ever pray. These petitions come from the Alida, Carievale, Weyburn,

**READING AND RECEIVING PETITIONS**

**Clerk:** — According to order the following petitions have been reviewed, and pursuant to rule 11(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly to oppose changes to federal legislation regarding firearm ownership.

**NOTICE OF MOTIONS AND QUESTIONS**

**Mr. Martens:** — Thank you, Mr. Speaker. I give notice that I shall on Wednesday next move:

That an order of the Assembly do issue for return showing the total amount spent on construction projects by Saskatchewan Crown corporations for the last fiscal year with the information for each Crown listed separately.

**INTRODUCTION OF GUESTS**

**Mr. Trew:** — Thank you, Mr. Speaker. This member from Regina Albert North is indeed honoured to be recognized. It is my pleasure today to introduce to you and through you to all members of the Legislative Assembly, Jack Samuelson who is a constituent and a friend. Jack has been a long-time active in the Argyle Park area, and Jack and his wife Margaret have helped a great many people along the way. And I know that Jack has provided me with some good advice on an ongoing basis. I ask all members to join me in welcoming Jack Samuelson.

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

**Ms. Stanger:** — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to the legislature, a friend of mine and a constituent, Teresa Joki. She is sitting in the west gallery. And she is in Regina for meetings today. Teresa is a community-minded person, has been a teacher, works in a small business, and is a great friend. So I want you to welcome her to the legislature.

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

**STATEMENTS BY MEMBERS**

**Recognition of Performance of Saskatchewan Athletes at  
Canada Winter Games**

**Mr. Whitmore:** — Thank you, Mr. Speaker. I would like to recognize all the Saskatchewan athletes for their fine showing at the Canada Winter Games in Grande Prairie, Alberta.

The games came to a close during the weekend, but not before Saskatchewan won 32 medals, including 13 gold, 11 silver, and 8 bronze. That was good enough for Team Saskatchewan to end

up with fifth place finish in total points, Mr. Speaker. This is a remarkable accomplishment when you consider the population base we have to draw on, compared to some of the other provinces in the competition.

Five Team Saskatchewan boxers did exceptionally well on Friday, winning three gold medals and two silver. On Saturday, the Saskatchewan women's hockey team was awarded the silver medal.

I'm sure we'll be hearing the names of many of the Team Saskatchewan athletes in the future, as they pursue their goals, and perhaps there may be some future Olympians who developed their skills from experience in Grande Prairie.

The next winter games will be in Corner Brook, Newfoundland, in 1999, and I know Saskatchewan will be a force to be reckoned with.

Thank you very much, Mr. Speaker.

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

#### **Kinsmen Telemiracle**

**Mrs. Teichrob:** — Thank you, Mr. Speaker. Another miracle took place in Saskatchewan yesterday. I'm referring to the Kinsmen Telemiracle telethon, which has raised approximately \$2.5 million in pledges. When the telethon went off the air yesterday at 5 o'clock, \$2,451,783 was pledged. That figure represents the highest total ever in the 19-year history of Telemiracle.

Raising \$2.5 million in Saskatchewan through a telethon is quite a remarkable feat. It represents \$2.50 for every man, woman, and child in Saskatchewan. The people of Saskatchewan are to be congratulated for their generosity and imagination in helping to raise this money which will benefit Saskatchewan children and adults with physical and mental disabilities.

Whether it is an ultra-light wheelchair for a child or a new and innovative renal unit to help people with their own dialysis, Telemiracle funds are being put to good use.

Mr. Speaker, I would like to congratulate the Kinsmen and Kinette clubs of Saskatchewan, all of the organizers of Telemiracle 19, and the 2,000 volunteers who made sure the 20-hour telethon went smoothly. Thank you.

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

#### **Formation of Touchwood Hills Regional Economic Development Authority**

**Mr. Flavel:** — Thank you, Mr. Speaker. Mr. Speaker, economic development in my riding has been given a boost with the formation of the Touchwood Hills Regional Economic Development Authority.

I had the pleasure of attending a ceremony last Wednesday

which announced the formation of this Authority. Its founding members include nine rural municipalities, the towns of Cupar, Ituna, Southey, and the villages of Dysart, Hubbard, Kelliher, and Leross. Associate members include the Crossroads Rural Development Corporation and Carlton Trail Regional College.

Mr. Speaker, this is the 10th REDA (regional economic development authority) to be formed in Saskatchewan, and all of them are helping rural areas reap the benefit of the economic recovery which is taking place across Saskatchewan.

The members of this Touchwood Hills REDA will be pooling their resources in the spirit of cooperation to encourage new jobs and new investment. This collaboration will mean more opportunities for these communities and an enhanced quality of life.

I would like to congratulate all the partners involved in forming this economic development authority and offer my best wishes to the officials and the board members who will promote the economy of this region. Thank you.

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

#### **South Central Regional Winter Games**

**Mr. Martens:** — Thank you, Mr. Speaker. The South Central Regional Winter Games were hosted by the town of Herbert this past weekend. And they included some interesting activities like hockey, curling, table tennis, floor shuffle-board, table shuffle-board, Boston billiards, the volleyball, cribbage, whist, and they concluded yesterday with an ice show.

And they had some special demonstrations that included painting by a local artist, Joyce Cornelson. She's a water-colour painter, demonstrated that. There was ostrich egg art demonstrated by Kathy Seamans, painting ostrich eggs and displaying them for purchase. Quilting by Katherine Janke. And then Ruth Bakus from Morse was good enough to put together a wool and other fibre guild show where they demonstrated how they took the product from the raw wool and made garments out of it.

This whole community effort was coordinated by the chairman, Jake Dyck; co-chairman, Rhonda Ens; secretary, Cynthia Firus; and treasurer, Sandra MacArthur. Committee members were Krista Rutledge and Dennis Kehler.

I want to say that the people in that community are to be complimented for hosting the winter games. And I think they're to be complimented for the way they did it and the kindness and the consideration they showed.

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

#### **RCMP First Nations Community Policing Service**

**Mr. Sonntag:** — Thank you, Mr. Speaker, I've spoken many times in this legislature of the Meadow Lake Provincial Park. On the eastern border of the park is the Waterhen First nation Reserve. And recently an important milestone was reached

which affects both the park and the people of Waterhen.

After years of planning and negotiations with the federal government, our provincial government and the Federation of Saskatchewan Indian Nations, the Waterhen First Nation has established a policing unit. This unit is part of the RCMP (Royal Canadian Mounted Police) first nations community policing service and is also a part of the Meadow Lake RCMP detachment. This is the third of such policing units in the province. The others are in File Hills and at Little Pine and Poundmaker. There is no doubt that more will follow.

Mr. Speaker, this two-officer unit has its own facility on the Waterhen First Nation and one officer is already on duty. The second will join the unit in the spring. The unit will spend 80 per cent of its time in the Waterhen community and the remainder of its time in the park.

The constable on duty was raised in La Ronge and speaks Cree. His initial duty is to re-establish communication between aboriginal people and the police. To assist in this endeavour the police management board as well as the officers will consult with elders who will provide spiritual and cultural advice. The official opening will take place this spring but the unit is already active, Mr. Speaker.

I congratulate Chief Richard Fiddler, his councillors, the board, the RCMP, and Constable Mirasty for their innovative efforts in creating effective and appropriate community policing.

Thank you.

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

## ORAL QUESTIONS

### Crown Construction Tendering Agreement

**Mr. Goohsen:** — Thank you, Mr. Speaker. Mr. Speaker, my question this morning is for the minister responsible for CIC (Crown Investments Corporation of Saskatchewan). And I'd like to start this morning, Mr. Speaker, by noting that I made a mistake on Friday, and unlike the Minister of Social Services, I am willing to admit that I do make mistakes.

On Friday, Mr. Speaker, I said that I had a list of 260 Saskatchewan companies opposed to the union-preference tendering. That figure, sir, was wrong. There are actually 337 companies on that list and I expect that list will continue to grow in the days ahead.

Mr. Minister, way in the back of the agreement is a new entity called the Construction Opportunities Development Council Inc..

Now none of the industry people we have spoken to seem to know what this is. So, Mr. Minister, who is on this council and what is its purpose?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, I'm pleased to respond to the member opposite asking about the Crown corporation Construction Tendering Agreement today because I'm always pleased to respond to questions dealing with a policy that will maximize a number of Saskatchewanans working on Saskatchewan construction sites.

But in order to make this agreement work effectively, Mr. Speaker; in order to be able to review the agreement and its implementation; and at the end of this season — as I indicated in my statement to the press and to the House — it will be reviewed again to see if there are any things that need to be amended; there is the council which will be playing this role. It will have representation on it from the construction industry. It will have representation on it from the trade union sector. And it will have representation on it from the Crown sector, in order that we are able to review this adequately.

And in some cases there will be the need to provide some arbitration where there is . . . or mediation where there are some disagreements on the application of the agreement.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Well, Minister, first of all when you hire through a union hall in Regina, that doesn't necessarily mean that those are Saskatchewan jobs. In fact the reality is that a lot of those workers will come in from Manitoba and Alberta and they'll apply for jobs through the union hall here and they will get the employment.

Mr. Minister, the purpose of this council that we've been talking about is to collect and administer a 21-cent-an-hour payroll tax from all companies working on Crown contracts. According to the contract, this money is to create, support, and promote programs to continually enhance the unionized construction product.

Now that's pretty vague, Mr. Minister. What exactly does that mean? More union organizing; contributions to the NDP (New Democratic Party)? Mr. Minister, you can call this fund whatever you want. But in Saturday's paper, the editorial from the *Leader-Post* hit the nail right on the head, and they called it a union slush fund. Now that's what it is, Mr. Minister, isn't it? Now why did you negotiate a union slush fund into your new union patronage tendering policy?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, I know that the member opposite would like to put his own titles and definitions on these things. But I want to say to him that that is not the purpose of the fund. I think he knows that.

Clearly the construction labour relations association is going to have to incur some expense in providing information to the non-unionized contractors on the contracts that are there, the terms of the agreements that are there between management and the workers, and therefore some of this fund is designated to be able to defray some of that cost. I see nothing wrong with that.

I think it's a positive and important contribution to defraying those costs because it will help everybody. It will help this agreement work effectively. It will help the construction industry know what the terms are so that they can meet them in preparing the tendering proposals. And I think in the end everybody will benefit.

But most of all, Mr. Speaker, I think Saskatchewan workers and Saskatchewan taxpayers are going to benefit because we are going to have for the first time a clearly defined tendering process in which the lowest bidder is going to qualify without any question at all.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Minister, your new tendering policy is the ultimate in political patronage. First, unionized workers are guaranteed a majority of the jobs even though they make up a minority of the workers. In fact non-union workers will be prohibited from even applying for 75 per cent of the jobs on government construction sites. Then you force employers to pay a payroll tax of 21 cents an hour.

Now you put that money into the union slush fund, obviously. This is nothing more than an elaborate kickback scheme and a political pay-off for your union leaders and your friends. As one contractor said in Sunday's paper — or Saturday's paper rather — it's really fraud.

Mr. Minister, would you admit that's exactly what this union patronage policy is — an elaborate fraud on the people of Saskatchewan? Or will you rescind this disgraceful policy, Mr. Minister?

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

**Hon. Mr. Tchorzewski:** — Well, Mr. Speaker, I know, I know that the Conservative members opposite — and the Liberals are very rapidly catching up — are the experts on patronage. If you look at the history of the 1980s, Mr. Speaker, with the George Hills and the Guy Montpetits and the door company and Supercart company, where people could come and visit with the former premier with an empty briefcase and leave his office with a full briefcase of money, they would know a great deal about patronage.

That is not the way this government operates, Mr. Speaker. We operate on the basis of lowest qualified bidder. That's what this policy does. It's going to be the lowest qualified bidder. It's going to maximize Saskatchewan employees on the workplace in Saskatchewan, something which has never been before, because many contractors in the past brought the workers in from places like Alberta and Manitoba. Nothing wrong with that, but in my personal opinion Saskatchewan workers should have first preference whenever possible.

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

### Patronage Appointments

**Mr. Martens:** — Thank you, Mr. Speaker. My question today

is to the Premier. My colleague from Maple Creek has identified the world's largest pork barrel with room enough in it for the Premier, his cabinet, his MLAs (Member of the Legislative Assembly), and all the union leaders in the province. It's blatant and it's shameful.

Mr. Speaker, I would like to address another sad example of NDP political indulgence, and that is the organized patronage that has been rampant in the NDP administration.

My question is to the Premier: Mr. Premier, can you tell me what the criteria was for hiring individuals to the position of returning officers? More specifically, what was your quota for hiring people with connections to the NDP?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, I am pleased to tell the member for Morse that there are no quotas. The people who are hired as returning officers are hired in the same way as they have been. They are hired on the basis of their ability to perform in that particular function.

We all know, Mr. Speaker, that in order for the democratic process to operate effectively, the people who do the work as clerks and as deputy returning officers and as returning officers have to be qualified and capable.

I can assure the members opposite and you, Mr. Speaker, that the people who have been appointed as chief electoral officers in the constituencies are qualified and will serve the candidates and the public and the voters very well when the election campaign comes forward. And it may be any time between now and the spring of 1996.

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

**Mr. Martens:** — Mr. Minister, your pay-offs to the unions are an insult and your pay-offs to the NDP supporters is equally obscene.

Mr. Minister, the list of individuals hired as returning officers reads like the guest list at Tommy Douglas House. With just a cursory glance, we have identified 22 NDP supporters appointed by the Premier. I'm sure that the final tally will equal 58 out of 58.

Mr. Minister, whether it's pay-offs to unions or jobs to the NDP, you haven't changed your tune. Mr. Minister, is it not time for you to recognize that this kind of patronage must be taken out of the hands of politicians? Would you agree to passing our Bill which will see patronage and partisan patronage brought under control? Will you do that, Mr. Minister?

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

**Hon. Mr. Tchorzewski:** — Well I am not an expert on the Bible, but I do remember something terrible about getting struck by lightning on the way to Damascus and I suppose, Mr. Speaker, that that could adequately apply to the member

opposite.

Having sat on this side of the House for a number of years on the part of a government that probably discredited the process of government more than any I have every known as long as I have been alive and old enough to understand what the political process is all about, Mr. Speaker, I think it does not say much for having him the spokesman for that group get up and say somehow they have the answer to reducing patronage.

Mr. Speaker, this government has introduced more democratic reform in this legislature than any other government before it. I'm not going to repeat the list but if the member wants me, I can. And I think that stands well for the interest of this government to make sure that the democratic system is working and people who are qualified are appointed to positions of responsibility in the administration of government.

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

**Mr. Martens:** — Mr. Speaker, Mr. Minister, your blatant patronage is obvious to everybody but you. You may talk about the past, but you are in government now, you can do something about it. And as the Deputy Premier . . . as the Premier promised from time to time again, that's what he said he would do.

Instead of starting up to throw blame at everybody else you are caught with your hand in the cookie jar or the pork barrel. You don't recognize the problem or do you act on it. Let's start with hiring your buddy, David Dombowsky, to head the new division of SaskPower. Then appointing the former administrator for the New Democratic Party at the former T.C. Douglas House, a woman by the name of Debbie Kajati, to work with Mr. Dombowsky. Was there competition for that position, Mr. Minister?

So let's start with the baby steps. Why don't you start by initiating some response in this Legislative Assembly where all the people of this Assembly can be a part of that discussion? Would you do that, Mr. Minister?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, I want the member opposite to know — and I repeat again because there really is no other answer — that people who are appointed under this administration will sometimes be New Democrats.

And that's not because there is some hidden motive to appoint people because they're New Democrats, as is obviously the policy of the Liberal Party in their pronouncements and statements, even by the Leader of the Liberal Party; or as has been the policy of the Conservative Party, because their recent record shows very clearly what approach they would use.

The approach of this government is to appoint people to boards and commissions, to hire people in places of administration, on the basis of quality, expertise, ability to do the job. That's the way that this government operates and that's the way it's going to operate because that's the most effective way to run

administration of government in the interests of the Saskatchewan taxpayer.

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

### Health Care Spending

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. This government claims to be reformers of the health care system. The fact remains that they are spending more on health care today to deliver fewer and poorer quality services than they did in 1992 before they supposedly starting fixing the system.

Can the minister please explain how his government spent \$1.5 billion on health care in 1992 — \$1.5 billion that was operating 52 hospitals that are now closed; \$1.5 billion that was paying hundreds of front-line workers who no longer have jobs; \$1.5 billion that was providing services to people in communities who have no services today? Can you, Mr. Minister, explain how all of those changes could possibly result in your government spending more money in health care today than you did in 1992?

**Hon. Mr. Calvert:** — Mr. Speaker, I'm very happy to try and explain to the Leader of the Third Party how health is financed in the province, as I tried to explain to some of the opposition colleagues in the official opposition the other night. Had health care spending, Mr. Speaker, continued on the track it was on through the 1980s, the track that we inherited in 1991, we would be spending today in the province of Saskatchewan not 1.5 but \$1.9 billion dollars — \$400 million more.

Mr. Speaker, I think even the high-spending Leader of the Liberal Party would know that that, in the Saskatchewan context, is not sustainable. We simply could not sustain it.

Now, Mr. Speaker, if the member from Greystone is concerned about the financing of health care, I hope that she has addressed this concern to her cousins in Ottawa, as they talk about slashing health care spending across the country and, going further than that, adopting the Reform Party platform of doing block funding.

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

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. Mr. Speaker, I've just been meeting with surgeons, with nurses, and with people who have been recipients of health care in this province. And it's most interesting, Mr. Speaker, that there's a consistent message that people have been giving. I'm wondering why it is the Minister of Health has not been talking to these same people.

In fact what we find out is there are very, very unhappy health care providers, there are disgusted surgeons and physicians, and there are very frightened people, sick people, in the province of Saskatchewan. A mother in Carlyle had to go back to work just for one purpose, and that was because of the increased cost to her family for diabetic care of one of her children.

To the minister: can you explain how more people's income is

going to pay for necessities like insulin and yet more of their tax dollars are going to pay for a diminished health care system? Please explain that.

**Hon. Mr. Calvert:** — Mr. Speaker, what we have been doing in Saskatchewan and pioneering across Canada, if not across the world, is taking what are arguably more limited resources for health care and directing them to where the need is greatest, Mr. Speaker. And we've come a long way in that regard.

Now, Mr. Speaker, I want to ask the member of the third party, the Leader of the Third Party, will she tell us today what communication she has had with the federal government as they talk about . . . her federal leader talks about taking seven and a half billion dollars out of health care funding across Canada — seven and one-half billion dollars — so that they will threaten, Mr. Speaker, the Liberal Party of Canada will threaten the very cores of medicare.

I wonder if she has communicated with her federal leader on this point.

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

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. As usual, Mr. Speaker, we have ministers who are either unwilling or not capable of answering a question.

Mr. Speaker, as I've indicated, I spent Friday and much of this weekend yet again speaking to the surgeons of this province, speaking to doctors in this province, family physicians, speaking to health care providers in this province, and speaking to individuals receiving health care. The bottom line, in the view of all of these people, Mr. Speaker, is offloading onto the people of Saskatchewan and doing nothing but having a health care system that increases the number of bureaucrats and administrators.

Mr. Minister, will you table before the members of this House the cost of administering the Department of Health and the health boards before your government's reforms and what the costs are now to the Department of Health, including the costs of all the district health boards?

It's very curious, Mr. Speaker, and Mr. Minister, that no one seems to be able to find this information in anything that you're providing. Will you table it, please?

**Hon. Mr. Calvert:** — Well, Mr. Speaker, I invite the member . . . we will be involved in the process of estimates later this day. I invite the member to attend once in a while to estimates, and we can have these discussions.

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

**Hon. Mr. Calvert:** — Mr. Speaker, I want to share with the House a number of comments that have been made by leading health care professionals in our province and outside of our province, regarding the federal Liberal government plan to not only cut health care spending across Canada dramatically but to move us into a process of block funding.

Professor Allen Backman, University of Saskatchewan, Saskatoon. He says, and I quote: I think the federal government has sold our legacy down the river.

The president of the Canadian Hospitals Association, the president of the Canadian Hospitals Association says that block funding, the Liberal plan, signals the end of a federal role in medicare.

Dr. Léo-Paul Landry, secretary-general, Canadian Medical Association, in her own home town *Star-Phoenix* says: medicare was thrown out the door as a Canadian value when the budget (the Liberal budget, I say) was presented on Monday.

And the Caledon Institute of Social Policy, again quoted in her home town paper, the *Star-Phoenix*, says: the declining cash transfers spell the end of medicare.

Mr. Speaker, I ask that member . . . now we know the Liberal Party . . .

**The Speaker:** — I've given the minister enough time.

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

#### Agriculture Funding

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Speaker, my question this afternoon is for the Premier or his designate. Mr. Speaker, a recent tradition in Saskatchewan has seen the premier of Saskatchewan going to bat in Ottawa for farm families. Whether it's been drought or frost or low commodity prices resulting from international tariffs, the premier went to the Prime Minister in Ottawa and came back with billions of dollars in aid to help producers through tough times.

Mr. Speaker, it appears the current Premier has reversed that trend. Whenever he goes to Ottawa, the billions of dollars now flow the other way. I can understand why he tried to keep that secret. My question is to the Premier or the Deputy Premier. Your lobbying efforts on behalf of Saskatchewan farm families have been disastrous. You led the way in federal cuts in agriculture. Now you've feigned outrage about the changes in the Crow payment.

Mr. Deputy Premier, what exactly did your government accomplish in Ottawa, or should we be afraid that you've cooked up another deal to take more money away from Saskatchewan farm families?

**Hon. Mr. Tchorzewski:** — Mr. Speaker, this seems to be a question from a member, the Leader of the Official Opposition, who sometime last week made it very clear that the former Conservative government in Ottawa, Mr. Mayer had offered \$7 billion for the Crow rate when that government was in power; only two days later to have Mr. Mayer clearly indicate that he had never offered such an offer officially.

I know that the member from Saskatoon the other day indicated

to the Leader of the Opposition to at least apologize for that error, as the member behind him has indicated on his other question. I want to say to him that we have stood four square behind the farmers of Saskatchewan on the Crow rate question, Mr. Speaker, and we continue to do that.

And the Premier went to Ottawa to speak to the Prime Minister about it — different than the Leader of the Liberal Party who has, on one day said, it's fair, on another day said it's not fair, and then voted for a resolution condemning because it wasn't fair, and on the weekend says it's fair again.

And the Conservatives have always opposed the Crow rate, have proposed its demise, its arbitrary killing. Now that it's dead, somehow are pretending that they are supporters of the Crow rate and the benefit to farmers, even in the absence of a transportation policy.

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

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Deputy Premier, like your Premier, you are responsible for the demise of the GRIP (gross revenue income program) program and the pilfering of \$188 million from farm families in this province.

And like the Premier, Mr. Minister, you and your Liberal counterparts, you met with the counterparts over the weekend. Given your track record, I'm wondering how much more money you'll be taking from farm families across this province as a result of your meeting over the weekend. Can you tell the farm families in this province how much more they can expect to have taken from them and their GRIP program and directed towards the federal government or towards general revenue in this province?

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

**Hon. Mr. Tchorzewski:** — Let me remind, Mr. Speaker, the member for Kindersley, the Leader of the Official Opposition, that it was under Conservative administrations when the process of cutting the Crow 10 per cent a year originated with the full support of that gentleman who was then premier, and all of the members on that side of the House when they were over here — 10 cent a year which was a slow, painful . . . 10 per cent a year, Mr. Speaker, which was a slow, painful death to the Crow.

The only thing that has changed under a Liberal administration is that there has been an arbitrary killing of the Crow without any thought about the need to replace it for a transportation policy or even the thought of an idea of what a new transportation policy might be.

That is one of the things that's wrong here, Mr. Speaker — two old-line parties determined to kill the Crow without any policy direction behind it, only to the detriment of western Canadian agriculture and western farmers. And both of them should be ashamed of themselves for betraying the Saskatchewan farmer in that way.

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

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Deputy Premier, if you want to see where the destruction of agriculture took place in this province, just look two seats to your left, sir. That's where it started; that's where it started in 1991 with the destruction of the GRIP program.

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

**Mr. Boyd:** — Every farmer in this province knows exactly where that started.

On the weekend you met with the federal Minister of Agriculture. We'd like to know what the discussions were, Mr. Deputy Premier. Did you talk about the overall package and the inadequacy of that package? Did you talk about where that money was being directed at? Did you also talk about now we see Ontario and Quebec farmers looking for part of this payment? Did you discuss any of those things with the federal Minister of Agriculture? Try and give the farm families of this province some comfort in knowing that you people are at least trying to do something on their behalf.

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

**Hon. Mr. Tchorzewski:** — Well, Mr. Speaker, I think the farm families of this province know very clearly who has been from day one over the years standing up on their behalf when it comes to the question of an adequate transportation policy. It hasn't been Conservatives, and it hasn't been Liberals because the Conservatives started the destruction of it, and the Liberals finished it. That's the only difference, Mr. Speaker.

Before the Crow was killed, it was this New Democratic Party government who led the battle while the members opposite were totally silent. And now that the Crow is killed, Mr. Speaker, it is only this New Democratic Party government who is carrying that battle on the farmers' behalf to Ottawa with the Prime Minister and with the Minister of Agriculture, while Liberals say it's fair that western farmers get cut a hundred per cent while eastern farmers get cut 30 per cent on dairy subsidies. And the Conservatives follow suit in trying to make up the ground that they've lost in the question period here today.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Mr. Deputy Premier, what farm families know in 1996 is that you're going to take another \$115 million out of their pockets. You pilfered 188. You're demanding back another 115 on GRIP repayments. That's 303. That's close to the 317 that the Liberals took because you let them take it, sir.

Now in light of what's happened in the Crow, Mr. Deputy Speaker, are you going to now say to those farm families that we're not going to take that \$115 million out of their pockets in 1996 after you and the federal Liberals have been raping their pockets? Will you do that, sir?

**Hon. Mr. Tchorzewski:** — Mr. Speaker, I want to remind the member from Thunder Creek, the former leader of the Official Opposition, that it is only in Saskatchewan where the highest

percentage of the overall budget goes for agriculture; I believe it's about 10 per cent.

That is far, far less by a long shot than the federal budget, far, far less than any other province in Canada. And to the means that are available to us and with policies which we have instituted with the changes to things like the GRIP . . . and I say that that was important because it is now made possible for Saskatchewan farmers to be able to farm the farm. And therefore we have had more diversification in the production in agriculture than ever in the history of Saskatchewan. And that's one of the reasons why this year farmers have record net farm incomes over any other year in the last decade or so, and therefore they are better off, Mr. Speaker, in spite of the gloom and doom of the member from Thunder Creek.

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

## MINISTERIAL STATEMENTS

### Cargill Canola Crushing Plant

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I had the pleasure this morning to be in Saskatoon to take part in an announcement that will have a very positive impact on the Saskatchewan economy.

Mr. Speaker, Cargill has chosen to build its new \$53 million canola crushing plant in the province. The plant will be located just outside of Saskatoon in the RM (rural municipality) of Blucher near Clavet. Construction is to begin this spring, and the plant will be completed and ready for processing after the 1996 crop year.

The plant will operate around the clock and have an initial capacity to crush 2,000 metric tons of canola a day. Mr. Speaker, that will make this canola crushing plant the largest of its kind in Canada. I am pleased also to point out that this plant will be the first of its kind in North America for Cargill which is the largest oil-seed crushing company in the world.

Mr. Speaker, this plant will be a big boost to our agricultural industry and to our local economy in general. It supports one of the goals of Ag 2000 strategy which is to encourage farmers to diversify. Canola has quickly become one of our most important crops, and we think this plant will enhance that even more.

Mr. Speaker, more farmers will be encouraged to grow canola because they'll have an assured market close to home.

**The Speaker:** — Order, order. I hate to interrupt the minister when he gives a ministerial statement, but the tradition in this House is that when a minister gives a ministerial statement, we at least have the courtesy to listen to that minister. You'll have an opportunity to respond later, and I ask members to quit interrupting and let the minister make his statement.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I know there will be many people who haven't been able to hear because of the noise in the Assembly, but I won't start over; I'll try to carry on.

This plant also supports one of the main goals under the *Partnership for Renewal* provincial economic strategy to add value to our agricultural products.

Mr. Speaker, Saskatchewan has always been well known as an exporter of raw materials. But, Mr. Speaker, there are so many more benefits we can reap if we process more of those products here in Saskatchewan before we export them. Not only do we add to our dollar value of the product, but we also build up our manufacturing and processing base, and we create jobs.

Mr. Speaker, in our recent budget we talked about the importance of encouraging projects like this canola crushing plant, so we can stop exporting processing jobs. We want to keep these valuable jobs in our province.

Mr. Speaker, the Cargill plant will certainly do that. There will be 50 full-time jobs created at the plant, and about one hundred new trucking jobs created in the process. We expect 436 person-years of employment during construction and another 435 person-years in construction spin-offs. As well the plant could generate up to 400 other permanent spin-off jobs in the province. Cargill has promised to maximize Saskatchewan content wherever possible.

(1415)

But, Mr. Speaker, Cargill's commitment to Saskatchewan doesn't end with this plant. In three to five years they intend to increase the plant's crushing capacity and then hopes to build a multimillion dollar refinery at that site. The refinery is expected to create another 75 jobs. It will also add even more value to the canola that has been brought and bought for processing.

Mr. Speaker, we're very pleased about the job numbers because our main priority is to encourage and support job creation in and by the private sector. Our government's long-term ideal is to increase employment in the province. If we're to get there, it's going to take initiative on the part of companies like Cargill to invest in major projects like this one.

Mr. Speaker, we're confident that Cargill's new canola crushing plant will be a success. We also look forward to seeing the company build the refinery in a few years. The projects are good news for Saskatchewan and we welcome Cargill to our growing business community here in the province.

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

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. I would like to take this opportunity to respond a little bit to the minister's announcement. And first of all to chastise him quite roundly for the bush-league operation you're running, sir.

It has been the long tradition in this legislature for ministerial statements to be sent across so that the opposition has an opportunity to peruse them; and not three-quarters of the way through so we have no idea what you're talking about.

Now, Mr. Minister, I would chastise you for that and you

smarten up a little bit with your operation, quite frankly.

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

**Mr. Neudorf:** — Having done that, Mr. Speaker, my reaction to the announcement: first of all, the actual practical announcement on behalf of the people in Corman Park, on behalf of the people in Blucher municipality, on behalf of the people who were at one time my constituents before the boundaries were changed, Mr. Speaker, these people are obviously extremely excited about this, as are we.

And I think I would be remiss, I would be remiss, Mr. Speaker, at the outset if I did not compliment Cargill and the citizens of this province for having the faith in the citizens of this province to establish such a business as this, Mr. Speaker.

Mr. Speaker, 2,000 tonnes of canola crushed per day on a 24-hour basis is nothing to sneeze at — that is a substantial amount — with the potential for an additional refinery to be established, Mr. Speaker. Again, that is very positive for our area.

The thing that I want to point out, Mr. Speaker, is the hypocrisy of that government over on the other side — absolute, abject hypocrisy. When we take a look at what the former government did with one of the bright Crown jewels in this government's pocket right now, is none other than Saferco, just west of Regina, the Cargill plant, Mr. Speaker, that has not cost the citizens of this province one penny, that has earned them money, Mr. Speaker, has earned them money, in the guarantee which they are paying percentages on, Mr. Speaker.

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

**Mr. Neudorf:** — That is the kind of precedent and that is the kind of forerunner that the previous government instituted to allow such things as this to happen.

Mr. Minister, you are giving Cargill 3.9 millions of dollars — 3.9 million. You shake your head . . . and it says the provincial government will provide Cargill with \$3.9 million to help with capital cost — in your news release, in your news release, sir. So you are giving Cargill 3.9 to help them to diversify.

My question to you is: does this mean UGG (United Grain Growers Limited), does this mean Pioneer, does this mean the Saskatchewan Wheat Pool will also be given that opportunity? Is this going to be expanded? That is the question that I ask you, sir.

**The Speaker:** — Order, order. When the . . . order, order. When the Government House Leader was giving his ministerial statement, I asked members not to interrupt; I ask the Government House Leader now not to interrupt, and let the opposition make their statement.

Order. I will warn the Government House Leader once more. Order.

**Mr. Neudorf:** — Thank you very much, Mr. Speaker. Mr. Speaker, the government over there is very, very sensitive

because they know my words are the truth — that's the fundamental truth of the factor. One thing that we did is made sure that this province would never revert back to socialism — not even the socialists, sir, are able to do that, and your project today is welcome.

Your announcement is welcome. This is exactly what this province needs — this type of investment. But for you to get up and the irony — and I'll close with these words, Mr. Speaker — the irony in your announcement is in your own press release that I just had a chance to look at while Mr. Speaker was chastising you, sir.

**The Speaker:** — Order, order, order. Order, order. I'll take the next speaker.

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. Regarding the minister's statement today, I would like to say that the Liberal caucus is absolutely delighted to see this value added industry in our province.

It has been made very clear, Mr. Speaker, that this plant would not have taken place, would not be locating in the province of Saskatchewan, without the changes to in fact the Crow last week that were announced.

It's interesting as well to note that Prairie Malt in Biggar today said precisely the same thing, that their \$20 million expansion today is a direct result of the changes that were brought about as far as WGTA (Western Grain Transportation Act) is concerned.

Mr. Speaker, I find it most interesting, the response of the members opposite. Perhaps they would like to call the people in charge and ask them directly in fact what their points of view are.

We are most interested in looking at the specific details of this agreement. In general, we could not be more pleased that a canola crushing plant is locating here.

And we are most interested in the conversion of the NDP's views regarding Cargill, since in the past, Mr. Speaker, they insulted this company by calling them corporate welfare bums.

So we find it most interesting that the members opposite have come to a very different conclusion, perhaps with some concern about their abysmal record, knowing that the private sector is most needed in this province, and perhaps they would stop insulting them in order to get them here.

Overall, Mr. Speaker, we would just like to reiterate that we're most pleased that Cargill is coming to Saskatchewan and that the canola crushing plant will be here for the benefit of our farmers in the province of Saskatchewan.

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

#### ORDERS OF THE DAY

**Hon. Mr. Tchorzewski:** — Thank you. Mr. Speaker. With leave, I would like to make a brief statement on the passing of Bishop Mahoney.

Leave granted.

### CONDOLENCES

**Hon. Mr. Tchorzewski:** — Thank you very much, Mr. Speaker. It is with great sadness that I rise regarding the passing of James Mahoney, Catholic Bishop of Saskatoon for the past 27 years.

Having said that, I know that Bishop Mahoney would have asked that this be an occasion to celebrate his life, and his contributions are worthy of celebration. And I think that today as we make our comments, we should think of that sentiment of Bishop Mahoney and the way he looked upon his life and the life of anybody who is put on this earth by God.

Bishop Mahoney was a lifelong resident of Saskatoon, and he served not only his faith, but all citizens. He was known as a community builder whose humour and compassion touched all of us.

Born in Saskatoon, Bishop Mahoney first served his faith as an altar boy and was present at the installation of Saskatoon's first bishop, Bishop Murray, in 1934. He was ordained in 1952 and received an education degree in 1953. He taught at St. Paul's Elementary and E.D. Feehan High School and was also the first principal of Holy Cross High School.

In 1967 he was named bishop of the Saskatoon diocese and at that time was the youngest member of the Canadian Catholic hierarchy.

Beyond his role as a priest and as a teacher and leader, Bishop Mahoney was active in foreign missions, in education, health care, and church ministry to the disadvantaged.

He also dearly loved children and greatly enjoyed officiating at the sacrament of confirmation, sharing the conviction of his faith and his great sense of humour with young adults.

Mr. Speaker, prayer services and vigils will be held today and tomorrow at St. Paul's Cathedral. The funeral liturgy will be held at St. Patrick's Church at 10 a.m. tomorrow with interment to follow at Woodlawn Cemetery.

Bishop Mahoney taught well. He laughed heartily, and he was loved by all of those lives that he touched. And I know that you will join with me and other members today to offer our condolences to the citizens of Saskatoon and Catholics everywhere. Their loss is the hereafter's gain. His life with us has made all of us the richer, Mr. Speaker.

**Mr. Devine:** — Thank you, Mr. Speaker. I would like to join with the Deputy Premier in saying a few words with respect to the passing of Bishop James Patrick Mahoney.

My wife Chantal and I had the opportunity to share several moments and very good times with Bishop Mahoney, and particularly enjoyed his sense of humour. He could give a very entertaining speech and always had a message with it. And I've

never heard him speak in the past without telling a story and converting a parable into a particular message and adding his own certain Irish wit to the situation.

As was mentioned, he was an excellent teacher, involved in schools, with children, with educators. He was on the executive of the church and a leading member of the executive in the Roman Catholic Church. He was a builder.

And I have a great deal of respect for the two people that commented about Bishop Mahoney in the newspaper today, and that's the former mayor of Saskatoon, Cliff Wright, and Walter Podiluk, former deputy minister of Health in the province of Saskatchewan. And both these people are respected for their own careers. And then those two people describing the sense of excitement, the sense of the size of the man who contributed to not only to Saskatoon but to the province and indeed to the country, and his missionary activities world-wide, speaks highly, very highly of an individual that we'll all miss.

I couldn't help but think that Bishop Mahoney might in some ways represent the perfect Santa Claus because of his stature and because of his jolly nature. He was a huge man and enjoyed life, enjoyed entertaining people, was not afraid to challenge life and to build, but he was so compassionate. We will miss him very much. The city of Saskatoon will dearly miss him, and those in the Catholic Church will feel the loss probably more than many.

So to all of those who knew him and to those involved in the church that will miss him, our sincerest condolences.

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. I want to join the Deputy Premier and the member from Estevan, the former premier, this afternoon in paying tribute to the life and work of the Most Rev. James Patrick Mahoney, Roman Catholic Bishop of Saskatoon, who passed away on March 2.

Those of us who knew Bishop Mahoney knew him as a devoted and compassionate man whose faith went far beyond his religion. He was well known for his keen sense of humour which he used very effectively to communicate his ideas and opinions. He was an entertaining orator whom I admired very much for his ability to convey his strong beliefs.

Slightly less than one year ago I was greatly impressed by Bishop Mahoney's eulogy to his good friend, Most Rev. Charles Halpin, Bishop of Regina, who passed away last April. Through his words in celebration of the life of Bishop Halpin, Bishop Mahoney gave us true insight into the side of this man that might not otherwise have been known to most of us. And now only 10 months later we are paying homage to another great religious and community leader.

Bishop Mahoney's loss will leave a great void in Saskatoon as well as in our province. His dedication to so many worthy and noble causes, such as St. Paul's Hospital, to Sherbrooke Community Centre, and the United Way, was one of his trademarks and one of the areas where his absence will be deeply missed.

I extend my sympathies to Bishop Mahoney's religious family as well as to his surviving relatives: his sister Margaret of Vancouver; his sister-in-law Jean of Regina; his nephews, Ron, Ross, and James and their families of Regina; and his niece, Maureen Stinnen, and her family of Regina. The loss of this great man and leader is one that will be felt deeply by all.

(1430)

**The Speaker:** — I wonder if members would permit me to say a few words.

I've known Bishop Mahoney probably longer than anybody in this House and worked with him for many, many years. I first got to know Bishop Mahoney back in 1956 when I attended teacher's college in Saskatoon — that's almost 38 years ago. And as has been mentioned, Bishop Mahoney was a man who enjoyed life. He enjoyed people; he particularly enjoyed children.

I think I along with many Catholics throughout Saskatchewan and throughout Canada have lost a very dear friend. We have also lost a shepherd of our church. Bishop Mahoney was always there to help you, to help the underprivileged, and to make sure that his priests and his sisters always felt at home in the church.

But I think the greatest attribute of Bishop Mahoney probably was his outreach to other churches, to other people. Everybody felt at home when they were around Bishop Mahoney. He didn't limit himself to the Catholic Church, although he was our shepherd.

I got to know Bishop Mahoney very well when he was the principal of Holy Cross High School and I was principal of St. Phillip School, and I always looked forward to our principals' meetings when Bishop Mahoney could attend because if there was ever a serious subject and we got too serious about it, Bishop Mahoney was always there to break things up, to make us laugh at ourselves and our mistakes. And I appreciated that of Bishop Mahoney.

I think Bishop Mahoney took it very hard when his brother John passed away about a month ago. Brother John came to visit him in Saskatoon when James was very ill and his brother suffered a heart attack and died. And his sister, Margaret, certainly must receive our condolences and our sincere prayers at losing two brothers within a month's time.

Certainly Bishop James will be missed not only by myself and my family, but by the people of Saskatoon and, I think, the people of Saskatchewan. To Margaret and his personal family and his extended family of all people who believe in the Christian faith and otherwise, we extend our condolences and wish him well. I know his prayers will be with us. And he doesn't want us to be too serious about this, and I'm sure that Bishop Mahoney right now will be smiling down at us as we look upon his death and as he goes on to his eternal life.

Thank you.

#### WRITTEN QUESTIONS

**Hon. Mr. Lingenfelter:** — Mr. Speaker, as it relates to question 56, I hereby table the responses.

#### GOVERNMENT ORDERS

#### ADJOURNED DEBATES

#### SECOND READINGS

#### Bill No. 9

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Wiens that **Bill No. 9 — An Act to amend The Environmental Management and Protection Act** be now read a second time.

**Mr. Toth:** — Thank you very much, Mr. Speaker. Well when you look at the name of this initially, Mr. Speaker, you get a warm and fuzzy feeling out of it — Environmental Management and Protection Act. You know and you think, well gee, this is great, the government's doing something to protect our environment.

Everybody throughout the '80s was always saying, we need more environmental protection. Well, Mr. Speaker, this does go some way to provide that, but it also has some downsides involved in it too, which I think need to be explained a little more, which the government needs some questioning on.

This Bill deals mainly, according to the government, with the collection and recycling of used oils — motor oils, etc., Mr. Speaker. And since this is mainly an agricultural province, also because we have 25 per cent of the roads in Canada, we use a lot of motor oils in this province, Mr. Speaker. We use a lot of hydrocarbons. And it has been a problem over the years, what to do with these used motor oils when we're through with them.

Now up until the last few years, it has generally been acceptable to dispose of them by perhaps dumping them on the road or using them as methods for treating animals and various other methods — people used them to burn their garbage with even, Mr. Speaker. And the result has been that we have increased the pollution in this province by our various methods of disposal.

So the government has come along and said that they will put in place a form of collection and a recycling process, but it will be left up to business to carry out this whole procedure. What the government has done in this, in setting this up, has given someone the power, and we're not entirely sure exactly who this power has been given to, whether it will be left into the hands of industry which is being mandated to do this, or whether the government themselves will keep control of it, and having viewed the various things that this government has done in the last three and a half years, I suspect very greatly, Mr. Speaker, that the power that I'm talking about will be retained firmly in the hands of the Minister of the Environment and the government opposite.

And that power that I speak of, Mr. Speaker, is the power to prescribe to provide the definitions of products which will be

subjected to this industry-run disposal and recycling program. Whomever it might be, the government will say this particular product, Mr. Speaker, is deemed to be covered under this Act and will be treated accordingly. And it will not necessarily be done in consultation, it will be done by the body that is put in place by the government to do so, and may or may not be relevant to the demands of the day, Mr. Speaker. So that is one of the areas in which there is some serious concerns on how this particular Act will deal with those.

It makes the manufacturer of the product responsible from its inception to its disposal. And how does that work, Mr. Speaker? How do you make the manufacturer responsible all the way along the line for it?

In the *Leader-Post* of February 14 this year, they comment in here, and I quote:

The network, which will ensure manufacturers of oil and oil-related products are responsible for their product through its entire life cycle, will be entirely industry-run and managed.

Well it's good that it's industry run and managed, Mr. Speaker, but how is that particular manufacturer to be responsible for the product from the time it comes out of the ground — in the case of oil — goes through the refinery process, is sold to a retailer, is sold out of the garage to the homeowner who puts it in his car, and the homeowner then turns around and does something with it. Well under this legislation the homeowner is supposed to turn around and turn it back in to have it recycled.

But the person who originally manufactured it — I'm assuming it's manufactured into the final oil product, the quart of oil that you buy to put into your car — is going to be responsible for it from the point on that it comes out of his refining facility, goes on transportation, goes to the retailer, goes to the consumer, and comes back again. According to what the minister is saying, the manufacturer is going to be responsible all along the way.

So does that mean if I, as Joe Consumer, decide that it's easier for me to pull the plug out of my oil pan and let it drain on the ground, that the person whose oil I'm using, the company name that was on that oil, is responsible for it?

I would suggest, Mr. Speaker, that it should be the consumer that's responsible if they are the ones who cause the problem with it, not the original manufacturer. And as the minister has this laid out, he's making the manufacturer of it responsible.

I guess it's a lot easier to point fingers at the big, bad oil companies than it is at the consumers. Because when you have a million consumers in this province, that's a lot of people to go after. But when you have only one oil refinery in Saskatchewan that's making oil, that's pretty easy to go after.

And I'm not too sure that the Co-op refinery in Regina wants to assume the responsibility, Mr. Speaker, of every consumer in this province that buys oil. I'm sure that the other companies that are selling oil, such as Turbo or Esso or whomever it might be, are no more interested in assuming all of that responsibility

for the consumers than the Co-op would be. So, Mr. Speaker, that's another area where this particular piece of legislation definitely needs to be tightened up.

We're wondering, Mr. Speaker, just how industry will be . . . how loosely industry will be allowed to regulate and operate this program. The minister says that it will be industry sponsored and initiated. But how loosely or how tightly will the regulations be on it? How loose or how tight will the minister make the designation of products that will be influenced by this? Will this include antifreezes? Will it include cleaning solvents that are used in auto body shops? All of these are a problem also, Mr. Speaker. And will they also be included? And who will decide?

The program gives general regulatory supervision to the government. But again you have to ask: how loose or how tight will those regulations be? And when the government adds on new costs to the program, which happens whenever the government is building an empire, Mr. Speaker — there's always more costs in either for the consumer or the taxpayer — where is the limit to it?

The government is going to require that industry submit reports on the progress that they've made or how much they're selling, perhaps. No one knows for sure what these reports are going to entail. Is the industry going to have to outline that we've sold in the past month a million litres of motor oil and antifreeze and solvents, Varsol, whatever else they might be selling? And how much have you taken in to dispose of? I mean there is a lot of room left here, Mr. Speaker, for a lot of unfortunate occurrences to be happening.

There's also the very important issue, Mr. Speaker, of how do the consumers use this. How do the farmers deal with this used motor oil? I know a good many farmers that have barrels of used motor oil sitting around on their farms right now, because they are environmentally aware and they're conscious that to simply dispose of this oil in an irresponsible manner will do harm to their environment.

And the farmers, Mr. Speaker, are very concerned with the environment, although some people would suggest that they are perhaps somewhat lacking in that area. The farmers are the people that have to make their living off the land. They know that they have to maintain it for a long period of time, not just for the next year, the next five years, ten years, but they have to maintain it for generations.

And so those farmers have indeed kept their used motor oil, have stored it. But what do they do with it now? Is the company that they originally bought it from going to be responsible? Who pays to have it picked up at their farm? Are they going to be paid for that oil or are they going to have to pay somebody else for it to dispose of it? Again, all these questions.

Small gas station owners are in the same boat. Somebody comes in for an oil change. Now they can charge the consumer for it, but that just drives up the costs again, Mr. Speaker, and the cost in Saskatchewan to live and to operate a business are already too high.

So, Mr. Speaker, who pays? And how soon will this program get up and running? How many impediments and roadblocks will be put in the way for the industry that the minister is speaking of to get this up and rolling?

I know of a number of companies that are already doing it, a number of companies that already want to get into the business, and yet they have been hampered by the Department of the Environment for doing so. People that have tried to go out and set up recycling and collection centres have been impeded.

And just how soon will this whole program get going? Because as I said earlier, a number of people, including farmers, are already storing a large amount of this oil on their premises.

It's generally welcome, though, that the government has let industry hopefully do the regulation, rather than creating an intrusive bureaucracy. If the government is going to come in and tell them each and every little dot on the i's and crosses on the t's, Mr. Speaker, this is going to be a very high cost and bureaucratic process and will not, in the long run, benefit the environment. Because the more rules you put in place, the more roadblocks you put in place, the less people are prepared to accept it and to work with it, Mr. Speaker. And Mr. Allan Rock is going to find that out.

Also, Mr. Speaker, the government should be commended — commended. I know that the minister is listening, only half-listening on this, but I will say it again, that the government should be commended for consulting with industry. They have gone out and consulted with some of the stakeholders in this, Mr. Speaker. And that's all very good. But when you consult, Mr. Speaker, you also have to listen.

(1445)

It's just a matter of . . . not a matter of going out and talking; it's a matter of listening also. And we'll be paying very close attention to whether or not the minister has indeed listened to those consultations.

It's very unclear, Mr. Speaker, how this program will be funded; whether industry will have to pay, whether consumers will have to pay, or whether the government is providing any funding for this. Those were some more of the questions that we'll be asking the minister when the time comes.

One of the things that has to be watched very carefully on this though, is if it's going to be a program and a process where everything gets passed on down to the consumer, that the consumer is receiving fair protection and fair service for the prices that they have to pay.

If the consumer has to pay an environmental tax upfront when he purchases his motor oil, if the consumer has to pay again for the disposal, somebody in the process here, Mr. Speaker, is taking too much. If the consumer has to pay an environmental disposal tax, that should be it. They shouldn't have to pay for the disposal twice. So that's another area, Mr. Speaker, that we will be watching very closely.

Once this oil has been all collected, either on the farms or at the service stations or in the consumer's back yard, Mr. Speaker, wherever it might be, what will be the method of collection? Will trucks go around to pick this oil up? Because when you have vehicles on the road collecting this substance, you have the potential for a spill. And likewise, if everybody's going to have to bring it into a central location, you also have the potential for a spill. So the question is, is what will be the most efficient and cost-effective way of doing this?

In all likelihood, the safest way for the environment would be for a truck to go around and pick these commodities up because that truck can have the proper facilities on it — proper storage containers, proper valving, etc. — to prevent spills. Whereas if everybody loads up their 45 gallon drums or their 4 litre plastic containers in the back of their car, you have a much greater potential hazard there, Mr. Speaker.

When you talk about the manufacturer of the oil being responsible, does that mean that the manufacturer bears the entire responsibility from the time that it comes into their plant, goes back out to the consumers and returns? Does the transport system, Mr. Speaker, bear any responsibility for the commodities they carry? Does the consumer bear any responsibilities for the products they use and for their disposal? Mr. Speaker, that's not answered in this.

When all of these used motor oils are collected, it's not the oil itself, Mr. Speaker, that is the real problem. The oil is an organic compound, which if treated properly can be disposed of in a fairly simple and easy manner. Mr. Speaker, where the real problem lies in this is the heavy metals that are contained within the used motor oil, that have come out of the engines and other implements that it's been in. That's where the real concern lies.

And the question has to be to the minister, how will those heavy metals and the waste products from the used motor oil, how will they be disposed of? Who will bear the costs of that; who will look after the transportation; who will be responsible? And again that's not outlined, Mr. Speaker, in this Bill.

There's been a number of various companies across the province who have already done work with this, that have tried to provide some form of recycling of used motor oils, companies such as Envirotech Waste Management, McGill's Liquid Waste Removal and so forth. A company that has been trying to move into my own area, Mr. Speaker, is Canadian Crude Separators that have talked about recycling used oils.

How are these companies that are already in place going to interact with this new program? Will they be frozen out? Will they be part of the process, Mr. Speaker? Again, the minister in his Bill has not dealt with any of that.

It's not just the companies that are going to be affected. I have a news article here from 1993, the *Star-Phoenix*, in which a consumer is complaining about the changes that were made to motor oil. Prior to 1992 this consumer was taking his used motor oil, returning it back to his dealer, and getting paid for it. There was a value in that used motor oil which could be

recovered by the consumer who had originally purchased.

But after the environmental changes in 1992 and carrying on till today, the rules and regulations have become so much tighter, so much more restrictive, Mr. Speaker, that now this consumer has to pay someone to take his used motor oil away. Whereas before he had an asset, now he has a liability.

And again within this new Bill that the minister has presented, nothing seems to have changed there. It looks very much like the consumer will be paying either up front or at the tail end to dispose of the product. The consumer pays in the end even though the used motor oil can be recycled and the oil used again. It just needs the heavy metals withdrawn from the system to make it valuable again. It needs to be cleaned and then it can go back into the engines again, Mr. Speaker. And so we have a resource here that can be used over and over again, and yet the consumer is expected to pay the whole cost of it.

The minister talked in his speech that one of the main reasons for this Bill was to extend the oil collection into the rural areas. And as I mentioned earlier, a large number of the farmers have already been saving their oil. But it doesn't describe how that kind of a service will be supplied to rural Saskatchewan. The minister has left that out. I gather he expects someone else to define how it's going to be done in rural Saskatchewan while he sets the rules and the regulations.

It's disappointing that this Bill is not more specific. In fact it would have been nice, Mr. Speaker, if this Bill had been a little bit specific about the definitions of the products that would be included in the program. The minister has talked about motor oils but he hasn't talked about anything else because they're going to allow that to be prescribed in regulation. So that the minister behind closed doors can say, I don't like this product so it's going to be prescribed and you, whomever might be manufacturing it, are going to be responsible for the entire life cycle of that commodity.

These are some of the questions, Mr. Speaker, that we intend to ask the minister during Committee of the Whole. We will be bringing forward the whole system that the minister wants to bring forward — what commodities will be prescribed, who will do the prescribing, what the cost will be, what the whole cycle of recycling will deal with in context of this Bill of environmental management protection.

So, Mr. Speaker, we have also consulted with the stakeholders that might be interested in this particular issue. We've received a number of responses back from them already. In fact I have a response here from one, and I'll just read a little bit from this letter, and I quote:

Behind the flimsy veil of environmental protection, the government would grant themselves total and complete jurisdiction, nay, mastery over all, seen and unseen. Witness one item under (w.11) prescribing these products. In effect, this gives the bureaucrats sole authority to decide which products should be managed and how they should be managed and who can control them.

Mr. Speaker, that's the concerns of one organization that has written in. I'll quote another couple of sentences from them. Mr. Speaker, and I quote:

We need less government, not more. Our association would rather see a loosely struck committee of private representatives from several stakeholder groups manage and control all products which come within the aegis of the environmental management.

Mr. Speaker, some of the stakeholder groups out there do have a great deal of concern with this particular piece of legislation and the amount of control that the government will exercise in this particular case. Their responses continue to come in, Mr. Speaker; we're expecting more of them to come in. They've indicated they will be studying this Bill and responding to it.

So at this time, I would like to adjourn debate, Mr. Speaker.

Debate adjourned.

### Bill No. 23

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cunningham that **Bill No. 23 — An Act to establish The Agri-Food Innovation Fund** be now read a second time.

**Mr. Swenson:** — Thank you, Mr. Speaker. I will be making a few comments on the Bill, Mr. Speaker, and at the end of my comments I will be moving to adjourn debate on this and I will give my reasons for that in my remarks.

This fund was set up originally with \$18 million that was taken out of the GRIP surplus fund. And I think given what we've seen transpire in the last couple of weeks, Mr. Speaker, farmers in the province of Saskatchewan would have hardly applauded if this is all that were done with the surplus funds in GRIP; that 18 million of it would have been put toward advancing agricultural technology and value adding in the province of Saskatchewan. And the fact that 9 million more were added in the '95-96 budget, I think, also would have been applauded if that had been the only amounts taken.

However when you see what happened when the federal Liberal government in Ottawa clawed back 317 million — the provincial government used 188 million of it to balance their budget and now is expecting a further \$115 million in GRIP repayments to be taken out of farmers pockets in 1996 — you can understand why farmers look at this particular initiative as almost a slap in the face in the broader context of what's happened to the agricultural community in the province of Saskatchewan.

The Bill tells us that we're going to have a 12-person board to administer this fund. The fund is generally aimed at supporting innovation and diversification to the agri-food industry. However the wording of the object and purposes of the Bill is sufficiently broad that I think this money could be given out for just about anything at all.

And it will be with great interest when we look and see where Cargill gets their \$3.9 million in upfront money for the crushing plant from; is that coming out of this particular entity or is the government going to find this money somewhere else. But it is sufficiently broad that this type of measure, as I understand the Bill, Mr. Speaker, could be applied to a payment like that.

This particular initiative, Mr. Speaker, fits very nicely if applied properly with what farmers in this province have been doing, particularly for the last 10 years or so. As we know, the climatic conditions of the 1980s, the world price situation of the 1980s, the early 1990s, forced a lot of people to rethink what had been traditional agriculture in this province. People looked at government support programs and understood very clearly that you would not have sustainable, large infusions of cash on a yearly basis coming out of government.

Farmers, Mr. Speaker, in the 1990s are neither ignorant of the world market-place nor ignorant of their own role as taxpayers. There isn't a farmer out there today who isn't handling large volumes of money on very thin margins and understands the need to balance the books.

One only has to look around your own community and see the devastation that's taken place in rural agriculture to know that that message has really struck home with people. There isn't a person who farms, in this Legislative Assembly, or who is involved in agriculture in any way, who hasn't lost relatives, friends, and neighbours who have disappeared from agriculture over the last 10 years. We all have seen it. And many times that transition has been done with a great deal of sadness and difficulty, because those are the fabrics that make up rural Saskatchewan. And every time that one of them leaves or is gone, we all feel the hurt and we all know that there's a piece missing to that social fabric.

(1500)

Now with the federal Liberal announcement on the Crow, we know that that pressure will be even greater. Farmers, because of their resilience, have managed that change. And I believe even with the Crow change, as devastating as it is, a lot of people will be able to sufficiently change the way that they operate to keep themselves viable.

It's very hypocritical, Mr. Speaker, as I read the words in *Hansard* of the Minister of Agriculture, this NDP government, you know, the people that broke legally binding contracts in 1992 with 54,000 farm families, to say all of this change that has occurred in agriculture is because of that government. And that simply doesn't wash in rural Saskatchewan and it doesn't, it shouldn't, wash in this Legislative Assembly. Those types of claims in the face of what has transpired, particularly in the last few weeks, are hypocritical at best, Mr. Speaker, and outright foolishness at the worst.

The wide variety of crops that we grow in this province, the changes that we've made in our livestock operations, the move into exotic breeds of animals, has been necessitated by the hard, cold reality of economics, Mr. Speaker, and the fact that our

universities, our ag extension people, and the better educations which are available to farm families today, have allowed people access to the world.

Most farm homes today are either computerized or are in the process of acquiring the proper software to make themselves computer literate. And they're doing that for one specific reason, Mr. Speaker, and that is to be viable in the 1990s and into the next century.

There is nothing that I have been able to see in the last three and a half years that this government has done that has enhanced that in any way at all. In fact that process has been slowed down, not speeded up, because of things that this NDP government has done in the way of agriculture.

Today's announcement that Cargill was coming to the province of Saskatchewan in the crushing business, in the canola crushing business, is the very first announcement in three and a half years of this government, where such things as pasta and wild rice and berry products, oil crushing, and so forth, which have been talked about for years and years and were well on their way to being established prior to 1991, has actually happened.

All this government has been able to do in the agri-food sector is piggyback on initiatives which occurred before them coming to power, trying to claim credit for their successes, or simply doing nothing because of their ideological idiosyncrasies which existed in the minds of some of the senior players over there.

And it must have been a real galling experience to sit around the cabinet table and discuss that awful multinational giant, Cargill, coming to the province of Saskatchewan and getting \$3.9 million of upfront money, which basically means that they aren't paying provincial sales tax on the inputs that they're going to use to build their plant, and have to accept the fact that this company and others like them have something to add to the province of Saskatchewan, and they aren't necessarily bad.

And it must be really galling to some of the members, and particularly the NDP ag caucus — and I believe they have something called that — who sat around for this last three and a half years and have seen rural Saskatchewan absolutely devastated, both socially and economically, by their own government, and now that creature which they all despised for generations now welcomed to the province with open arms, with upfront money to boot, so that we can have a crushing industry with 50 more jobs added to our province's fabric.

Mr. Speaker, there will have to be more of that done. And this little bone that the government has thrown to farmers in this province with Bill 23 isn't going to achieve that. There's going to have to be some real pragmatic decisions made, and some of the ideology that has kept these people captive for so long is going to have to go by the wayside.

You know it's really sad, Mr. Speaker, that when we talk about money in agriculture . . . and today we speak about a Bill that has a total value here of \$27 million over two budget years. When we've just had the Crow benefit changed and Saskatchewan, Saskatchewan losing billions of dollars because

for so long these people who are now the government of the province opposed any change to the method of payment, insisted that the two railway monopolies in this country receive all of the money, that ways to ship our products to port could not be changed because the NDP and Sask Wheat Pool and others opposed it to the hilt.

They even called an election on it in this province in 1982. You know Gordon MacMurchy's famous words, go in April and go on the Crow. That they were so hidebound that when the deed is finally done, this province, when the deed is finally done, Mr. Speaker, this province ends up on the short end of the stick, on the short end of the stick.

So, Mr. Speaker, we applaud the effort if it means anything. And I would say to the minister, and I'm going to reinforce this with him, if the minister in this particular entity is going to have a board of 12 individuals in this province who are going to have the best interests of agriculture at heart, that we truly are looking at ag diversification here, that we're looking at value added industry, and that this little fund is going to mean a difference, then I challenge the minister to bring the names before the House here.

And there's a lot of farmers and people involved in agriculture who sit as MLAs in this House. And I think they're people that understand the industry, probably better than the bureaucrats do. And I'm saying to the minister, if you're going to bring this forward, then why not bring the names in here. Because all of us are quite conversant with the people at the universities, with the people that are doing the private industrial technologies out of Innovation Place and others in Saskatoon. Bring those names and have the members of the House discuss who would be the best 12 to sit on that board so that this money is spent properly on projects that will truly enhance agriculture.

And I think there would be some credibility, Mr. Speaker, because this government's past record with boards and commissions is absolutely dismal. What they do is they appoint a bunch of their friends that no one has recourse to challenge. I mean we've got health boards all over this province, Mr. Speaker, that are a prime example of top-down management.

And I suspect the way this Bill is written, Mr. Speaker, why it is so terribly vague, is because the minister wants to implement more top-down management; i.e., sit on the board, do as you're told, and we'll spend the money where we see fit; i.e., perhaps the Minister of Economic Development can go out and pony up another \$3.9 million to bring in somebody else. So that's the problem we see in this, Mr. Speaker.

With what has happened to the Crow in the last week, I think it's absolutely imperative that this House, before it passes legislation like this, that all members take the opportunity to converse with people in agriculture. Because the parameters have changed, Mr. Speaker — the parameters have vastly changed.

And if this entity is going to make any kind of a difference at all to the survival of my family farm or any other family farm in this province, then these resources, which are going to be even

scarcer after the changes that the federal Liberals made to the Crow, then we had better spend them properly.

And as Agriculture critic for the official opposition, Mr. Speaker, I am going to be conversing with agricultural groups around this province, get their views on this particular piece of legislation, who they want to see sit on the board, and would they like to see this entity free and clear of political manipulation by the NDP government.

For that reason, Mr. Speaker, I think it behoves all of us to take the time that is necessary, before this money is put out there and spent, to do our consultation properly. And I would hope that members of the government, particularly those back-benchers who are involved in agriculture, would take an interest in who is going to be on this board, the parameters that it's going to work under, so that this 9 million in the coming budget year and the money that was taken from our GRIP contracts previously, is put to the best use possible.

For that reason, Mr. Speaker, I would beg leave to adjourn debate on Bill 23.

Debate adjourned.

## COMMITTEE OF FINANCE

### General Revenue Fund Municipal Government Vote 24

**The Chair:** — I would ask the minister to please introduce the officials who've joined us here this afternoon.

**Hon. Ms. Carson:** — Thank you, Mr. Chairman. To my right I have Bill Reader who is the deputy minister of Municipal Government. To my left I have Ron Styles, associate deputy minister responsible for housing. On my far right I have Ken Alecxe, associate deputy minister of sport, culture and heritage. Behind me I have Larry Chaykowski, director of finance and administration, and behind me on my right is Ron Davis, assistant deputy minister of municipal services.

#### Item 1

**Mr. Swenson:** — Thank you, Mr. Chairman, and welcome to the minister and her officials today as we get into the estimates of Municipal Government. I hope that we have a fruitful discussion, Madam Minister. There's a number of issues that have become quite urgent to areas of municipal government, in the last week particularly, and we'll touch on some of those.

Before we begin those questions, I wonder if you have had the opportunity to prepare the omnibus set of questions that have been asked of you every year, provided by the official opposition, and if you have those prepared and are ready to send them across.

**Hon. Ms. Carson:** — Thank you for that question. As you know, the fiscal year has not yet been completed, and the officials in the department are just compiling all the

documentation. And as soon as we have all that for the fiscal year ending March 31, we'll send it over to you.

(1515)

**Mr. Swenson:** — Thank you, Madam Minister. I appreciate that. It has been a very useful process, I think, for all of us to have those questions done that way, and it saves a lot of House time for both myself and yourself and your officials by doing that. So I would encourage you to get those over as quickly as possible.

I'm going to start today with some of the questions that have come in from citizens around the province of Saskatchewan. As you know, last year we instigated the program of, "Mr. Premier, I want to know" and I believe you answered a number of these in your estimates last year.

I have a series of them here and I would like you to make a brief comment on them. These are from individuals pretty well across the piece and the province. They're aren't my questions; I'm simply giving you the verbatim that was provided to us. Some of them may be questions that have more or less passed us by, but I think it's my duty as critic to pass them on to you as the minister responsible.

This question comes . . . the first one comes from Shannon Metzger from Moosomin. And she says: I want to know why we don't have daylight savings time in Saskatchewan. We are the only province in the country that doesn't change. It's time we get in sync with the rest of the country. Who needs daylight at 3:30 a.m.? I'd rather an extra hour of daylight at night to enjoy the summer. The positive far outweighs the negative.

I know, Madam Minister, you've had occasion to discuss this recently and I wonder if you'd reply to Shannon.

**Hon. Ms. Carson:** — Yes, thank you. The issue of daylight savings time has been brought up quite a bit in the recent years, and I know it's an opinion that is very strongly held, both on the east side of the province and on the west side of the province.

As you know, the province is cut in half by the time line. And back in the 1960s we had The Time Act that made all the province of Saskatchewan fall in one time zone. That has worked reasonably well over the last 37 years or so, and it's only recently the controversy has heated up again.

We have said quite consistently that when there is a consensus amongst the local government associations and amongst the people of Saskatchewan, we're ready to look at it. But we haven't seen that consensus developing. In fact SUMA (Saskatchewan Urban Municipalities Association) recently voted down an appeal of The Time Act. So I think it'll be some time before we do change The Time Act, simply because there is no consensus between the people of Saskatchewan and mainly between the local government associations.

**Mr. Swenson:** — Thank you, Madam Minister. The next question comes from Beatrice Houben from Lucky Lake, Saskatchewan. And it's an issue that has come up at almost

every SUMA and SARM (Saskatchewan Association of Rural Municipalities) convention that I've ever attended, and it deals with education taxes. This one is very specific. Beatrice says: I want to know why senior citizens should have to pay school taxes.

**Hon. Ms. Carson:** — Well the issue of school taxes on properties have been part of governance in Saskatchewan since the province was incorporated. I think probably the first taxes that were applied to property were those to raise for educational purposes. And at this point in time we continue to abide by that legislation. In fact I think it may be even in the constitution that the boards of education have a right to appeal to the property tax to raise funds.

The issue of senior citizens who own property having to pay a portion of their tax to education is consistent with that legislation. It is very difficult to start differentiating in age categories between people who own property who are senior citizens and people who own property and are not senior citizens.

So I know it is an issue that senior citizens feel sometimes they are being discriminated against, but what we have in Saskatchewan is ability to educate our people, our young people, which is critically important for the development of Saskatchewan. And to that end, the senior citizens are asked also to make that contribution.

**Mr. Swenson:** — The next question, Madam Minister, comes from E. Kelborli from Canora, Saskatchewan. And Mr. Kelborli wants to know why the RMs, municipalities, hamlets, and villages do not handle welfare cases like they used to do as there would be less crooked work going on if they did.

**Hon. Ms. Carson:** — Well first of all the jurisdiction to deal with people on social assistance is not applied to local governments. I know a few years ago or many years ago it might have been. But now the provision of services to people who are in need of assistance is provided through the Department of Social Services.

That's the way we have done it in Saskatchewan for quite some time and I haven't heard any local government at any time say they want to take on that responsibility. I think they would be reluctant to take it on. I think we have checks and balances within the system as it is, and I don't think it can be delivered any better by putting it in the hands of local government.

**Mr. Swenson:** — Thank you, Madam Minister. The next one comes from James M. Bowers of Regina. And once again this is a senior citizen and these are not my questions. This is very similar to one you had before.

Mr. Bowers says: I want to know why senior citizens are still paying school taxes which they have paid all their life. These school taxes are now being paid by their children. These school taxes should be adjusted and retroactive back to when the senior citizen became 65 years of age.

Obviously a lot of seniors feel very strongly about the issue.

**Hon. Ms. Carson:** — Yes, I understand that. And once again I say that property taxes go for two purposes: one to municipal services and one to education purposes. That's the way it's been in Saskatchewan for a long time. And for people who own property, whether they be senior citizens or otherwise, they simply apply their property tax to both purposes, both the municipal and the education side.

**Mr. Swenson:** — Next question comes from William and Patricia Jarvis of Saskatoon: I want to know about those freeloader Saskatchewan cottage owners who are not assessed Saskatchewan school taxes on their cottages. The rest of us cottage owners are. This is not fair at all. We are paying school taxes twice. Either all cottagers should pay school taxes, or none.

**Hon. Ms. Carson:** — We have a number of different types of resort properties in Saskatchewan. For people who are property owners in resort communities, they do pay education tax in their property tax. But we also have the people who own resort properties . . . or not own but lease resort properties in regional parks and provincial parks.

None of our properties in regional or provincial parks are assessed on a basis for taxation purposes. So what we have are people who own cottages in regional and provincial parks who pay lease fees, and those lease fees are supposed to be somewhat at the same level as for someone who owns property in a community that is incorporated as a municipality.

So we have two types, and it's simply a problem that we have, one being assessed for property taxation purposes, and one being leased, and the lease fee being established by the province of Saskatchewan.

**Mr. Swenson:** — My next question comes from Mrs. N. Berns from Saskatoon. I want to know why the lottery profits or a good portion of it are not used to reduce the deficit. It's wonderful to use these profits for sports, arts, etc., when the country can afford it.

**Hon. Ms. Carson:** — Well that's an interesting question, and I know there are a number of different approaches to it.

First of all we have changed, as you are aware of and the people are aware of in Saskatchewan, the licence fee structure for Sask Sport. We are the only jurisdiction that has Sask Sport set up as an autonomous agency outside of government that collects the lottery profits and they pass to the government then a sum of money that we call the licence fee. Other jurisdictions do it somewhat differently.

But in regard to the usefulness of those funds as they apply to sport, recreation, and culture across Saskatchewan, there is a great deal of research now that shows that people who are engaged in sport, recreation, and cultural activities are healthier, more productive, and are more community minded and are happier in their lifestyles than people who are not engaged in those activities.

So we need always to provide some support and some resources

for people who do not have their own resources to make sure that they have access to sport, recreation, and cultural activities. If you like, it's a holistic approach to the wellness program. And the lottery profits support that portion through the Sask trust sport organization.

And we believe that's a right way to go. It's one that's envied across Canada. And we'll leave it as it is because it is important that young people and old people across the province continue to have some funds and some resources in order to access sport, recreation, and cultural activities.

**Mr. Swenson:** — Next question comes from Mike Krakalovich from Pelly and is in the same vein. His question is: why can't we use our Lotto monies for medicare and hospitals rather than sports.

**Hon. Ms. Carson:** — Well again, the licence fee that this year is set at seven and a half million dollars goes into the General Revenue Fund that does go into funding programs like health and education. And what is left in the Sask Sport trust goes to help those community-based organizations that can be looked upon as providing wellness services to the communities.

**Mr. Swenson:** — The next question, Madam Minister, comes from A. Bodnarchuk from North Battleford: I want to know why you pay out so much money for prizes from lotteries when people are being turned away from hospitals because of a lack of space. Why not use some of that money every week and open up the hospitals again? Which is more important, health or sports?

**Hon. Ms. Carson:** — Well I'm glad you brought that up because we have research now that shows very definitely that people who are engaged in sport are healthier, more highly motivated, are more goal-oriented, have healthier lifestyles than those people who aren't engaged in sports. So when you look upon where our money is best used, if we can keep people out of hospitals, I think that is far more productive than waiting until they get into hospitals and putting money there.

So I would say once again that putting money into sport is part of the wellness model. And allowing people to engage in healthy lifestyles is far better than waiting till they are sick and then trying to cure them afterwards.

**Mr. Swenson:** — This next question, Madam Minister, comes from Ron Mlazgar of Nipawin: I want to know why the NDP hasn't done anything to change the R.M. Act of 1989. The NDP thought this to be a very unfair tax at the time. It is very burdensome to small farmers on low assessed, and even large farmers who want to retire on the home quarter.

**Hon. Ms. Carson:** — I gather that's an amendment that your administration brought in in regard to assessing residents on low-assessed properties. I'm not quite sure, but I think that's what he's talking about.

We have talked to SARM and we have talked to some municipalities about whether they want to see that changed. We are right now lacking a better alternative, if I may put it that

way, and a more fair alternative. So in the absence of having anything at this point in time that directly shows that we have a better way of doing it, we will leave that amendment in place.

Although there are certain landowners and certain property owners who feel that it is discriminatory, we will wait until SAMA (Saskatchewan Assessment Management Agency) has finished with their general reassessment and see what advice they can give us. And if there is a consensus it needs to be changed, we will look at changing it.

But I would say once again, this is an amendment that was brought in under the last administration, and at this point in time we haven't got any clear direction if there is enough pressure out there for us to undertake to change it and to replace it with something that we're not quite clear of yet.

(1530)

**Mr. Swenson:** — My next question comes from Robert Butt from Flaxcombe: I want to know why your government opposed a 10 per cent tax on lottery tickets back in the 1980s, and now you condone the wholesale thievery of these video slots. You are making honest people criminals.

**Hon. Ms. Carson:** — Well there are two sides to that question. I gather one is, why we are in VLTs. And I think we have said over and over again that the jurisdictions to the east and the west and the south of us have VLTs and Saskatchewan cannot be an island in a country where there are gaming activities going on around us and our people are going to take part in those activities.

And our hospitality industry has wanted to have VLTs, so we have supported that for legitimate purposes, both for economic purposes, but because we feel that it is very difficult to go against the tide of what's happening across Canada. And if people choose to engage in VLTs, then they should have the right to do that. Government isn't Big Brother and cannot stand on their shoulder and tell them how to spend their money all the time.

In regard to the 10 per cent on the lottery tickets that was first implemented by the last administration and then withdrawn, it was very clear that the public was not prepared to spend that extra 10 per cent on their lottery tickets, and the lottery profits fell substantially. And those profits were going back to help community-based organizations, and so it was depriving them of their ability to provide services to their local community.

So I think there are really two issues here. One, we have VLTs (video lottery terminal) for legitimate purposes that we have explained time and time again. They are here because they are a fact of life across North America . . . and that we are distributing the profits back to the communities in many ways through the General Revenue Fund and through the nine and a half million dollars that we have allocated within our budget this year.

We also oppose any tax on lottery tickets because that is a direct tax that takes away then from the lotteries their ability to raise

money.

**The Chair:** — Before we proceed further, I just want to remind the member from Thunder Creek that we ought not to use language or to say things indirectly that we cannot say directly.

In the letters that the member has read, he has on one occasion used the word crooked and on another occasion used the word thievery. This is not the kind of language that we would normally allow members to use in the House, so that if the member does come to a letter where he sees language that he ought not to use, then perhaps he might substitute his own word for that. Thank you.

**Mr. Swenson:** — Thank you, Mr. Chairman. I appreciate your ruling. One is torn with these. As you've noticed and the minister's noticed, I have offered no commentary of my own at all because these responses are directed back to the individuals and I . . . The direct democracy that's involved with this type of initiative I appreciate.

And I am hesitant to take licence with the feelings of taxpayers who are no different than I am in regard, and this is their legislature as well as mine. And I will attempt, Mr. Chairman, to temper my remarks. But I am trying to do this as honestly as possible for the process and will finish up with one final question to the minister today in this regard.

This comes from Robert Janowski from St. Walburg, and it's an issue that Madam Minister dealt with earlier, this time from the west side of the province. Why does Saskatchewan not use standard time in the winter? Why does Saskatchewan use daylight saving time all year? We do not turn our clocks back an hour at the . . . Why do we not turn our clocks back an hour at the end of October?

**Hon. Ms. Carson:** — Well I guess that question and the first one you asked shows the dilemma that we face: that the people on the east and the west side of the province see the sun at different times in the afternoon or the morning, and depending on your perspective, you feel that the clock should either be moved ahead or back.

Once again we believe that The Time Act that we have has served Saskatchewan well, that we are not going to change it, and there is no consensus in Saskatchewan that would show us what we should change it to if we should decide. So in the absence of a consensus and because what we have is working well, we do not believe that there is any need to make any changes at this time.

**Mr. Swenson:** — Thank you for those answers, Madam Minister. We will forward those back to the individuals, and they can judge for themselves whether they liked your answers or not, or if they wish to take the issues up further with you in the future in the way that you answered their questions.

As I said in my opening statement, there's been a number of things that have changed. The estimates for this particular area of government probably, for the first time in three years, weren't as contentious as they had been because all of the offloading

which you had done on junior levels of government wasn't occurring this particular year again, that that offload had been achieved, and you had now balanced your budget on their backs. But obviously they were not being harmed in any way further than what you'd already done to them.

However we've had a pretty dramatic change in the last week with the change to the Crow benefit, the statutory rate that was associated with the moving of grain and other products out of the prairie basin to port. I've been noticing in the media that there has been very strong reaction from the groups in the province which you are directly responsible for. In fact some of those groups were in the legislature here last week to voice their disapproval with what is occurring.

SARM particularly and their president have been very vocal in the fact that there are huge consequences now coming down on local government because of what is about to occur. We are going to see probably massive branch line abandonment. We are going to see a hastening of the building of inland terminals. And local government, both urban and rural, because of the offloading which has occurred particularly over the last three years, are now feeling that they are absolutely stretched to the maximum to provide basic infrastructure services, given the fact that their costs are going to ratchet upward significantly.

I have introduced petitions in this House in this session over a two-week period that were sponsored by one particular RM in my riding, concerning one particular highway. And if one took time to look at the petitions, I don't think there was a man, woman, or person over the age of 18 in a span there of about 60 or 70 miles and 30 or 40 miles on either side of that particular road which did not sign that petition. Now that RM have been very concerned because they've had a high through-put elevator constructed in their community three years ago, and they are now very knowledgeable about the impact of increased trucking into their RM and what is happening to the basic road infrastructure and the costs that are now being passed on to the ratepayers of that RM. They've lived the experience.

We now know that all over this province that same type of experience is going to be felt, and I believe that your government have been negligent in moving forward with some of the preparatory work for this transition, and you have negated the ability of local government who are also working quite diligently, I might add, in the late 1980s, as some of your officials will know, on analysis of ways to cope with this change.

And because of the offloading and the cut-backs which have occurred from senior government to them, most of that has gone by the wayside because now they're down to basic survival and aren't going to have the ability to meet the challenges that are going to crop up very rapidly for them. And I would like to know from you what representations have been made to yourself as Minister responsible for Municipal Government by local government over this issue and the issue of how they are going to cope on restricted budgets with some of the impacts that are coming down.

And I also would like to know what you are doing as the

Minister responsible for Municipal Government as part of a coordinating team within provincial government as it faces these challenges vis-a-vis the federal government. And can local government be assured that they have an ally on their side rather than someone who, at its own convenience, will offload or pick their pocket because of their own budgetary demands?

**Hon. Ms. Carson:** — Thank you for that question, and these are indeed changing times and for municipal governments, very challenging times. If I may, I'd like to go back into some of the history that you prefaced your questions with.

Yes, we have made cut-backs to the revenue-sharing pool. The cut-backs that we have made, I think the biggest cut-back was the 1991-92 budget that . . . or the 1990-91 budget that was passed which was essentially your budget the first year and then the three subsequent ones that we have passed . . . Together all of the reduction and revenue-sharing grants to both the urban and rural come to about 3 per cent of the total municipal expenditure. So it's the amount of money that comes from the provincial government to municipal governments for their purposes is a minor part of their budget, really, and what we've cut back is less than 3 per cent of their total expenditures.

I gather what you're saying . . . you are alluding to municipal governments as though they're homogeneous, and there is very distinct difference between urban and rural. And I gather what you're saying is more oriented to the rural rather than the urban side because it's on the rural side that you're going to see the greatest impact on the roads and road maintenance because of rail line abandonment. So I assume what we're talking about for the moment may be more directed to rural Saskatchewan than the large urban centres.

In regard to what we are doing to work with them, let me say first very clearly that the Government of Saskatchewan is in no position to back-fill for any of the problems that are created by any of the changes that are imposed by the federal government's budget.

We have come through a very difficult time. We have balanced our budget, and we are now going into a period where we know we have sustainable budgets. But that does not mean we are going to take on the obligations and the responsibilities of a national transportation system because that has been vacated by the federal government and in fact offloaded onto someone else. It is their responsibility to come up with a national transportation system, not the provincial government.

Having said that though, we do understand there is a need to develop a forum and a dialogue and do research and to find a way of getting the attention of the federal government and to place before the federal government alternatives. We have been in discussion, at least for the last two or three months, at the municipal-provincial round table with SARM about the effect of the change of the Crow benefit. We continue to work with them. We had a meeting with them today. We'll be having further meetings with them. Our officials have been working with their officials. They are on the provincial transportation policy committee. They are working with the Department of Highways.

They have not asked us to back-fill and to provide further funding because they know that as taxpayers of Saskatchewan we can't pick up that shortfall either, either as municipal governments or as a provincial government. But we are working with them consistently. We are working with them cooperatively. We're providing joint analysis. We're undertaking reviews together with them to see what alternatives there may be before us. But I'd say clearly to them and clearly to the members of this House and the public, the Government of Saskatchewan is not going to back-fill and provide funding in the areas that have been vacated by the federal government. We do not have the capability to do that. But we have to bring them to the attention of the federal government, their obligation and their responsibility in regard to transportation.

(1545)

**Mr. Swenson:** — Madam Minister, I'm sure that that will be reassuring to anyone in municipal government. I specifically asked you about the coordination that's going on within government — what ministers are involved? — some of the things that can assure people that we're simply not talking any more, that we're actually preparing ourselves to do things.

And I would disagree with you about urban Saskatchewan not being involved. Most of the members of SUMA, as we both know, are small compared to the big four in this province.

Even cities such as Moose Jaw which have one large terminal in place — and I understand another one being contemplated for construction — is finding big-time changes in the way that they maintain their road infrastructure on the periphery of the city. The RM of Moose Jaw has found that there has been tremendous pressure applied to the blacktop roads which are in proximity. And I think your department's been involved with them on those discussions.

This is going to be multiplied all across urban Saskatchewan. Most of our small towns, villages, hamlets have one or two paved main streets in them. Most of those paved streets have been put in through their capital-sharing grant systems, and they are taking a pounding, Madam Minister, like we've never seen before. Any place that has had construction of one of these major through-put elevators or terminals has seen a tremendous increase in truck traffic because that means that those urban areas are going to have to bear some of the brunt of the changes that are occurring.

I'm wondering, Madam Minister, if you had known what was going to happen last Monday, if you would have been so ready to send back to the federal government that \$317 million that was part of the GRIP claw-back.

When you people changed the formula and built that surplus — used 188 million of it yourselves to balance your budget — but the fact that Ottawa was committed and had budgeted that money to the province of Saskatchewan, as they did to the provinces of Manitoba and Alberta, money that was already committed as spent, and you allowed them to claw it back out of this province, knowing full well that that \$317 million

probably would have gone a lot further than the 300 million which they are now proposing as transition over the next six years, to allowing rural people — and that's both urban and rural — to be able to cope with this coming change, because that money would have been in rural Saskatchewan. It wouldn't have gone anywhere else. It would have been spent there. It would have been taxes, school taxes. It would have contributed to the infrastructure cost which you now in turn are going to be asked to help bear.

And I really wonder if those thoughts went through the government's head as they allowed that money to go out of this province and then in turn get clobbered last Monday by the federal Liberal government. Because that money would have gone a long ways.

So I guess the question is, Madam Minister, tell me which ministers are together in a working group; what plans you have to try and perhaps recover some of that money given the infrastructure costs which you know are coming.

I mean the minimum estimate that people in SARM are putting forward is probably \$100 million more per year in infrastructure costs. And I'm sure that as time goes on and the abandonment takes place those costs will go up. Given those kind of numbers that we're dealing with, can you tell me which ministers are involved in the working group and what specifically are your plans?

Is it targeted to highways? Is it targeted to grid roads? Is it targeted to farm access? Is it targeted to the main street of urbans? What are the target areas that you've now outlined given the fact that you know what's coming? And what assurances can you give people in municipal government that they aren't going to be the ones who ultimately bear all the burden, i.e., the taxpayer of those RMs and town councils, and that you're simply not going to be standing by, watching the world pass you by, as you have recently.

**Hon. Ms. Carson:** — Well I thank you for those questions. There are a number of different aspects of it. I don't intend to engage in another GRIP debate with you. I think you would be hard-pressed though to find very many people in Saskatchewan who support the old GRIP program that was brought in in 1990-91. And so we'll leave that as it is, understanding that you obviously have to defend it because you were there at the time.

The issue of the money — we have provided support for farm families and I'm going to let the Minister of Agriculture talk about that.

In regard to the impact on municipalities, there definitely is going to be an impact on urban municipalities. I didn't mean to imply that there wouldn't be. The impact that urban municipalities are going to be affected by will be the abandonment of the branch lines. And there are going to be small communities all across Saskatchewan that will probably be losing elevators and they'll be losing population and there will be changes in the way farming is done. And we probably will see a change to bigger farms because of all of this. And there will be more trucking. Everybody understands that this is

going to be the end result of these changes in deregulation and the Crow benefit.

So we understand there is going to be impact on urban municipalities. Probably we'll see a demise of a number of urban municipalities as they lose their grain handling facilities and a lot of their commerce that surrounds that. And we're worried about that, as SUMA is worried about that.

And I know the president of SUMA has made those comments that he is worried about how these communities are going to survive in the future, because they have been built up around providing services for farmers and especially grain handling services for elevators.

So that is one aspect that we're very, very concerned with. And we have to simply understand that there's got to be some approach locally made to supplementing what is there now, and we're going to work with them. But it's going to be a very difficult change for them and one that probably will be very difficult to stop.

In regard to again how are we working with either the urban municipalities or rural municipalities on their infrastructure problems, we have a working committee, as I said, made up of officials in our department, in Ag and Food, and in Department of Highways, and in the Department of Finance, that are working now with SUMA and SARM officials to try to understand what the impact will be.

I can't give you details about that because there is still a \$300 million fund that was announced by the Minister of Finance in Ottawa last week in his budget that he has not given any definite details about, that is supposed to go to try to provide some interim support for the infrastructure. And we still haven't been able to figure out exactly what he meant by that and where it's going and who is going to get it.

So we are working with those people at the local level, with an interdepartmental committee, trying to find out what it is the federal government intends to do, first of all with the \$300 million contingency fund they have set aside over five years — who's going to get it, what it's going to be used for, how it can be disbursed.

And secondly, we have to know how this is going to change the transportation network in Saskatchewan, whether there's going to be short lines or whether there isn't; whether there's going to be more highway hauling and what's that going to do to our grid roads.

We are doing an analysis. We have a transportation committee that's been working. We'll continue to work with them, but at this point in time we can't give you definitive answers because there's still a lot of unanswered questions coming from the federal government.

**Mr. Swenson:** — Well, Madam Minister, I wouldn't spend a whole lot of time worrying about that money. Saskatchewan traditionally gets about 56 per cent of the Crow. You're looking at about 160 million over five years, six years — you're looking

at, maximum, about \$30 million a year and the administration down there will gobble up a good part of that, as federal bureaucrats are wont to do. And I expect the time you get to play with it, if you do, it will be very slim.

And they've already said that they're going to earmark a lot of that in order to allow certain products to have an easier transition to market than they potentially would have. The alfalfa industry, which you will be familiar with, is a prime example — six cubing plants in this province which now all of a sudden are on the economic verge of bankruptcy if all comes to pass.

And I would suspect that a good portion of that money will get targeted, that when you look at this amount of money over the entire breadth of the Crow statutory region you're not talking about a lot of money. And I suspect you'll have very little of it actually end up in the hands of yourself or Municipal Government to play with at the end of the day.

I wonder if you could tell me then — you tell me you've got a working group together — if you could tell me who is the head of it, if it's a deputy or associate deputy. I'd like to understand the structure, because obviously people are going to be coming to us and others and saying the problems are coming, where do we go with them? Who are the people? Who are the faces and the names that we're going to have to deal with? And what is the structure? Who's in command? Who's second? Who's bringing up the rear? That sort of thing. And if you could outline for me who these people are, from the various departments, so that we have a clear understanding of the folks that are going to be front and centre as this issue comes forward.

**Hon. Ms. Carson:** — Well as I've said, we have been . . . in the municipal/provincial round-table meetings, we have been discussing this for some time, starting last year when we . . . the Department of Highways had a transportation committee that's worked. And I don't want to answer questions on behalf of the Minister of Highways and Transportation because that is his area, and to a large extent I guess we have some shared responsibility here, but he is a lead minister.

What we have is a working committee of bureaucrats who are working with the officials at SUMA and SARM — and it is headed up by the deputy to the Premier, Frank Bogdasavich — who are working now to understand some of the consequences of the federal government's decision and what locally we can do to adjust to it or what impacts it's going to have on both the infrastructure as well as on commerce and trading patterns in Saskatchewan. So we're working from that approach.

As far as ministers are concerned, I'm obviously very concerned about the impact on municipal governments, and I keep in very close contact with the president of SUMA and SARM. We have again a working committee made up of the Minister of Highways, Minister of Ag and Food, Minister of Finance, and myself who are working with the two presidents at the officials' level, at the political level, talking to them, keeping in touch, and sharing information.

**Mr. Swenson:** — Do you have a list, Madam Minister? The Minister of Highways is the lead minister but the Premier's deputy minister is the lead bureaucrat; is that what you're telling me? Is there a list that you can provide to me of the folks that are actually the working group, people from your department, Ag and Food, Highways — who else did you tell me? — Finance. Can you give me a list, and you can send that across at any time. I realize you wouldn't have it now. But I'd like a list of the players who are involved in this particular exercise. And I believe it's absolutely incumbent that they not simply talk about this issue but that there are some concrete plans being made to cope with what will become inevitable.

It's simply the pace, that neither you nor I can determine what that is. And if you could give me that commitment to give me that list of people so, in my role as critic, when I'm dealing with the same players that you have that . . . they ask me questions, I can say well this is the structure that the minister gave me, and this is where you go for the answers that you're going to need as you come up against these problems.

**Hon. Ms. Carson:** — Yes, we'll pass you over the list of the officials' committee, and how we're approaching it at a political level as well.

Let me assure you and the people who are asking you questions and the public of Saskatchewan that we're taking this very seriously. We are endeavouring to, first of all, analyse the impact and to find out from the federal government whether or not they will minimize that impact through other resources or other programs like another infrastructure program or an expanded highway program or some subsidy in another way.

But having said that, I would say that I wouldn't want to leave any illusions with anyone. We are not going to be able to replace that Crow benefit with provincial money or municipal money and think we will come out equal to what we were before they removed the Crow benefit from Saskatchewan and from the Saskatchewan transportation infrastructure program. It's just not within our ability to do that.

And so we have to be very careful what signals we're sending out. And our signal right now is not one that we're going to move into the position that's been vacated by the federal government. And I would hope that you as members of the opposition would not be advocating that the taxpayers of Saskatchewan pick up a cost that is the obligation of the federal government.

(1600)

**Mr. Swenson:** — Well, Madam Minister, I think you've seen from our response to this issue over the last week that we don't advocate that at all. We advocated a little tougher stance by yourself. And when it came down to the horse-trading that you did with the federal government, that you hadn't given away the whole barn instead of just one of the horses in the team.

It's very important, Madam Minister, that we understand what you're up to, because there are people out there, particularly in the rural RMs, that believe that on the agenda will be the

amalgamation of rural municipalities which you will hasten because of the changes in the Crow benefit.

The obvious impact on the grid road and main farm access structure will be very significant. When one looks at the costs of maintaining the current system by RMs which have been depopulated partly through government policy, then people are looking at both voluntary, and suspicious of involuntary, amalgamations in order to fund the necessary infrastructure that currently is in place.

I know last year the subject came up at the SARM meeting and you dealt with it at that time. And could you tell me, are there any plans, any carrots being tied to any sticks in order to have this happen; or do you foresee that system, now that Crow changes have occurred, speeding up, and what has been the history over the last 12 months since we were here last, with voluntary amalgamations in the province of Saskatchewan?

**Hon. Ms. Carson:** — Well once again on the Crow, I think we have said about as much as we can on the Crow benefit. In regard to the impacts on governance within the rural municipal structure or the urban municipal structure for that matter, we have said openly time and time again that we have no design or grand plan and that if there are going to be amalgamations, they have to be grass roots and they have to make sense and they have to be voluntary.

And so where there is a desire by municipalities to try to share services or to share costs or to share another kind of a governance model, we have tried to facilitate that discussion. We have tried to remove barriers, if there are barriers either in our legislation or in our funding formula, so that they do not stand in the way of what local people at the local level want.

Once again, I don't see a huge change in the structure of municipal governments at this time simply because of the change in the Crow benefit and the change in transportation policy. I think there is going to be a need to work together very closely, both at the municipal level between the urbans and the rurals in areas, and between the municipal governments and the provincial government. But that does not mean that there is going to be wholesale changes in there, it's going to be a forced amalgamations, because I don't know, quite truthfully, I don't know what that would really accomplish.

These people decided at the local level where the efficiencies are, how they provide services, and if it's not in their best interests to have a larger unit, then I don't know why we would impose it. Because they are the ones that manage their budget — not us.

So I have no design to make any changes at the municipal level. I've said that openly. What we have said is we'll remove barriers that might exist in legislation or in the revenue-sharing Act. And that's all that we're doing.

**Mr. Swenson:** — Well, Madam Minister, I appreciate your empathy with the way that local folks manage their affairs. It's unfortunate that the Minister of Health and his predecessor don't have the same attitude that you do as far as rural people in

particular.

I agree with you — I think they're very competent at managing these things. And they have had to cope for a long time. And whether they want to be small units or larger units, they do that.

Obviously your government doesn't think they're competent because in health care you've driven it from the top down. You said, local people, you don't matter. We won't even allow you to be elected to manage our tax dollars. So it's curious how you people sort of chase your tails around when it comes to the issues of local governments.

But I say to you, Madam Minister, it does matter. Because when an urban . . . a small urban no longer has the ability to maintain its tax base, what usually happens is it applies to join the RM. And what you have in most of my small towns — I don't know about yours — are a bunch of dwellings that, quite frankly, no one will use once the current occupant has passed away.

A lot of those particular dwellings will probably have to be destroyed. The act of maintaining that particular piece of infrastructure then falls in the lap of the rural RM which in many cases has no choice but to accept that particular small urban. Those costs then become a relevant factor.

And I say to you that there will be pressures to amalgamate because of that, the loss of taxes that they will get from grain companies, railway companies and other businesses which will then vacate their premises because of those losses. You will have schools, medical facilities, all changing because of the lack of tax base that will be present. So there will be very strong ramifications for a lot of places.

And I think that most people agree today that efficiencies are achieved partly through increasing size, so there will be pressure to amalgamate. And I guess how we manage that pressure so that locally elected people maintain some say . . . and it isn't driven down from the top like it has been done in health, and I don't think anybody can deny that. The budget numbers confirm that. That if we're going to manage these changes to municipal government through this period of transition that there has to be some structures put in place.

And yes, you will have the responsibility to manage it or someone else, and senior government I think has some obligation not only to make that transition as smooth as possible but to lay out a pattern which will be usable in the next century. And I haven't seen anything that would indicate that you've thought about what that pattern is or how we're going to achieve it.

The next 18 months, Madam Minister, will show us a lot of things about that. And if the federal Minister of Transport has his way, you ain't seen nothing yet. So I think we need to start thinking about it if you haven't already done so. I think that there has to be a working group put together that can manage some of those transitions because they're coming just as sure as you and I sit here.

Can you tell me, have you begun that process, and have you any

conceptual idea what that might look like?

**Hon. Ms. Carson:** — Well first of all you talk about amalgamations, and there is no process to amalgamate a village with a rural municipal government other than to devolution and where you have an unorganized hamlet and it's put under the governance or supervision of a rural municipal government. So you have to be careful about the terminology that you use.

We have no mechanism yet where there is a governance model that shows where you have some urban units and some rural units coming together, and any other method other than what we've used in the past, which is dissolution of a village into hamlet status and then that is being governed by the rural municipal council.

There are other models that have been talked about certainly. We have . . . when you're talking about amalgamations, it usually means rural to rural because those are units that have similar jurisdictions and have the same legislative framework in which they operate.

We last year removed some barriers where there could be voluntary dissolution of a village if it felt it was unsustainable. And we are very careful; in fact we do not allow a rural municipality to take on the liabilities of a small urban municipality. They still have to make sure that whatever liabilities are attached to that urban governance structure is still paid for by whoever owns property within that urban municipality.

So when you're talking about the changes, you have to make sure that you're not obligating taxpayers in another region to take on liabilities that are the responsibility of, say, a small urban. There is no doubt that we are going to have unsustainable communities in the future in the sense that there's going to be no visible economic unit to them any more because more and more of their services are disappearing, and you're going to have a collection of houses maybe with people living in them, but maybe more often than not people moving out as well.

We are talking of course with SUMA about this thing. They have an urban government renewal task force where they have looked at this very same question you have brought up. We are also talking to SARM about it. What we have done though, we have placed \$50,000 in the ICC (inter-community co-operation) program this year to talk about those kind of restructuring models. Because truthfully what happens with our revenue-sharing grants right now is small urban governments are reluctant to give up their status as long as they can be regarded as a corporate urban entity and therefore they are able to receive revenue-sharing grants.

So we need some transitional kind of a model here, but we are not driving it from the top down and we're being very sensitive to wait until we have some people at the local level approaching us for guidance and for resources. And to this end, we have placed \$50,000 in the ICC program to help with that.

We are trying to remove the impediments that might be existing

in legislation. We are working with SUMA and SARM to see how this might be changed in the future. If there is amalgamation between urban and rural communities, what kind of governance structure do you need in place then that would give everybody in that community, both the people living in the village and the people living in the rural areas, adequate support and a level of comfort that their political problems are being dealt with fairly?

So there is no easy answer, but there is lots of discussion going on. And the task force that the urban governments have undertaken, I think, approaches it from one level; the rural municipalities approach it from a different level. We're facilitating that and removing where we can impediments and providing resources where we can at the same time.

**Mr. Swenson:** — Part of my last question, I asked you how many amalgamations had occurred in the last year, both at the RM level, and how many organized hamlets had devolved themselves into rural RMs.

**Hon. Ms. Carson:** — The village of Plato reverted back to a hamlet status and was placed under the supervision of the RM. So there's only been one.

**Mr. Swenson:** — So no RM or group of RMs have approached government in the last year about changing their status?

**Hon. Ms. Carson:** — There may be discussions going on at the local level. Some of the RMs have explored the issue. They haven't done anything on an official basis, approaching us. I know the RM of Grant and the town of Vonda and the village of Prud'homme looked at trying to form a different kind of a unit. But again we have different legislation governing the two different types of municipalities, and there wasn't any way that they could form together legitimately or legally into a different unit.

But they are the ones that came closest to approaching a new governance model, and they're still working on it. And we need just to be able to provide them with data and research about what can be gained by this model and what they are losing on the other hands as far as autonomy or delivery of services.

So I think the best thing we can do is to be facilitative, to be cooperative, to encourage them where they want to look at it, to allow them to do it. But we don't drive the system. And at this point in time, there hasn't been a lot of that discussion.

**Mr. Swenson:** — Madam Minister, I have been approached by RMs over this specific issue because of the impact of the treaty land entitlement process. There are a number of RMs in this province that are having fairly large portions of their tax base removed, some of which are very close to where I live.

They, I think, are being realistic in looking at their alternatives and what they do with the remainder of that particular entity. That's why I'm surprised that you say you don't have a model up and running, because that concern is out there. And I don't think it's ... it's almost inevitable that they will not be able to maintain, through their existing rate base, their current

infrastructure. And I'm wondering what you have in place, given that these things start to tumble across the province as the treaty land entitlement process speeds up.

(1615)

**Hon. Ms. Carson:** — Again, the best thing I can say is where they need advice from our municipal advisers, both in community planning or in fiscal services, our people will go out and talk to them. But it has to be voluntary. There is no barrier, legislative or otherwise, that prevents municipalities, RMs from joining together if they feel that their units are unsustainable. They have been doing it over the course of the last number of years, and where they feel at the local level that is the best course of action left open to them, they will undertake it. And I have complete trust in the local politicians to make that decision locally.

Again, our officials help them. They provide them with background research. They provide them with analysis. They facilitate the process if that's what needs to be done.

But we are not going to unilaterally decide that we are going to undertake lots of amalgamations across the province of Saskatchewan and get everybody concerned about governance instead of about sustainable services. Because I think in the end what we need to talk about is how do we provide services at the local level to the greatest number of the people at the most affordable cost.

And if there needed to be a change in the governance structure, so be it. They'll make that decision and they will do it. If there doesn't need to be a change in governance, then they won't do it. They can find other ways — other ways being intermunicipal agreements.

So again I say our government is not driving this process — we're facilitating it, providing information where needed, and we trust, at the local level, that those people will make their own decisions that best suit their own needs.

**Mr. Swenson:** — Well, Madam Minister, I can appreciate you want to do these things in an orderly manner.

I recently had an experience myself with your department, and I'd like to commend your officials. I subdivided a piece of property off. It was 41 acres, fairly easily done, metes and bounds; it didn't have to have an official survey or anything. But that process took from August to December, not because your folks weren't extremely diligent. When you put all of the Crowns in, and everybody else that has to have a say in whether these things can occur or not, it is devilishly slow. I've got two more that I'd like to do, and I don't know if I want to go through the grief that goes along with that process or not. And like I say, your officials were always ready to get at it, but everybody else out there seems to just sit on their thumb and dither.

And what you're talking about, with something as large as an RM, where you have those other players involved and all of the rigmarole that would have to be gone through with these other folks, I think most people would shake their head and say, I'd be

better off to let this thing fall in the basement rather than try to come up with a new structure.

Because there's a lot of other players besides yourself who have a very large say as ownership and governance change in a particularly entity. And that's why I was wondering if you have models up and going. Because I do honestly believe in treaty land entitlement, and it's a good process. As it moves forward, the need to amalgamate and change the way that some people govern themselves is going to come about.

And it can be a very frustrating and slow experience, as I personally found out, because there are all these other players. I mean, you've got buried pipelines, you've got buried gas lines, you've got buried electrical lines, you've got water, you've got all sorts of people who will be interested in the changes in ownership or governance of a particular unit.

And it will be extremely frustrating if there is not a way for this to occur without all of the players sort of jamming at the gate. And that seems to be what happens at present. It's a very slow, frustrating experience. And I tell you, you don't want to have the banker waiting, like I did, through that, because it starts to get awful expensive.

So I don't know, if you haven't started on that process, could you maybe give me some assurance, and by doing so give taxpayers some assurance that perhaps this process can have a more clear light at the end of the tunnel?

**Hon. Ms. Carson:** — Well I guess there's a number of responses to the question. I think one of the greatest barriers, or the greatest problems on amalgamations will be how you rationalize the assessment structure and the mill rates. And that's going to take a lot of time because you'll be going into different school divisions with different mill rates and different services.

And what you have if you have amalgamations taking place, you have different municipal structures with different assets and liabilities and mill rates trying to merge together. And that takes a fair length of time. And you can't . . . I don't think you can hurry that unnecessarily.

But if you're talking about what problems may be the largest ones to overcome as far as what happens if there were to be a spiralling number of amalgamations, it probably would be in regard to this whole issue of how you equalize assessment and how you come up with mill rates that are compatible in different jurisdictions that either involve school boards or other units that may be there as well, like library boards.

So it's not a simple process; it's fairly complicated. And you, as you've found out, alluded to when you tried to do a subdivision, there are a number of players, some involving the Crowns, but I don't think in regard to municipal structures that you're going to find the Crowns standing in the way. It's more going to be the case of how you go about the taxation structure and the assessment changes that will have to be put in place before you can merge two different types, especially if you're talking about an urban and a rural; but it happens as well with rural to rural.

So again all I can say is we are providing the support, we're listening to the local governments, taking their advice. Where they need legislative changes we have made them. Those are the amendments we brought forward this year.

Where they have said that some of the revenue-sharing formulas stand in their way, we're trying to remove that part of the formula. And where there is a problem with assessments or other local government bodies, we are trying to be supportive and try to engage in dialogue at that level as well.

So it's a process that I don't think behoves us to hurry into, because the greatest success will come in allowing it to go at its own speed, and when they're comfortable with it they'll initiate it and it will be something that they're willing to live with.

**Mr. Swenson:** — Well thank you, Madam Minister, and I wish you would echo those words at the cabinet table when the Minister of Health is on his next rampage. You know, go slow, let the folks figure it out, spend their own money, do it reasonably. I'm sure you could give a very impassioned defence for how local people manage their own affairs if you'd only do it on their behalf.

Speaking of revenue sharing, you have recently branched off into a new area of revenue sharing. And this directly affects municipal government; \$9.5 million of VLT profits with communities.

And I would like to know more about that — when this was sort of decided upon and how your discussions with local government have gone to date on the handing out of this money. Have you conclusively settled the issues with both SARM and SUMA in how this money is going to be divvied up? And what your expectations are in the future as far as this revenue pool — is it a static 10 per cent or is this going to fluctuate over the next several years?

**Hon. Ms. Carson:** — Well I thank you for the question because it's very timely. In fact I spent almost the entire morning in a meeting with SAHO (Saskatchewan Association of Health Organizations), SUMA, and SARM discussing this. Let me back up a little bit to when the government made the announcement and the background and the reasons for doing that.

Obviously when we implemented the VLT program we had certain expectations that it would bring in a certain amount of revenue, and we incorporated that into our balanced budget. And we found out that we had underestimated that revenue and there were going to be surplus funds, and there was about 10 per cent. And so we decided that what we could best do to support local communities was dedicate this 10 per cent net revenue back to local communities.

We initially engaged in a discussion with the four associations — SUMA, SARM, SSTA (Saskatchewan School Trustees Association), and SAHO — because they represent the major delivery of services at the local level. SSTA afterwards decided that they would not want to participate in these discussions and so they withdrew from the group. And that left SUMA, SARM,

and SAHO at the table discussing how they could best distribute these funds to the local communities for the most urgent or the most essential needs, or to the groups that had the greatest need.

And we are continuing that. I guess what I would say to you is we believe these groups are very much in tune with local needs. They realize on a number of fronts where they think they could put that money to best use.

There are some innovative ideas that have come out of the meeting this morning that we are continuing to work on and they are talking to their respective associations to get further advice about. And I look forward to their recommendation coming to the government in the very near future about this.

We have made a commitment that we asked for their advice and their recommendation, and we'll wait for them to give it to us before we make any public announcement about what we're going to be doing with those funds other than that they have to be put to work back at the community level to some use that is broadly felt and that the most number of people in Saskatchewan can feel the benefit of.

**Mr. Swenson:** — Thank you, Madam Minister. That would be an interesting group. You've got SAHO (Saskatchewan Association of Health Organizations) who want the 2 mill levy, which you agreed to a couple of years ago, for health costs. And then you've got SUMA and SARM who would love to trade something to get rid of it. And, you know, the fox in the chicken coop thing, it would be an interesting table to sit around because one definitely needs more money, and the other one doesn't want to give it up because they're trying to protect some taxpayers.

So what's the relative . . . if you were to compare those to this 10 per cent on VLTs as opposed to the 2 mill levy which municipalities now have to fork over to health care, how do they compare in numbers?

**Hon. Ms. Carson:** — The 2 mill levy is \$13.2 million; 10 per cent is \$9.5 million.

**Mr. Swenson:** — So obviously SAHO isn't going to want to trade that one off very badly, are they? They're making more money as it right now than they would be on the other.

Madam Minister, you said that you haven't determined then how the . . . is it going to be done community by community? Do I understand that this is 10 per cent of my community or the gambling done there, or is this sort of a generic 10 per cent across the province on the total take? Because I know there's communities making pretty strong arguments to government that they are contributing far more than their share to the booty and want more back. So how are you going to do this?

**Hon. Ms. Carson:** — It's 10 per cent of net revenue that comes to the SGLA, the Saskatchewan Gaming and Liquor Association. It is . . . some communities contribute a fair amount through the VLT program; some contribute very little. And there are some communities that don't have a VLT program. I mean if you looked at RMs, they don't have a liquor

licence facility where they would have a VLT program there.

So it is very difficult to say that you would distribute it back to a community in relation to what is being taken out because of the VLT program, because that in effect would leave out all of the RMs. Very few of them, as you know, have licensed hotel outlets or wherever where you would find a VLT.  
(1630)

So we are in discussions with them right now about what that money can be used for. And of course you have brought up one aspect that it can be used for, which is a two-mill levy, and we have discussed that and looked at it. But there are other ways of going about it that may be as appropriate and more useful as well.

We have looked at whether it should be distributed on a per capita basis or whether there should be some generic program province-wide that we could put in and fund that would be for the benefit of all. So it's not as simple as, say, well we'll take off the two-mill levy because there are consequences to that. And you would be surprised at the amount of consensus around the table about whether that is a right approach or not a right approach.

I think I would, with due respect, give a lot of credit to SUMA and SARM in looking at this very realistically and being very practical about what we want to achieve. So there is a common element that has emerged from the discussions this morning that I believe will be supported by the people of Saskatchewan, and I hope it will be supported by the members of the opposition when we do announce it. But at this point in time I'm not going to pre-empt what may come out of those discussions because they are going back to their respective memberships and looking at it.

**Mr. Swenson:** — Well, Madam Minister, it would be a very foolish, starving man who bit the hand that was attempting to feed it. And I think after what your government has done to municipal government in the last few years, they are in bad need of a cash infusion of one kind or another, and I suspect they would reasonably look at a lot of things.

Now are you telling me that SAHO is there as an active . . . The way I understood your press release and everything, that this was going to be a sharing arrangement with local government. Certainly as yet that isn't SAHO. I mean they aren't elected. They aren't anything but something your government thought up at present because they're all appointed people. They're government functionaries, if you will, that sit on that board. And are you saying that they are going to be active participants in the divvying up, like, not only as advisors but actually receivers of this money?

**Hon. Ms. Carson:** — Again they are an advisory body. SAHO, because they provide a very critical service to communities . . . And when we made the changes in health care, both SUMA and SARM had comments to make about that. And so I think there is a very strong connection between health care delivery and municipal governments. And they have already acknowledged that in the past by virtue of comments that they have made

especially on the municipal side about the changes in health care.

So at the table, these three groups are an advisory body. The money sits within municipal government. It's dedicated to community and social development programs, and it's very broadly defined right now.

Once again we're waiting for them to make a final determination about what the most critical need is in Saskatchewan and how this could be best put to use that would serve both the wellness model and the services that are delivered by SAHO and the common services that may be delivered through the rural and urban municipal governments. And there's a lot of common things that they have there that they want to look at.

So it sits within our department. When it's transferred, it will probably be transferred in some way through to municipal governments or perhaps through another third party, but we haven't defined that yet. And we're waiting, as I said, for them to finish their discussions. I think there was a fair level of consensus arrived at the meeting this morning. And I think that everybody in Saskatchewan will be pleased, and they will be very supportive of these three groups and their ability to work together for the good of all people of Saskatchewan and to put this nine and a half million dollars to very good use that will benefit many, many people.

**Mr. Swenson:** — Madam Minister, I can appreciate where they're coming from. I mean you made the decision that you were going to, because of the heat you were taking over VLTs and their social impact, that you were going to distribute some of the money back to the folks. Now if there's nine and half million bucks in the kitty, and I suspect you could get a group of just about anybody in this province to sit down with you and talk about divvying that up.

What we want to understand and should be concerned about as legislators is that this money is going to be dealt with in a proper manner and that we simply aren't into some electioneering gimmickry here where we're trying to get the most votes for the leastest money, you know, type of exercise.

And that's why I'm concerned about the sale involvement at this time because on one hand you've got SARM which is all duly elected folks representing specific number of ratepayers; you've got SUMA which are all duly elected folks representing X number of ratepayers. I mean why not have the school board in there? They spend large amounts of money. They've got X number of ratepayers, taxpayers, you know.

I mean I can think of lots of organizations around the province which would qualify for what you told me the criteria was. All of a sudden I've got SAHO in here as a major player — which I don't think anybody anticipated, who aren't elected — who say they represent people, but I'm not sure that they do. We'll have to wait and see when they're finally elected how many of them get turfed. And yet they are now at the table as one of the strong players in this. And I don't see how this squares.

And you haven't told me anything. You say you had good discussions this morning about what's coming down. There's also an election coming down in this province some time in the next few months. And I'm quite concerned about how this \$10 million carrot that you've held out is being used and whether it's being fairly used because a lot of communities are saying, we're not happy with VLTs; we're not happy with the provincial gaming policy. We believe that there has to be changes; there has to be more latitude. We're locally elected; we think it isn't proper that this is imposed on high.

And yet on the other hand, you're now divvying up the money with people that I think a lot of people in local government will find a little bit offensive because I don't know too many RMs that are in delivering health care directly. Some of the big cities have been involved in it. Now the health districts have it. I know my RM isn't involved in a whole lot of things. They used to be on the ambulance board before they got that taken away from them.

So how do you square this business with these government-appointed health boards now being the determining factor in how this \$10 million, which was to be dedicated back to local government particularly . . . how do you square this with what's taking place?

**Hon. Ms. Carson:** — Well first of all, again I will say that the health care boards are going to be elected this fall, so they will be a locally elected group. Health care is essential service that is provided to all people across Saskatchewan at the local level. It's community based. And as you know, it's not just institutional care. It has a lot to do with other factors in the community. There are environmental factors. There's housing factors. There's transportation factors.

Wellness is many things, and it's just not the idea of going to a doctor and getting a pill or going into the hospital. And we've been trying to tell the people that there is another approach to health care. So the people on the health district boards realize that health care is very broadly based, and it overlaps in many ways services that are being provided by municipal governments. And thank goodness, both the rural municipal governments and the urban municipal governments realize that exact same thing, even if you don't.

And so there's a lot of commonality between those three groups, and they are engaged in a very useful and a very productive discussion right now. And they don't see the kind of dissension that you seem to think must be there by virtue of them having two different approaches or having two different groups of constituents.

They are very respectful of each other. They understand the process, and the process is that they will provide advice to the government on what they think is the most necessary and the most useful purpose that we can put this nine and a half million dollars to that will benefit the greatest number of people. And this has nothing to do with being in an election or not being in an election.

And you know, I suppose if you want to be cynical, you can use anything to make a point. But I think that is simply cheap politics, and I don't see any useful approach to that. This is a sincere attempt to place back at the local level nine and a half million dollars for their use, and we asked those people who are at that level providing critical services to give us advice. We had a meeting with them. I believe there's a lot of common purpose there, and I believe the final recommendation that they will give us will be something that is accepted by the people of Saskatchewan in good faith, as I hope it will be accepted by you, without any talk about the politics around it.

**Mr. Swenson:** — So what you're saying, Madam Minister, is that this group will determine the final outcome of the money. The government will stand back and say, it's entirely in your hands, you do with it as you wish; I as a minister, or cabinet, aren't going to interfere in how this money will be spent. Is that what you're saying?

**Hon. Ms. Carson:** — What we have said to them is, we would like to see a consensus arrived at by these three groups so that we don't have to arbitrate between two or three recommendations. We have said that we want it to be broadly based, to be something new and unique and visible within the communities, and that we don't want to see it to go to top up programing that is already there. In other words, our preference is not to top up the revenue-sharing program for municipal governments with this nine and a half million dollars. That is not one of the things that we have asked them to examine.

So with all due respect there are some parameters that we put upon it; not a lot, but I think that would be one or two of them, that it has to be something new and unique and it can't go to top up already existing program funding.

**Mr. Swenson:** — No money at all can go to existing program funding, and that will include both municipal government and health care — it has to be something new in health care? Because you said SAHO are the big players, so there's no existing areas of their funding that can be touched by this money?

**Hon. Ms. Carson:** — The purpose was not to supplement funding that was already there under normal programing transfers from either Department of Health or the Department of Municipal Government. From what we said is, we don't want to use this as a top-up on the revenue-sharing program. We believe there are other needs that it could be appropriately applied to and the same applies to the Department of Health.

Now again there are a number of emerging issues that we're looking at and I don't want to go into any more detail than that, but there has to be a consensus. We are not going to be saying, SAHO, we don't like your idea but we like SARM's idea. What I've said to them very clearly is, we want this group to come out with a consensus recommendation that supports your services or the constituents that you provide services to, broadly based, either in wellness or in municipal services.

**Mr. Swenson:** — Well, Madam Minister, in the answer before, you were fairly emphatic. You said that this money is not to be

used to top up any existing programing. Okay. And that's fair. And that means that it can't be on the municipal side with revenue sharing; it can't be lots of things that I can think of. And I agree with you that if you're going to do this, then you should put those stipulations on it.

But it appeared to me when we got down to the health side that you started to weasel on me because you said, well there's new things coming along, you know. I mean are you going to . . . Home care comes into a particular community and well we're going to use home care . . . I mean I admit I'm suspicious as to the mix that you have together at the table. And I'm just wondering if you're not looking for a way to shove money over into a health care initiative that is floundering, at best, in some parts of our province.

And I'll give you an example. Community A says, we would like a doctor. Now a doctor in a community, to a lot of people, does a lot to help the social-economic area. Okay. They don't have to drive as far. So community A in health district B says, well why don't we all get together and take our share of this and we'll put up a clinic and buy a house or we'll do something to entice a South African doctor to come to our community and sign on.

And there might be enough money to do that. But the health district board has got the hammer — and the Department of Health — on how many doctors can practise in the province of Saskatchewan and who pays the salary and those things. And I think if you want to make this work, if it is a worthwhile program, that you stick to what you said, that it won't top up existing funding but it clearly be going back to communities without the other agenda being mixed in. Do you want to comment on that?

(1645)

**Hon. Ms. Carson:** — You have explained it better than I can, even though you are suspicious. It's too bad that you always have to be suspicious before you are able to look at something reasonably and rationally.

You're right. We didn't anticipate this to go to top up funding that they felt they had not received adequate funding through regular programing delivered through the Department of Health. And that's not to say that it will . . . there will be an aspect to it that will have to have probably some health delivery connotations to it, or aspects of it that might look in a way to be health oriented. But it might also look to be very much municipal oriented.

So I guess I can tell you, look at emergency services. They go many directions and they cross a number of boundaries and there's a number of uses there. And that is one way that you can look at both sides of the issue.

**Mr. Swenson:** — So some of the communities in the South that have been clambering for ambulance service possibly could get ambulance service out of here? Is that what you're telling me? Mankota, Coronach, some of these communities that are feeling left out in the cold by health reform could possibly get

ambulance service? Is that a logical extension of your thought?

**Hon. Ms. Carson:** — I said ambulance services are provided to regular programing funding from the Department of Health.

**Mr. Swenson:** — A doctor would be too, Madam Minister. I mean there's all sorts of things. But once again you're telling me that it isn't local people that are going to have control; it's going to be top down, and nothing ever changes I guess that way.

I want to ask you about the issue surrounding VLTs in communities. As minister responsible for local government, I know you've had representation from people who say we don't want this stuff in our community. And you've given me the standard government answer. Is there no process for local government to determine through . . . I know you can have a dry town, like if you don't want to have liquor in your community. And there are places in our province that are dry from back in the 1920s. If I'm on an Indian reserve and I vote dry, I'm dry. You know substance abuse isn't allowed in certain areas of our province.

Why are you telling local government that they don't have the power through by-law to empower themselves to be gambling-free areas in the province of Saskatchewan when you do it with liquor? Because you tax liquor, you tax all sorts of things, and yet you would empower them as their minister to do that but you won't do it with gambling. Why is that?

**Hon. Ms. Carson:** — Well the short answer is that was discussed at SUMA and the membership of SUMA turned it down. They said they didn't want to take on the responsibility. It wasn't part of their obligations under The Urban Municipality Act to make a decision about gambling. It was the responsibility of the provincial government. So quite clearly the urban governments did not want to take this on and they said so very clearly in the result of a vote that was put by resolution at their convention. They turned that authority down.

**Mr. Swenson:** — Well as I understand some of the communities, Madam Minister, they really don't care what SUMA thinks. They have the ability — and correct me if I'm wrong. When they voted they voted to go dry without SUMA, and under their by-laws they have the ability to maintain that, as does an Indian reservation.

Now, Madam Minister, are you telling me that SUMA had to be involved in this and give blessing to someone passing a by-law? I mean in Moose Jaw we passed a by-law you had to walk on the right-hand side of the street, for goodness sakes. And that didn't need SUMA's blessing, and yet that set a precedent that could have been really strange for the province if we all had to walk on the right-hand side of the street, you know.

I mean they voted to go dry on their own; it had nothing to do with SUMA. Now, Madam Minister, are you telling me that to vote within your jurisdiction to ban gaming requires SUMA's blessing?

**Hon. Ms. Carson:** — Well I think you're confusing the two issues. First of all, as far as what they have a right to do, they

can pass by-laws that decide how they're going to regulate commerce within their municipality. And through zoning by-laws or through licensing by-laws, they can license premises and so forth. And if they don't want to give out a licence for someone to have a liquor outlet, they don't have to. But it probably would be challenged in this day and age.

I can't think of a community that has a hospitality industry like a hotel or a lounge and has decided to not allow a businessman to have that opportunity if he wants to take it and provide that service to the public. So a municipal government has a right, through zoning by-laws and through licensing by-laws, to regulate commerce in their jurisdiction.

Gaming is a provincial jurisdiction and we have sole responsibility for it. I don't believe there is any municipality that says that they want the provincial government to devolve into their jurisdiction the whole issue of gambling and gaming. That is not clearly what they have sent a message to us about. They have said this is your issue and you manage it and leave it at the provincial level.

So there are two very clearly different things. One is zoning, and one is licensing in regard to commerce, and they have jurisdiction over that. The provincial government has jurisdiction over gambling. And we have a provincial policy that says in venues that are age restricted that people have the right to put in VLT machines, and we've put them in there.

Now the issue is, if they want them out, why can't we allow them to take them out? And you have to be practical about this and say, why do they want them out? If it's because they fear that there is a draw-down on the resources within their community, that too many people within their community are going in and putting money into those VLT machines, then we would say to them, what's to stop them from going out of your community, down the road to the next community where there's VLT machines and putting the money into their VLT machines?

You can't draw a ring around a community or build a wall around it and say nobody can go out of our community and spend money in one down the road. And so it's self-defeating to say that we want not to have VLTs in our community because it poses an economic hardship, and too many people are spending their money in VLT programs and the VLT terminals.

If the people want to do it and it's their money and they are in there because they have a right to be there because they are over 18, then I don't think the government or anybody else should tell them what to do with their money. That's their money. And if they choose that form of entertainment, then I don't know why members of the opposition or anybody else would go to somebody and say, I believe you're spending your money wrongly.

**Mr. Swenson:** — Well, Madam Minister, we raise these questions because you people are so full of contradictions. I mean what you just said totally contradicts the Minister of Finance and her crazy 9 per cent sales tax and the reason she gives to defend that foolish piece of nonsense when we sit next to Alberta and Manitoba and this province just bleeds and

hemorrhages all over the place. You should be an advocate for folks at the cabinet table, because you make all the right arguments but obviously you don't do it.

The reason we're concerned is because you're saying that people don't have the right to manage their own communities. People can vote, Madam Minister, in this province, not to have the government-controlled liquor monopoly, okay, selling liquor. As I understand it, it's on the books. When I was minister of Native Affairs, there were communities approaching me about voting to not have liquor, period. Okay. And as far as I know, those are legally constituted communities, they have village status, and they don't want liquor.

So if on one hand they can vote to not have your liquor monopoly, why can't they vote to have your gambling monopoly? And if people in that community — I agree with you totally — want to go down the road and spend their money on VLTs, that's their right. And I'm not disputing the right of individuals.

What I am disputing with you is why you think you have the right to impose your will, through a Crown monopoly, on a community? And there are communities . . . and I guess the only way you and I would ever know if they are right or wrong is to be able to put it to a vote. And I guess in a democratic society you should either be able to vote or not vote on whether you have things that are morally objectionable to the people in that community.

**Hon. Ms. Carson:** — Well you're getting into again the legislation. And under the section of The Urban Municipality Act that allows municipalities to hold plebiscites, it very clearly says that they have a right to hold a plebiscite in any area that falls within their jurisdiction. Gambling does not fall within the jurisdiction of municipal governments, and therefore a plebiscite on gambling is outside of their jurisdictional review, and that is what is in the Act. They can only operate within the confines of The Urban Municipality Act.

They can only have plebiscites or referendums, if you want, in regard to issues over which they have jurisdiction. They do not have jurisdiction over gambling. Gambling, by way of the Criminal Code of Canada, is a responsibility of the provincial government. And that is where it resides and that is the difference between this and those other issues.

The issues of liquor licensing can be done through zoning and licensing of businesses. And if they want to take on a businessman and say, we are going to close down your liquor licence or your liquor outlet in our community and throw you out, then I guess they have the right to do that because all they have to do is take away his licence to operate.

But again, I would say, if they threw out the man who has a liquor venue or a lounge or a beer parlour in their community, I guess in that way they would be throwing out the VLTs because the VLTs can only operate in age-restricted venues.

The Assembly recessed until 7 p.m.