

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 30, 1995

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goohsen: — Thank you, Mr. Speaker. I'm happy today to present petitions from south-west Saskatchewan, namely the towns of Piapot, Maple Creek, Consul, and that area along No. 1 Highway.

I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding directed 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.

As in duty bound, your petitioners will ever pray.

I'm happy to table these today, Mr. Speaker.

Mr. D'Autremont: — Thank you, Mr. Speaker. I too have petitions 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 comes from the Eston, Rosetown area, Mr. Speaker. I so present them.

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 allocate funding toward the double-laning of Highway No. 1.

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

INTRODUCTION OF GUESTS

Hon. Mr. Thompson: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of this Assembly, two gentlemen from South Korea who are seated in your gallery. Mr. Yoon, managing director of Namsung Corporation, and Mr. Lim, representative director and vice-chairman of Ihl Shin Chemical Company Limited.

These gentlemen were invited by the Asia Pacific Foundation of Canada under the future leaders program to travel across Canada making stops in a few centres.

Mr. Speaker, the goal of the future leaders program is to have individuals of the Asia Pacific region learn firsthand about Canada's people, industry, resources, and culture.

Mr. Speaker, I'd like all members to join me in welcoming our guests to the legislature today. Thank you very much.

Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. Prior to this session beginning, I met with several representatives of the commercial carrier industry and the you-drive and rental industry who are in the Speakers' gallery, and I would like to introduce them to you and through you to the House, Mr. Speaker, and ask them to indicate who they are so that members of the House can recognize them.

There is Warren Smith, who is the general manager of the Saskatchewan Trucking Association; Erwen Siemens from the Kindersley Transport Ltd., and Doug Siemens, also from Kindersley Transport; Jim Street, president and owner of Tri-Star Transport Ltd.; Brent Leach, Saskatchewan general manager of Custom Truck Sales; Lyman Waite, manager of Quill Transport Ltd.; Dennis Dohel, president and owner of Jay's Moving and Storage; Les Reid, owner of Circle R Transport Ltd. of Saskatoon; Terry Lay from Saskatchewan Interline Freight Systems; and from the you-drive and rental vehicle companies, Kelly James, district manager with Tilden for the Regina-Moose Jaw district; Lorne Boldt, general manager of Avis rent a car; Robin Wallace, city manager with Thrifty Car Rental; and Fred Howman, general manager of Hertz Rent A Car.

I want to, on behalf of the members here, extend a welcome to these representatives here today who were here earlier to get a briefing on some changes in the SGI (Saskatchewan Government Insurance) rates for the industry that I am going to speak to in a ministerial statement here today. And I ask members of the House to join me in extending a very warm welcome to these gentlemen who are here with us today.

Hon. Members: Hear, hear!

Ms. Murray: — Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you to my colleagues in the legislature, five special guests seated in your gallery. These gentlemen have just come from making a

very important announcement with respect to the Big Valley Jamboree line-up this summer.

I'm going to introduce them and I'm going to ask them to stand as I introduce them because we have so many fine people sitting up there today. Mr. Speaker, they are Alan Vinet who is the executive director of the Big Valley Jamboree; Glen Vinet, the general manager of the Big Valley Jamboree; Danny Hooper who is the master of ceremonies and will be for both Big Valley in Craven and also in Camrose; Brian Andrews who is the director of operations for Big Valley Jamboree; and Bruce Oleson who is the co-chairman of the Big Valley Jamboree.

Mr. Speaker, I was greatly pleased to attend the press conference this morning and I would say that if they are going to have as much fun at the jamboree as they had at the press conference, it's going to be a great time for everybody. Please welcome them.

Hon. Members: Hear, hear!

Hon. Mr. Anguish: — Thank you, Mr. Speaker. I'd like to introduce someone else in the gallery today. This person is a very renowned citizen of Saskatchewan, and more specifically of the city of Regina. She is a key person in the Asia Pacific Foundation. She's also the person who I would think should take full credit for starting the dragon boat races in Regina — likely the second largest of anywhere in the world, I understand — and also a member of the SaskPower Commercial board.

I'd like all members of the Assembly to join with me in welcoming Mary Chan to the legislature here this afternoon. Welcome, Mary.

Hon. Members: Hear, hear!

Mr. Roy: — Thank you very much, Mr. Speaker. I'd like to present to you and through you to the legislature, 29 grade 12 students from Aberdeen high school. They're seated in your gallery, Mr. Speaker. They're here with their teachers: David Herron, Donna Doriez, Trudy Betthel, Warren Jacobsen. And the bus driver is Gary Evans.

Mr. Speaker, Aberdeen is a community that's just a short distance to the north-east of Saskatoon, and it's a community that's showing a great potential for the future economically and in other respects. And I know that they take great pride in their educational institution in Aberdeen. And it's a pleasure to have them here today. They've come to partake in our democratic process here. And I want to welcome them, and I'll be meeting with them a little later.

So I'd like to ask all the colleagues to welcome them here today. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Big Valley Jamboree

Ms. Murray: — Thank you, Mr. Speaker. Well, Mr. Speaker, I have good news for all you legislative line dancers and fans of country music. The Big Valley Jamboree in Craven has announced that this year's entertainment will feature such international talents as the Oak Ridge Boys, Pam Tillis, Sammy Kershaw, and Ricky Van Shelton. They will join Canadian stars Prairie Oyster, Patricia Conroy, Lisa Brokop, and home-grown talents the Johner Brothers, Saskatchewan Express, and Scott Kyle King.

Mr. Speaker, the jamboree will take place from July 12 to the 16 and promises to be another huge success. A study done a few years ago showed that Big Valley impacts the Saskatchewan economy to the twangy tune of seven and a half million dollars. That's a huge benefit to all manufacturers, retailers, hoteliers, and charities involved. As well, a \$7 million investment in my constituency means many jobs, especially summer employment for youth.

Mr. Speaker, this year for the first time, the Big Valley Jamboree has invited the 11 regional tourism authorities to host booths advertising their areas. This innovation will greatly encourage jamboree goers to spend more time and hopefully dollars in Saskatchewan.

The Big Valley Jamboree is not only a week of great fun, it is a significant economic boost to both Craven and Saskatchewan. For their part in helping the jamboree thrive, I want to congratulate the organizers, especially Alan Vinet, Glen Vinet, and Danny Hooper.

Thank you, Mr. Speaker.

Gyug Benefit Hockey Game

Mr. Knezacek: — Thank you, Mr. Speaker. I'm pleased to report that a benefit hockey game last night in my riding was a huge success and the proceeds will be going toward a good cause. Over 600 people attended this hockey game in Esterhazy which saw the MLA (Member of the Legislative Assembly) team take on the Esterhazy Ol' Flyers.

Mr. Speaker, this benefit hockey game raised over \$8,300 with the proceeds going to Robert Gyug and his family. Robert is fighting a battle against leukemia and had to leave his job with the Highways department because of his illness. There are many people to thank for making this event a big success. The Esterhazy Lions Club, under their theme of people helping people, did an excellent job of organizing all the work for this event. The rink was donated for the game, as well as the announcing, the time-keeping, and refereeing. A special thanks to all the volunteers. And of course we must thank the 600-plus fans who attended the game.

Mr. Speaker, the Ol' Flyers won the game 11-7, but the score isn't important. What is important is the fact that the community got together and was able to raise over \$8,300 for this worthwhile cause.

On behalf of the MLA hockey team, I want to thank and congratulate all who participated and contributed to this

excellent event. Thank you.

Some Hon. Members: Hear, hear!

Spiritwood Hosts Regional Drama Festival

Mr. Johnson: — Mr. Speaker, to be or not to be in Spiritwood today, tomorrow and on Saturday — that is the question. The answer, Mr. Speaker, for those who enjoy lively drama performed by student actors, is definitely to be. The Spiritwood High School drama clubs are proudly hosting the Saskatchewan Drama Association's 1995 regional eighth drama festival this weekend. Twelve plays will be performed by drama clubs from Leoville, Medstead, Spiritwood, Meadow Lake, North Battleford, Edam, Turtleford, and St. Walburg. On Saturday evening, there will be a banquet and awards night. I'm looking forward to attending.

Mr. Speaker, this is one of 12 regional festivals in the province, with the winners of each performance attending the provincial festival to be held in May in Yorkton. Of course this is a win-win event for the actors, the technicians, the directors, the crew, and the audience; all benefit from their exposure to live theatre.

I congratulate the staff and students of the Spiritwood High School, and I say to each competing club — break a leg. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Save Our Environment Guide

Mr. Trew: — Thank you, Mr. Speaker. The good people at Regina's Z99 and CJME have done it again. Hot off the press is their third annual *Save Our Environment Guide*.

This publication is now available free at any Sherwood Credit Union and has been distributed to every teacher in Regina, thanks to the corporate sponsorship of Western Business Machines, Cornwall Centre, Southland Mall, Dairy Producers Co-op, and of course the Sherwood Credit Union.

Mr. Speaker, you open this paper to the third page and there's a question printed in large letters: "What kind of world will we leave for our kids?" The answer to the question can be found in the number of clear, informative, useful articles contained in the guide.

There are articles on clean air, on the ozone layer, on waste reduction, on water conservation, and much more. And they are useful. Because of an article last year, the Trew family is now composting. We no longer dig up dirt; we make it. A new feature this year, Mr. Speaker, is a "Kid's guide to the environment." The sooner kids become concerned about the environment, the better the environment they will pass on to their own kids. Environmentalism is not a fad like skateboarding; it's a deadly serious, ongoing concern for each of us individually and collectively.

Again I congratulate Z99 and CJME for their community

leadership. Once again the Z and CJME have demonstrated in a practical way their commitment to our community and our environment.

Some Hon. Members: Hear, hear!

Terry Puhl, Canadian Baseball Hall of Fame

Mr. Carlson: — Thank you, Mr. Speaker. The community of Melville has always produced high calibre athletes. Today I take great pleasure in recognizing Terry Puhl of Melville, who recently became the 37th member of the Canadian Baseball Hall of Fame.

Major league baseball fans will remember Terry's years with the Houston Astros. He spent 14 seasons with the Astros and one year with the Kansas City Royals before retiring in 1991.

Terry excelled in this sport and his statistics prove it. He holds the major league record for highest career fielding percentage by an outfielder at 993. He shares the record for a single season of a perfect 1,000 for having no errors in 1979. Terry was also impressive at bat. He hit 300 or better in three seasons — 1977, 1984, and 1988 — and retired with a career average of 280.

Mr. Speaker, not many Canadians make it to the major league teams, and to excel when they get there and do well over a span of 15 years is quite an accomplishment.

I wish to extend congratulations to Terry Puhl and I know that the community of Melville is proud of his accomplishments. Thank you very much.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

SaskPower Office Closures

Mr. Swenson: — Thank you very much, Mr. Speaker. Mr. Speaker, my question today is for the minister responsible for cleaning up Jack Messer's messes.

Mr. Minister, can you confirm that Jack Messer is considering closing 16 SaskPower offices across the province including the Lloydminster office and, Mr. Minister, can you tell us which offices are scheduled for imminent closure, or do you plan to run away from the question like you ran away from Mr. Goldhawk on television last night.

Can you answer that, Mr. Minister?

Hon. Mr. Anguish: — I'd like to thank the member for his question. There are no offices that are imminent for closure. There is not a list that stipulates which offices will be closed and which will be left open.

I would inform the member that under way at the present time, SaskPower is into the most extensive dialogue process that has ever been undertaken between the employees, between the management, and between the board of directors of SaskPower. There has been some talk of office closures. If SaskPower

continues on the course that they have continued in the past, faced with externalities that will affect them from beyond our borders and beyond our control, there certainly would be closure of offices in Saskatchewan.

The employees don't want to close offices; the board does not want to close offices; the management do not want to close offices of SaskPower. And that's why the most extensive dialogue process ever undertaken is currently under way at SaskPower. There are other options and those options are being explored by the corporation and by the employees of the corporation, to continue having SaskPower as one of the best electric utilities of anywhere in North America.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Well, Mr. Speaker, it's unfortunate that Mr. Messer threw some bananas out to keep the minister away from us today, but I would say maybe he's considering suspending the minister like he's done to others.

To the Minister of Labour: Mr. Minister, you obviously have a plan to close offices down and lay off SaskPower employees. That's very evident. I suspect you didn't want to talk about it until after the election is over, until the member from Riversdale has called his election. So, Mr. Minister, why was it necessary to suspend an employee who was simply telling the truth and informing Saskatchewan taxpayers about what the plans of SaskPower are?

So will you be honest with us? I know that the current minister can't be, because he's under the thumb of Mr. Messer. But would you be honest with the public today and table Jack Messer's hidden agenda for closing down SaskPower offices in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: — Well if Jack Messer had a hidden agenda at SaskPower certainly the members opposite wouldn't find it. There is no hidden agenda over at SaskPower.

I explain to the member again, in the floor of this Legislative Assembly, that there's a dialogue process going on to explore the options as to how SaskPower will handle the future, which is very uncertain for many electric utilities across North America.

If you look south of the border, many of the electric utilities in the United States of America, Mr. Speaker, are in great turmoil. You don't find much investment these days in the private sector going into electrical utilities. Those same factors that affected the electrical utilities in the United States will soon be affecting the electrical utilities here in Canada.

What SaskPower is doing is that they're into a planning process, Mr. Speaker, whereby they want to face jointly, with the people of Saskatchewan, the employees, the board of directors, and the management, those challenges which will tax to the limit the corporation that has served us well over many, many years. Those options are being explored.

I said previously to the answer to your first question, that if nothing is done, there likely will be closures for SaskPower. But they are doing something; they're looking at the options for the future. And I have confidence, if the member will just hold on for a little while and wait for those that are involved to run the process, we'll continue to be well served by one of the greatest corporations in the electrical industry.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. I can understand the Minister of Labour's hesitancy to tell the Assembly what is going on in SaskPower.

The question I asked, Mr. Minister, was why did you suspend the employee for telling the truth to Saskatchewan taxpayers? I don't want to hear about all the rest of it. I want to know, why did you suspend the employee for telling the truth, even though he perhaps did something that interfered with your election campaign? Why didn't you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: — Thank you for that question. I didn't quite catch that as a full thrust. If you hadn't have put as much rhetoric into your previous question, I would have caught the actual question that you were asking.

I didn't suspend the employee. The management at SaskPower suspended the employee and I backed that decision — I backed that decision. It's not an issue of employees telling the truth. It's an issue of an employee leaking a confidential planning document that gives a one side of a perspective, which is not motivated by the good interests of the corporation.

There isn't a private sector company in all of North America that would allow an employee to leak confidential planning documents without taking action on it. The employee is lucky to only have been suspended for five days, in my opinion, sir, and I back the decision in this particular case. Employees should be encouraged to tell the truth. But there's a good interest in the code of conduct which all employees in SaskPower have agreed to. The employee broke the code of conduct and was therefore suspended for five days.

Some Hon. Members: Hear, hear!

SaskTel Computer Sales

Mr. D'Autremont: — Mr. Speaker, my question is to the minister responsible for SaskTel, and it's a very short question, Mr. Minister. Can you confirm that SaskTel has entered into the computer retail business and that they're now selling computer systems and supplies in direct competition to private computer retailers?

Hon. Mr. Tchorzewski: — I think, Mr. Speaker, a brief question deserves a brief answer. And the brief answer is no, SaskTel is not into the computer retail business. It has done maintenance of computers for quite a large number of years under the previous administration and under ours. But as a

policy SaskTel is not in the retail computer business.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. I find your answer very surprising since we've received a letter from Harvest Moon Technologies, a computer retailer in Yorkton. And Harvest Moon has recently lost a large contract to a corporate client, International Minerals and Chemicals. And that was because IMC (International Minerals and Chemical Corporation Ltd.) started purchasing their computer systems from SaskTel. When Harvest Moon called their MLA, the member from Yorkton, he confirmed — he confirmed, Mr. Minister — that SaskTel is indeed selling computers in a number of places in southern Saskatchewan and that SaskTel is poised to make a decision in the first part of April whether or not they should go full stream into retail sales to the general public.

Mr. Minister, is it necessary for SaskTel to compete with private computer retailers by muscling into a service that is already being provided by the private sector?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, I would be pleased to respond to the member's question opposite. And as I said in my original response, that servicing computers and performing other maintenance work has been done by SaskTel for several years. In some cases, regular customers of SaskTel come to SaskTel and request that SaskTel make a quote on supplying certain hardware equipment from time to time. But as a policy, SaskTel is not in the retail business.

Because these are customers that are valuable to SaskTel, SaskTel from time to time makes this kind of a quote at the request, and only at the request, of the client as a service to the client. In this case at IMC there was such a request. And the member is wrong. As far as I know, IMC has yet at this point not decided as to which of the tenders is going to be taking up. But it's an isolated case, and it's done only at the request of a client, which happens from time to time.

Mr. D'Autremont: — Well, Mr. Minister, I don't know how you cannot not be in the retail business and then put forward tenders for sales of computers. Your own member from Yorkton agreed with Harvest Moon that you were indeed in the retail business, Mr. Sector.

I'd like to quote a little bit from the letter, Mr. Minister.

Doesn't SaskTel or the NDP understand what they are doing? By taking the bread and butter out of our business, it means the very good possibility of additional layoffs and/or computer store closures in Saskatchewan and more unemployment. Is it SaskTel and the NDP government's job to try and finish us off for good?

Is that your objective, Mr. Minister? Mr. Minister, are you trying to run the private computer retailers out of business and

out of Saskatchewan? And if not, why on earth is SaskTel getting into the retail sales of computers?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Well, Mr. Speaker, I know of no computer business in Saskatchewan that has laid off staff because of competition from SaskTel in the retail computer business. And I think the member would be hard-pressed to give us an example that is a legitimate one where that might have happened.

The role of SaskTel is to provide total solutions to its customers. And in some cases, because SaskTel is in a competitive business with some pretty large corporations, from AT&T (American Telecommunications & Telegraph) through Unitel and others, it is necessary for SaskTel to service its customers well because SaskTel is a customer-orientated corporation providing a very important service for those companies in order for them to be able to do business and compete in the world which they have to compete in.

So from time to time when a corporation such as IMC comes to SaskTel and asks us if we can provide through SaskTel a total solution, SaskTel is prepared to look at it because it's a service that it must provide to valuable customers.

If the question is whether SaskTel is going directly into the retail business, available, like any other retailer, for the sale of things like computers, I have already said to the member opposite, the answer is no.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Well, Mr. Minister, there's not a lot of difference between going into the public retail or providing tenders to large corporations. You're selling computers, and that is in the purview of the small business of Saskatchewan.

And, Mr. Minister, this concern is being brought forward by a Mr. Kordell Roberts and a Mr. Robert Slywka of Yorkton. And Mr. Kordell Roberts at one time was the NDP youth president for the Yorkton constituency. So, Mr. Minister, they have a very real concern about this, about what SaskTel is doing, because computer retailers are exactly the kind of business that we need in this province — more smaller businesses — because they provide a valuable service and create employment.

But just when some of them are starting to make a little money, in steps the big fat Crown corporation to muscle them out and to take their business. Can't you just see that someone in private business making money, Mr. Minister, needs to be left alone? They don't need your Crown corporation infringing on them. All you see is one more opportunity to take over a business from private enterprise.

Mr. Minister, this sends absolutely the wrong message to every single person who ever thought about coming to Saskatchewan and starting up a business. Mr. Minister, will you stop SaskTel and get them out of the computer retail business immediately?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, from time to time we hear complaints from people in the business sector, and we try to be sympathetic and understand what the complaints are. And if there is a problem, we'll deal with them. This particular business has complained before. They have complained about SaskTel providing universal access to Internet around Saskatchewan which nobody else is providing. That's fine, and I think that's an interesting problem for them to raise.

But I think SaskTel does have a responsibility to provide universal access — whether it's telephone services or whether it's Internet services. We're only one of two provinces in Canada who are prepared to do that. And it's also the responsibility of SaskTel to provide the best possible service it can to its clients. And in some cases, it has to do these things in order to provide that service — not at the expense of small business, because there is more effort made by SaskTel to assist small business in Saskatchewan and partner with business in Saskatchewan in order that those businesses can prosper than ever in the history of SaskTel or any Crown corporation in Saskatchewan.

And I think that's the right way to go. SaskTel has a good reputation for doing that, and they will continue to do that into the future.

Some Hon. Members: Hear, hear!

Cargill Canola Crushing Plant

Ms. Haverstock: — Thank you very much, Mr. Speaker. Cargill recently announced that it will invest in a crushing plant in Saskatchewan. We certainly welcome those jobs. However it is interesting to note the comments about why they came. The *Leader-Post* reported on March 7, and I quote directly: the choice came down to Saskatchewan or Alberta, which has a more favourable business climate.

The province provided \$3.9 million in the form of a grant in lieu of tax credits, Mr. Speaker, that were announced in the budget. The CEO (chief executive officer) of Cargill stated: we wanted the money up front.

My question to the Premier this afternoon: if your government believes that tax credits are the answer to creating a more favourable business climate, why did you decide to provide Cargill with cash up front?

Hon. Mr. Shillington: — If we are today learning that the member from Saskatoon Greystone is opposed to this kind of economic development, that indeed has been a worthwhile day. I can hardly believe that's what she's telling us.

A relatively modest sum of money used to provide tax equalization and for training has brought us a development of very considerable economic value. If the member is opposed to that kind of economic development — a large number of good-paying jobs for a relatively small investment of public funds — we want to know that. And I'll tell the member from Saskatoon Greystone, the public of Saskatchewan are going to

want to know that too, at a time . . .

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very much, Mr. Speaker. Mr. Speaker, it is quite obvious that the member opposite has absolutely no understanding of the concerns of many small-business people in Saskatchewan who are seeing tell-tale signs of a double standard at work here: cash up front for pre-election announcements and tax credits down the road for everyone else.

On March 8 your Premier, sir, said to this Assembly, and I quote:

This is a uniform tax concession applicable right across the piece, fairly, to everybody.

It appears to be a little more fair to some people than to others, Mr. Minister.

Mr. Speaker, the average taxpaying business in Saskatchewan has to borrow money to invest in equipment for manufacturing and processing; they then have to hope for a profit; then they have to pay their taxes and then wait somewhere down the road for tax credits.

My question to you, Mr. Minister: obviously you see Cargill as worthy of special treatment — how do you decide which companies get cash up front and who has to wait for tax credits?

Hon. Mr. Shillington: — I don't have one with me, but I'm going to recommend for the member's reading a document called *Partnership for Progress*. Some two years ago my colleague, the Minister of Economic Development, prepared a report called *Partnership for Progress*, the substance of which was, rather than paying enormous sums of money for outsiders to come and do the job for us, we were going to begin a partnership with Saskatchewan business.

That was done two and a half years ago. That tree is now bearing considerable fruit.

I remember the member from Saskatoon Greystone promising a new job creation project a week. Well I can say that this *Partners for Progress* which my colleague planted sometime ago is now bearing fruit, and in fact we're delivering on a large number of projects which are done in partnership with Saskatchewan business. And if the member from Saskatoon Greystone is opposed to our partnerships with Saskatchewan business and the results it has achieved, I want to know that and so do the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very much, Mr. Speaker. What small businesses around Saskatchewan want to know is, is what is fair for Cargill fair for them as well, Mr. Speaker. The Premier's so-called fair and across the board tax policy is not fair; it is not across the board; and it is not available to the little

guys under the same terms as it is to Cargill.

And the Premier's government is in debt, but it is willing to borrow money to write cheques to seal the deals on pre-election announcements. Apparently, ordinary business people are not worthy of the same treatment — that's what they're saying by their actions, Mr. Speaker. The NDP government is now in the business of picking winners and playing favourites with taxpayers' money.

My question to the minister. Will you admit that your tax credit policy is one more example of the two-tiered, double-standard treatment that your government has become famous for — your double standard for pensions, your double standard for health care, and now your double standard on tax policies, as well?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — What it is is one more example of the Leader of the Liberal Party who doesn't know what she's talking about. That's what it is. This is a tax break which is available to anyone — anyone in Saskatchewan — and the member from Saskatoon Greystone seems unaware of that. She seems to think this is a special deal for Cargill. It's available . . . it is a tax arrangement which is available to everyone.

The one thing I like about the member from Saskatoon Greystone, she just doesn't get tired of being wrong. You raised the issue of the district health board deficits and you're wrong. You raised the issue of job numbers on several consecutive days — you were wrong each day. You raised the issue of patronage appointments — you were wrong.

And I keep getting material in here — you were wrong on any number of issues and you're wrong on this issue. This is something that's available to anyone. I expect the member from Saskatoon Greystone to come back tomorrow with a flip and a flop on this issue as well. So I look forward to Friday morning's question period when we'll find out how you were wrong on this.

Some Hon. Members: Hear, hear!

SaskEnergy Agreement with Small Business

Mr. Swenson: — Thank you, Mr. Speaker. I have another question to the minister responsible to the family of Crown corporations, this time to SaskEnergy. Mr. Minister, your government has claimed that you are trying to bring about a better environment for small business in this province. You say you create the growth that small business and the jobs that go with them will bring.

Well, Mr. Minister, as with your increase in taxes, we have another example of how hollow that pledge truly is. We've been provided with a copy of an agreement that SaskEnergy is forcing small-business owners to sign. And the agreement states that SaskEnergy will be able to sue the owner of the company for payment should the business fail.

And, Mr. Minister, you know that the incorporation laws of this

province are designed to encourage entrepreneurs to start new businesses without fear of being personally liable. When Saskatchewan people start a limited business their estate is not at risk. Why then do you implement a Draconian measure on small-business owners, and how does this square with creating a positive business climate?

Some Hon. Members: Hear, hear!

Hon. Mr. Anguish: — Well as I understand it — and I can get the member further information — in the past there have been some contracts let by SaskEnergy to a contractor. The contractor has then sublet work to other contractors, and there is at least one particular case where the subcontractors weren't getting paid by the general contractor. We don't want that situation to happen. If that's the case which you refer to, that's the rationale behind the policy — to ensure that those who subcontract to general contractors actually receive payment for the work that they've done.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, that answer is what's wrong with the family of Crown corporations. The family of Crowns goes off and does whatever it wants to Saskatchewan people, and the ministers who are supposed to be responsible don't know what's going on.

Mr. Minister, this form is from a carpet warehouse — a carpet warehouse. Now SaskEnergy has a monopoly power over providing gas to these businesses and they are using this monopoly power to force people into signing an agreement that bypasses long-standing incorporation laws. This agreement allows you, sir, and your family of Crowns, to go after their homes or their life savings should their business fail. Now how in the world does . . . is that conducive to starting a new small business? It's not; it's a detriment.

And, Mr. Minister, this flies in the face of what the former minister of Justice is promoting. He says he shouldn't be personally responsible for activities while acting as minister of Justice. He says he shouldn't be held personally responsible for breaking legal contracts with farmers or judges. One law for politicians and one law . . .

The Speaker: — Order, order. Order, order. Order. I want the member to put his question — the member put his question.

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Minister, it's one law for members of your government and another for the little guy. Mr. Minister, be consistent. Will you allow the incorporation laws of this province to protect small-business men and women from your own corporations — Crown corporations, Minister? Let's at least be fair, okay?

Hon. Mr. Anguish: — Well as Lorne Hepworth used to used to say in this legislature, Mr. Speaker, that's the worst speech I ever heard.

Is that a question from the administration that left Saskatchewan with a \$15 billion debt, massive unemployment,

businesses closing down, megaprojects losing money, haemorrhaging of the funds of the public purse? Is that the same people? I find it hard to believe that you would ask us about fairness towards companies in Saskatchewan.

The example you use about the carpet business — I assume someone has to lay the carpet, so what happens if that company does not carry through? The contractor lays the carpet. So the contractor lays the carpet; we don't want to be held at SaskEnergy as being responsible to pay the carpet-layer because he's already paid the carpet supplier. We do that to protect other Saskatchewan contractors in an issue of fairness.

For you to be lecturing the government of the day on the issue of fairness to business and the fairness to Saskatchewan people, is the height of hypocrisy.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order, order.

MINISTERIAL STATEMENTS

Vehicle Insurance Rate Reduction

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. The purpose of my ministerial statement today is to inform members of the House about some positive news for commercial trucking and car rental industries. It's another important measure of support for Saskatchewan business, Mr. Speaker.

I'm pleased to announce that beginning May 1 of this year, vehicle insurance rate for certain commercial trucking carriers and car rental agencies will be reduced between 10 and 25 per cent.

Mr. Speaker, the 25 per cent reduction for heavy class A trucks will mean that a commercial carrier will pay between 92 and \$964 less for their insurance. For heavy class AG trucks, insurance premiums will be reduced between 75 and \$660.

Those who register a commercial class TS trailer will also see a reduction in their insurance premium between \$6 and \$43. For you-drive or car rental agencies, their insurance premium surcharge will be reduced by 10 per cent from 71 to \$109.

In total the reductions will amount to \$1.2 million in saving between these two industries each year.

(1415)

Insurance rates for these classes of vehicles are being reduced because of lower claims cost to SGI and less severe accidents. I say this is very important, positive news for these two industries, Mr. Speaker, because of their contribution to the provincial economy. Reducing insurance rates for these two important industries will benefit the entire province through economic spin-offs.

The reductions will enable these two industries to lower fleet operating costs, allowing businesses in these industries to be

more cost-effective and competitive, especially for commercial truckers. Lowering insurance premiums for commercial truckers will help them be more competitive with out-of-province carriers.

These two industries are very important to this province's economy. Besides the many jobs that exist and are created by these two sectors, they also provide a vital service to many other sectors of the economy. By reducing their insurance premiums, we also believe there will be economic spin-offs that will benefit others in the provincial economy as well.

Mr. Speaker, this is yet another example of where this government is doing what it can in a reasonable fashion to help business be cost-effective and competitive. We all know how important these two elements are in running a successful business.

The people of Saskatchewan are very excited about the economic turnaround taking place in this province. The reduction in insurance rates that I have announced here today is just one of the many positive initiatives happening throughout Saskatchewan as our economy continues to grow and rebound for the benefit of all of the people of the province.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Well, Mr. Speaker, it is indeed good news when this government is prepared to drop taxes or fees and I'm sure that the trucking industry appreciates that.

But, Mr. Speaker, when you're talking about giving a real break to an industry, such as the trucking industry which is a highly capitalized industry, perhaps a better method to do that would be to drop the E&H (education and health) tax. Now that would be a significant savings for the trucking industry and for everyone else across this province, Mr. Speaker.

If you're going to make changes to the insurance rates that the companies are paying, one of the other areas that needs to be looked at, Mr. Speaker, Mr. Minister, is to allow for a staggered payment of those premiums. Rather than making the premium simply one time a year, stagger it, as is being done right now for the general consumer; that it be done every six months or on every quarter, and that would provide a significant cash flow advantage for those companies.

When we look at all of the other fees, Mr. Speaker, that this government has raised over the last three and a half years . . . fuel taxes, Mr. Speaker, there's another area in which would be of real benefit, a competitive advantage, for the trucking industries as they move through Saskatchewan, if this government was to look at that.

No, Mr. Speaker, we have a small decrease in insurance rate just before an election — just before an election, Mr. Speaker. And that's what is happening here. It's small, Mr. Speaker, in comparison to the amount of taxes paid by the trucking industry on the fuel they use. Mr. Speaker, that would be a much better way for this government to help the industry in this province.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very, Mr. Speaker. On behalf of the Liberal caucus, we would like to say of course that we're delighted with any undertaking that might facilitate businesses to be more competitive and profitable in the province of Saskatchewan, thereby improving our economy and providing more people with jobs.

But I must concur with the member from Souris-Cannington that indeed given what people have been facing, particularly small businesses in Saskatchewan, with the taxes, both indirect and direct, as well as every single fee being raised to the ultimate limit, that this indeed is a little bit what we could call too much . . . too little, too late.

I think that as much as we are appreciative that something is being undertaken, one of the things to recognize here is that we will be watching with great interest what happens in fact with other kinds of insurance rates once the election is over. It is most interesting to those of us on this side of the House to look at everything in its overall perspective.

So as much as we welcome this, we will wait with great anticipation as to what else is forthcoming as far as possible hikes are concerned in the insurance industry. Thank you.

TABLING OF REPORTS

The Speaker: — Before orders of the day, in accordance with section 67.1(3) of The Legislative Assembly and Executive Council Act, and pursuant to order in council 847 of '94, dated December 21, '94, I herewith table the *Report of the Independent Committee on MLA Compensation*.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 49 — An Act respecting Interior Designers

Hon. Mr. Shillington: — It would have been useful, Mr. Speaker, had we agreed to give it second reading now, but I'm not sure opposition members would have agreed to that. So I will move second reading instead.

Mr. Speaker, I rise to move second reading of The Interior Designers Act. The Interior Designers Act reflects general government policy regarding professional legislation using guidelines provided by the Department of Justice.

The majority of the sections in the Bill are standard sections that appear in all new professional legislation. Recognizing that interior designers have an impact on the public's health and safety in buildings, this Bill will give title protection to the term, interior designer.

Designing building interiors involves knowing building and fire

codes, the properties and use of materials, construction standards and applications, accepting standards of planning, integration of building systems, human psychology . . . human physiology and ergonomics, the psychological impact of space, light, and colour on work performance.

To protect the health and safety of the public, it is necessary to set professional standards of competence for persons who call themselves interior designers.

To meet these standards, the interior designers association of Saskatchewan has been pursuing professional legislation for the past 20 years. In addition, interior design associations in other provinces and the Interior Designers of Canada support professional legislation. Seven other provinces, Mr. Speaker, have similar legislation.

The proposed Bill will govern the members of the interior designers association of Saskatchewan, which will do the following.

- (1) continue the interior designers association of Saskatchewan.
- (2) establish a council to manage and regulate the affairs and businesses of the association.
- (3) provide authority for council to make by-laws which must be approved by two-thirds of association members and the minister responsible for the legislation.
- (4) require the council to keep a registry of members.
- (5) specify that only persons belonging to the association, who are members, will be able to use the term, interior designer.
- (6) establish a professional conduct committee and a discipline committee consisting of persons appointed by the council.
- (7) require that the interior designers association of Saskatchewan provide an annual report to the government as well as a list showing the names of members.

This Bill will come into force on a day to be fixed by proclamation by the Lieutenant Governor.

Mr. Speaker, I move second reading of An Act respecting Interior Designers.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it would appear that this Bill is fairly straightforward. However, Mr. Speaker, I think it would be appropriate for us to find out who the government has consulted with, what groups it has consulted with, and the real purposes and the real meaning of this Bill.

And I think at the same time we should take the time to talk to some of the interior designers who may have had some input, to find out where the Bill is really going and what the Bill is really accomplishing.

Therefore, Mr. Speaker, to allow further deliberation and

further review of the Bill before us, I think it would be appropriate for us to adjourn the debate; research the Bill a little more closely before we would allow it to move into committee and for further debate in this Assembly. Therefore I now move for adjournment of debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 37

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Calvert that **Bill No. 37 — An Act respecting Medical Laboratory Technologists** be now read a second time.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, as I indicated a few days ago when I gave a second reading speech on this Bill, there were a number of areas that were highlighted by the Bill. Highlights of this Act provide the society with the power to make by-laws; by-laws that affect the public will continue to require the approval of the Minister of Health.

The Act also outlines the society's responsibilities with respect to investigation in disciplinary hearings. It also ensures that complaints of incompetence or misconduct are acted upon in an effective manner. And it establishes investigation-discipline committees that have authority to investigate complaints, apply to the court for subpoenas, and levy penalties, including fines of up to \$2,000.

It also indicates that disciplinary decisions may be appealed to Court of Queen's Bench, and a public representative will sit on the discipline committee.

Mr. Speaker, it appears just from the information we have received and the intention of this Act, that the Act is fairly straightforward. Certainly the medical community have indicated they are quite supportive. And therefore at this time we see no reason to further hold up debate but to allow for the Bill to move into committee where we can get into some specific questions with the minister before the Bill would be passed out of this Assembly. And so therefore we would allow this Bill to now proceed to committee.

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

Bill No. 45

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 45 — An Act respecting Trading in Real Estate, the Real Estate Commission and Brokerages, Brokers and Salespersons Trading in Real Estate** be now read a second time.

Mr. Toth: — Thank you, Mr. Speaker. Here again, Mr. Speaker, we've talked to members of the industry, and I've also

had the privilege of talking to my own brother who happens to be involved in the industry and is on the real estate board. And, Mr. Speaker, what I've found in talking to most individuals, that they are indeed very supportive and in fact have been looking forward to the amendments that this piece of legislation is proposing regarding The Real Estate Act.

They did have a couple of questions, however. They feel the Bill before this Assembly . . . or the legislation does deal with some of the questions that they have raised and are looking forward to the further debate in this Assembly as the Bill moves through the natural processes when it would be proclaimed and become law.

Therefore, Mr. Speaker, it isn't really in our best interests or the industry's interests for the Bill to be held up any further in second reading and I would therefore move that An Act respecting Trading in Real Estate, the Real Estate Commission and Brokerages, Brokers and Salespersons Trading in Real Estate be allowed to move into committee.

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

(1430)

Bill No. 46

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 46 — An Act to amend The Wascana Centre Act** be now read a second time.

Mr. Neudorf: — Thank you very much, Mr. Speaker. Just a few comments on the Bill to amend The Wascana Centre Act. Essentially, of course, what this Act does is maintain the level of statutory funding for the Wascana Centre Authority from the same participating parties at the same levels for 1995-96 as it was in 1994-95.

Mr. Speaker, maintaining the funding is I suppose going to have to be adequate. I know that the centre believes that this funding is too low to begin with, but accepts the situation as it is. And I might add, Mr. Speaker, that of course the level of funding remains today the same amount as it was in 1991. So there's certainly been no increase in spending to the Wascana Authority Centre.

Mr. Speaker, knowing that this was coming up, I did a little bit of reading, and I was kind of intrigued with the Wascana Centre and some of its history and some of its development.

I didn't know, for example, that the . . . and I apologize to the people who live in Regina for whom this is common knowledge, but that this was a make-work project. It was actually a work-for-welfare project back in the 1930s. And we had so many jobless men in Regina, and this was an initiation of some general public work projects, relief projects, in an effort to gain meaningful employment for Regina's jobless men.

And we find, Mr. Speaker, that, for example, during this period of time the Albert Street bridge was widened. And that

employed meaningful employment for 700 men, Mr. Speaker, during that period of time. And for those of us in the legislature, we know what that bridge can do and what it cannot do during the period of time when it was under reconstruction and repair. It was . . . we begin to appreciate what that can do.

But at the same time, directly in Wascana at that time, it was these same men that, with shovels, dug the lake that we have, what we call Wascana Lake, and they deepened the lake by two feet, Mr. Speaker — a tremendous amount of work, a tremendous number of jobs. And of course the material that they dug out has become the two islands that we see in Wascana Lake right now.

So it has rather an illustrious history and it's certainly something that . . . our forefathers, I guess, were very futuristic in their outlook in terms of what that could do for this particular city, and we're appreciative of that.

Now the minister's second reading speech, when it went over that, became obvious to me, Mr. Speaker, that he was trying to politicize this issue by referring to some tinkering with the centre's spending that the last government did. And I believe really, Mr. Speaker, that it's an unfortunate situation that he would invite a political response to what is essentially a unpolitical Bill. And I'm going to resist, Mr. Speaker, the temptation to respond in like. However the NDP clearly have not learned their lessons about tax-and-spend policies in finger pointing to the past like that. They not only criticize us for our spending, but here again just like the '80s, they say it's not enough.

But, Mr. Speaker, our caucus has a respect for the importance of the Wascana Centre. We know for example that it's the home of the Saskatchewan museum. It's the home of the Science Centre, the Saskatchewan centre, and the Diefenbaker Homestead, the University of Regina, and of course the legislature.

And so because of its rich diversity, it is certainly something that is very, very valuable to the people of Regina, but not only them, but to all of the people in the province when they come to our capital city and they see what we have here in terms of an interior city park and be proud of what we have.

Mr. Speaker, by the way, in conclusion we are also pleased to hear from the minister that Regina will be hosting the second national capital cities' workshop, and we are sure that the contribution that Wascana Centre will make is going to be appreciated by all people at that event. Essentially, Mr. Speaker, that summarizes the brief remarks that I have, and we will be allowing this Bill to go to committee at this time.

Mr. Scott: — Thank you very much, Mr. Speaker. I would like to just comment briefly on this Bill and point out that I have been familiar with the centre for some 28 years, having worked first at the museum beginning in 1967 and later at Wascana Centre Authority itself and now here in the Legislative Building, also located within Wascana Centre Authority.

Our forefathers are to be commended for their foresight in

setting a green space in Regina, and as a member opposite pointed out, also building the lake and creating the islands. And virtually every tree in this centre was planted by hand, and this takes decades to make a park as we now see it in Regina here, in Wascana Centre Authority.

Wascana Centre Authority is a unique green space within our city and it is a place for people. And throughout the year there are a number of events, from winter festivals to dragon boat races, Pile O' Bones Sunday, various displays in front of the Legislative Building here. And it is a place for people throughout the year — even on Christmas Day people visit Wascana Centre to feed the Canada geese which do stay here all year round.

People travel to the city to partake in activities in the centre not only from around Saskatchewan but from neighbouring provinces and also the United States.

Wascana Centre Authority and the centre itself is also very important to wildlife. The centre is renowned for its Canada goose flock, of which has been instrumental in establishing these birds in various places throughout North America. Offspring from Wascana Centre have been taken as far away as Quebec, Florida, New Mexico, and British Columbia, and as a result, the Canada goose is one species in today's time that is making a comeback whereas many other species are declining in numbers.

Many unusual species also gather, or are found, within the centre, including recently a scissor-tailed flycatcher, green heron — first record of these species for Saskatchewan found right here in our capital city. So it is really a tribute to the people of Regina in past as well as present for maintaining this unique oasis in our urban centre.

And also the many other facilities that we do have within the centre: of course the museum — I guess it's the Royal Saskatchewan Museum — the Science Centre, the University of Regina, and even the CBC (Canadian Broadcasting Corporation) has been able to find a home in Wascana Centre.

So, Mr. Speaker, it is regrettable that we are not able to provide at this time more funding for Wascana Centre, but the staff of the centre in the past . . . and continue to provide a very excellent service for the people of Saskatchewan in maintaining the centre in these times of difficult economic realities. We look forward to the staff continuing to maintain the Wascana Centre as a unique beauty spot within our city, and hopefully in the very near future, we will be able to start bringing the funding back to close to what it used to be a number of years ago.

So, Mr. Speaker, it is certainly my pleasure to speak in favour of this Bill and look forward to better times with funding for Wascana Centre in the years to come. Thank you.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Pringle that **Bill No. 47 — An Act to amend The Meewasin Valley Authority Act** be now read a second time.

Mr. Neudorf: — Thank you very much, Mr. Speaker. Once again, some brief words on The Meewasin Valley Authority and I'm a little bit more knowledgeable about this particular situation since it's only a few miles from my own home. I'm just beyond the boundaries of the Meewasin Valley Authority.

And I guess, Mr. Speaker, essentially what this Bill will do is maintain the current level of funding to the Authority. And I might add, Mr. Speaker, that the current level of funding has not risen since 1991. I guess we would have to say that we're fortunate to have been able to maintain at least the same level.

And I couldn't help but thinking after I sat down on the Wascana Authority, Mr. Speaker, that both I and the member from Indian Head-Wolseley, Mr. Speaker, both neglected to let the people who perhaps are listening and watching and are concerned about these, what kinds of monies are we talking about. And I will correct the error of my previous situation and indicate to you that what this amendment will do is maintain the level of statutory funding for the Meewasin Valley Authority at the same level as it was in '94-95.

And as the Wascana . . . in Wascana there are three levels that help fund, and the three levels are the federal government, the provincial government, and the University of Saskatchewan, here in Regina. While we have in Saskatoon, with the Meewasin Valley Authority, we have the two levels of senior governments — the federal and the provincial. But as is the case in the Meewasin, it is the University of Saskatchewan this time.

And here are the funding amounts. The province of Saskatchewan is the . . . I was mentioning federal, and I should retract that, Mr. Speaker. It's not the federal. It's provincial government of \$740,000; the University of Saskatchewan, as I indicated to you, for \$573 . . . actually almost \$574,000 and the city of Saskatoon is also contributing \$556,000 for a grand total of \$1.87 million Mr. Speaker, and there are the contributors and the amounts that this Act will make and officialize.

The one item, Mr. Speaker, that I want to draw to people's attention is the explanation given about section 69.1, and this is an issue that I intend to be asking some questions about, particularly the amendment that will permit the Authority to share Meewasin's knowledge, expertise, and experience with other organizations, agencies and municipalities throughout the province.

Right now, apparently, Meewasin is limited to agreements with parties relating to or incidental to the Meewasin Valley. Now the ability to extend the provision of expertise outside of the Meewasin Valley makes the Authority a resource for all municipalities and organizations in the province.

And what I particularly would want to know is precisely how

that objective is to be accomplished and how the Act is going to be set up to allow this to happen, and not that I have any particular concerns, it is just that I think that a better explanation is needed, and I look forward to the opportunity, Mr. Speaker, to be able to quiz the minister responsible for this Act in Committee of the Whole.

So, Mr. Speaker, I would at this time say that it's time to move to Committee of the Whole.

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

(1445)

COMMITTEE OF THE WHOLE

Bill No. 22 — An Act to establish the Transportation Partnerships Corporation and to enact a Consequential Amendment

The Chair: — Before we proceed to Clause 1, I would ask the minister to introduce the official who has joined us here this afternoon.

Hon. Mr. Renaud: — Thank you, Mr. Chairman. To my left is Mr. Clare Kirkland, the deputy minister of Highways and Transportation.

Clause 1

Mr. Goohsen: — Thank you, Mr. Speaker. Welcome, Minister, and Mr. Kirkland. It's going to be a good opportunity here this afternoon for us to discuss Bill 22 and the implications and ramifications that it will have for the province of Saskatchewan and in particular, at this point, for our Saskatchewan road construction people.

We have, Minister, this morning received the memorandum from the road builders of Saskatchewan. In this memorandum they list five things that they would like to have you consider in this Bill. These five things can be addressed by amendments to the Bill. And I will read these five concerns into the record for you so that you will understand what the road builders of Saskatchewan are concerned about in the Bill. These will not be the amendments, of course, but the general principles involved.

First of all, no. 1, that all work done by public . . . open and public tendering. This is a pretty straightforward request, Minister. What the folks are saying is that basically the way the tendering is done through the Department of Highways under its present and past structure would continue. And I think it's fairly self-explanatory and I'm pretty sure that you know and understand what these people are asking you for.

A simple amendment to the Bill would ensure that that would happen. We're not saying that it couldn't happen by not having the amendment, but we are saying that if you intend in good faith to deal with these people, then we will leave no doors open, that we will make this airtight so that it's guaranteed to do what you have told people it's going to do.

No. 2, that the corporation be specifically not allowed to borrow monies. Here I think the realities, Minister, are that the people in the industry are worried about our province; they're worried about our debts; they're worried about our deficits. They are worried about the use of a Crown corporation as a manipulative tool to play politics just before an election, for example, where you might in fact borrow 3 or \$400 million that wouldn't show up on the year's budget but in fact would become the province's long-term debt.

Those monies could be used in a program of announcements of construction projects and projections that would make it very attractive for people to want to vote for the government in power, but in fact that it would be left with a legacy of a terrible debt burden for the province and for the taxpayers. So I think that is a pretty straightforward, understandable request from the folks that are involved in the very business that we're discussing.

No. 3, that there will be no union preference or referrals such as the Crown corporate tendering agreement. Here again, Minister, the people in this industry have come to understand two things: first of all, they understand that we do have now a union-preference tendering policy for all Crown corporations, as announced by the minister in charge of CIC (Crown Investments Corporation) some weeks back. That tendering policy is a reality now in the CIC Crowns, and it is only a long stretch and a short step until this would happen as well in the Treasury Crowns.

We already have the example of course of how the union preference tendering was used in the Water Corporation. And because that has happened to a Treasury Crown already at Melfort, Saskatchewan, we now know that the door is basically open to have that happen, and it's only a short stretch in fact in order for that to become a reality.

These people do not of course want that to happen because of the second factor in their consideration and thinking, which is that in the construction industry the very reality of life is that most of it happens outside of our big cities. It happens out on the roads. It happens miles and miles, many times, away from just about anywhere. And the reality of life is that those construction crews are very rarely unionized and very rarely can they be practically unionized because you couldn't follow the rules of the union halls' hiring policies and all of the implications and ramifications that go with a union tendering policy and union membership being part of the prerequisite of working on these jobs. It just does not fit with this particular industry.

So as an act of good faith, again we have heard people say from your department that there is no . . . it is not intended at this point for this policy to be applied to this Crown. However if that's what you mean, then put your money where your mouth is and put it into the legislation as an amendment, and absolutely assure these people as an act of good faith that you intend on doing what you say you're going to do.

And very simply, I guess, that has explained itself there, that they want you to show them by writing into the legislation that

you are going to be above-board on this principle and that you're not going to stab them in the back down the road.

No. 4, corporation be not allowed to purchase construction equipment or hire employees directly. It's very obvious, Minister, that it becomes a very big concern of people in the private sector who are dealing with government to be concerned about who their competition will end up being.

And when they ask for the government to set up a corporate structure or some kind of a funding pool structure to hold money so that certain things can be achieved, the last thing in the world that they want to have happen is for that pool to be used to buy equipment and to hire men to compete against them in their very industry.

An Hon. Member: — Like SaskTel.

Mr. Goohsen: — Like SaskTel. Like SaskPower. We can go through a lot and we could go through a lot of history here, Minister, an awful lot of history about how left-wing governments have decided to have the state own and control everything rather than to have the private sector involved.

That basic, fundamental philosophy ends up having the government decide to buy their own Euclids, their own Terexes, their own trucks, and their own Cats and their own graders, and hire people and go out and start doing road construction and road maintenance work on their own.

This, of course, would basically eliminate the need for the private sector and would provide a new source of competition to them that they could not possibly compete against because always these entities end up being subsidized one way or the other. And the rules are never, ever fair again. And it is not a level playing-field.

And while you have suggested to us that you have no intentions of doing these things, we say again, if you don't intend on doing them, then as an act of good faith let us introduce an amendment to this legislation that will absolutely ensure that what you say is fact and that it will remain fact, written into the law.

No. 5, that corporations be responsible directly to the legislature and not to any government body other than the Department of Highways. Again, Minister, I think it's very important to the people in the industry to know that there is going to be accountability.

However, this goes a step further than accountability just to the people in the industry. It is a question of accountability that the auditor has brought to our attention, and we believe that he makes a very good point. We are oftentimes not accountable in a timely enough manner about the way that we spend taxpayers' money.

Oftentimes it has been in the past that we examine Crown corporations in committee work, for example, and we examine them two to three years after the fact. Nobody cares any more what has happened back then. They want things to be current

and examined. They want to have accountability before supply and accountability before supply has not been built into this particular piece of legislation. Accountability can be built into this piece of legislation. We can be open and above-board, and we can in fact do this right, simply by, again, placing a small piece of amendment into the legislation to ensure that there will be proper accountability as suggested by the auditor.

Now obviously the member from Saskatoon doesn't like the fact that we are challenging the government and that we are challenging you to be up front with the people. We're challenging you to be honest with the people; we're challenging you to say, in words, in writing in the legislation, exactly what you're trying to suggest and imply — that people should trust you.

Well unfortunately, Mr. Minister, we don't trust any of your government; we trust you more than most of them. Obviously the ones that protest the most would be the ones we trust the least.

But the truth of the matter is, sir, that we want this program to work. There is some good here. And the good of it is to save you from embarrassment of losing \$20 million out of last year's budget that you should already have taken care of.

(1500)

We understand that fully. You just, quite frankly, went to sleep at the switch and you've almost lost \$20 million out of last year's supplementary estimates, and there were no proper vehicles in your grasp to do this. And so now you're trying to come through the back door to save your butt and the government's butt so that you can save last year's budget, to still spend it and not end up having to do some work on the books to transfer that money into this year's budget.

Well I'm sorry to say that we find ourselves embarrassed a little too, because we have to go along with that. Because there's a greater need than politics here — there's the need to try to get the roads built and to try to get people back to work. And it's unfortunate that you run such a shabby administration that you can't even save your own \$20 million, don't even have an infrastructure program on paper that you announced with the federal government last fall, and in fact blow the whole deal because you never, ever had it properly endorsed by the feds when you announced . . . Premature announcements always lead to failure. You embarrassed the federal government and now the truth of the matter is that they're getting even with you at the expense of the Saskatchewan people.

Quite simply put, I think it's time, Minister, that we challenge you. We have read a list to you of the five concerns that the road builders of Saskatchewan have. We've read that list to you. In fact behind the scenes we've had the Law Clerk working and we have in fact had drawn up the amendments that would apply to these principles. Those amendments now are in writing and they have, my understanding is, been presented to you and to your people.

You have access to them; your experts are at this moment, I

understand, studying them. I'm sure that your official will be able to coach you as to the results of those deliberations.

So we put it to you now, and we put your foot to the fire, Minister: will you agree to allow the amendments that bring these principles into effect to be passed into this piece of legislation as we go on here this afternoon?

Hon. Mr. Renaud: — Well thank you to the member for his long-winded questions. One of the reasons the Transportation Partnerships Corporation was set up in November of last year was because of a meeting with the federal Minister of Transport, Mr. Young, in mid-October. And what Mr. Young said at that time is that all provinces go back home, decide what you can spend, how much can you put in as your share of a national highways program. He also said, give us some kind of time frame that you would like to spend this money, and what I will do then is take it to my cabinet and we'll see what we can do.

So what we did in Saskatchewan is we came back home and we talked to the Finance minister and told her, and she understood the need for a national highways program, especially in regards to the twinning of No. 1 and 16. And I'm sure many members on your side in fact bring petitions in day after day after day in regards to No. 1. So you know the seriousness of it and so do we.

So on December 15 we were expecting the good news, but of course the federal minister said no. So we came back home and decided, well how can we do this, what can happen now? And private sector industries, private industries, trucking companies, mining companies, forestry companies, expressed an interest, and have expressed interest from time to time, in participating with government on improvements to the highways infrastructure.

So we pursued that, and of course now are looking to pass this Bill so that we can use that \$20 million so we can lever additional funding from the private sector industries. And of course the fight with the federal minister will continue because I am not satisfied with his answer.

In Canada we spend . . . the federal government spends 6 . . . or contributes 6 per cent to the national highways network. And the next lowest country is the United States at 33 per cent. It's not fair. And I will continue to tell the Liberal minister that it isn't fair and we need some federal help to twin the Highways No. 1 and No. 16.

This innovative, creative idea is a good idea and industry respects it and likes it. The road builders respect it and likes it.

It is a Treasury Board Crown and does not come under any jurisdiction or any rules of any other . . . any CIC Crown. It's different; it's a Treasury Board Crown. And the member opposite knows that and the road builders know that and the industry that want to contribute to the partnerships fund understands that. And so I want to tell you again that that is fact.

It will be open in public tendering. It's going to operate under the same rules as the Department of Highways. The member knows that and members on that side of the House know that, and the industry knows that and the road builders know that.

It is a great idea. I'm sure that once we get the Transportation Partnerships Corporation rolling many other provinces will look to this idea as refreshing, new way of providing infrastructure in the province of Saskatchewan.

Now it helps everybody. What happens is industry will receive a savings, whether it be maybe longer trucks, if it happens to be a trucking company, or maybe weights, or whatever that case might be — always considering safety. But for any savings that they gained, they will return a portion of that savings into, for an example, Highway No. 1, and allow us to perhaps start twinning.

So it's a very good idea. It's a benefit to the company; it's a benefit to the people of Saskatchewan. It's a benefit to the tourists that visit Saskatchewan; it's a benefit to the economic development of the province of Saskatchewan. It's a benefit to the communities that live along Highway No. 1, for an example. They've been demanding improvements and they travel that road often, and so these things are very, very important to the people of Saskatchewan, to industry. And so we believe it's a very innovative idea. Industry believes it's very innovative.

I want to mention one more partnership that has been created not long ago without any money from the provincial government; it's all industry money. And that's the agreement with COGEMA and Cameco on Highways 102 and 905 from La Ronge to Wollaston Lake. And what happens on that highway is that we are allowing these large trucking . . . this company to have larger trucks. And with the larger trucks, they save money.

Seventy-five per cent of what they save they're going to turn back into developments in 102, 905. It might be straightening a curve. It might be widening the highway. It may be levelling a hill. It may be taking some stones from the ditches and then maybe someday even paving; who knows. But that will give the government, the people of Saskatchewan, 2 to \$2.5 billion a year from 10 to 15 years.

It's a great idea. They're saving some money. They're returning 75 per cent of those savings into our highway system. That not only helps them but it helps the local residents. And it helps the other industry develop in that area. It helps tourism. So it's just a good news situation. So I would hope that the opposition would give quick passage to this Bill.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, you can be absolutely assured you will get our full cooperation for quick passage to this Bill just as soon as you commit to the necessities of the people of this province and the road builders of Saskatchewan. And that won't be all that hard for you to do very quickly if you choose to.

Now out of all that rhetoric, I heard you say that you agree to, one, that all work done by open and public tendering will become, in general principle, a part of this Bill through an

amendment. And we're happy to hear that; we hold you to that. Now let's deal with the other four that you managed to miss. Maybe we'd better go a little slower for you. This might be too much for you to grasp all in one big lump.

I'll go to number two, the principle that the corporation be specifically not allowed to borrow money. Minister, would you agree to commit to that principle?

Hon. Mr. Renaud: — I want to tell the member opposite that the reason the corporation may need to borrow money at some point in time, though it may never as well but it should be left to some flexibility, is in fact — we would take a look at Highway No. 1; perhaps that's a good example — if we in fact found partners that were willing to partnership with us, and the cost to complete No. 1 is 35 or \$40 million, for an example, if we could in fact borrow that money, do that, because the contributions may come from savings by the users.

So these savings will not come all at once, as I'm sure you're aware. These savings will come year after year after year after year after year. So as the savings come to the company, they then will return a portion of the savings to the government or to the Crown.

So what I'm saying I guess is that there has to be some flexibility in the corporation to borrow some. You have to also remember that it's an open corporation. There's going to be complete financial statements and the annual report will be tabled annually in the legislature. The corporation will be audited by the Provincial Auditor. The corporation's expenditures will be reviewed by the Standing Committee on Crown Corporations. The corporation will have a limit on any purchase or sale of real property. If a transaction exceeds the limit, the Lieutenant Governor in Council would approve . . . approval would be required.

So as you can see, there's a lot of safeguards here. But we have to allow the corporation to do its job.

Mr. Martens: — Thank you, Mr. Speaker. The Minister of Highways and Transportation has talked about the actual benefit of doing business through the corporation that would allow for a tender to be accepted that would build a road, and then have the financing of this road through a loan to the corporation; and use the example on the No. 1 Highway to deliver a better opportunity for efficiencies, I think he was probably wanting to talk about.

What I want to point out to this Assembly and to the people in the province, what happens when this sort of thing gets its own momentum. I just want to bring to the people's attention the headline in yesterday's paper, in the *Star-Phoenix*: "B.C. finance minister said playing shell game". One of the main topics that was considered as a part of the discussion under the headline from Vancouver, and dealing with the budget brought down by the Minister of Finance in British Columbia, the Minister of Finance in British Columbia said that there is going to be \$114 million surplus in the B.C. budget. That's what she said.

And then when you read the fine print, the debt of the province

of British Columbia is going to move up by \$1.2 billion, or 1.1. It's going to be a total . . . right now B.C. (British Columbia) has a total of \$26.9 billion worth of debt and next year it will have \$27.9 billion worth of debt.

And do you know what? They have no deficit; they have a surplus. But the debt is going up. And our view of this, to the people of the Assembly, our view of this is stated here:

Spending on transportation has been moved to a new Crown corporation, the B.C. Transportation Financing Authority. The corporation will borrow \$337 million this year — debt that previously would have shown up in the government's annual ledgers.

Mr. Speaker, that's what the concern of this Assembly should be. The Minister of Highways has asked us to consider another opportunity for this government to borrow more money. That's the first thing. The second thing is, it is putting into place a system whereby this Legislative Assembly will not be able to talk about the capital projects that are going to be delivered through this Crown corporation.

Now the Minister of Highways has said, well this is a Treasury Board Crown; we can talk about it here. Well I just want to know, how many people in this Assembly talked about the water pipeline from Melfort to the Saskatchewan River? How many people in this Assembly or how many people in the province of Saskatchewan got to talk about the Saskatchewan Water Corporation delivering water into Melfort? Nobody, nobody.

(1515)

And that, Mr. Chairman, is the reason why this Assembly is asking this minister to say, I want to clearly emphasize that this is a holding corporation for monies that will be put into it, not a spending corporation to borrow money into infinity and then have to have the taxpayers of the province of Saskatchewan go and bail it out.

And that, Mr. Chairman, is the reason why we want this kind of an amendment in this Bill, to deliver that. And that is the reason why we are concerned that this minister is not going to do that. And we still haven't got a precise answer as to why he wants to have it in there.

He says it's for efficiency. Well, Mr. Chairman, the Minister of Highways has the right, through the Department of Highways, to access money from the Department of Finance to deliver money to build and construct highways today. He has that opportunity to do that, and he has had that opportunity since the Department of Highways was established. I want to say to this Assembly and to the members of this Assembly and to the people of Saskatchewan that this minister has the right to access money, to borrow through the Department of Finance, to access money for the Crown . . . for a Department of Highways' capital project.

If he does that, he has to come to this Assembly to seek approval. He has to come to this Assembly to seek approval for the spending in capital projects or whatever the Department of

Highways does. We say to you, Mr. Chairman, that if he puts this Crown corporation in the way he has suggested it will be, we will not have the opportunity to see the spending of the Crown corporation. We will not.

He can borrow the money anytime he wants through the Crown corporation, build roads anytime he wants, and this Assembly will not have the freedom to do it. In fact the auditor has said to us, watch this government and how it transfers money from one entity to another. And that is the way this government operates. It's like, where is the peanut, under which walnut or which cup is the peanut. And that, Mr. Speaker, is who knows?

Another way that the auditor has suggested this is . . . this is like moving wheat from bin to bin to bin. You never have more wheat; you just have it spread around in different arrangements. And that is what is exactly what this Minister of Highways is proposing to do. And if the member from Saskatoon Idylwyld wants to get involved in it, she can — or Wildwood — she can get up and say her piece anytime and maybe ask the Minister of Highways exactly what the problem is.

We think that you are doing this to borrow money specifically for an election, and that is the way that you want to handle it.

An Hon. Member: — That is the most ridiculous thing I've ever heard.

Mr. Martens: — Well I think I touched a nerve here, Mr. Chairman. The people in this Assembly have come to the place where they want to hide how much they borrow so that they don't have to come to this Assembly to finance these capital projects.

Now let's go one step further. The Department of Finance, in all of the history that I have been involved as a minister of the Crown, has always said, we want to know what's in these funds. We want to know. And therefore they have hoarded the privilege of dealing with these through only the Department of Finance. Do you know why they said this, Mr. Chairman? They said this so that there is some control of the spending — control of the spending — because the Department of Finance has to, under the direction of this Crown corporation, then go and say to the money markets, I need \$100 million more, not the 20 million. The 20 million isn't a concern to us, Mr. Minister. It's the \$100 million this year and 25 to 75 the next year and the 300 the next year. That's what's a concern to this Assembly and to the taxpayers.

And you know what, Mr. Minister? The road builders, the road builders who are going to use this money, believe that this is accurate. This is the thing that they want to have. And, Mr. Minister, if I had the opportunity to be the Minister of Highways and the road builders agreed with me to defining clearly how much money was going to be spent, I would say I'd come a long way, because then I can say, in a defensive fashion to the taxpayers, I've protected your money, number one. And number two, I'm going to deliver the service on the basis that it is going to provide a decent service but also a fair one dealing with how much money you are going to borrow.

And that, Mr. Minister, is the reason why you haven't given us any reason, beyond one small reason of efficiency which can be done through the Department of Highways already, that you want to have this Crown corporation established.

Now let's go to the next point. You talked about the role of the Department of Highways in pulling in money from various set fees and different ways that outside people would want to contribute. Well, Mr. Chairman, we had in this gallery today the trucking industry. The trucking industry was told that their costs of licensing their vehicles and doing business in the province of Saskatchewan was going to be reduced by a million dollars.

Now this minister says that he is going to have some of that money flow from some of that running rights of these truckers . . . is going to flow into this Crown corporation, which tells me, Mr. Chairman, that this minister is going to tack a toll fee on every one of these trucks whenever he wants. And whatever that rate should be, he is going to put a toll on the trucking industry in the province of Saskatchewan.

And I think if he has the opportunity to do that, I think it's wrong. The Department of Highways, the Highway Traffic Board should be the agency that delivers that. They have the right to do that. And I don't think this Crown corporation should have the right to set those kinds of fees. And that, Mr. Speaker, or Mr. Chairman, is the reason why I think it should be left in the Department of Highways and left where it has traditionally been. The industry doesn't need another complicated step to deliver money.

When we talked about . . . or when you talked about November the Crown corporation was set up. Well, Mr. Minister, it wasn't set up in November. You just had a sparkling idea putting a Crown corporation together . . . would be a nice easy kind of a thing to do, and we can get this Crown corporation going, and when we have it going we can plunk \$20 million into it.

Well the day I heard this, Mr. Minister, that you were plunking \$20 million into this, I said, you know, there's one fundamental mistake that this minister has made and that the Premier has made. And that is that he is going to take the opportunity to lower the debt and plunk it into another Crown corporation so that somewhere along the line the people are going to have to deal with a Crown corporation who is going to perhaps have a union-preference tendering policy.

That is a fundamental belief of this government, and it's a fundamental belief of this minister that that's what it should be. So why shouldn't we assume that that's what's going to happen? And then they will come and say, well the Department of Highways doesn't do it that way.

Well let's talk about the Department of Health who said we don't fundamentally do it that way. But when we have architects coming back to us and stating that the Department of Health has indicated that there is a union-preference hiring policy and you'd better have the tenders reflect that, then I say this Minister of Highways is going to follow in exactly the same line. And I believe and I think the people of the province of Saskatchewan have a right to believe that they should fear that very thing. And

that, Mr. Minister, is why we object to the kinds of things that you are going to do here.

And borrowing for the sake of borrowing, the Department of Finance has the right and authority to already borrow for you, and you should in fact have that right left there. How are you going to bring all these borrowing capacities of all the agencies of government under one roof and have one single agency do this for the people of Saskatchewan? That is to have the Department of Finance put this together. And that, Mr. Minister, is the reason why we believe and the people in the construction association believe that this is necessary to have happen.

And if efficiency and the fact that the federal minister did this in November are the two reasons why you want to have this put in there, that those aren't good enough.

We want to have that put in here so that you are giving a benefit to the taxpayers by saying, I'm not going to be allowed to borrow. If we're going to borrow money, it's going to come through the General Revenue Fund of the province of Saskatchewan, and that's the only vehicle that we're going to use. And that, Mr. Minister, is the big question. Are you going to allow that to happen?

Hon. Mr. Renaud: — Thank you to the member opposite. First of all, I note that the member mentioned the Melfort pipeline. And it's very interesting that he mentioned that pipeline because I happened to be in Gronlid the other day at an opening of snow machines — snow machines that are putting snow on the ski hill. And where does that water come from? By jiminy, from the Melfort pipeline.

It's piped off that line over to the ski hill, and now they make snow. And what happens with that? They have tourism, and now the economy is picking up. If you talk to the Melfort people and they have a drink of water . . . or they'll even give you a taste of water when you visit Melfort. And they'll tell you, can you remember the water we used to have?

So I think it's just an excellent pipeline and an excellent service to the people in that area. Certainly you have problems sometimes when you have pipelines. But they're fixed, and everything is working fine.

I guess I'm wondering . . . certainly I will want to see . . . you're talking about an amendment to borrowing. I would like to see that amendment, to take a closer look at it.

But I want to say, say you're dealing with a forest company, for an example. The project might be a 15 million project. I'm just using this as an example. Maybe the agreement says the province puts in 5 million, and the forest company puts in 10 million. But the savings to the forest company doesn't come all at once, but we still have to spend the \$15 million all at once for the particular road. So the government funds the \$15 million. The 10 that the forest company would owe would come in maybe on a yearly basis over the next 15 or 20 years. You see, that's the problem with limiting the borrowing. But certainly I will want to look at your suggested amendment

because perhaps there is something that we can live with.

You say that you don't want a complicated system. And that's what industry has said; industry has said that they want a clear vehicle so that they can see where this money is being spent and on what project. That's why the Crown corporation is created — not for my benefit, not for your benefit, but for the benefit of industry, the people that want to participate in the partnership.

You were saying that the truckers here today are going to get some savings now on their SGI plates, and that's very, very good news. And you were saying that maybe I will be now grabbing at that money. No, that's not the way this corporation works. It's a volunteer program. It's for companies that in fact see a way of saving and are willing to participate. It's a volunteer system; it's a willing participant system. And I want to keep you informed on that.

I have a real concern about how are you going to explain, if in fact this Bill doesn't pass, to the road builders and how you're going to explain to the people that sent in the petitions — hundreds and hundreds of petitions on Highway No. 1. You know I don't understand your concern, but furthermore I have a hard time to understand that now the road builders may lose work. Some important projects will not get done. I guess I have a hard time to understand that.

(1530)

Mr. Martens: — Well, Mr. Minister, you have a vehicle to borrow money already. You have a vehicle to borrow the money, and that is through the Department of Finance. You don't need to have a vehicle to borrow money for this Crown corporation.

What we are saying to you is that the road builders would get the money in any case if they borrowed it through the Department of Finance. They don't need a Crown corporation to borrow money. And we say to you: what value is an additional borrowing power of a Crown corporation going to be?

And what is going to happen is this Crown corporation . . . as I talked to the Minister of Finance this week, I talked to him about how corporations borrow the money. SaskPower goes and says, I need a hundred million dollars this year for projects; I need that money. SaskPower goes to the deputy minister of Finance and asks him for the money.

Why do you need borrowing authority in this legislation? We are saying you don't need it. Put it in there and prevent it from happening.

Have you ever thought of protecting yourselves — maybe if the Liberals got in — on how this money should be spent and borrowing power? You haven't thought of that, and you should maybe think about it. If they would get in and run this corporation, it might go right down the tubes, and then what are you going to do? Then we have to stand back and look and say, oh my goodness, I should have done that.

The Department of Finance, through the deputy minister of

Finance, already has the authority to borrow money for this corporation or for any other corporation, so why don't you put it in there to allow it to be there? And it simply states: on the condition that the corporation shall not incur debt in excess thereof. And that, Mr. Minister, you could have a sinking fund there; many, many agencies have that. Municipalities have that; they understand that. The people who are in the contracting business understand that because they know that municipalities already do that. When they bid on tenders for municipalities, they already know that that is a part of the way that business is done.

You've got these funds that are available on an annual basis. The Department of Highways puts this money in there, or the General Revenue Fund puts the money in there, and then you're allowed to spend it. That's the thing that needs to happen in this Crown corporation. And we say to you that this is not an unreal request on our part to have it in this corporation. And you haven't explained to me in any detail why it should be there or why we shouldn't restrict this corporation from having that authority. And I say to you, give me a good reason to do that.

Hon. Mr. Renaud: — Well thank you to the member opposite. I'm going to try to explain it one more time how this corporation would work.

Let's take, for instance, a mining company. The mining company will need a road . . . (inaudible interjection) . . . Right. If indeed there's a road that's needed, the cost of that road is so much. And let's take an example that it's \$25 million, I guess.

Now the private corporation or the private partner sees the road built. Now somebody has to pay for that road when it's built. They are going to pay their share or their partnership portion through savings that they receive. And so that will come over time, and it may be a 10-year period or it might be a 12-year period, or it might be a 15-year period. Somebody originally has to pay for that road. Maybe the province in fact would pay nothing on the road, but would have to front the money until it received the payments from the private sector.

And I think it's a win-win situation. I mean, if an industry would like a road and are willing to pay for it in the province of Saskatchewan, should we refuse that? Well I would hardly think so. I would think if you talked to the taxpayers of the province, they would say, well I don't think you should refuse that.

So I think you have to understand what we're trying to do with this corporation is to add to our infrastructure. And what we're trying to do is in fact if industry want a partnership with the province, fine, we will do that. And we're certainly willing to listen to industry to see what some of the projects they may be interested, to see if in fact we can put some partnership agreements together.

Mr. Martens: — I have no problem, Mr. Minister, with the process that you've outlined. I have no problem with it at all because I understand how that works.

Highways budget for the road and then they should put it into

the corporation. The corporation then says . . . And the money is received from the Department of Finance. Here's a lump sum payment to the corporation called Transportation Partnerships Corporation. That money is transferred into there, and that's a holding company for monies to be disbursed. They disburse it. Then when the money is coming back from whoever it is — could be the Potash Corporation of Saskatchewan, for example, or Weyerhaeuser or any one of the corporations that have paid and contributed to roads — they then can take and put money back into that corporation. And there is no problem with that.

And by the fact that you are restricted in borrowing has no reason to impact negatively on that method of doing business. The corporation can receive, any time, donations made back to it on the savings. We have no problem with that. That's the way the Ag Development Fund was set up in the first place. I have no problem with that. We've done that for 10 years for sure already.

And I know that you don't have an agency to handle a donation by or a payment to the Department of Highways in lieu of benefits that are received from individuals or benefits that were given to individuals. You don't have it. I understand that completely. I have no quarrel with that. I have none at all.

But I do have a quarrel with how other agencies are delivering that service. B.C. Transportation Financing Authority, the corporation will borrow this year, will borrow \$337 million.

Now that is a lot of highway, Mr. Minister. But you know what? The paper also goes on to say:

The leak of details on B.C.'s budget, now being investigated by the police, was one more embarrassing gaff for Premier Mike Harcourt, who must go to the polls within 18 months and has been searching for the right moment to face cranky voters.

Now he's going to pump \$337 million . . . no, the corporation is going to borrow \$337 million — it doesn't even say what they're going to spend. He's going to do this to buy the votes of the voters and they're going to pay for it themselves. That's what's going to happen.

And we say to you, no. We draw the line in the sand, Mr. Minister, and say no. Go get the Department of Finance to borrow the money, like it's traditionally been done, and allow them to do it, and then you come back here and say, this is what we're going to spend. That's what we're talking about, and that's what you have to give me. You haven't even come close to giving me a good reason for having the freedom to borrow the money. Now you tell me why you need to borrow the money.

Hon. Mr. Renaud: — I'm going to try, Mr. Chairman, to explain once more time. Let's take an example of the recent agreement with COGEMA and Cameco on 102, 905. We're going to receive about \$2 million a year to put into those two highways, and we're putting just our normal maintenance; we're not contributing.

Well we'll take that one step further, and let's say we had two

industries that wanted a partnership with the province of Saskatchewan on building a road. One industry was a \$15 million project and the other industry was a \$15 million project, and in fact they were willing to pay for the whole project, based on savings that they would receive through the agreement. Well then somebody has to spend the \$30 million to put . . . It hasn't really cost the taxpayers any money, you have to understand that. Not one cent for this road. In fact the private sector would be paying the shot.

But are we going to limit ourselves that we cannot do this? I don't think that's what we want to do. I think we want to participate with the private sector, improve our infrastructure. And I know I've got lots of requests from members on that side of the House that a certain road needs improving. There's a new grain terminal coming here, there's . . . oil industry is really booming and it's affecting our roads. Well these are some of the things that perhaps can be addressed.

And so I don't think we can afford to shut down a good idea where private sector industry want to participate with the Government of Saskatchewan.

Mr. Martens: — Give me the roads in Saskatchewan that have been built by contributions by other agencies outside of the Department of Highways and a government agency, like a municipal road.

Hon. Mr. Renaud: — That's exactly what the problem is, to the member opposite. We've had these kinds of things, but what industry have asked is for a clear vehicle so that they know the \$15 million that we said we were going to put in a highway such and such, is they can see it move there, and it's spent there, and now they're willing to put 75 or 50 or 100 per cent of their savings into that particular road.

That's the problem we have and that's what industry has said. We have talked to them: okay, are you interested in partnering with us? They said, yes we are, but we need a clear vehicle to do this.

It's not my idea; it's their idea and so I don't think we should discourage it.

Mr. Martens: — How much did the mine at Esterhazy contribute to the construction of, I believe, it's the No. 11 Highway. They actually put an extra layer of asphalt on the south-bound lane to handle the extra load for traffic. How much money did they put into that?

Hon. Mr. Renaud: — That's an example of what we're trying to do with Transportation Partnerships Corporation. They paid to us some savings — and certainly we have the thicker pavement on the load side and they participated in that — and we receive money each year. Okay? But they didn't contribute up front; it was actually money that we receive on an annual basis.

Mr. Martens: — How much and who gets paid it?

Hon. Mr. Renaud: — I haven't got the amount with me but I

believe it's more than \$100,000 a year. It's several hundred thousand dollars a year. And I believe — and I can't say that for sure — but I believe that goes to the General Revenue Fund.

Mr. Martens: — When was that highway built?

Hon. Mr. Renaud: — I haven't got an exact year. To the member from Morse, we certainly can provide him with that information. But it was done over several years. It wasn't done all at once.

Mr. Martens: — Well the member from Alberta . . . no, Regina Albert North says it was done in the early '70s. Well let's take and say that the province of Saskatchewan has earned on that road \$200,000 a year since 1975. How many dollars is that? That, I would say, is \$20 million, 20 million or 2 million? When I sit down, I'm going to multiply that out and see what it is.

But what I want to point out to you, Mr. Minister, it has already been happening. Contributions made by industry is already contributing in a fashion that is not curtailing the opportunity for you to work together with industry. It's not. How much of a contribution did the P.A. (Prince Albert) pulp mill and Weyerhaeuser make to the construction of roads in the North?

(1545)

Hon. Mr. Renaud: — What I would say, through Mr. Chairman, to the member, what we can do is provide you with information on the Estevan agreement, and we can provide you with information on the COGEMA-Cameco agreement.

Mr. Martens: — I don't need the specific details, but I need to understand what volume of dollars we're talking about — if it's \$25,000 or if it's \$100,000 or a half a million dollars. It has a massive impact on how this is done. As I would calculate, if it was a \$200,000 payment annually from the mine at Esterhazy, on 20 years would be \$4 million, \$4 million of contributions that have been made over the last 20 years to the Department of Highways indirectly.

Now if you want to think that this is unusual, talk to the Minister of Agriculture one day and find out how many fees and services he collects for in doing business with the people of Saskatchewan. He collects on fees for pastures. He collects on fees for servicing livestock and buying bulls. He does all of those things over and over and over again on a fee-for-service to people in the province of Saskatchewan. Mr. Minister, the method is not a problem.

And I'll say this to you also. All you have to do is ask the Minister of Finance to keep an account of your specific project and he will do that for you. Collecting the money on an issue like this is not the problem.

We say that if you have uncontrolled borrowing, as we have seen an example of in British Columbia in the same kind of a transportation partnership corporation doing building construction or road construction through the Department of Highways in B.C. . . . have the right this year to borrow 337

millions of dollars — borrow. That's over and above what the Department of Highways is going to receive from the Department of Finance in a budget allocation. And that, Mr. Minister, is what we're saying.

Have one agency, the Minister of Finance, the deputy minister of Finance, borrow the money for you on an ongoing basis. You don't need to have this function to have on an annual basis the freedom, put it that way, to borrow money.

And as I said before, you're not going to be in government all your life and someday somebody is going to come along and say, I'm going to borrow free-wheel. And that's what's happened in British Columbia with exactly the same thing tied to one very significant issue.

If this Crown corporation is like all of the other Crown corporations in its dealing with union preference tendering, then you have a big problem, Mr. Minister.

And earlier it was said that this is a Treasury Crown. It's not a CIC, Crown Investment Corporation.

Well, Mr. Minister, on the one hand, the Crown corporations in the province of Saskatchewan are itemized under two separate functions. One is a Treasury Board Crown and one is a CIC. And who is in the union preference tendering? Well it's a Treasury Crown called the Sask Water Corporation — they are a Treasury Board Crown. You can't hide behind the fact that they have to go through the union preference tendering only, because they are not a CIC Crown.

So what we're saying to you, Mr. Minister, allow us the freedom to have these amendments in this Bill so that you are going to give an opportunity for everybody to see up front what this corporation is going to do.

My question to you is: are there two other agencies that are going to be . . . or have asked you for a way to put money into the Department of Highways in lieu of construction of roads. And I believe you said something about Cameco and then the Estevan agreement. Can you give me a ballpark figure about where those numbers are?

Hon. Mr. Renaud: — I thank the member for his question. The member suggested he's proposing an amendment. I haven't seen the amendment, and I guess maybe we're still on short title, clause 1. But it certainly . . . you know it's hard for me to know what he's saying he would like to amend this section to. And perhaps when I see that, we can think about it.

Mr. Goohsen: — Thank you, Mr. Chairman. Minister, good to get back into the debate. Obviously you will know that we have been in discussion in the last few minutes with some of the representatives from the road builders of Saskatchewan.

They have expressed their very deep concern about the lack of trust in the province of Saskatchewan between the peoples of this province and the elected representatives that come to this Assembly to represent the people. I think we ought to work very hard, Minister, to try to change that feeling of distrust.

I think it's important not only that we try to help the feeling of distrust in this province between ourselves and the people that elected us; it's also important that we put into place a piece of legislation that will truly, honestly do what you have said it will do and what I have interpreted that you intend to do and what the people that I've talked to have interpreted that you intend to do.

They say to me, as you have said to me, that you have no intentions of doing certain things with this Bill. And because of this era . . . or aura rather, of mistrust, I think it is absolutely essential that we write this Bill so that it cannot be interpreted as a back stab for people out in the country, basically the road builders of Saskatchewan in this instance.

I'm suggesting to you that a few amendments will totally and completely make this Bill acceptable to the people that it affects. If in fact the things that you say are true and you do not intend to do any of these terrible things that people worry about, then what we're saying very simply is put it into the legislation through these amendments, close those doors and make the people comfortable that you are in fact not trying to do something behind their backs.

And so I go back to the list that I referred to you earlier, when we talked about five specific requests that the road builders of Saskatchewan have with regards to this Bill. And in our earlier discussions you have indicated that the first item you are in agreement with, which basically I find now is a reference to paragraphs 11 to 14 in the provincial highways Act.

Those specific tendering processes as outlined in that Act are pretty well the ones that we have mentioned in item no. 1, where all work will be done by open and public tendering. And by introducing an amendment that will put those into the Act, we will have achieved a comfort zone with the road builders and the people of Saskatchewan on that issue. And for that we are happy and we acknowledge that we have heard that from you, that you are going to do that.

Number two, that the corporation be specifically not allowed to borrow money. You have made your case that you may need to borrow money, and we are putting that under some consideration because it has been well described by yourself that there could be times when you might need to borrow money without in fact any devious intent to run up the provincial debt in order to cover off a deficit for an annual budget and to make that look good on paper, that there are some physical business requirements that may be needed.

We are researching that at this very moment, as we speak here now. People are looking into alternatives in that area, ways in which we could assure, again, a comfort zone for the taxpayers in general in the province . . . that we are not trying to set up a vehicle that was used very wrongly in British Columbia in just recent days. We don't want that to happen in Saskatchewan, quite frankly, Mr. Minister.

So we are going to leave item number two. We haven't come to any kind of an agreement or consensus on that issue. You know

our concerns. We understand some of yours, and we're looking for a way around that at the moment.

Number three, that there be no union preference or referrals such as the Crown corporate tendering agreement, Crown corporations tendering agreement. Minister, I guess I'll ask you straight out in simple terms: will you agree that we put this principle into an amendment in this piece of legislation?

Hon. Mr. Renaud: — Thank you to the member opposite.

I think you are quite aware — so is the industry and so is the road builders — that this is a Treasury Board Crown. And when you have a Treasury Board Crown, you are not obligated, I guess, as perhaps the CIC Crown might be to the particular agreement or policy that you are talking about.

I have said that time and time again. And we will tender projects just like we do now with the Department of Highways. We tender on the basis of low bid, and we will continue to do that. And the Crown corporation, a Treasury Board Crown corporation, will also do that.

I want to say about the borrowing — you're quite aware that Treasury Board Crowns have to go through Finance. So we are accountable, and we will continue to be accountable.

Mr. Goohsen: — Unfortunately, Minister, accountability in the present process means after the fact, two or three years down the road. That's simply not good enough. We're not going to accept that. That will not wash with the voters of Saskatchewan any more.

Mr. Minister, the truth of the matter is — and I think I took some time to explain this to you already — the people of Saskatchewan don't trust politicians, and they don't trust governments. It doesn't matter if it's your party or my party or the other party or some new one that might come along; there is a general distrust of the political process.

The reason that we have that distrust is that governments stand up and they say, we want to make a law to do such and such, but they word it in such an ambiguous way that sometime down the road a total different thing happens from that law than what was explained was going to happen at the start.

Right away people say: oh, you must have planned this. Maybe you did. Maybe you didn't. Maybe it's just the times change and things happen. The truth of the matter is though that that distrust is developed and builds and it escalates. And it's not good, and we've got to put a stop to it. And we can start here today by putting into this Bill exactly what you say you want to do and then we'll do that.

The people don't trust you when you say that you're not going to use union tendering policies with only union tendering the same as we now see in all of the Crown corporations. They just don't believe that you will stay to that because already we've had the experiment of the Melfort pipeline which is not a Crown corporation under CIC. You see, right away there's an example already happened with your government where there's an

exception to the rule. Why would anybody trust you that you're not going to satisfy the needs of your union friends even more in the future and in this area?

(1600)

And the road construction people have told us very bluntly that if you force them into unions, they will not be able to survive. They will simply not be able to be in Saskatchewan. You will have to buy equipment. You will have to buy equipment, hire your own men, and pay them and subsidize them and run them as a state-owned, state-controlled construction operation. And we know very well that your philosophy and your government's philosophy lends itself towards that. And therefore they don't trust you, and they know very well that you would probably be most happy to drive them all out of business and have in fact this very same thing happen that you would own and control all of your own equipment and do it exactly the way you do with the power corporation today.

Mr. Minister, that is not acceptable. Now on the other hand, you have said to us, no, you don't plan on doing it that way; that's not your intent. Very well. If it's not your intent, then let's put the amendments into the legislation that relieve all of those doubts and all of those fears.

You have an opportunity; it's very easy. We've even done the work for you. We've gone to the Law Clerk. We have done our research; we've gotten our researchers to come up with the information. We've had the Law Clerk do the work for you. He has come up with the proper wordings and the proper structures; the amendments are done. We've done all of your work for you. All you have to do, sir, is agree to do the thing that will guarantee that you are not trying to do something different than what you say.

So I will repeat to you the question: will you agree to the principle being included into the legislation through an amendment that there will be no union preference or referral such as the Crown corporation tendering agreement? Will you agree that the union preference that is presently in effect will never apply to those things that are controlled by this Crown corporation?

Hon. Mr. Renaud: — Well thank you to the member from Maple Creek. I'm going to explain one more time that we will tender the same as we do now under the Department of Highways. It's low bid, and it will continue to be the same under the Treasury Board Crown. And I want to emphasize that this is a Treasury Board Crown.

But what I really wonder is why the member opposite is playing politics on the backs of people that want No. 1 and 16 twinned on the backs of the road builders who want and need more work in the province of Saskatchewan. We have an excellent road building industry. They've gone through some tough times like we all have, sharing in the deficit reductions so that we could have a balanced budget. They participated in that.

And now we are playing politics? I can't believe that. Wouldn't it be nice if we could build a road where in fact industry

perhaps paid a large percentage — perhaps all of it — and a government could fund it upfront, and the savings that the private contractor received would go back into the province of Saskatchewan over time? Wouldn't that be a good deal? Would you think that's a good deal?

I don't know how we should . . . why you would like to stop that, and I guess you're going to have to explain to the people that live along No. 1, and you're going to have to explain to the forest industry, and you're going to have to explain to the different industries, the mining companies like Cogema and Cameco. Certainly I will explain what happened.

But I think you're going to have to understand that you are going to have to explain as well.

Mr. Wormsbecker: — Requesting leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wormsbecker: — Mr. Chair, I would like to introduce to you and to the members of the Assembly, through you, 15 grade 3 students from Stoughton School. And accompanying the grade 3 students are their teachers, or perhaps one teacher, Gwen Rusnak, and several parents and chaperons because it looks like these 15 students do need individuals to care for them while they're away from home.

And I'm looking forward to meeting with these students shortly after they've had the opportunity to observe the goings-on in the House here. And perhaps we can share a drink afterwards, and I look forward to having a chat with all of you. Will you please join in welcoming these students.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 22 (continued)

Clause 1

Mr. Goohsen: — Thank you, Mr. Chairman. It's always good to have young people come into our Assembly to find out how our democratic process works. And today they will be interested in knowing that we are discussing Bill 22, which is a Bill that is designed to put money into a Crown corporation for the purposes of construction of roads and highways in our province. We already have a Department of Highways that does that and has done it for many, many years.

The reality is though that this government has decided it needs another Crown corporation. We in the opposition don't feel that another Crown corporation is necessary.

The Chair: — The member for Regina Albert North, why are you on your feet?

Mr. Trew: — On a point of order, Mr. Chairman. I believe that there is a rule saying that members are not to involve guests with debate going on on the floor. I listened very carefully to the member from Maple Creek, who is trying to involve our school children guests in the debate here, and I ask you to rule on that.

The Chair: — I think the point of order is well taken. I was listening very carefully to the member. I think that he was skirting a fine line. I was prepared to let him go, but I was listening, and I think the member gets the point.

Mr. Goohsen: — My apologies, Mr. Chairman. I certainly will get back to the issue.

The issue, Minister, is whether or not you're going to agree with the road builders of Saskatchewan in their request to have this Bill cleaned up so that in fact it will do the things that you have said it will do.

In your preamble of the last few minutes, you have dealt with item number three of a memorandum that we have received from the road builders of Saskatchewan, requesting amendments to your Bill. These amendments they feel are absolutely essential in order to save their industry from economic collapse and total destruction.

I asked you about item no. 1 and you said that in fact you would go along with an amendment for item no. 1, which in fact states that all work be done by open and public tendering. You have said you will agree to that and we're happy to hear that and it of course means that items . . . paragraphs 11 to 14 of the existing highways Act will now be incorporated in this new Act and into this new corporation. And that is fine and dandy and we're glad to hear that.

Unfortunately you insist upon confusing that issue with some of the more important other issues, and this confusion that you are attempting deliberately to perpetrate on the people must be cleared up, because it is not the same as items no. 2 and no. 3.

Item no. 2. The people here from the road builders have asked that the corporation be specifically not allowed to borrow monies. There is deep concern that this vehicle will be used to borrow hundreds of millions of dollars, as had been the case in British Columbia. Hundreds of millions of dollars, Minister, that are absolutely not, absolutely not necessary to be borrowed through this kind of a corporation, except for one purpose only and that is to deceive the public about what is a balanced budget or what is not a balanced budget. A deficit is not there if you balance the budget, but when the debt grows, the province has still got more debt to pay in the long run.

So, Minister, that's totally unacceptable. And you've said you won't do anything about that and you will not — and our interpretation here today is that you have said you will not allow an amendment to correct that problem. And so we pass that on to the people of Saskatchewan.

You've said under item no. 3, which states that there will be no union preference or referrals such as the Crown corporation

tendering agreement. This issue has been addressed by the road builders of Saskatchewan, and they've asked quite simply that they not be forced to hire employees who are unionized; that they do not want to be forced into having to have union employees. They don't want to have any involvement whatsoever with unions because it just doesn't work out in the country when you're miles and miles away from the cities.

You have, and I will interpret for you, in your preamble said flatly that you deny that this is ever a consideration, that it would ever happen, and that you will not include an amendment in this law that you are proposing in order to guarantee that the people in the construction industry will not have to unionize their workers.

I am very disappointed, Minister, that you would take that kind of an approach and that you would suggest to me that I'm simply playing politics by standing up for the road builders of Saskatchewan and saying to you that they cannot continue financially to exist under these terms and circumstances.

And that is a fact that they have pointed out to you and to me in private conversations and in private meetings that you had with them last night and in meetings I had with them yesterday and today. They have pointed out unequivocally that they cannot manage to continue to work and exist if they are forced into a union-preference tendering policy such as the one we have in Saskatchewan today for the Crown corporations.

Now you say that there's a difference between a CIC Crown and a Treasury Crown and that the Treasury Crowns of course are exempt, when in fact we know for sure already that in Melfort you have built a pipeline under a Treasury Crown that has had a union preference tendered out on that pipeline, and it cost the people of Saskatchewan thousands of dollars more than all the rest of the pipeline. It was a total disaster. It was an economic disaster and a pipeline disaster, referred to as the Melfort sprinkler system.

And the truth of the matter is that now we have an example to prove that in fact this law and this . . . rather, union tendering preference policy has already gone from the CIC Crowns and has already been applied to a Treasury Crown. There is absolutely nothing in the minds of the people of Saskatchewan that make them believe you when you say you're not going to invoke that policy onto the people who will be covered by this law.

That, sir, is not right. It is unfair, and it should not be tolerated by the people of Saskatchewan. And I don't think they're going to. I think, quite frankly, they're going to tell you that the \$20 million carrot that you've hung on the stick in front of them is too high a price to pay in order to get that little bit of money into the construction industry.

And the idea that you're going to go around and try to tell people that we stopped the construction of Highway No. 1 because we stopped a basically socialist Bill in this House that is union geared and union preference directed . . . another plum for your union friends before the election.

Your attempts to try to sell to the general public that we stopped you from constructing highways in this province, it is just not going to wash. It will never happen. Nobody in Saskatchewan is that bad at mathematics that they won't be able to figure out that \$20 million will not build very much road, and it's not enough money to be giving away all of these rights and privileges and necessities for the people in our province.

Mr. Minister, I'm going to go on to item no. 4. You have flatly refused on item no. 2 and item no. 3 and you have agreed to item no. 1.

Item no. 4, they ask you, in principle, will you accept an amendment that in principle will allow for the corporation be not allowed to purchase construction equipment or hire employees directly? Will you agree to that principle?

Hon. Mr. Renaud: — Certainly we would agree to that amendment. We think that was the intention and we would certainly agree to that amendment in principle.

(1615)

Mr. Goohsen: — Thank you, Minister. You now have copies, I believe, of the amendments that we have had drafted for this process. And you will have your team of experts no doubt checking it over and going through the fine print and analysing the legal mumbo-jumbo that goes into these things. Always an amazement to me how we can't write laws in English; have to use some kind of a jargon that most of the people don't understand. But anyway, we will cipher our way through it, you and us, and we will try to determine that in the end it will mean what we want it to mean.

Anyway, Minister, I'm glad that you have agreed to item no. 4, so now we're batting two for two. I guess that's 500 and we're getting a little ways anyway.

So, Mr. Chairman, we're happy with the minister going along with this and we want to get on with item no. 5 in principle, that would apply to Bill 22.

Mr. Minister, the people from the road builders of Saskatchewan have asked us to ask you if you would support in principle the concept, through an amendment that would go into this piece of legislation, the idea that the corporation be responsible directly to the legislature and not to any government body other than the Department of Highways. Would you agree to do that, Mr. Minister?

Hon. Mr. Renaud: — Yes, to the member opposite. In principle we would certainly agree with the intent.

Mr. Goohsen: — Thank you, Minister. Well we're getting a little ways here. We now have some accountability; perhaps after the fact, but that's necessary. And you know as I know that the auditor has been asking for this kind of an approach to our accountability and we certainly are happy that we will start that process in this particular Bill, Bill No. 22.

Mr. Chairman, there are many, many arguments that have to be

made on behalf of the road builders of Saskatchewan. This Bill will directly affect the livelihoods of thousands of people.

Not only will it affect the livelihoods of thousands of people in Saskatchewan, but the reality is that there is no quicker vehicle for getting employment started than through construction. You can get a lot of people working in a very short period of time and cost-effective monetary considerations. Cost-effective in terms, I believe were explained to me, along the lines of 35 per cent of the overall costs goes directly into labour in a construction project.

Now by most industry standards, that's very high. Textiles, I understand, have a better ratio. But in Saskatchewan we basically deal with natural resources so our ratios are not as high as that in most areas. For example, one sustained job in the oil patch over the long haul requires a \$16 million investment back in 1981 or '82. And so I imagine that that's probably escalated considerably since then. That was the closest figure I could get in my researches.

So reality is that by having more highway construction we can generate an awful lot of jobs in a very short period of time. That's very important to the province not just in terms of having good roads to drive on, but in terms of correcting the tremendous problem that we have with unemployment and welfare numbers in our province.

Certainly we could use this whole process here to greatly improve all of those very terrible problems that we're having in our economy in Saskatchewan. We've got far too many people on welfare and far too many people still unemployed. And in the construction industry we can turn that around. Not all of it all at once, obviously we can't cure the whole problem here, but we can do a great deal in terms of resolving all of those problems.

Unfortunately, unfortunately, Minister, we — both of us, you and I — are now aware that the construction industry cannot operate unless there are monies spent in order to get the projects going. It's unfortunate, and I will deliberate for a minute on your point that you made about the federal government.

It is unfortunate that you couldn't get that program going last fall with the federal government. It is even more than unfortunate — but I can't think of words that would explain my feelings of frustration with the federal government in parliamentary language at this moment — because it is a deep hurt to all of Saskatchewan that they would back out of such a very important project.

You made very well the point, sir, that in the United States of America, years back, the government recognized that they needed an interstate highway program and that the federal government had a responsibility to pay for parts of that and even most of it. And that Canada had one time gone along with getting into that kind of a program when we started building the No. 1 Trans-Canada Highway through from one coast to the other.

And it's really terribly unfortunate that our federal government

does not pick up on their responsibility to this country, to tie it together with proper road facilities and proper transportation connections. If anything were going to divide our country and cause it to split up, it would have to be the lack of ability for people to communicate and transport from one jurisdiction to the other, to just become acquainted with one another and to get to know one another.

Motor cars and trucks have become a way of life. And some of the best things that we've ever done is the student exchange programs where people get to know one another. That couldn't happen if we don't have ways of getting people from point A to point B and back and forth.

Our road system is a disaster; it's falling apart. And the federal government should be kicked right in the shin, metaphorically, for not holding up their end of the bargains.

Unfortunately there isn't very much that you and I can do except to protest, write letters, send telegrams, ask our neighbours and friends to write to the government, and vote some other way maybe some other day, federally. But at this moment we're here — you and I, your government, and the road builders of Saskatchewan — and we've got a problem.

We've got a problem in that we need some roads built. We've got a problem in that you have decided to allow that \$20 million that you allocated in last year's budget to sit there. You decided to do that; that was your choice.

Last November when the federal government reneged on their responsibilities to western Canada and opted out of that program, they certainly should get their lumps for that. But it happened. Now you should have taken the bull by the horns and provided a vehicle so that your \$20 million already budgeted for would not in fact be lost on paper through a budgetary shift at the end of the fiscal year.

That's your responsibility, sir. You should have taken care of that. You will say, we're doing that with this Bill. Reality is there were other vehicles you could have used without legislation. You could have found a way to do this.

There's no need for what is happening here today. What you are basically doing is putting a carrot on the end of a stick for the people in the construction industry, a \$20 million carrot, and saying: here, you can grab this carrot, but first of all you have to jump the hoops the way we tell you to.

The truth of the matter is, Minister, that these are choices that you are making. You are pushing these people into a corner. You've boxed them up. On one hand, they can't say no to \$20 million because their industry needs the money in order to survive, to get some work to keep going. On the other hand, they cannot give away for the future those things that you are demanding of them to give away, because they can't survive in the future.

Talk about a catch 22. How can they say no? They have to say yes. It's either destruction today or destruction in six months. Who wants to die today if you can manage to survive another

six months? Obviously they'll let you do anything that will allow them the opportunity to continue for a little while longer, in the hopes that somehow you might fail in the next election or something might come as a thunderbolt and change all of this attitude. They have to buy what time they can.

But, sir, the price is too high. The demand you make on these people is unfair; it is not proper. You cannot get away with this kind of thing in Saskatchewan without the people understanding it and knowing it, and we're here to tell you that we are going to tell the story.

You challenged me a few minutes ago, saying that I would never be able to get out and tell the folks; that you would tell them it's our fault that you couldn't build No. 1 Highway. Well let me tell you we will do our homework. We will tell the people what you have perpetrated on them here this week and the way you tried to box them in with a two-day deadline on a piece of legislation that only does one thing for you and one thing only, and that is to get more of your union buddies inside for the next provincial election.

You have absolutely done nothing to help the road builders and you've done nothing to help in the construction of roads or the repair of roads and you've done nothing for the people of Saskatchewan.

You've played politics — blatant partisan politics — with this Bill right from the beginning. It's all it's about. We are the ones who are standing up against you and saying you will not get away with playing politics with people's money. You only have so much money and you're trying to make it appear as though you have twice as much by shifting it from one spot to the other.

You're playing games. It's the old shell game, and you're playing that game and you're playing it badly, Minister, and we're not going to accept it without a challenge. We're challenging you here today to do the fair, the reasonable and proper thing, and that is to take one step back and consider the demands of the road builders of Saskatchewan.

Mr. Minister, I bring it to you once again. You said that you don't really plan on forcing these people all to join unions. But they don't trust you. They don't believe you. It's not you — it's all of us. They just don't believe politicians. They don't believe governments. That mistrust has been explained to you many times but it is reality and we must repeat ourselves. And you have a chance to correct that.

You say you're not going to unionize these people and that you're not going to have this union preference policy turn into it. You know very well we will not accept your argument that because it is a Treasury corporation that this won't apply, because we know better. We won't accept that. You know it's not true. I know it's not true. And the people of Saskatchewan know it's not true.

So stand in your place today and tell us that you will accept an amendment that will support the basic principle of saying that union preference tendering will not be allowed through this

department and through this corporation.

Hon. Mr. Renaud: — Thank you to the member opposite. I'm glad he realizes the importance of this Bill to the road building industry and to the people of Saskatchewan, and we certainly do here as well.

I want to refer to one of the amendments that you are suggesting and I want to read it to you: where the corporation deems it inexpedient to let the work to the lowest bidder, then he has to obtain authority from the Lieutenant Governor in Council.

What this says is that you take low bid. It's in one of your amendments already. It's there and we . . . that's the way we do work now in the Department of Highways. And this says that this Crown corporation is going to do work the same way and we are in agreement with that.

And I want to say that we came to this House so that we could be open, so that people could debate this Bill, and we have had a good debate. We could have done it other ways likely, but no, we want to be open and accountable. And we came to this House, created the little Crown corporation that has four board members — the Minister of Highways, the deputy minister of Highways, the associate deputy minister of Highways, and the associate deputy minister of Highways — a policy so that it would not cost anything. No staff. It's just a vehicle that industry has asked for.

And so we will create this little Crown corporation, we will provide additional work at less cost, in fact, to the taxpayer because there will be some partnerships from industry. And I think it's a very good idea; the people of Saskatchewan think it's a very good idea; I know the people in Maple Creek, especially along No. 1, think it's an excellent idea.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Minister, I'm glad that you allude to my constituency with regards to this Bill because that's very important.

So I will ask you the question: if we agree to allow this Bill to pass, with the now three amendments that you've agreed to take out of the five, if we were to do that, would you start releasing a tender to double-lane Highway No. 1 past Maple Creek tomorrow?

Hon. Mr. Renaud: — Thank you to the member for his question. If we had the partnership, I suppose, ready to go, I would love to announce it tomorrow. We're certainly working on it. We're talking with trucking companies, and hopefully something can be done. But until there is a partnership agreement, we are unable to start. But industry seem very interested in discussing it. So hopefully, at some time in the future we'll be able to do that.

Mr. Goohsen: — Well, Minister, thank you for that rather vague answer because it proves my point. You really don't have any intentions to start any work tomorrow at all, even if we did pass this law today.

The truth of the matter is that you don't have any agreements in place. Will you even be able to spend the \$20 million that you're talking about? When will you start letting tenders out for that to be spent, and where will it go?

Hon. Mr. Renaud: — Like I told the member earlier, we would love to announce No. 1 tomorrow. We are in negotiations. We are talking with industry. I would hope that we can come to some kind of partnership agreement and as soon as possible. I think the people from Gull Lake, for instance, the people from your area, have been calling asking for No. 1 to be upgraded. We realize the need. And so if we can in fact get a . . . the day we get a partnership agreement, we'll certainly be starting on that project.
(1630)

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, I went and got the bible for highway construction — Highway Traffic Act — or all the information on the legislation. And I thought I'd just bring it in because I want to make sure that I have an understanding of what you're talking about when you talk about the contracting and the tendering process under this new Crown. And I believe that's covered under sections 11, 12, 13, and 14 of The Highways and Transportation Act.

In here it mentions that:

The minister shall invite tenders by public advertisement or other public notice for the construction and repair of all public improvements to be undertaken by the department, except in cases where the minister, having regard to the nature of the work and the size of the undertaking, is of opinion that the work can be carried out more expeditiously and economically by order or commission or under the direction of the officers of the department.

And then it goes on to mention:

Where a public improvement undertaken by the department is being carried out by contract, the minister may require that security be given to and in the name of Her Majesty for the due performance of the work within the time specified for its completion.

And I believe no. 13 is what you just quoted a minute ago:

Where the minister deems it inexpedient to let the work to the lowest bidder, he shall report the matter to and obtain the authority of the Lieutenant Governor in Council before awarding the contract to any other than the lowest bidder.

And no. 14, section 14:

No sum of money shall be paid to a contractor, nor shall a work be commenced on a contract, until the contract has been signed by all parties named therein and any security required has been given.

Now I'm sure you can appreciate the fact that one of the major

concerns that we're addressing or attempting to address this afternoon is the fact that there will be indeed a fair and open tender as section 11 basically indicates, that when this tender is given, that we're not going to end up where contractors, as they apply for any job opportunities as they see a tender let — whether it's in the Saskatoon *Star-Phoenix* or one of our local papers — and they apply for this job, they're not going to find that at the end of the day they've applied under the understanding that as minister responsible for the department you're calling for a tender to build a certain section of road. Let's say No. 1.

You're looking at 10 or 20 kilometres west of Gull Lake — I'm just throwing that out hypothetically — and you're calling for a tender to be let on this, and you're asking people to submit tenders. What they don't want to be stuck with is that all of a sudden the department's going to come back and indicate how many union people are involved in your contract or in your company, as that's a stipulation.

From what you're telling us, Mr. Minister, are you indicating that basically yes, union and non-union contractors alike will be able to bid on these contracts, that indeed you will look at the qualifications and the ability of each individual contractor, and that you will look very seriously at the lowest tender, and if that lowest tender happens to be a non-union contractor, that that contractor then will indeed be given the job? Or are you still saying yes, it's an open tender, but the reality is we're still going to place the tenders or accept the tenders based on whether or not there's sufficient union involvement in that contract?

I'm wondering, Mr. Minister, if you could give us a clarification on that.

Hon. Mr. Renaud: — Well, thank you to the member from Moosomin. Certainly union contractors can bid on highway work. Non-union contractors can bid on highway work. And as you mentioned, 13 of the Act:

(Only) where the minister deems it inexpedient to let the work to the lowest bidder, he shall report the matter to and obtain the authority of the Lieutenant Governor in Council before awarding the contract . . .

So it stipulates very clearly that it would be low bidder; and if it's not low bidder, it has to go to the Lieutenant Governor in Council. That means we run by low tender. And that's exactly what you say in your amendment to the Bill, and it's the same thing so that what Highways does now, the Crown corporation will do as well.

Mr. Toth: — Have I heard you correctly, Mr. Minister? Basically you're saying that yes, this is a genuine open tender. And yes, there will be no hidden clauses indicating that union preference will be part of the tender process, that indeed the contractor who receives the job at the end of the day will be receiving the job, number one, on the amount of their bid in comparison to everyone else plus their ability to show that they are a reliable contractor. That once you let that bid out, that that job is going to be done as expeditiously as possible under the guidance of the contract and certainly to a standard that is

acceptable or above the standard that you're accepting.

And if what you're saying, Mr. Minister, is the case, then that is the major concern we want to raise. And we want the assurance, Mr. Minister, that we're not going to find a number of these contracts going to the Lieutenant Governor in Council because the argument may be at the end of the day when the contracts come in, well we basically cannot accept the lowest tender because that lowest tender doesn't happen to be a unionized or have unionized employees in his or her employment.

And, Mr. Minister, that's the clarification we're looking for from you, that that doesn't become the criteria whereby any contract is let, that indeed a contract is as open as you have indicated to us today, and that you're not going to be going to the Lieutenant Governor in Council for changes or to let contracts simply because you're looking to satisfy some unionized buddy that may be working for the government of the day or for the party or any unionized contractor that's going to come and knock on your doorstep and say, I need a job; I need that contract out there.

I trust that you're going to have . . . you will have the ability and you will be willing to stand up, Mr. Minister, and say, you can have the job, sir, but there are two or three other tenders out there that are substantially lower. We are trying to spread our dollars as evenly and as effectively as we can. And if you can come up with the same type of bid on that job, then you have the same opportunity and the same rights.

And those are the very concerns that we want and many of the contractors — most of the contractors in this province are non-unionized — want to have the assurances that they indeed are playing on that level playing-field. Can you give us those assurances today, Mr. Minister?

Hon. Mr. Renaud: — Thank you to the member opposite. I guess one of the proofs of our sincerity is that we have never used the clause. We have never gone to the Lieutenant Governor to change a bid. And so I guess you have to understand that we're sincere here.

And I also want to say that Moosomin, I believe, is on No. 1 — in fact it is — and I'm sure the people of Moosomin will be very happy hopefully someday that they see No. 1 twinned. I know it would be a great boost to the community, and it would be a great feather in your cap, sir, because I know you've asked me many times if we in fact could look at No. 1. This is maybe one way of doing it.

Mr. Goohsen: — Thank you, Mr. Chairman. I want to thank the member from Shaunavon for donating me his glass of water.

Minister, we have got a bit of an impasse here obviously. The road builders of Saskatchewan want certain protections in order so that they can absolutely just survive.

You have thrown out the potential to get some roads built, and everybody wants that. I want it; you want it. But we have to do something to save our road builders in this province as well. We can't just throw them away and abandon them. And I don't think

you want to do that. So let's try to work out some way that we can resolve this impasse.

Let me throw a possibility by you. Maybe sometimes we get hung up on words, but maybe sometimes if we use other words than what we have been using, we can soften their political blow or their sting and achieve the same goals. And so let me suggest to you that we go back to that list of five items that we talked about before, the five conditions that our road builders feel it would be essential to have in order to survive.

Now in the one situation you have explained to us that you have a philosophical problem and a political problem, and that we're going to try to work around. Suppose we considered bringing in an amendment that would in principle use words such as the following: that no special consideration would be allowed for special interest groups. Would that be something you might consider putting into the amendments in principle?

Hon. Mr. Renaud: — Thank you to the member from Maple Creek. I'm going to read you the amendment that you passed to me earlier. In fact I believe it was maybe the first one.

Where the corporation deems it inexpedient to let the work to the lowest bidder, it shall report the matter to obtain the authority of the Lieutenant Governor in Council.

We are saying, it's going to be low bidder. We have affirmative action programs in the Department of Highways. I mean do you classify that as a special interest group? I don't know. You know I don't think that would be satisfactory.

Mr. Goohsen: — Well, sir, I noted some hesitation in your voice, and I take great . . . well I'm happy to hear that. I'm always an optimist, and I'm going to take that as a good sign, Mr. Chairman. I'm going to take that as an optimistic possibility that the minister is searching his mind on that issue, and perhaps he will want to talk to some of his officials about this possibility.

So, Minister, in fairness to you, I won't press that point any further this day because I don't want you to stand in your place and get angry with me and say words that would tie you in to not being able to come here and accept what might be, in the end, a reasonable compromise. We're throwing out an olive leaf to you here, sir, and we're going to hope that you will pick it up or step on it or do whatever you do with olive leaves. And we will leave that issue for you to ponder for a little while longer until you have some time to talk about it with your officials.

In that same spirit, a spirit of trying to find some kind of a compromise to the impasse that we seem to find ourselves in, I will throw a pass to you, another possibility — a possibility of bringing in a principle through an amendment using some of the following words that I will read to you and suggest to you. And it has to do with percentages of the fund, in that area where we're talking about the amount of money that you're going to have in the fund, and the amount of money that you would be able to borrow to put into that fund.

Now you've made a good case that you may need to borrow some money. I think we've made a reasonably good case as well that there needs to be some brakes put on to how much money and for what purpose you would borrow that money, in order to protect the taxpayers of the province.

So in the spirit of a compromise, let's use the figure that you have used which was \$20 million that you would start with at the beginning of the fiscal year, and you would budget for that much. Now next year of course you might decide to use 300 million or a billion. I don't care what figure we use as long as we know that this is the figure that is going to be budgeted for at the beginning of the fiscal year. Now could we, in principle, protect everybody by including an amendment which would state in principle something along the lines that the borrowing potential of this Crown corporation would not be in excess of the value of the fund as allocated through the budget each fiscal year?

It seems to me that if you're planning to build roads or if you're planning on hiring people to do trucking and you've got \$20 million allocated that you're going to do that for the year, it would only be responsible that you . . . in your argument, where you say sometimes you have to borrow the money to pay for the work before you actually get the money put into the pot, if you're going to be fair about that and say you're not here to run up debts and deficits, then you shouldn't be considering doing more work than what you have physically got money to cover it with at the end of the day. In other words, we're talking about fiscal responsibility and a balanced budget. So would you then consider, Minister, allowing that principle to be applied through an amendment into this Bill?

Hon. Mr. Renaud: — In principle, we certainly would look at that. And I would imagine in principle I think we can work within those guidelines. And if the member would accept, certainly the sincerity in regards to low bidder, it certainly would . . . we could maybe come to some kind of conclusion.

(1645)

Mr. Goohsen: — Thank you, Minister. I was sure, Mr. Chairman, that I had noted in the minister's tone of voice some optimistic reason to think that he was reconsidering his position and I think that's proof positive that the democratic process can work. If we really work at this, Minister, and if I give a little and you give a little and the folks outside negotiate in good faith, we may yet at the end of tomorrow find ourselves both smiling. However we do have a ways to go yet and we do have to debate some of the points that you have put forward because I think you need to think a little deeper about what you have said.

When you talk about the tendering process through the Department of Highways that's in effect now — that's chapter 11 to 14 — you say that in order not to take the lowest tender, you would in fact have to go to the Lieutenant Governor in order to get permission to take a different tender. That really, sir, has absolutely no comfort at all for those people who are worried about having to unionize their workers.

Because the truth of the matter is that if your present policy on tendering happens to somehow seep out of the CIC into the other Crown corporations, if that should happen to work its way out — you know very well that it will eventually seep out if we allow this thing to go on — then the way it's tendered and the ability to accept one tender or other has nothing to do with it because the tendering policy itself very clearly states that the lowest bidder does get the job even if he has no union workers — but he may not do the job unless he does in fact then hire three-quarters of his workforce as union workers. So he's caught.

He may actually have gotten the lowest tender with no unionized workers, but as soon as, as soon as he gets that tender, if this policy seeps through to these Crowns, then they're caught. They have to have . . . so it's a catch-22. You've built that into the process. You understand that; I know you do. So realistically, Minister, I am able to explain that in my farmer's language and understand it and figure it out. Your government officials, of course, have got lawyers by the tons. They've manipulated things around and figured it all out.

But the truth of the matter is that everybody knows that if I can figure it out, then the rest of the world will too because they're smarter than I am. So the contractors have figured it out. The people of Saskatchewan have figured it out. The folks along No. 1 Highway are soon going to figure it out when we go out and explain it to them.

Everybody will know, sir, everybody will know that this explanation you have given about how the tendering process will protect non-unionized contractors is just simply not going to work. It simply won't be there. It won't happen that way. Everybody has that figured out.

Your union friends have got that figured out; otherwise they'd be on the step of the legislature, 3,000 deep, yelling and screaming. You know very well that they understand that they're getting their toe in the door. They know very well that they're going to get what they want out of life. And you know very well that what you want from them is support in the next election in exchange.

I'm going to tell you this quite frankly, Minister. If you believe your own polls as you advertised them last week, then you must already realize that your unions are supporting you and that you don't need to sell out the rest of the province in order to get re-elected. So why not do one thing right for the people of Saskatchewan? Because you don't need to buy any more support. You've got enough union support already.

And realistically, the little bit of money that the unions are going to get from construction projects out in the wide expanses, furthestest way that you could get in the province of Saskatchewan, whether it be down south of Mankota or west of Maple Creek building No. 1 Highway, the few people that would work on a construction project out there is not going to make one little bit of difference to the big machine of union people that you've got in this province. So why are you trying to buy something that you've already got? You don't have to give any more. You've already got the union support, so leave the

contractors alone.

Allow us to help you to do one thing right while you're the Minister of Highways. Let's allow you the opportunity to go down in history as the Minister of Highways who listened to the people; who actually took their advice and did things right and do something fair. Instead of getting up and trying to confuse the issue by saying that union-preference tendering policies are covered off with the Department of Highways tendering policies for bidding on construction projects; instead of trying to say that those amount to the same things and the one cancels the other off, let's get the story straight now and let's let us help you to make this into a Bill that will truly work for the benefit of the people of Saskatchewan. You can do it.

Your colleagues will allow you to away with this one because they know that the unions don't need to be appeased any more. They also understand, I'm sure, as you must, that if you continue on this path you will destroy the construction workers of this province. You will destroy the road builders as an entity in our province. They cannot exist with the rules that you are about to impose on them.

Many of them have stood in their place and looked me straight in the eye and said, we will not be around if we get this all forced on us. You can be the man that goes down in history as recognizing that it's more important to serve the province than to play politics.

You have this opportunity here today and tomorrow. I want you, Minister, to very seriously consider the wordings that I've given you as alternatives. Take a look at them, study them, think them over. I'm quite sure that when you talk to your officials and you get all of this partisan political mumbo-jumbo out of your mind and think only about what you can do that is right for the province and right for these people, I am sure that you will realize that you can do what needs to be done.

And you don't have to worry about losing the election on this issue. This one is not big enough, Minister. This is not. This is not a campaign-trail issue.

Now I've got a hundred questions that I need to ask you, Minister, about Highway No. 1 and when you're going to get it started and how many dollars it costs to build a mile of road in order for us to know how this fund is ever going to pay for all that stuff. We just don't know where you're going to get the money from to build and rebuild all of the roads that are in trouble in this province.

And how this Bill is going to help you to do that is beyond me. If somehow this Crown corporation were built in such a way that it could manufacture money, then you might have a chance. But the reality is that you've got a budget. You've got a budget of so many million dollars in the Department of Highways. If you transfer that money out of the Department of Highways into a new Crown corporation, how, pray tell, is that going to build us more roads than we were already going to get built?

You say that you're looking for federal money; somebody is going to start a new infrastructure program. Well I hope it

happens. But there is nothing, no guarantees by putting this into this Bill, by having another Crown corporation. That's not going to happen for sure. It will happen as easily without.

And why do we know that? Because quite frankly we took the trouble to phone the federal minister's office and ask them if a Crown corporation was necessary in order to access any federal money for infrastructure programs. And they said absolutely not a chance; each province will get their money, each province will get their money to distribute in the way that they choose to do. Manitoba, Alberta, Saskatchewan, will all get their money, every province gets their money and how it is used in the province is up to the province. You do not need to have a new Crown corporation to access any federal monies that go to infrastructure programs whether it be old ones or new ones.

So quite frankly, that is not an argument that holds water. You can't tell the people of Saskatchewan that we are going to achieve more road building by having a Crown corporation because we will get money from Ottawa. That's not on, in terms of a Crown corporation. If they give it to you, you can access it straight through the Department of Highways, the way you've got the structure set up right now.

The next argument you use is that maybe the truck drivers of the western provinces might see fit to contribute some money to building highways. Well unless they get something in return, Minister, they absolutely ain't going to give you very much. They might give you \$100, \$1,000, as every citizen might. But big-time bucks, the kind of money it costs to build highways, it isn't in the cards unless you're giving something back. What are you going to give back? Longer loads and heavier loads.

One of the people I talked to earlier today said, well isn't that dandy. Our roads are all going from breaking up and busting up and going to pieces now; what are we going to do when we start overloading all these loads and lengthening all of these trucks out some more, in terms of safety and in terms of saving the roadbeds that we presently have?

Nothing is going to happen here, except to have a whole lot of people say well, hold it now, we're going to finance this thing by throwing another carrot out here. We're going to allow the truckers all to overload, we're going to allow them all to buy a, b, and c and d trains now; maybe we will have trains running down the roads with great big diesel trucks and have 40 or 50 of them. Where is Joe Q. Public supposed to drive his Datsun? Underneath the wheels?

We've already got some serious, serious problems with safety on our highways. We've got very serious problems here, Minister, and this Crown corporation is not going to resolve one of those problems. And realistically then your argument that you're going to get money does not hold water because you're not getting it unless you trade something off and what you're trading off the general public may not allow you to accept. It's as simple as that.

So there, we've shot down both of your sources of funding other than the number three one, which is the provincial government money. And you can spend that right now quite nicely, thank

you, out of the Department of Highways. Don't need another Crown corporation to do it. So you're selling us pie in the sky today — pure, plain, simple pie in the sky. We don't need this, we can live without it. But if we have to have it, and if you insist on pushing it through, we're willing to talk some kind of a deal that'll make it work so that it doesn't destroy the road builders and the people and the taxpayers — the people involved.

So let's work at it, Minister. Tonight I think we'll burn the midnight oil. And you work on your amendments and your ideas; think about the things that I've said. I request that of you, sir. In good faith, we will do the same. Will you work at that, Minister? That is my final question?

Hon. Mr. Renaud: — Thank you, to the member opposite. I want to mention the importance of twinning of No. 1 to the constituency of Maple Creek and the community. I know that they've been telling me for a long time that the traffic is heavy, especially in tourism season; it should be twinned. There's some possibility of obtaining a partnership. Certainly we are negotiating with some companies now. We're negotiating with other companies in other areas that are interested perhaps in partnership with the Government of Saskatchewan to improve our infrastructure.

It will not only save the industry money, that particular industry, but it will give better roads for tourism and for people that live near that road, also economic development. So there's lots of benefits.

And so we have agreed to many of your suggestions, and being that it is a Treasury Board Crown and being that it is low tender, we are ready to proceed at any time.

The committee reported progress.

The Assembly adjourned at 5:01 p.m.