

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Osika:** — Thank you, Mr. Speaker. On behalf of many concerned citizens from the province of Saskatchewan, with respect to the closure of the Plains Health Centre, I present a petition which reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The names on this petition are primarily from the city of Regina, Mr. Speaker, and I so present. Thank you.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also would like to present petitions of names from throughout southern Saskatchewan regarding the Plains Health Centre. The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed the petition, Mr. Speaker, are mainly from southern rural Saskatchewan.

**Ms. Julé:** — Thank you, Mr. Speaker. I too rise today to present petitions of names from throughout Saskatchewan regarding the closure of the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed these petitions, Mr. Speaker, are primarily from Regina and Moose Jaw. I so present.

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, I also rise to present names of petitions of people regarding the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition, Mr. Speaker, are from Togo, Saskatchewan, and all of the others are from Roblin, Manitoba.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I rise on behalf of citizens of Saskatchewan concerned about the impending closure of the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon.

Assembly may be pleased to reconsider closure of the Plains Health Centre.

The signatures on this petition are all from the city of Regina.

**Ms. Draude:** — Thank you, Mr. Speaker. I rise today to present petitions of names of people from throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition are from Regina, from Swift Current, Kincaid, Chaplin, Wymark, all over Saskatchewan.

**Mr. McLane:** — Thank you, Mr. Speaker. Once again I rise today to present a petition of names from people throughout southern Saskatchewan regarding the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

Mr. Speaker, the petition is signed by many concerned citizens from the cities of Regina as well as from Moose Jaw.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I also rise today to present petitions of names from people across Saskatchewan regarding the Plains Health Centre. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

And those who have signed this petition, Mr. Speaker, are from Moose Jaw, Fort Qu'Appelle, Regina, Weyburn, Sedley, Broadview. We also have Sintaluta on here, Rockglen, Lisieux, Strasbourg, just to name some of many.

**Mr. Belanger:** — Thank you, Mr. Speaker. I rise again today to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed a petition, Mr. Speaker, are from Regina here. They're from Melville. They're from Yorkton. They're from Herbert, Swift Current, and all throughout Saskatchewan.

And I so present.

**READING AND RECEIVING PETITIONS**

**Clerk:** — According to order the following petitions have been reviewed, and pursuant to rule 12(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly to reconsider closure of the Plains Health Centre.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Belanger:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 48 ask the government the following question:

To the former minister responsible for Saskatchewan Computer Utility Corporation: what is the total dollar value of the sale of the corporation's assets and liabilities to the Information Systems Management Corporation in February, 1988?

**Ms. Draude:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 48 ask the government the following question:

To the minister responsible for Sask Water regarding the Sask Water audit document: (1) how many copies of the document were produced; (2) what was the total cost of production; (3) what was the total cost of distribution; (4) what was their production design work; was it done in-house or contracted out. If it was contracted out, who produced it; (5) who was the printer; where was the contract tendered; and (6) how employees were involved in producing the document?

I have similar questions for the minister responsible for the Saskatchewan growth fund and for the document regarding *Partnership for Growth*.

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 48 ask the government the following question:

To the Minister of Justice regarding independent prosecutor Chris Evans's report on the SaskTrust/Dean Mattison investigation: (1) on what date did the Justice department refer the Dean Mattison issue to the independent prosecutor; (2) on what date did the deputy minister of Justice receive independent prosecutor's report; (3) what was the total amount paid to the independent prosecutor to conduct this investigation and report; (4) what specific mandate and/or guidelines were given to the Justice department to the independent prosecutor regarding this case; (5) was the independent prosecutor given all documentation regarding the SaskTrust issue, including information about each lawyer involved and how many transactions they handled individually; (6) please provide the opposition with a copy of the completed report.

#### INTRODUCTION OF GUESTS

**Ms. Hamilton:** — Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of the Assembly, 25 men and women who are seated in the west gallery. They are attending adult basic education classes at SIAST (Saskatchewan Institute of Applied Science and

Technology), the Wascana Institute. And they're here today accompanied by their teacher, Jim Scarfe.

They'll be here for some of question period, and I'll be meeting with them after their tour to have a visit and answer some of the questions that they'll have.

I'd ask all members to be on good behaviour so it'll lessen the number of in-depth questions I'll have to answer later on in the day, and ask you all to join me in giving them a warm welcome to the Assembly.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'm happy today to introduce to you and through to you to the rest of the members of the Assembly, 23 students from the beautiful south-west community of Eastend, Saskatchewan.

They share the home of Scotty, the Tyrannosaurus rex. And they all came to town knowing exactly what rubber boots are for, finally, as they had the big flood of 1996 this year, the first time they've seen a whole lot of water in a whole long time. But they've survived all of those things and they're looking forward, I think, to finding out how the Assembly works and how the laws of Saskatchewan are really, truly made and where it all happens.

I'm going to be happy to meet with them a little later on and to share a few things, as the other member has pointed out, about how the process works. And we'll be happy to do that.

And I would ask you all to please join with me in welcoming this wonderful group of 23 to the Assembly along with their teachers, Shelley Morvik, Marie Hanson; and Randy Morris, their bus driver. Welcome.

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

**Mr. Pringle:** — Thank you very much, Mr. Speaker. In your gallery I'd like to introduce some special guests to the members through you, sir. They are representatives of the Grey Nuns and I'll ask these folks to stand. They're here regarding two private members' Bills.

First of all Sister Faye Wylie of the Grey Nuns; Ted Nieman, the Vice-Chair of St. Paul's Hospital Board of Management in Saskatoon; and Darlene Wingerak, the legal counsel for the two Bills that they took before the committee this morning.

I appreciate the special guests being here, and on behalf of all the members I want to thank the Grey Nuns and the St. Paul's Hospital in Saskatoon, and of course the group home in Biggar run by the Grey Nuns, for the wonderful care that they've provided over the years, and wish them luck in the future and know that they will continue to provide a leadership role as they've done in the past.

So I would ask that all members give a warm welcome to our special guests.

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

**Mr. Belanger:** — Thank you, Mr. Speaker. On behalf of the Liberal caucus I'd like to also welcome Sister Faye Wylie and her friends. It's nice to see her. She's an old friend of mine.

I'll ask the Assembly to also welcome her to the Assembly.

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

**Ms. Bradley:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly, two groups of people that are here today. Well actually one is my sister, that I'm very pleased is here from Alberta and is visiting Saskatchewan — Bonnie McMillan, and she's sitting in the west gallery.

We've had maybe at some points in our life some sibling rivalry and so on, but I'm very, very pleased that my sister is here to observe today our proceedings here in the legislature. Welcome, Bonnie.

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

**Ms. Bradley:** — And I'd also like to at the same time introduce some other guests that are here from Weyburn, from my constituency. Vikki Keturakis is one of my constituency assistants so she does a lot of good work in my constituency office. And along with Vikki is Opal Keturakis, her mother, and Olivia Dammann and Arvilla Carlton.

And I'm very, very pleased that they've all come today to watch the proceedings in the legislature. And this is their first time here, so I'd like everyone to join me in welcoming them here.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. To you and through you to the Assembly, I would like to introduce a friend of ours from Lumsden, Alice Miazja, who ran for us in the last provincial election. I would ask everyone in the Assembly to welcome her here today.

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

## STATEMENTS BY MEMBERS

### First Nations Forum

**Mr. Belanger:** — Thank you, Mr. Speaker. I'd like to welcome all the people who are attending a first nations forum in the city this week. The first nations forum is focusing on sovereignty and treaties.

The forum is open to Indians and non-Indians including legal, academic, political, religious, and business communities. I've had the pleasure of meeting some of these people at these workshops.

Because treaty and the sovereignty issues are so very complex, it's important to participate in forums such as these. We all should become better educated on the issues facing first nations and Metis people and how they relate to the various levels of

government.

I am pleased to see so many people participating in these discussions. I would ask other members of the Assembly to join me in welcoming the participants to the city and also wish them luck in continuing these type of forums for the next five years.

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

### Tourism Trends in Saskatchewan

**Ms. Lorje:** — Mr. Speaker, yesterday the member from Regina Wascana Plains spoke about the impact the tourism industry has in Saskatchewan. Today I would like to point out a few more economic statistics about tourism.

Hotel occupancy rates for Saskatoon and Regina were up 3.1 per cent in 1995. In fact the occupancy rate has improve annually since 1993. The statistics for Saskatoon and Regina were among the highest of major cities in Canada and well above the national average.

In 1994 it is estimated that visitors to our province spent almost \$46 million in Saskatchewan. This means a return on investment of \$25.52 for every dollar spent on advertising and fulfilment.

Mr. Speaker, of the top 10 events in 1995 based on attendance, the city of Saskatoon had a strong presence with popular events such as the Saskatoon exhibition, Saskatoon Folkfest, and the Saskatchewan Jazz Festival. And if the weather cooperates this year, the Fringe Festival will be a top draw in 1996.

Congratulations to all the people who worked so hard to make our Saskatchewan tourism industry a huge success.

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

### Bruno Woman Receives Parenting Award

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize a constituent of mine, Wallis Serblowski of Bruno.

Mrs. Serblowski, a mother of 10 children, was awarded the distinguished parent award at the Saskatchewan Association for Community Living's 40th annual general meeting held in Regina. She has been a very active member of the Saskatchewan Association of Community Living and was recognized for her work with and dedication to the organization and her family.

Congratulations, Wallis Serblowski.

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

### Ag Biotech Conference 1996

**Mr. Koenker:** — Thank you, Mr. Speaker. A science and technology expertise in Saskatoon is responsible for another first in Canada — the first international agricultural biotechnology conference in Canada.

Ag Biotech Conference '96 will be held in Saskatoon this June.

Biotechnology is a key catalyst for agriculture as we head toward the new century, and a major part of that is centred in Saskatoon. This conference will help increase awareness about our Saskatchewan capabilities and agricultural biotechnology. More than 500 people from over 25 countries are expected to attend this conference. There will be an opportunity for Saskatchewan researchers, producers, and the business community to hear speakers from 15 different countries.

Sessions will be divided into five topics: crop development, animal science, microbials, technology transfer, and business. One of the keynote speakers will be Dr. Janet Sprent, professor of plant biotech from the Department of Biological Sciences at the University of Dundee, Scotland.

I'm sure this conference will provide insight into how this industry is developing and contributing to the future of Saskatchewan and Canada.

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

#### **Drama Awards for Wadena Students**

**Ms. Draude:** — Mr. Speaker, Wadena high school recently won several drama awards for its production of *Laundry and Bourbon* at the regional Saskatchewan Drama Association competition in Yorkton. The festival featured entries from 11 schools in the region.

Crystal Anderson and Alayne Lennox won merit awards for outstanding performances at the festival. Erin Pitstick won the best characterization award for her performance. The *Laundry and Bourbon* crew also won the award for best stage and technical crew. The overall production placed third among 11 entries.

The adjudicator said he was very impressed with the actresses and noted the professionalism and cooperation of the crew.

Mr. Speaker, I would ask the members of this Assembly to join me in congratulating the director, cast, and stage crew of Wadena high school on their achievements at the regional Saskatchewan drama competition.

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

#### **Young Entrepreneurs in Neilburg**

**Ms. Murrell:** — Thank you, Mr. Speaker. There are two young entrepreneurs in my riding who are getting an early start in the business world.

Thirteen-year-old Lanelle Freeston and her 10-year-old sister Chandra, of Neilburg, are making devil sticks, which are used as a game. It consists of two small sticks and one larger stick that are wrapped with tape and string and more tape. The two smaller sticks are used on either side of the larger stick, keeping it balanced by tossing it back and forth.

These girls saw the potential in making and selling this game.

They developed a pattern on their own, and with some help from their parents, they caught on quickly. Lanelle and Chandra have sold a number of them for between 17 and \$20, and they'll keep producing them as long as there is a demand. After some financial assistance from their parents, the girls' business has become self-sufficient and they have paid off their loan. It seems the demand increases as people see these sticks and the challenge they provide for entertainment.

I would like to congratulate Lanelle and Chandra for their initiative in pursuing an idea and turning it into a business. Thank you.

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

#### **Banner Year for Lucky Lake Bantam Lakers Hockey Team**

**Hon. Mr. Wiens:** — Mr. Speaker, the 1995-96 hockey season for the Lucky Lake Bantam Lakers was indeed a banner year for this team from my constituency. The Lakers had to overcome many hurdles to make it to the provincial final, but once they got there they trounced the team from Turtleford for the championship.

In the next round there were a few more obstacles to face in what turns out to be something of a Cinderella story. The team was placed on a waiting-list to compete at the Kamloops international AAA bantam ice hockey tournament, the largest of its kind in North America. A few days later, they received a phone call telling them that the Lakers had been accepted into the tournament. Of course the competition was fierce, because players who have participated in this tournament in the past included names such as Mario Lemieux, Joe Sakic, and Jari Kurri.

A team from Detroit ended up winning the tournament, but the Lakers, through sheer determination and two overtime goals from Mike Facca, took home the C event championship trophy. The Lucky Lake Bantam Lakers represented the smallest centre in the history of the tournament to capture a championship.

The former home of NHL (National Hockey League) player Darin Kimble is turning out first-rate hockey players. I would like to congratulate coach Doug Barker, all of the players, and the community of Lucky Lake for supporting this team. It definitely was a community effort.

Thanks should also go to Sask Ida Farms, our potato plant down there, which was the team sponsor, and the Lucky Lake Kinsmen for their support of minor sports. Thank you.

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

#### **ORAL QUESTIONS**

##### **Agreement with Intercontinental Packers**

**Ms. Draude:** — Thank you, Mr. Speaker. Saskatchewan's Deputy Premier and his counterpart in British Columbia appear to have very different views about what is fact and what is fiction.

Two different accounts have been provided, amid allegations that this government provided a \$5 million loan to Intercontinental Packers to, in part, finance the planned closure of the firm's meat packing plant in British Columbia.

Will the Minister of Economic Development give this house his latest version of the controversy and table in the House all related documents?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I want to say to the member opposite that I can confirm what I told her last day in the House when we talked about this issue, that in fact a loan was arranged between the Government of Saskatchewan and Intercon. The amount of the loan was \$5 million. The arrangement was that as new jobs were created, the loan would be forgivable at a rate of 12,500 per job over a five-year period, if the jobs were maintained for three years. That's the agreement.

The contract and arrangement has been made public. The order in council has been made public, and I don't know what more it is that you're looking for.

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

**Ms. Draude:** — Mr. Speaker, I would like to bring to the attention of this House an article in the April 29 edition of *Maclean's* magazine. This article indicates that Intercontinental Packers records an estimated \$350 million in sales every year.

Mr. Speaker, this minister constantly criticizes the previous Conservative government for its addiction to megaprojects. Will he then justify providing this firm a \$5 million forgivable loan when many other Saskatchewan businesses, walking a financial tight-rope, have no access to this NDP (New Democratic Party) generosity?

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, that member opposite, coming from rural Saskatchewan where a large number of the hog production and increased hog production is occurring, it amazes me that she doesn't understand the need to have a meat packing industry in the province.

And competing with our neighbours to the west and east in Manitoba and Alberta who are putting hundreds of millions of dollars of subsidy in the meat packing industry, why you would not understand a \$5 million loan to a meat packing industry which is crucial not only to the thousand or so people who work in that plant, but also the farmers who use it, and if it weren't there, would have to haul their cattle and pigs to another province. Coming from rural Saskatchewan, you should understand that.

But more than that, I don't understand why you would argue when in 1969 the Liberal government of that day put in the first \$5 million loan.

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

#### SaskTel Collective Agreement

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, as this House is aware, SaskTel employees returned to work today after voting in favour of a tentative agreement. Both union and SaskTel say the agreement is fair; however there seems to be some confusion about the level of wage and benefit increase. The union is indicating today that the package amounts to 7 per cent increase, while management spokesmen say the wages and benefit total 3 per cent.

Will the minister explain what the true wage and benefit package amount to?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I want to answer the question on behalf of the government, and I want to tell the House and the member opposite that the settlement with respect to SaskTel is — with respect to wage and benefits — within the guidelines and the common mandate of the government as negotiated in the past, and as it will negotiate in the future.

We all understand the difficult circumstances — and nobody understands it better than the public sector employees — that we've been placed into in this province of Saskatchewan as a result of nine years of Conservative rule, and thankfully the people of the province of Saskatchewan are pulling together.

Any other aspects of the contract which have been negotiated are essentially at a no-cost aspect to the government and they're within the mandate, and everybody is negotiating within the mandate. And it's a resolve of this government that we stick with that, as we will now and in the future.

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

**Mr. Bjornerud:** — Mr. Premier, I still don't know the answer to the question I asked. A number of other public sector unions have been watching the negotiations involving SaskTel very closely. Obviously whatever settlement is arrived at in this dispute will impact future negotiations. Given the fact that the total wage and benefit package for SaskTel employees is — and I presume it's 7 per cent — will the minister tell this House if this will now serve as a basis for future bargaining with other union organizations?

**Hon. Mr. Romanow:** — Mr. Speaker, again I am sorry to highlight the fact that with the Liberal questions in this House there seems to be a large discrepancy with some of the factual numbers, as is indicated by the previous questioner on the Intercontinental loan, and this one on 7 per cent. It is nowhere near 7 per cent. It is within guidelines. The guidelines are 3 per cent. That is the position the government has taken.

Every contractual settlement has to take into account the special circumstances which may pertain to the public sector unit with which you're bargaining. But what we've done in the past, and what we've done in this case, and what we're going to do with respect to the future negotiations — because of the terrible position which the province is put in by the Conservative administration — is to call on our people, in order to protect

and save jobs, to settle within mandate. And we settled within mandate, as it was.

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

**Mr. Bjornerud:** — Well, Mr. Premier, if my numbers weren't right, that is why I was asking the question. I really wanted to know, and I still don't know.

Mr. Speaker, the Premier of Manitoba announced this morning that his government is proceeding with plans to sell Manitoba Tel System. This decision will leave Saskatchewan as the only province with a Crown-owned telephone company.

Mr. Speaker, in the coming years competition now seen in long distance and mobile telephone markets will likely be extended to the entire range of communication services. Given these growing pressures, will the minister in charge of SaskTel indicate if privatization of SaskTel is on the agenda of the NDP government?

**Hon. Mr. Romanow:** — Mr. Speaker, I'm going to answer this question on behalf of the government as well. The members will know that the Government of Saskatchewan has announced a thorough Crown review to make sure that the Crown corporations which we have in the province of Saskatchewan are going to remain solid, strong Crown corporations in the 21st century. It's a check-up.

The Manitoba Telephone sale is an understandable one from Manitoba's point of view. Perhaps it's done for philosophic reasons, perhaps it isn't, but they are in a debt/equity relationship which has virtually put that company in a very perilous state.

That is not the case with respect to SaskTel. SaskTel is a very healthy, very efficient, technologically modern, very capable company, which has helped out in the Chunnel project; which has projects internationally including LCL (Leicester Communications Limited) London which they recently just vacated by way of a sale; and continues to be one of the leading-edge companies for call centres and other technological matters.

Simply put, it may be the Liberals' and the Conservatives' agenda to privatize, privatize, privatize, privatize, privatize, by ideology; it is not our agenda. Our agenda is to do the best for the people in the province of Saskatchewan as we can.

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

### First Nations Taxation

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Speaker, my question this afternoon is for the Minister of Finance. Madam Minister, your negotiations over native taxation are going nowhere. In fact the FSIN (Federation of Saskatchewan Indian Nations) is now planning on taking you to court over the issue. They've set aside a \$175,000 war chest to fight against the province charging fuel and tobacco tax on reserve purchases.

Madam Minister, your approach to this issue is clearly failing.

The FSIN is taking a very hard-line approach. Your casino partners are now taking you to court. It's time to say enough is enough, Madam Minister. Madam Minister, how do you intend to respond to this type of threat? Will you immediately begin collecting the PST (provincial sales tax) from status Indians on purchases made off reserve?

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, to the member opposite, thank you for that question. Our commitment is to a fair taxation system in the province — one that is fair to Indians — first nations people — but also one that is fair to Saskatchewan taxpayers. We have been prepared to discuss this matter with the first nations people on the understanding that there had to be trade-offs. And as they've said publicly, this particular leadership is having trouble looking at the issue of trade-offs.

I have heard reports that they want to take this issue to court, and I think the position of the government on this has been very clear as well. We certainly reserve the option, if the Indians choose the courts as the route — it's not our first choice — to take the whole Indian taxation regime to the courts.

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

### SaskTel Collective Agreement

**Mr. Goohsen:** — Thank you, Mr. Speaker. My question today is for the minister for SaskTel or the Premier if he chooses. Mr. Premier, the new SaskTel contract is now public, and it's clear that you got taken to the cleaners. Union leader Ron Carlson has confirmed that the total package will cost 7 per cent — close to it — now more than double your stated guidelines of 3 per cent for the public sector employees.

Wage hikes, medical benefits, and eight days off and free RRSPs (registered retirement savings plan) are a part of the package, and they count, Mr. Premier. And it's a pretty sweet deal, except for the people that have to pay.

Mr. Premier, how much is your 7 per cent solution going to cost the people of Saskatchewan; why have you exceeded your 3 per cent guidelines that you yourself set; and doesn't this set a dangerous precedence for future public negotiations; and are you now saying that Ron Carlson's figures are not accurate?

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

**Hon. Mr. Romanow:** — Mr. Speaker, the answer that I've given already to the Liberal questioner, I have to repeat with respect to the Conservative questioner: the mandate of the government is that there should be a 3 per cent increase over 3 years, and that is essentially what the situation is with respect to wages and the benefits indicated with respect to SaskTel.

What the hon. member there is attempting to do is to compute an aspect of the arrangement which concerns with the surplus of the pension plan, which in one form or another has to be returned and redistributed, likely in substance to the employees. It's a no-cost benefit — no cost charged essentially to the

company — and therefore is in the mandate.

Now Mr. Carlson may put his spin on it. He can do whatever he wants to do and explain it however he wants it. That is the position of the government because of the unique circumstances which are available to SaskTel. The government remains committed to the common mandate as it has in the past and as it will in the future.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. I have a supplemental for the Premier. Mr. Premier, I challenge you to extend the so-called no-cost benefits to every other worker in Saskatchewan and maybe to the rest of us here as well. I think you'll find out it's pretty expensive.

We really have to question who's running the show over there. You set strict guidelines and say that you're going to stick with your 3 per cent increase, and of course you didn't stick with that in this case. And then Don Ching takes over and the guidelines go out the window. Now it's pretty clear to see who's running things at SaskTel, and it ain't you, Mr. Premier.

Now your old buddy and your old room-mate has come right into this situation and we want to know why, as soon as he did, why did SaskTel's bargaining position suddenly break down; why, as soon as Don Ching took over, everything went out the window; and why can't you rein this man in, instead of letting him cut these kind of sweetheart deals that are going to cost the people of Saskatchewan millions of dollars in benefits and in future settlements with other unions? Why did you do this, Mr. Premier?

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

**Hon. Mr. Romanow:** — It's a very . . . Mr. Speaker, Mr. Ching's a very difficult man to rein in. He's about as physically large as the hon. member from Cypress Hills, so difficult to rein in.

But the answer is simply this, Mr. Speaker. SaskTel's pension fund is in a surplus position, has been in a surplus position. By federal provisions, federal laws, and this now being a federally regulated company in 1998 under the CRTC (Canadian Radio-television and Telecommunications Commission), and federal pension, federal income tax laws, the surplus has to be disposed of.

It's got to be disposed of in a way, since it's essentially the money of the employees — not in all instances — back to the employees. The money sits there, and that's exactly where the solution was found.

I've said that we have to find solutions within the mandate which are specific to the sector-by-sector area.

The surpluses do not exist in any substantial numbers in any of the other areas. It did in this case, and what happened was the negotiators of SaskTel and the CEP (Communications, Energy and Paperworkers Union of Canada) looked around constructively to come to a proper and fair settlement to the

mutual benefit of everybody, and above all, the people in the province of Saskatchewan.

And it wouldn't have to have done that if it hadn't been you people bankrupting this province for nine years.

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

### Health Districts Funding

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, my questions are to the Minister of Health. Mr. Minister, while your NDP government gives SaskTel workers a sweetheart deal, including extended medical coverage, hospitals continue to close and health services continue to be cut all over the province.

Yesterday the South Central Health District announced the closure of the Pangman Hospital. The Bengough Health Centre will have its hours cut by more than 50 per cent, the Souris Valley extended care facility has been cut by 20 beds, the Weyburn mental health centre has lost two beds, and 46 jobs have been cut.

That's just one health district, Mr. Minister. We probably can expect to see similar cuts all over Saskatchewan.

Mr. Minister, do you think it's fair that your government has money to give a 7 per cent raise to SaskTel workers while vital health care services are being cut?

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

**Hon. Mr. Cline:** — Mr. Speaker, I don't accept the premiss behind the member's question. I believe that the settlement with SaskTel workers was within the government's mandate, but I also don't accept the member's premiss that we're underfunding the health system.

I would remind the member that for every dollar that was taken out of health by the federal Liberals, this government, in their recent budget, put a dollar back in, which is a far cry from the province of Alberta, which has cut health care spending by 15 per cent, and a far cry from the Conservatives also in Manitoba, Mr. Speaker, which recently cut their spending on health care by 37 million in their recent budget.

Unlike the Conservatives and the Liberals, Mr. Speaker, we're continuing to fund the health care system at a reasonable and appropriate level to meet the health care needs of the people of the province.

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

**Mr. Toth:** — Mr. Minister, the South Central Health District had to make these cuts due to an offload, not from the federal government, but an offload of \$1.4 million from their budget, cut by your government. Your \$500 RRSP give-away to 3,600 SaskTel employees will cost \$1.8 million a year.

These are your priorities, Mr. Minister — more money for the SaskTel union, less money for health care.

Mr. Minister, last night CBC (Canadian Broadcasting Corporation) news reported that 31 more rural hospitals are being considered for closure. Will you confirm that, Mr. Minister? And will you table a list of 31 hospitals your government is about to close?

**Hon. Mr. Cline:** — There is no such list to be tabled, Mr. Speaker. The member is referring to the fact that the media reported that there were 31 hospitals that treat fewer than 10 patients per day. That's what the media was referring to.

The member wants to get people worked up and to say that there's some secret list of 31 hospitals that are about to close. That's what the member says, Mr. Speaker; that's not what the government says.

We're going to help the health districts do some proper planning to meet the needs of the people in their communities. And that certainly includes the South Central Health District, Mr. Speaker, which is being funded on the basis of its population and the needs of the community, and has come up with a plan to deal with the finances that are available in that district to deal with any potential deficit.

And I might say that if that member's party had done likewise when it was in government we wouldn't face the kinds of problems and pressures that we face today in health care in Saskatchewan.

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

#### Medical Treatment in United States

**Ms. Haverstock:** — Thank you very much, Mr. Speaker. My questions, too, are for the Minister of Health this afternoon. Mr. Minister, you're well aware of the fact that Janet Lommer is in the fourth stage of multiple chemical sensitivity syndrome which means that she has numerous tumours and is unable to eat any food of any kind.

She cannot be treated in Canada but your department refuses to pay for her to receive help in the United States, and my question to you is why?

**Hon. Mr. Cline:** — Mr. Speaker, I do . . . I am concerned about the situation that Janet Lommer finds herself in, but I want to say to the member that her facts are not correct.

Notwithstanding the fact that we have not had any referral to a medical committee that normally looks into these matters, I've asked the officials at the Department of Health to look into this matter. They have communicated with the medical people at the National Jewish Center in Denver, who are some of the leading people to treat this kind of illness.

Those medical people have confirmed with our officials that it is not necessary that Janet Lommer be treated there or in Dallas, as she has reported, or indeed in the United States, and they feel that she can be returned to Canada for treatment. That is the advice I have from the officials in the department who have communicated with the medical people in the United States.

We will make medical care available to Janet Lommer in accordance with the medical advice we receive.

I want to say to the member that it is not the system that any individual can go to a foreign country, run up medical bills and send them back to Saskatchewan for payment. If we adopt that kind of system, we won't be taking care of people right here in Saskatchewan, Mr. Speaker.

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

**Ms. Haverstock:** — Mr. Speaker, Mr. Minister, well I too spoke with people in Denver yesterday, but I spoke with Janet Lommer's specialist. And he made it clear that there is only one place — one place — that can treat four-stage MCS (multiple chemical sensitivity syndrome) patients, and that is in Dallas.

Now your compassionate government, sir, has cut off Ms Lommer's welfare because she went to the United States without permission from your department, which is permission, by the way, which she has desperately been seeking since her condition has continued to deteriorate.

Now what are you prepared to do to save her life? Because this is now life-threatening.

**Hon. Mr. Cline:** — Mr. Speaker, I am going to do what I should properly do in the interests of Ms. Lommer, and that is to take the appropriate advice from the medical officials. That's what I'm going to do.

The advice I have received from the medical officials in the department, and they advised me they have communicated with the people at the National Jewish Center in Denver, is that appropriate treatment is available for Ms. Lommer in Canada. And until I receive advice to the contrary I'm going to invite Ms. Lommer to come back to Canada and to be appropriately treated.

But it's not for the member or for myself, Mr. Speaker, to make a medical judgement in this issue. All we can properly do is take appropriate advice from the medical people as to what should appropriately be done. That's what I feel it is my duty to do, Mr. Speaker, and that's what I'm going to do.

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

**Ms. Haverstock:** — Mr. Speaker, Mr. Minister, I'm asking you this one thing today. Will you produce written evidence that proves unequivocally that treatment is available in Canada for four-stage MCS, and expedite Ms. Lommer's admission there immediately. And if you cannot do that by 5 o'clock today, will you approve that she receive treatment in Dallas Tri-City Hospital? If your officials have this information, sir, you should be able to provide it.

**Hon. Mr. Cline:** — Mr. Speaker, my officials have information about this case. But what I want to say to the member is that I am not going to get into the personal aspects of Ms. Lommer's medical condition in the House or in public. That also would be a violation of my duty and responsibility.

I want to say to the member that I am going to make sure, as I have been making sure, that this matter is appropriately looked into, is appropriately investigated, and that we get the appropriate advice.

If the member is saying that I should be revealing in public, particulars of Janet Lommer's medical condition that officials may be aware of in the Department of Health in assessing this matter, and that this is the place to debate her personal circumstances, I can only say to the member, I just don't agree with that.

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

**Ms. Haverstock:** — Mr. Speaker, Mr. Minister, you know full well I did not ask you to disclose anything about Janet Lommer's case. What I've asked you for is to simply get your officials, who you have informed today, this very House, that they already have the information that states where she can go in this country and receive treatment for four-stage MCS . . .

I am telling you that there is no place in Canada. You are stating there is. Would you please provide the members of this House with that information. And if there is a place available and my information is false, will you ensure that she can be expedited there immediately in order to save her life?

**Hon. Mr. Cline:** — What I am saying to the member and to the House, Mr. Speaker, is that I have had this matter looked into. The advice I have received, Mr. Speaker, is that treatment for Ms. Lommer's condition is available in Canada. I have received that advice from officials of the department. They have received that advice, they tell me, from the people in Denver.

For me to say to the member exactly where Ms. Lommer should be treated or what treatment she would receive, would necessarily involve me discussing personal medical characteristics with respect to Ms. Lommer. That is something I am not going to do in this case, or in any case. But I want to assure the member and the House, Mr. Speaker, that the matter is going to be appropriately dealt with. It has been investigated and we will continue to appropriately deal with it. And we will provide Ms. Lommer with the medical care that Ms. Lommer requires.

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

### Child Poverty

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier, the father image of our province. Mr. Premier, hungry children across the province must be shocked and saddened by the Premier's comments yesterday concerning their impoverished conditions.

Yesterday, Mr. Premier, you sloughed off your 1991 campaign promise to end child poverty in your first term of office. In a media interview you stated:

No party can campaign in these times without promising to end child poverty, because that's what people want.

You also stated in that media scrum with Saskatchewan reporters yesterday, that your 1991 election promise to eliminate child poverty is a promise that has to be made and it's a promise that has to be kept.

Mr. Premier, a man of your stature must hold himself accountable for his promises. This issue of child poverty is a serious issue and our children are precious.

**The Speaker:** — Order, order. The member has been quite lengthy in her preamble and I'll ask her to put her question directly.

**Ms. Julé:** — How will you show the impoverished children of this province that you will keep your promise, Mr. Premier?

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

**Hon. Mr. Romanow:** — Mr. Speaker, the first point that I want to make is that — and I want to say this with mixed emotions; some pride and also some regret — but I want to point out to the House that it is only this party and this government that has made such a promise in Saskatchewan. It's silence from the Liberals and the Conservatives, who seemingly have indicated no concern or, if any concern, very little concern.

Time does not permit me to outline a number of important facts, such as the children's action plan and the range of activities that the children's action plan implements. And the fact that in every successive budget that we've had introduced — in fighting the deficit imposed upon us by the federal Liberals and their budgets and the offload on block transfers, and fighting the nine years of the Conservatives — in every budget I'm proud to say the amount of money for social services and those who are kids in need and families in need has never been cut; it has always been increased — has always been increased.

We are going to continue working at this thing steadily and continually. We have not achieved it, that is for sure, but it's a promise that we're going to continue to work steadily away at. And I can say we're proud to say that, and I'm ashamed that neither of the opposition parties are committed to that task.

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

**The Speaker:** — Why is the member on his feet?

**Hon. Mr. Shillington:** — Mr. Speaker, before orders of the day, with leave, to move a couple of motions with respect to the Regulations Committee.

Leave granted.

### MOTIONS

#### Special Committee on Regulations

**Hon. Mr. Shillington:** — Mr. Speaker, it is traditional at this time in the session to establish a Regulations Committee. For reasons that aren't entirely clear to me, it is not a standing committee, rather it is a special committee which requires a resolution at each session. The resolution is a couple of pages in

length. I will read it:

That members Belanger, Draude, Heppner, Jess, Koenker, Murrell, Sonntag, Ward, and Whitmore be constituted a special committee to consider every regulation filed with the Clerk of the Legislative Assembly pursuant to the provisions of The Regulations Act, 1989, with a view to determining whether the special attention of the Assembly should be drawn to any of the said regulations on any of the following grounds:

- (1) that it imposes a charge on the public revenues or prescribes a payment to be made to any public authority not specifically provided for by statute;
- (2) that it is excluded from challenge in the court;
- (3) that it makes unusual or unexpected use of powers conferred by statute;
- (4) that it purports to have a retrospective effect where the parent statute confers no express authority so to provide;
- (5) that it has been insufficiently promulgated;
- (6) that it is not clear in meaning;

that the committee have the assistance of the Legislative Counsel and Clerk in reviewing the said regulations, and that it be required prior to the reporting that the special attention of the Assembly be drawn to any regulation, to inform the government department or authority concerned of its intention so to report; and

that the committee be empowered to invite any regulation-making authority to submit a memorandum explaining any regulation which may be under consideration by the committee, or to invite any regulation-making authority to appear before the committee as a witness for the purpose of explaining any such regulation; and

that the committee be empowered to review the by-laws of professional associations and amendments thereto to determine whether or not they are in any way prejudicial to the public interest.

I so move, seconded by the member from Regina Elphinstone.

Motion agreed to.

#### **Referral of Bylaws of the Professional Associations and Amendments to the Special Committee on Regulations**

**Hon. Mr. Shillington:** — Thank you. This one's much shorter, mercifully. I move, seconded by the member from Humboldt . . . I'm sorry, the member from Watrous:

That the by-laws of the professional associations and amendments thereto tabled during previous legislatures and not ratified by the committee, and the by-laws and amendments as tabled in the present session be referred to

the Special Committee on Regulations.

I so move, seconded by the member from Watrous.

Motion agreed to.

### **ORDERS OF THE DAY**

#### **WRITTEN QUESTIONS**

**Hon. Mr. Shillington:** — In keeping with our attempts to be an open, accessible government, I table the answer to question 81.

**The Speaker:** — The answer to question 81 is tabled.

**Hon. Mr. Shillington:** — Once again, Mr. Speaker, in keeping with our reputation, our growing reputation, as an open and accessible government, I table the answer to question no. 82.

**The Speaker:** — The question to no. 82 is tabled.

### **GOVERNMENT ORDERS**

#### **ADJOURNED DEBATES**

#### **SECOND READINGS**

##### **Bill No. 70**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mrs. Teichrob that **Bill No. 70 — An Act to amend The Urban Municipality Act, 1984 and to make consequential amendments to other Acts** be now read a second time.

**Mr. Gantefoer:** — Thank you very much, Mr. Speaker. I appreciate the opportunity to address this House on the subject of Bill 70, entitled The Urban Municipality Amendment Act, 1996.

Mr. Speaker, this is a large and complex Bill which changes the law regarding urban municipalities in a great many ways. It comes after what the government claims was a lengthy and comprehensive series of consultations with the urban municipalities of this province.

Well, Mr. Speaker, it may have been a lengthy and comprehensive series of consultations, but the government does not seem to have heard what the people said — either that, or the government has conveniently chosen to forget what the people said.

Mr. Speaker, when I look back through the consultative process and look through the details of this Bill, I am profoundly disappointed by the end results. Although many of the recommendations of the cities and towns were considered, it is quite evident by reading this legislation that the government could not risk the temptation to ignore these recommendations, and instead, create a vast new regulatory scheme over and above the already plentiful supply of municipal government legislation that we already have in this province.

Mr. Speaker, the broad purpose of this new assessment legislation — and here I'm referring to Bill 70, 71, the amendments to The Urban Municipality Act, The Rural Municipality Act, and The Northern Municipalities Act — the broad purpose of these Acts was to move toward a simple, easy-to-understand, market-value approach for the assessment of land and buildings.

This was an admirable purpose, Mr. Speaker. Unfortunately this admirable purpose was not achieved. What we have instead is a complex regulatory scheme whereby the provincial government will have the power to define classes of property and set percentages of value to be applied to property assessment in these classes.

Mr. Speaker, the Saskatchewan Urban Municipalities Association, in its position paper delivered to the former minister of Municipal Government in October 1995, made it clear that the urban municipalities favoured using 100 per cent assessment values for all property classes as the starting point for local tax decision making. Mr. Speaker, the government has completely ignored that position.

The government has decided to give itself the power to create different classes of property, possibly dozens or even hundreds of different classes of property, each with a different percentage of assessment value to be used as a starting point for the calculation of property tax. This, Mr. Speaker, is a confusing and complicated new element to be considered in the field of municipal tax planning.

Another representation with which the government heard from far and wide in its consultative process was an earnest plea that if different classes of property were going to be created, each with different percentages of assessed value to be used as a basis of tax calculation, then they should be created by statute and not by regulation. This would allow for stability in long-range planning on the part of the municipalities. Here again the government simply chose to ignore the plea. They have thrown the consultative process out the window. The different classes of property will be set by regulation, Mr. Speaker.

This is a disturbing trend that we have seen in many of the important pieces of legislation that have been before this House during this session. It's a disturbing trend that we see in a lot of NDP legislation. Instead of allowing elected representatives of the people to hear the proposals for the classification system for different types of property and debate it, the government has decided to use the power to create these different classes behind closed doors, by regulation. The same is true with the different ways of other assessments.

(1430)

Mr. Speaker, why doesn't the government bring its proposed system of classification of different types of property before this House? Why not let us see it and comment about it? Why not let us have a debate about it? Who knows? The government might even be persuaded to change its classification system after listening to the comments of members in this House.

Mr. Speaker, the classification system is the heart and soul of this Bill, the meat and potatoes, the real substance. And where is it, Mr. Speaker? It's going to be published sometime in the future in the regulations. I don't think that's satisfactory, Mr. Speaker. I don't think that that's open government. I don't think that that's consultative government. I think that's another instance of government by regulation, government by executive fiat, government by executive decree.

On top of this power to create and determine classes of property by regulation, the provincial government will also have the power to set the percentages of value to be applied to property assessment in these deregulated classes. This power has also been set forth in the regulations. In other words, the provincial government will have the authority to tell municipalities how to classify property within their boundaries, but also what percentage of the assessed value to use when levying municipal property tax on these properties.

Mr. Speaker, this is an enormous power grab on the part of this provincial government. Why not simply use 100 per cent of the assessed value as a starting point and then decide on mill rates, either one mill rate across the board or several mill rates if that's what the councillors in an urban municipality decide, if they want more than one mill rate. The power of the provincial government to set percentages of assessed value for the determination of municipal property tax, based on varying classes of property which are supposed to apply province-wide, is an unprecedented use of the power of the Legislative Assembly to intervene in local affairs.

But the power grab does not stop here, Mr. Speaker, nor does the complexity of the new system. Under this Bill, the municipalities will be able to adjust the amount of property tax each taxpayer may be required to pay by using variable mill rate factors. This is supposed to give the municipalities some flexibility to make the transition from the present outdated municipal assessment system to the new assessment process easier on the individual taxpayer.

It is supposed to achieve that purpose, Mr. Speaker, but for the reasons that follow, it is not at all clear if that purpose will be achieved. The new, flexible mill rate factors will give the municipalities the ability to adjust the property tax amount . . . specific property classes. The mill rate will be set, and then it will be multiplied by factors for the different property classes. This sounds at first like an admirable idea. It sounds like the government is finally recognizing the need to give the municipalities some degree of responsibility in the adjustment process from the old assessment values to the new ones, which are tentatively scheduled to come into force on January 1, '97.

But let's look more closely, Mr. Speaker. Let's look behind the rhetoric and the hoop-la. When we examine the text of the legislation closely, Mr. Speaker, we see that the provincially defined property classes must be used by the municipalities when they set their mill rate factors. They cannot create classes of property that the bureaucracy in Regina may not have thought of; classes of property that might make more sense in North Battleford or Swift Current than the classes designated in the regulations by the officials in Regina.

No, Mr. Speaker, this is a one-size-fits-all approach that is being offered by this government. We're still, even when the municipality uses a centrally designated classification system and sets mill rate factors using that system . . . the provincial government can intervene again and essentially override the municipal decision again by regulation.

So let's get this straight. The government is telling us that the new system is flexible and that the municipalities can ease the burden of transition from the old assessment to the new assessment in ways that make sense locally. But the government has given itself the following powers: the power to create and define and change the various classes of property; the power to set and determine and change from time to time the percentage of assessed values that the municipality must use for each and every class of property following assessment, to use as a starting point in the calculation of the amount of property tax that is to be charged on these properties; and the power to intervene again if it doesn't like the mill rate factors that a particular urban municipality has decided to impose on the various classes of properties within the municipal boundaries and force the effective rates of taxation either up or down towards the desired rate at the whim of the government.

Mr. Speaker, where is the responsibility in this package? Where is the spirit of cooperation in this legislative agenda? This is a top-down approach, not a consultative approach. All power and authority is kept close to the vest. Mr. Speaker, this is just not a matter of politeness or forthrightness. The lack of any real plan or commitment has real and genuine monetary consequences for urban municipalities. There's no indication of a plan or a commitment to set up fixed percentages of value. These percentages could change one year, and then change again the next year and again the next, and so on and so on. There's no schedule, or plan to introduce a schedule, to gradually eliminate the differences. The government can simply tinker with the values at their own pace.

What is the result? The result is that the municipalities cannot plan. They cannot give meaningful revenue projections for their future needs. They must always keep in mind that the provincial government may decide to change the rules regarding classification of properties and the percentage of assessed value that apply to them. Mr. Speaker, this effectively takes away the legitimate rights of local urban municipalities to set their own taxation policies within reasonable limits.

Mr. Speaker, if the government had done its homework before introducing this legislation, it would have been able to announce fixed or at least flexible percentage which they had planned to use and then put them in the legislation.

Another major disappointment with this Act is the area dealing with vacancy adjustment where there is no business tax. The new rules will alter sections 240, subsections (3) to (12) of the Bill.

Mr. Speaker, the municipal administrators tell us that this is an incredibly complex area to manage, but the best government can do is promise that we will deal with this again by regulation. It is the municipalities who will have to manage this matter, and yet all the government can promise at this point is

more regulations to come sometime in the future.

Remember, when there is no separate business tax and multiple tenants in a building, the property tax is paid by the owner of the building. The owner presumably recovers this tax from his tenants in the form of increased lease payments or rent payments. If a business closes part way through a year, someone is going to get stuck with a shortage of revenue. We ask: is it going to be the building owner, the municipality, or the provincial government who instituted the system in the first place? At this point, all we can tell our constituents is that we just don't know because we still don't have any of the regulations.

Another serious deficiency in the Act is the way it tries to deal with the local option as to whether to impose a business tax. We are happy to see that the local option to retain a business tax remains, but the Bill is designed to cause municipalities, school boards, and health districts to fight among themselves.

If we look carefully at the new version, section 243(1), we see that it is almost impossible for municipalities to enter into meaningful discussions with other taxing authorities until the regulations are put forward and the detailed assessment figures are known.

It's quite evident that a municipality is not going to be able to reach a just and fair agreement with the other taxing authorities until the reassessments are complete, which is not expected to be done until October or November of this year. This has to be completed along with the publication of the complex regulations that I spoke about earlier and the costing out of the options of a business tax versus a variable mill rate before the minister can really expect the towns and cities of this province to try to reach agreements with the other taxing authorities that will be in the interest of all taxpayers in the vicinity.

Mr. Speaker, it is just simply not reasonable to ask the municipalities to enter into these negotiations with the other taxing authorities when they do not have all the important, necessary information. It's just like asking a bridge player to play a hand of bridge when you don't let him see the cards in his own hand. Or it's like starting a hockey game and announcing that the referee fully intends to make up new rules part way through the second period but only one team will know what the rule changes are going to be. It's just not fair, and further, Mr. Speaker, it's wasteful.

Under this Bill, there are provisions for what is supposed to happen if the attempt to reach an agreement between the municipality and the other taxing authorities fail. A whole further new set of calculations and computations must be used in order to satisfy what may be only in the interest of one of the participants.

Some further points need to be mentioned, Mr. Speaker. Although the local option to retain a business tax remains, the failure is that the two existing methods disappear and a new business tax method is imposed which may impose serious shifts in the business tax burden. There has been no structured model created to show what these shifts will be, even though the urban municipalities have been asking for this type of model

for more than five years.

I am happy to see that the government has finally agreed to the creation of additional local assessment appeal panels. This is a reform long overdue, but I am glad to see that it has finally been enacted.

Mr. Speaker, I want to draw your attention to section 239.01. This section prohibits the use of the income approach in assessment until information can be gathered. This may sound like a good idea but it begs the question: when will the income approach be used in the future? Wouldn't it be a good idea for the government to commit itself to a sunset clause on section 239.01 sometime in the future?

Another question must be asked in relation to oil and gas production equipment. Mr. Speaker, this is not the time or the place for a detailed discussion on oil and gas taxation, but I have to ask the question: why is the Bill giving a break for assessment of oil well casings and business assessment on resource production equipment which will adversely affect municipal income, when the government continues to charge royalties considerably in excess of those charged in Alberta? The government takes from the oil and gas industry for its own coffers but punishes the municipality.

Mr. Speaker, these and other questions we will ask when we move to committee, and we have no further general comments at this time.

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

### Bill No. 72

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mrs. Teichrob that **Bill No. 72 — An Act to amend The Northern Municipalities Act and to make a consequential amendment to another Act** be now read a second time.

**Mr. Belanger:** — Thank you, Mr. Speaker. Mr. Speaker, I am pleased to rise today to discuss the proposed amendments to The Northern Municipalities Act. As many of us here today are probably well aware, any issue that has any impacts, be they direct or indirect, on the people of northern Saskatchewan interest me a great deal.

I not only find great interest in these pieces of legislation, but I'm usually quite concerned about the reasons for the amendments proposed — the impact that they'll have on the people that I represent and the consequences that will surely arise some years down the road. It is for this reason and many others that I cannot just stand here and watch this piece of legislation move through the House today without raising some issues and concerns that the people of my constituency have brought to my attention.

It is good to see the government finally seeing and realizing the importance of the people in municipalities of northern Saskatchewan with respect to make-up, development, and culture. The Northern Municipalities Act outlines the duties,

powers, and responsibilities of northern municipal governments.

Amendments to this Bill are similar to the amendments to the urban and rural municipalities Act, an Act we will discuss later. However, changes of all three of these Acts may give municipalities the ability to manage the effect of property assessments. Many of these amendments are done to bring this Act into conformity with other pieces of legislation that deal with land assessment, appeal provisions, and the authority to manage the tax incidence.

(1445)

This Bill intends to expand the municipal authority and autonomy in making tax policy decisions. It also gives the provincial government the authority to define property classes and set values to be applied to property assessment. Property class would be defined province-wide and property assessments are to stimulate economic development.

Mr. Speaker, northern Saskatchewan is in drastic need of economic development, and the question that we have is, will property assessment be enough to get the northern economy on an upswing?

Some of the changes to the definitions are simply for housekeeping reasons, Mr. Speaker, and to ensure the consistencies of definitions throughout the Act. Some definitions are changed to make them consistent with terms used by the natural gas industry, and sections dealing with petitions are repealed and replaced by similar sections further on in this Bill.

Small business is very concerned about these Bills that deal with municipal reassessment legislation, as they are concerned about the excessive use of tax tools given to local governments without a consistent and firm leadership by the provincial government to safeguard economic development and local job creations. The Canadian Federation of Independent Business would like to see more provincial leadership and order.

This same association would like to see the provincial government avoid massive variation in commercial tax levels amongst municipalities. Municipalities can adjust the amount of property tax paid by having the option to use variable mill rate factors. There's also a new subsection that deals with the variable mill rates and how they differ from the property taxes.

Northern municipalities would also be given the option of removing the separate business assessment and tax. The Canadian Federation of Independent Business was supportive of efforts to modernize the province's assessment system because, over the past 30 years, the Saskatchewan business community has accrued one of the highest local tax rates amongst all provinces in Canada. As well, municipal tax reassessment could be a chance to restore local tax fairness and to stimulate economic development.

Mr. Speaker, the people of the North need policies and programs that will assist and make them competitive, not only with the rest of the province but also with the rest of the

country.

The government has also made some changes that should make the oil and gas industry happy. This new Act allows machinery and equipment, including well casings, to be exempt from assessment and to no longer be taxed. This can help improve Saskatchewan's competitiveness with other provinces and countries.

Independent business is concerned that local governments have been given an unrestricted array of tax tools to mitigate sudden tax shifts. The concern on the part of the small business is that local government may be able to use these tax tools to provide even more inequitable tax shift onto business in an attempt to appease the voting general public.

There are a number of reasons for these concerns by business. Number one, business and home-owners may no longer unite in sharing a common mill rate, may become a tempting target for excessive revenue generation by local governments.

Legislation also allows some municipalities to eliminate a supplementary local business tax, but this benefit may be offset by a new variable mill rate system for the reason that it is not restricted or capped.

Environmental and ecological concerns are being met. Ways to deal with the disposal of junk material, this is probably good in this new Act, but at what cost will the municipalities face?

Assessment appeals and those who can file them are clearly laid out in this Bill and this could only be positive. The process provides an avenue for people to challenge assessment values if they believe that errors have been made. Again this is also positive.

District boards of revision may be appointed by northern municipalities to hear and decide appeals from within that municipality. Changes to the assessment appeal processes made in the Bill are done in order to streamline and improve the process. This is also good.

Business or property owners, assessors, SAMA (Saskatchewan Assessment Management Agency), taxing authorities, may all be parties through an appeal at the local board of revision level.

Business or property owners, assessors, and SAMA are probably pretty positive in reference to the appeal process. However there's some concern as in reference to the minister in terms of authorization, who could authorize the levies set by a northern hamlet. They could also set the mill rate and to look at the whole district at a uniform rate. This may pose some problems.

Council may provide for a minimum amount of taxes to be levied with respect to any land improvements or business. Mr. Speaker, this will take more than an amendment to a Bill to improve and enhance the development of municipalities in the northern part of this province.

We need job creation in the North. We need economic development. We need adequate health care and social services.

We need roads that connect the communities in the far North to the rest of this province. And people in the North say things have to be improved substantially.

What they do is, they bring in a forestry Bill that will do nothing but discourage mining and lumber companies in northern communities from shutting up shop in this province and participating in this economy.

I must also question why the government's giving oil industries a break with regards to assessment of oil well casings and business assessment on resource production equipment, which will also reduce municipal income with nothing to fill in its place. This government continues to charge royalties greatly in excess of those charged in Alberta.

Mr. Speaker, I urge this government to work with the people of the North, come up with some workable solutions for the problems that are plaguing the northern communities in this province.

Some of the questions we have is how much consultation really went into the formulation of this Bill, who did they consult with, and is it like the forestry Act where they formulate the piece of legislation, then went north to talk to the people affected by the legislation.

Mr. Speaker, I've talked to stakeholders and gained some legal insight into the ramifications of this Bill should it be passed into law. I have more concerns and more questions and more research needed on this particular Bill and I'll deal with that in detail in the Committee of the Whole. Thank you.

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

### Bill No. 71

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Teichrob that **Bill No. 71 — An Act to amend The Rural Municipality Act, 1989 and to make a consequential amendment to The Municipal Board Act** be now read a second time.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, we adjourned this Bill, but I've had time now to check into it a little more closely and at this time we would be willing to have it passed on to committee. We can ask our questions there.

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

### COMMITTEE OF THE WHOLE

#### Bill No. 17 — An Act to amend certain Acts respecting Highways and Vehicles

**The Chair:** — I would ask the minister to introduce his officials, please.

**Hon. Mr. Serby:** — Thank you very much, Mr. Chairman. I'm pleased this afternoon to introduce my officials from SGI

(Saskatchewan Government Insurance). Seated to my right is Mr. John Wright, who is the president of SGI. Seated just behind him is Anna Young, who is the manager of the traffic safety program at SGI. And seated directly behind me, Mr. Chairman, is Mr. Bill McCallum, who's the manager of driver licensing. Those are my officials, Mr. Speaker, and welcome to the Assembly.

### Clause 1

**Mr. Osika:** — Thank you, Mr. Chairman. Mr. Minister, I would like to welcome you and your officials . . . to allow us an opportunity to perhaps clarify certain issues within this particular Bill. And I ask for your indulgence in perhaps not specifically following the sections in order, that I may just kind of jump around a little bit. And I know my colleagues will have some of the questions to ask as well for clarification purposes.

I would like to start off, first of all, with reference to the school buses. Again just to have you underline the specific reasons for buses . . . they're now to stop in the middle of the highways. Is there some assurances that that will not increase the dangers to the children that are loading and unloading from the buses?

**Hon. Mr. Serby:** — Thank you very much, Mr. Chairman. And to the member from Melville, first to say that I'd be pleased that we look at various parts of the Act without having to follow any sequence and certainly more than pleased to do that.

I think this question that you asked today, Mr. Member, is very similar to the issue that you raised yesterday in your second reading speech. And the response to this of course is that what you see in the Act is basically just a correction, a variance to the Act. Under the existing Act — and I might just read this because I'd made a note of it — a school bus approaching from the opposite direction would have to stop at least 30 metres from a parked bus. This would require children to walk 30 metres to change buses, while another section of the Act allows vehicles approaching from the rear of a parked school bus to stop 5 metres from the bus. So really what this is, Mr. Member, is just a correction in a variance in the Act.

(1500)

**Mr. Osika:** — Thank you. So just to clarify, it now allows the bus to stop more on the highway rather than pull all the way over to the right-hand side, extreme right-hand side?

**Hon. Mr. Serby:** — What this does, Mr. Member, is it just reduces the distance between the buses that are in fact stopped. But they still must stop on the right-hand side of the highway.

**Mr. Osika:** — Thank you. Is this, and perhaps some of the other changes to this particular Bill — and we will touch on them and probably ask the questions at that time — is this law similar to what's in existence in other provinces? And I expect that people throughout are as concerned about our young people, our school children, as we are here. So is that much along the same lines?

**Hon. Mr. Serby:** — Mr. Chairman, to the member, this would

be consistent. This piece of legislation would be consistent with what we're finding in other parts of the country. That's correct.

**Mr. Osika:** — On another topic, and that's dealing with headlights on vehicles, or the use of, how does this in fact compare to what was in place prior to this Bill now being proposed?

**Hon. Mr. Serby:** — Well with the new vehicles that we have now, Mr. Member, the headlights come on automatically when the vehicles are started. And the old vehicles of course, it was necessary in many instances to turn on your headlights. As I've said, the new vehicles, the headlights come on when you start the vehicles.

**Mr. Osika:** — Yes, but does the government then now have the authority to require mandatory running lights on all vehicles? And if not, those vehicles who do not come equipped with those types of automatic running lights, will the law now state that if you are driving during the daytime and you have manual lights, will you be required to pull them on . . . or put them on? And if that's not in place, would you support that kind of a requirement?

**Hon. Mr. Serby:** — The response to the member is that since 1989 of course, it's been mandatory that the motor vehicle lights come on at the start of a vehicle. Prior to 1989 there was no requirement to do that, and this legislation isn't suggesting that that would be a requirement.

**Mr. Osika:** — Thank you, Mr. Minister. I guess the second part of my question was: would you in fact support that, and should that not perhaps be included — where it becomes mandatory and enforceable?

**Hon. Mr. Serby:** — Certainly, Mr. Speaker, I recognize that the member is suggesting that . . . at least I'm thinking that the member is suggesting that in terms of the safety factor, it would be significant that vehicles that are proceeding down roadways today have their lights turned on, and we certainly support that. And that's why in fact we have, since 1989, vehicles that are built and are made where the headlights come on automatically.

Of course if we were to make that kind of request in legislation now where we would have it mandatory, the cost of course would be significantly prohibitive for consumers, and that would be our major cost. As the member knows, as we move along with the years and as vehicles are replaced, we're going to find that we'll have more and more vehicles that will have the automatic lights on as opposed to the manual requirement to turn the lights on when you get into your vehicle.

**Mr. Osika:** — So at this point in time there is no enforcement of that particular requirement. Is that correct? Okay. In other words then, if in fact people who do not have automatic lights, there are no provisions in place to in fact enforce that requirement?

**Hon. Mr. Serby:** — Well, Mr. Chairman, currently, certainly there is no legal requirement at this point in time for people who are proceeding during the daylight hours to have their lights turned on. Certainly I expect that this would be a

subjective decision that would be made by someone who might have been practising, or is practising today, in the same capacity that you did in the past. If someone is driving past what might be considered the daylight hours and a member of the enforcement came along and would suggest that it would be unsafe for that individual to be doing that, if it was a manual requirement to turn your headlights on, that would be a subjective decision at this point in time that would in fact be made by the enforcement officer. But there is nothing in legislation at this point that suggests that that should be the case.

**Mr. Osika:** — Thank you. I guess you're saying that it would be at the discretion or decision of the law enforcement officer. Are there encouragements to the law enforcement agencies to suggest that perhaps . . . and, Mr. Minister, as you and I do, we travel the highways and byways and oftentimes there are those people who drive without their lights on in conditions that may be considered not that bad, other than folks driving into the sunset, if you wish, and oncoming vehicles without lights on do create a hazard. So I guess my question is, are you encouraging law enforcement agencies to take note of those types of situations? And if you are, how do you do that, how are you doing that?

**Hon. Mr. Serby:** — Certainly, Mr. Member, what we have had in Saskatchewan for some time, recognizing as you have, the significance of having the ability to see a vehicle on a roadway can be better demonstrated if they have their headlights on, and of course in Saskatchewan and through SGI (Saskatchewan Government Insurance) we have a number of programs that are in place right now which are called Lights on for Life.

And not only do we promote that via the medias from time to time, but you see it on our roadways in signage. And we recognize, as you do, as manufacturers do, that there is significant value in having your lights on as a motorist, and we're certainly encouraging that on the part of SGI.

And I know that that message is certainly being conveyed to the police forces and the enforcement agencies across the province. And they pay significant attention to it as well, I know as well as you.

**Mr. Toth:** — Thank you, Mr. Chairman. Mr. Minister, I for one have certainly agreed with the Lights on for Life program that has been going on for the past number of years, encouraging people to put their lights on. I know it can become a problem for a person who doesn't have the automatic daytime running lights in their vehicles yet; maybe they're driving an older vehicle such as I am. But it certainly makes for a lot greater visibility.

And I've been in situations, the number of miles that we as MLAs (Member of the Legislative Assembly) drive, in situations where all of a sudden you come upon a vehicle that doesn't have its lights on, and depending on the circumstances, driving conditions, that vehicle may all of a sudden just appear out of the blue. And lights have certainly created an avenue whereby people are more visible.

I do have a problem, Mr. Minister, though in the fact that while

we're trying to educate the public, there is a sector of our society where we're allowing people to, or allowing a sector to, discontinue or disconnect their lights. And I'm talking of our police forces. I've been driving down the highway . . . We have individuals out driving, police forces, who choose now or have chosen to disconnect their lights and then decide whether they're going to drive with their lights on or whether they're going to shut their lights off.

It would seem to me, Mr. Minister, that if we're going to educate the public, if we're going to talk about public safety, that the leadership should be coming from our police forces. And I don't know if there's . . . other than maybe pursuing a vehicle or for some reason you're pursuing a vehicle where they may want to shut the lights off so that they're not visible.

I have no understanding as to why our police officers, traffic officers, would be driving down the highway with their lights disconnected. And I'm wondering— and I notice there's a provision in this that allows them to do that — and I'm wondering in the sake of safety and public knowledge, training, even teaching the public, why we have allowed that.

**Hon. Mr. Serby:** — Well currently, certainly I appreciate your comments that you make as they relate to the Lights on for Life, and we certainly encourage that process as well. As you can well appreciate, there is a great deal of concern when we have vehicles that proceed down roadways that aren't properly or adequately lit.

The issue that's being raised here of course with us in this legislation is what you have put forward, in that the concern of course in this section is that police officers here are really asking for permission to disconnect their headlights.

This request is really coming from the enforcement agencies and view that as an ability to assist them in doing their work. And I guess I would say to the member opposite that if we trust in the work and value of the police detachments to enforce the law, this would be a provision that would be recognized to assist them in enabling them to do their work in a more appropriate fashion.

And the request is in fact coming, as you can appreciate, from the law enforcement agencies.

**Mr. Toth:** — Well, Mr. Minister, it would seem to me that we have men and women that we have given the licence to uphold the law and they're paid by the public of this province and of Canada. And then all of a sudden we're going to say, well you can disconnect your lights because it might be appropriate and it might create a more effective atmosphere for you to uphold the law.

Quite frankly, Mr. Minister, I find that quite offensive to think that we would say you can disconnect your lights. And how many times have we heard even in the last year where RCMP (Royal Canadian Mounted Police) officers or police officers in the line of duty have run into individuals, and whether it was the lights on or off is irrelevant. The fact is . . . or even, as one of my colleagues said over here right now, running into one another.

Mr. Minister, we're trying to educate the public that it's appropriate to think of public safety. We have men and women who have committed their lives to promoting public safety and protecting the public. And I'm sure many of them feel quite strongly too that there's nothing wrong, and the Lights On For Life, or lights on certainly enhances their ability in performing their duties.

I find it, I guess, just a little annoying that we would even allow them to disconnect those lights; to give them that provision. I don't know of any circumstance where disconnecting your lights or an enforcement officer disconnecting his lights, creates a safety factor and allows that individual to conduct their job and their duties in a more safe and a more wise manner.

And so, Mr. Minister, I have to ask. The enforcement agencies may be asking for it, maybe it's time we said there are certain laws that apply and these laws apply to everyone. We're trying to . . . I don't want to see us get to the point where we implemented seat-belts and then to get people to use them, we start laying on fines. And those fines have increased. It's become a government revenue source.

If we're trying to promote safety and the aspect of it, I think it should apply to everyone and probably the leadership should come from out of law enforcement agencies. And I'm not sure why you as a government would have put a provision that allows that to take place.

So I would encourage you, Mr. Minister, to review that and even before this piece of legislation is passed, bring in an amendment that takes that section out of the legislation.

(1515)

**Hon. Mr. Serby:** — Well, Mr. Chairman, to the member from Moosomin, I want to suggest first of all that throughout the course of duties of law enforcement officers, they do from time to time take some privilege on the roadways and on the highways in order to provide law enforcement to you and I as we drive the highways, and to the Saskatchewan public.

And I think that if we believe that the law enforcement agencies in this province do a good job and in fact enforce the laws in a fashion that we're satisfied with, then we can certainly provide them with some provisions in order that they might be able to do that in a better fashion.

I mean if we support your position, and that is that a police cruiser can't turn off their lights while they do surveillance on the side of a roadway, the next thing you're going to be asking me is that if somebody is speeding down a roadway, that the police officer can't follow up and exceed the speed limit of 60 or 100 kilometres or miles an hour because he's not going to be able to overtake the vehicle.

So I think if we base the rationale that you put forward to me on the lights, then I think we will need to . . . certainly the next question you'll be asking me about is whether or not a police cruiser can travel down the roadway in excess of 100 kilometres an hour. And I say to you this is a request that comes to us from

the police officers, from the police enforcement departments, and we think that it's prudent, in enabling them to protect the roadways of Saskatchewan, to be able to proceed with this.

**Mr. Osika:** — Thank you, Mr. Chairman. I need some clarification, Mr. Minister. You talked about turning the lights off when doing surveillance, and I will support that, where the vehicle is parked in a safe location and not being a hazard to other vehicular traffic. But the suggestion that perhaps a police vehicle should be allowed to turn off their lights while in motion concerns me somewhat because of situations that I recall that were not in the best interests of the whole safety aspect.

**Hon. Mr. Serby:** — Well certainly, Mr. Member from Melville, I'm not sure what you're asking me here, whether or not we need to have police officers enforcing the law on other police officers, because I don't think that's really what you're saying here.

I think what the request before us here is, is that what the enforcement officers or the police enforcement is asking across the province, is to be able to provide some provision in the performance of their duty where they might be able to practice in such a fashion that they can do a reasonable job of ensuring that you and I in the travelling public are safe. And in doing that they may need, on occasion, to turn off their lights.

Certainly you or I or anyone else wouldn't condone and support the vehicle, be it a police cruiser or anyone else, travelling down a highway in the night without their lights on. And certainly my thought of this is that the police department and the people who serve in the RCMP and other detachments across the province, would use their discretion in such a fashion that, not only would they ensure their own safety, but that of the travelling public. I mean that's a responsibility that we vest in them.

If the issue is that we're concerned about the way in which the police departments and the police enforcement do their work in Saskatchewan, I think that's a question that you should be putting before the Department of Justice and should be reviewing with them your concerns about the practices of the police detachments in the province.

**Mr. Osika:** — Mr. Minister, that was the furthest thing from my mind, was questioning the police agencies and how they carry out their enforcement.

I guess what I'm asking is, why do we need something in a Bill to tell policemen they can or can't do something in the pursuit of their responsibilities? At this point, they continue to use their discretion. Why do we need it in the laws?

**Hon. Mr. Serby:** — Well in my earlier statement to the member from Melville, I'd indicated that the new vehicles . . . and most of the police cruisers in Saskatchewan now are over the year of 1989. When you turn the ignition switch on in the vehicle, the lights go on. If they're out there patrolling in Saskatchewan roads and communities, there are occasions where they're suggesting that they need to be in a place where — and you would know this better than I would — where they

need to be invisible, if I might use that word. And part of being invisible is that they need to be able to turn their lights off.

In the new vehicles right now, over 1989, the only way that they can do that is going out there with their tin snip or their wire-cutter and disconnecting the lights until such time as they want to reconnect them again.

This request from the law enforcement agencies is, is to provide a provision for them so that in the vehicles that they operate over the year 1989 they can, in fact, disconnect the lighting units. And they'll only use that, in my opinion, on occasions where they think it's both publicly safe and required for them to enforce the laws of the province.

**Mr. Krawetz:** — Thank you, Mr. Chairman. Mr. Minister, you responded to my colleague from Melville's question regarding school buses, and I want to clarify that if I could because I didn't understand your answer. And what I'm talking about is section 40 and section 43.

In section 40, as I see it now, the school buses that will stop are allowed to pull over or are required to pull over to the far right-hand edge of the road. As I understand it, a number of accidents have occurred because the bus pulls right over to the far right-hand side, and in many instances, it may even be out on a roadway, an intersecting roadway. Traffic that is approaching sees the school bus with the flashing lights, with the arm out way off on the right side, and then they proceed to go by because they say it's off the roadway, okay.

As I understand section 40, you're now saying that school buses are exempt from that and that now the school bus will be actually stopping in the centre of the road next to the centre line with its stop arm out. Could you clarify that?

**Hon. Mr. Serby:** — To the member from Pelly, the current legislation — Pelly-Canora, or just, Mr. Chairman, to the Pelly from Canora — under the current legislation and under the proposed legislation, what we're in fact doing is . . . if you could paint the picture of two buses that were in fact coming towards each other to do a transfer of young people from one bus on to the other, the requirement would still be that each of the buses would need to pull over on to the right-hand side of the roadway. They would pull out their stop arms and turn on their flashing lights. And what this provision is permitting or requiring, is for the two buses to come closer together from the distance that they were before.

Now we're suggesting that they will be within a 30-metre radius. Prior to that, they could be further than that. We're suggesting that we'd be closer to that, to within the 30 metres, because we think it's too far from child A going out of the bus on the right-hand side over to the bus on the left-hand side of the road.

Under the previous legislation, that distance was too far, and what we're doing is really making it so that the buses would be closer to each other for the transfer of young people from one of the buses to the other. This is what this new amendment does. It ensures that the buses are closer together.

**Mr. Krawetz:** — I understood that part of the section, and I accept your explanation and can see how that your explanation ties to the wording.

The question still, though, is whether or not when it says that, the quotation is "except where a vehicle is stopped pursuant to section 43" — and that's a quote — that excepts school buses. And I know that there were many disputes with traffic tickets where people were actually ticketed for passing a school bus while it was on the far right-hand side of the road.

And I understand that the Department of Highways, school trustees' associations and others were looking at saying, how can we correct that problem because if we continue to allow or continue to make the bus pull over as far as possible — and sometimes the bus is literally off the highway; it's out on the shoulder — and then somebody goes by the stop arm, they say, well it's off the road.

And I understood that this amendment was to allow school buses to actually stop in the middle of the highway with their stop arm out, and especially in the instance where a child is getting off the bus and then is proceeding across the highway. There have been instances where there have been injuries where the child has been struck because that bus was way over on the right and vehicles were not obeying the stop arm signal.

I think we have to tighten that up. The stop arm is very crucial in making sure both oncoming and traffic that is following the school bus stops and does not pass that bus. Does this create any uncertainty is my question?

**Hon. Mr. Serby:** — Mr. Chairman, if the member from Canora is asking whether or not the new legislation suggests for a minute that the buses can stop in the middle of a roadway while they unload their young people from within, that provision is not in this legislation. That's correct.

The intent of course here is that we would continue to practise on the basis that a bus would pull over to the side of the roadway in an appropriate fashion — whatever that would be; that would be in the discretion of, of course, the individual who's driving the bus — and would assume that it would be safe then to unload the young people from the vehicle, and then they could proceed either across the roadway to the left or to the right.

So this provision simply indicates that the stoppage would still be on the right-hand edge of the highway, not in the centre.

**Mr. Osika:** — Thank you, Mr. Chairman. Thank you, Mr. Minister, for clarifying some of the fuzzy concerns that we had with respect to school buses and their stopping and locations and so on.

I wonder if we could now move on to section 6 of the Act. That has to do with the location of traffic lights. And I wonder if you could just give us a scenario where this has been a problem. It deals with a traffic light at a place other than an intersection displays one or more green arrows — that's the particular section.

I just wondered if there were any kind of problems and just a little bit of an explanation as to what the location of the traffic lights under this particular section relates to. Thank you.

**Hon. Mr. Serby:** — Well this clarification would be to an issue like . . . and you've asked of an example that we might have and I can use the one here that's in Regina, and it's near the Cornwall Centre. And if I might just read the response here. This deals with the intersection that is an exit from the parkade at the Cornwall Centre. That exit has a traffic signal but is not an intersection — it's not an intersection under the definition of an intersection. And the Act already deals with traffic lights containing red lights in conjunction with green arrows.

**Mr. Osika:** — I thank you for that. I wonder, Mr. Minister, could you please explain to us or define what you mean by a new driver under this Bill?

**Hon. Mr. Serby:** — Well a new driver, under the new legislation, would be defined in a variety of different ways. It would be someone who in fact is, for the first time now, proceeding to get his licence and has not had any driving experience; and/or someone who is validating their licence for the first time would be classified as a new driver; a licensee within the last five years, regardless of what his class might be. It might be someone who is out of province who do not have a two-year driving experience and licence class higher than a learner's licence. And the fourth sort of definition of somebody who might be a new driver would be a driver entering Saskatchewan from outside of Canada and/or the United States, would be the four classifications that would be considered a new driver.

(1530)

**Mr. Osika:** — Just again to clarify then, a new driver could be someone who has had experience driving in another country but would be a new driver in this province? Okay, I . . .

**Hon. Mr. Serby:** — It would be a new driver in this province, that's correct, who's come here from another part of Canada, or come here from another province would be considered a new driver.

**Hon. Mr. Shillington:** — I move we report progress.

#### **Bill No. 51 — An Act to amend The Film and Video Classification Act**

**The Chair:** — I would ask the minister to introduce his officials, if they haven't been here before.

**Hon. Mr. Nilson:** — They have been here before. But I have with me today Linda Ens, who is the policy analyst in legislative services; and Al Dwyer, who is the registrar in licensing investigation.

Clauses 1 to 5 inclusive agreed to.

#### **Clause 6**

**Ms. Julé:** — Thank you, Mr. Chairman. I'd like to welcome the officials again to our Assembly.

Mr. Chairman, I wish to move an amendment to clause 6 of the printed Bill. I'm presenting to you a copy of the amendment that I wish to propose, along with a number of photocopies that you have distributed to the members of the government and to the members of the third party.

Mr. Chairman, it disturbs me greatly that we as a Legislative Assembly would delegate our power to regulate the advertising of motion pictures to the standards board of another province. Mr. Speaker, we in this province are capable of regulating our own film and video industry, including the regulation of movie promotion clips which we see in cinemas before the main motion picture begins.

I therefore move to:

Amend clause 6 of the printed Bill by deleting clause 6(1.1)(b) as being enacted therein, and substituting the following:

“(b) by adopting an approval, prescription or prohibition previously given to the advertising by any body recognized in the regulations.”.

Mr. Chairman, I would so move.

**Mr. D'Autremont:** — Thank you, Mr. Chairman. I believe this amendment has a great degree of value to it. To allow an outside body to make the recommendations for the public of Saskatchewan moves it out of the area of our community and our community standards. And after all what we're talking about in this area is community standards, otherwise there was absolutely no value in having any form of review.

But since we're prepared to admit that there is a value to having a form of review on films, to classify them to a certain degree, then it should be done in a manner that reflects our community values, not the community values of some other community a great distance from us that may not reflect our values, our communities, the needs, and the aspirations that we have.

So when it comes time to review and to classify videos and films, it must be done with our community values in mind. Only those people within this province understand and know what our community values are. Therefore, Mr. Chairman, and members, I believe that this motion does have a great deal of credibility and a great deal of value to the people of Saskatchewan.

The division bells rang from 3:38 p.m. until 3:48 p.m.

Amendment negatived on the following recorded division.

#### **Yeas — 10**

Osika	Draude	Belanger
Bjornerud	Julé	Krawetz
Gantfoer	D'Autremont	Toth
Goohsen		

## Nays — 25

Van Mulligen	Shillington	Atkinson
Johnson	Goulet	Lautermilch
Upshall	Kowalsky	Renaud
Calvert	Pringle	Koenker
Bradley	Scott	Teichrob
Nilson	Serby	Hamilton
Langford	Wall	Ward
Sonntag	Jess	Murrell
Thomson		

Clause 6 agreed to.

Clauses 7 to 13 inclusive agreed to.

Clause 14 agreed to on division.

The committee agreed to report the Bill.

**Bill No. 57 — An Act to repeal The Police Pension (Saskatoon) Funding Act**

**The Chair:** — I invite the minister to introduce his officials.

**Hon. Mr. Nilson:** — I'm very pleased to have with me today Darcy McGovern from legislative services, and David Wild, superintendent of pensions.

**Clause 1**

**Mr. Osika:** — Thank you, Mr. Deputy Chair. Mr. Minister, I'd like to welcome your officials. Darcy, welcome. I haven't seen you for awhile.

I just have some brief questions. This is a very straightforward Bill, as I'd spoken to it on a previous occasion. The Police Pension (Saskatoon) Funding Act is being repealed by this particular Bill. Is there new legislation that will in fact be in place to provide the funding for the Saskatoon police pension fund?

**Hon. Mr. Nilson:** — No. No new legislation is required because their pension will be covered under The Pension Benefits Act, 1992.

**Mr. Osika:** — Okay, thank you. I should have perhaps been aware of that and you may have pointed that out to me before. But I guess it's something to do with the grey hair and the memory. I'm not . . . Thank you.

Are there . . . With these changes, does that involve any kinds of sums of money in reserve in this whole mechanism? Does that in some way, shape, or form affect any monies that might have been created by that particular police pension fund in Saskatoon?

And where would those sums of money be or how are they controlled and how are they . . . what will become of them?

**Hon. Mr. Nilson:** — There are no monetary changes at all. The

existing plan will stay where it is. It'll just come under this Pension Benefits Act legislation, and that will be the rules that will govern the plan.

But there's no change to the plan. Any contributions are negotiated between the union and the employees and the Police Commission in Saskatoon.

**Mr. Osika:** — Okay. Forgive me, Mr. Minister, if I'm not clear. There's no need to change, to move money, for example, as a result of this from one particular investment to another. It all goes into sort of a pot that's already there under the other provisions?

**Hon. Mr. Nilson:** — The existing plan will not change. It'll just be governed by new rules. It will be governed by the rules under The Pension Benefits Act.

And as long as we don't repeal the specific legislation that relates to the Saskatoon police, then The Pension Benefits Act doesn't apply.

So this, what this does is, rather than making changes in the Saskatoon police pension plan legislation that would match what's in The Pension Benefits Act, we just delete their plan with its special rules and allow the pension plan to operate under the existing rules for most of the pension plans in the province.

**Mr. Osika:** — Thank you for clarifying that for me. Then so in effect that's already taken place; so in effect this new process or procedure is already in place and the passing of this Bill will make it retroactive, will it? Or will it just be something that will go into effect as soon as this Bill is passed?

**Hon. Mr. Nilson:** — It'll take effect as soon as the Bill — this Bill that we're going to pass here hopefully — receives Royal Assent. So that will be the effective time.

**Mr. Osika:** — Mr. Minister, then I wish to say, and because I have some deep respects and deep regards and some sense of association with the Saskatoon police and any police agencies, I have no other questions. It is not our intention to hold up this particular Bill.

I thank you and your officials and your support staff for allowing me to at least clarify some of the things in my mind. Thank you.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

(1600)

**THIRD READINGS**

**Bill No. 51 — An Act to amend The Film and Video Classification Act**

**Hon. Mr. Nilson:** — Mr. Speaker, I move that this Bill be now

read the third time and passed under its title.

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

**Bill No. 57 — The Police Pension (Saskatoon) Funding Act**

**Hon. Mr. Nilson:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

The committee reported progress on Bill No. 17.

**COMMITTEE OF FINANCE**

**General Revenue Fund  
Saskatchewan Property Management Corporation  
Vote 53**

**The Chair:** — I invite the minister to introduce his officials.

**Hon. Mr. Serby:** — Thank you, Mr. Chairman. It's my pleasure this afternoon to introduce my officials. Seated beside me is Mr. John Law who is the acting president. Just behind Mr. Law is Mr. Rob Isbister who's the director of financial planning, finance and accommodation. And behind me is Ms. Deb Koshman who is the acting vice-president of finance and accommodation — my officials.

Off to the side here, Mr. Al Moffat, vice-president of commercial services. I know Mr. Moffat fairly well; it's just that I'm not sure what his title is. In SPMC (Saskatchewan Property Management Corporation) we've had a lot of movement in the last little while. It's hard to find people sometimes; they may be over to the right a bit.

**Item 1**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. I'd like to take this opportunity to welcome the minister's staff here today on behalf of the official opposition. The first question I have, Mr. Minister, is, can you give me the number of employees that SPMC does employ?

**Hon. Mr. Serby:** — Mr. Chairman, we have 931 FTEs, full-time employees, and 1,051 which would be including our part time.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Could you then . . . 1,051, I believe that was with part time. Can you tell me what the payroll is, the total payroll is for SPMC?

**Hon. Mr. Serby:** — The total payroll figure is \$34.294 million.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I'm not sure . . . this is probably more of a request than a question, Mr. Minister, but would it be possible for us to receive a list of all property, buildings, and offices owned by or leased by SPMC? Not today I realize, but would that be possible to get to us at some point?

**Hon. Mr. Serby:** — Mr. Chairman, we can provide that for the member from Saltcoats in fairly short order. You're asking for all of the owned and the leased properties that we have around the province; that's your request. And we can provide that for you in relatively short time.

**Mr. Bjornerud:** — Thank you very much, Mr. Minister. Can you tell me then offhand what the value of the holdings that SPMC owns at the present time? What would the value of those holdings be?

**Hon. Mr. Serby:** — I'm looking at our 1994 annual report and would take you, for reference, when you have occasion to do that, to look at the real estate estimates and assets, and our 1995 value asset here is 382.592 million.

**Mr. Bjornerud:** — In this past year, did SPMC construct any buildings of their own? Like were there any buildings built this year on your behalf for SPMC?

**Hon. Mr. Serby:** — In checking all of our capital work that we might have done, the only new project that we would confirm would be the new construction of the court house in North Battleford . . . would be the only one.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Then what about . . . that's construction, but was there other buildings then that were purchased by SPMC in the past year? Can you give us a list of those and where they were?

**Hon. Mr. Serby:** — We'll undertake to provide that information for you in some detail. We only . . . as we look at which ones we might have been involved in purchasing this year, the only two that come to us immediately are two, small, group-home purchases. One was in Regina here, and one was in Denholm. But we'll confirm that for you if there are any others.

**Mr. Bjornerud:** — Mr. Minister, I believe we have . . . SPMC has the holdings on a number of unoccupied buildings. And the first one that comes to mind is one in my constituency. It's the New Careers building. Could you explain the situation that is with that building? It's empty, I believe. But does SPMC firstly own that? And I guess maybe if you could answer that, and then we'll go from there.

(1615)

**Hon. Mr. Serby:** — Currently the property that you're talking about in Kamsack, we're currently leasing that, currently leasing that property. SPMC doesn't own it.

**Mr. Bjornerud:** — Okay thank you, Mr. Minister. Now maybe . . . you correct me if I'm wrong, but are we locked into . . . the government is locked into a certain time limit for leasing. I believe it was the previous government, if I'm right. Can you confirm that that locked us into a number of years that we are stuck with that building and paying a lease on it?

**Hon. Mr. Serby:** — Currently as the member from Saltcoats indicates, we have a number of properties around the province,

SPMC has, that had been leased by the private administration for a long-term periods, and certainly the building in Kamsack is one of those. That lease will continue until the year 2001, and we're correctly, you know, bound to that agreement and are currently paying lease costs on it.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Could you give us an overview then or probably a number of all cases in the province such as that that the previous administration were locked into that we are now still paying for? Is that a fair question even? But can you give me a number somehow on that, like what the total cost per year is for us that we're obligated to handle . . . that were originated before?

**Hon. Mr. Serby:** — Just for clarification to ensure that we provide you with the most adequate and appropriate information, are you asking us to provide for you information on all of the buildings that we lease across the province that we acquired from the previous administration? In your question, are you also asking whether you want us to separate that out on which are occupied and which are unoccupied as well . . . if you could provide some direction for us as to what you'd like.

**Mr. Bjornerud:** — Yes, I believe both ways, Mr. Minister. But I think that the main question I had is how many of these buildings are actually unoccupied? If you get my drift here, I'm trying to get to the point where . . . how much money we're paying for actually nothing, that these buildings are not even being used, but we're locked into a lease that has been gone on for some time — and I understand other ones like the Kamsack one are going to continue to go on for a while — but the public out there is getting absolutely no benefit of.

**Hon. Mr. Serby:** — What we'll undertake to provide for the member opposite is . . . the question that he'd asked in response to.

I want to indicate as well to the member that, over the last couple of years, SPMC of course has worked very diligently at reducing the amount of lease space that we have across the province, although keeping in mind that we have a number of large properties that had been used in the past for institutional purposes that are part of the ratio that we talk about.

I might just indicate to the member that SPMC's vacancy rate as of March 1996 was about 3.2 per cent. This is about . . . Of this, 40 per cent is considered unusable. And if I might just indicate to you that we have in that number the Souris Valley and certainly the North Battleford hospitals where you have entire wings of those facilities that currently aren't being used.

When we take a look at the current vacancy rate that we have, 3.2 per cent of that compares, in our opinion, very favourably from where we were about a year ago. And there we were at about 4.1 per cent. What we're seeing, certainly since 1992-93, we began a real downward trend in the government's annual leasing cost. And we've seen overall, in terms of a saving to the Saskatchewan taxpayer, about a \$4 million reduction over that same period of time.

So I can appreciate the question that you're asking in terms of the amount of property that SPMC had acquired when it took

administration in 1991, that had been certainly directed our way through the number of leases that were entered into by the previous administration. And over that period of time of course, we've been working very diligently to try to use as much of that space as we can. And we'll provide for you, as you've asked, some of those numbers.

**Mr. Bjornerud:** — Thank you, Mr. Minister. A little further to that then . . . since now that you have come to power, how many buildings that you have leased in new leases — that you have undertaken since you came to power — are also unoccupied at this present time? Can you give us a figure on that?

**Hon. Mr. Serby:** — Certainly we'll provide you with those numbers that you're looking for in terms of the space that is currently vacant, and I think you're asking the question of the properties that we currently have I think.

What's important to note here is that we have developed, through SPMC, a significant policy to ensure that as properties become available that we're very actively searching for other opportunities for them. And the policy that's currently in place that we're using and exercising is first looking to our own administration within government to recognize if there can be some utilization of the spaces that are available across the province for a variety of different uses.

At the same time, we're paying attention and are working closely with some of our federal partners in the policy that we developed in 1992 so that when there are requirements for joint usage of property or where they might have some requirement on their own, we can enter into partnerships with them or provide that space for them, as well as third parties: municipalities, school districts, health boards. So we would use a wide variety of opportunities to provide access to some of the facilities and space that we have that we would consider as being excess.

**Mr. Bjornerud:** — Minister, could we go back to the question just previously and that we just touched on, the 3.2 per cent vacancy rate? Is that of all the total holdings of SPMC that we're talking here? We just didn't quite understand your percentage there.

**Hon. Mr. Serby:** — That's correct. That's the right number.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, I would like to refer you to a specific situation in Wakaw, Saskatchewan. I understand that SPMC owns a building there. And I understand also that there is a lease agreement in place and that the government is bound to this lease agreement. Now in that town, the town office, the library, and the courtroom are part of a complex of a building. The other part of that building was for an agriculture representative to have his office.

The agriculture office has been locked and the rest of the building is being utilized for the other three purposes — the town office, the library, and the courtroom. I understand actually from being there, that there are really cramped quarters here for administration and for library and the courtroom.

My question is this: why in fact wouldn't the people occupying

those three portions be allowed to use the part that was designated for the agricultural office?

**Hon. Mr. Serby:** — Mr. Chairman, to the member from Humboldt, I don't know the building fully, so I'm going to be speaking a bit around policy, and that might help assist us in getting a better appreciation for the facility.

It appears to me here that you have part of the town office obviously involved in renting some of that space. We have a courtroom which would be part of the Justice program, that would be renting some of that space. And the library, I expect, is likely either a regional library or a community library.

And so they would be a partner in that along with the ag reps' office which apparently is not occupied at this point in time. This kind of an arrangement of course is something that SPMC has been looking very favourably at where we have facilities around the province where we can get multiple use of them or joint usage of those kinds of facilities.

We need to keep in mind here of course that although SPMC by and large is the owner of the building, the termination of the utilization of space is really determined by each of the programs and each of the departments. And so what they would come is to SPMC and indicate to them the amount of space that they would feel that would be required for them.

Now if in this occasion we have part of the building that's unoccupied and you see there needing to be some additional requirement for the town office and/or the library, certainly SPMC would be more than favoured to have an opportunity to sit down with those players, particularly if the ag reps' portion of the building isn't being utilized any longer to work out a new arrangement with the town office and the library.

The court facilities as they exist currently, the determination for space requirement has been determined I would expect, by the Department of Justice and their folks. And so if there was requirement for a broadening of space there, we would get that request from Justice to accommodate that.

(1630)

**Ms. Julé:** — Thank you, Mr. Minister. Am I hearing from you then that the request should come first of all from the town or people utilizing this, to the Justice minister and then they would determine an arrangement with the town or with the people that are interested in this?

**Hon. Mr. Serby:** — I think that part of the discussion that we're having on this side of the House here is determining whether or not the agricultural space that you speak about is in fact recognized as surplus space at this point in time. We haven't been informed. SPMC is not aware that this would be surplus space that could be used by the rest of the players or tenants that are in the building.

And as you've indicated, appropriately and correctly, and that is that if that in fact is surplus space, then what we could do, and would do certainly through our negotiations with the community, look at what their requirements might be either for

the expansion of the town hall or town offices and/or that of the library, and try to make accommodations to suit them appropriately. We would certainly be dealing directly with the Department of Justice around the court-house, and our knowledge at this point is that their requirements seems to be satisfactory.

**Ms. Julé:** — Thank you. So for the benefit of the players, would it be appropriate for me to refer them to SPMC with any questions in this regard?

**Hon. Mr. Serby:** — Absolutely. That's where we would want them to come. And as I've indicated to you earlier, all of the space that we have around the province we would be looking at in a variety of different ways.

And this is an excellent example that you point out where you have a number of community groups; you have your town office as well that's interested in remaining in the facility; and we want to encourage that as we go to do our space planning across the province with the space that we have available.

**Mr. Gantefer:** — Thank you, Mr. Deputy Chairman. Minister, I would like you to focus your attention up into my area, and in Melfort in particular if you could. And I wanted to ask you, do you have or do your officials have with you, information as to the status of renters and leasers with you in regard to the Norman Vickar Building in Melfort?

**Hon. Mr. Serby:** — Could you just provide us . . . we have some detail and some information on the Norman Vickar Building, is the one you're asking about. We're not clear. Are you interested in learning who the clients are or the occupants of it, or whether it's leased or whether we own it? We just quite don't have that.

**Mr. Gantefer:** — Thank you, Minister. I just wanted to know if your officials had any information with you. It would sort of determine the way I was going to ask my questions.

The Department of Health . . . or not the Department of Health, the North Central Health District had a community meeting the other night and indicated they are renting from SPMC, office space within the Norman Vickar Building, and that that cost is somewhere in the magnitude of \$90,000 a year. Would you be able to confirm if that indeed is true?

**Hon. Mr. Serby:** — We don't have with us the precise amount that the district health board might be paying, but what they would be paying would be the cost-recovery portion. What we do have is in fact a confirmation that they are leasing about 329 square metres. And we can get for you the actual cost of that lease.

**Mr. Gantefer:** — Minister, for that amount of square footage, would the \$90,000 figure be anywhere in the realm of reasonableness, or is that way off? I don't need to know the exact dollar and cent. I just wanted to know, is this a reasonable figure that was quoted?

**Hon. Mr. Serby:** — The amount of the lease that would be paid by someone who is leasing property through SPMC would

vary of course around the province. And of course what would be built into that would be a number of components, and I might just share with you what those are.

There would be capital charges against the property; that would be included in there. There would be some maintenance of the property, maintenance charges. If there is security requirements for a particular piece of property, that would be included. If there are parking requirements by the people who are using the facility, that would be included in there. And the property management fees and any kind of tenant improvement would be also included in that. Those are just some of those.

And I'm also being informed that the square metre costs that I provided you with earlier is not the accurate one. It's not 329; it's in fact 900 square metres. So it's a significantly larger piece than I'd indicated to you earlier.

So all of the properties around the province that we would be leasing would be leased on a cost-recovery basis where there wouldn't be any additional costs that the corporation would recover from that, other than the cost of maintaining and managing the property itself.

**Mr. Gantefer:** — Minister, I think you may have misunderstood me. I'm not asking the details of how the figure would be arrived at. I'm asking, is the figure that was given at the community meeting, of \$90,000 a year, would that be a reasonable figure that would be reasonably accurate? I don't need the exact numbers. But could you confirm that given the factors you've outlined, that \$90,000 is approximately what may be the fee to the health district for the square metreage that they are getting from you?

**Hon. Mr. Serby:** — This looks like it might be. In where this building is located, it would work out to about \$10 a square metre which . . . or a square foot which would, in all likelihood, be close to what the cost of that would be. I think that it would be important to recognize here that those costs, the square metre costs, would vary depending on where the property is. That same kind of property, if it were situated in downtown Regina or if it were in Prince Albert, you might see a variation in terms of what that square metre costs are. But I would suggest to you that that's likely the figure that would be close.

**Mr. Gantefer:** — Thank you, Minister. I also understand, and could you confirm for me, that the rural service centre was in that building. And my question is, how much square metreage did they have in the building?

**Hon. Mr. Serby:** — I'm just confirming that the rural service centre is in that facility as well, and they were leasing about 198 square metres. It's taking us a bit of time to get some of the information for you because we have a lot of properties around the province, and so please bear with us if it takes us a moment or two to find that detail for you.

**Mr. Gantefer:** — And again using the formula that you just outlined for me in an approximate sense, what would be the approximate annual rental or lease cost for that square metreage in that building?

**Hon. Mr. Serby:** — That cost, Mr. Member, would be around \$20,000. I will confirm that number for you.

**Mr. Gantefer:** — Now at this health meeting that was going on, the district health board indicated to the people gathered that this \$90,000 was a significant item on their budget or one of the items that they identified as a potential savings opportunity. And they went on to say that they are considering in their deliberations, spending money on renovating one of their own facilities so that they might not have to pay you this money.

Now it strikes me as sort of one of those logics of government where the Department of Health gives money to the district health board; the district health board gives money back to SPMC which is government. And so we end up with a vicious circle of the left hand of government demanding money from the right hand of government in a vicious circle.

What happens if the health board is forced to leave your premise? What happens when the agricultural rural service centre leaves your premise because of the fact that the department is closing this down? What happens to that space? And will you tell me, please, how you're going to recover approximately \$110,000 of rental income in the city of Melfort, and from whom you think you might get the money.

(1645)

**Hon. Mr. Serby:** — You've asked me a couple of questions and maybe I'll respond to them in this order.

The question that you asked regarding how it is that we would be showing a charge from the, first of all, the Department of Health and it being a credit to SPMC, and it's taking money from the right hand and putting it into the left hand. As you know, we have a process within government which is called public accountability, and it's important and necessary and required and mandatory for us to report to the Public Accounts Committee all of the activity of SPMC. And so the cost of doing business for the district health board and the charge to the Department of Health of course is that piece of property . . . is that lease arrangement that they have.

So we need to show in SPMC . . . and the health board needs to show that that's an expenditure to them; it becomes a credit to Saskatchewan Property Management. So it's an accountability process that not only occurs at this level of government, but certainly happens with municipalities in both urban and rural, district school boards, etc.; that process is there.

I think what's important to recognize here is that we know, and from having heard you speak on a number of occasions about the prosperity of your community in your area, that if in fact this property were to be available in your community that there are some options that certainly Saskatchewan Property Management would entertain with either the district health board or with the municipality or any other player in your community who might want to access it or to have it if in fact it were to become, as you're suggesting, space that would be available or access space.

Now \$110,000 is the question that you had asked in terms of

what the rental recovery is currently to SPMC from those two properties. And we're assuming that that is the appropriate cost and we'll confirm that with you in the future.

I want to just share with you again that SPMC currently has really five methods — I think I shared earlier with one of your other members — in terms of disposing of properties across the province. If we have surplus accommodations they would be in space allocation to reuse long-term holdings and arrange for space more effectively is what we would be doing; sale of surplus properties through approval disposal policy which we have had in place now for better than three years.

And of course SPMC currently and has been now for several years . . . and I might say that in the term of three, doing what we're calling right sizing, and try to appropriately use the facilities that we have around the province for the kinds of requirements that we have.

And certainly if this would be an option that your community would want to entertain and we were to ascertain that it was surplus property, we would be interested in having that kind of discussion and dialogue with either the district health board or as I said earlier, your municipality or other third parties that might be in your community.

**Mr. Gantefer:** — Minister, I'm sure with all your properties you're not familiar with the physical kind of property in all these places, but this is a large, three-story, stone-faced type of government building. This isn't sort of isolated property spread around that could be easily liquidated.

I'm not sure, but I'm not aware in our community of any names that come forward real quickly that would want pieces of property within a government building. It sort of isn't as ideal a real estate as you might think.

But having said that, I guess then with that reality, what happens then if you decide to unload this square footage onto the community. Does that then create a severe disadvantage to the people with commercial properties that are trying to currently rent properties for professional use or whatever use in the community? And what does that do to the real estate market for properties?

**Hon. Mr. Serby:** — As I've said earlier in my comments, that currently you have in your community this particular property you've identified, and your district health board is obviously satisfied with the arrangement that you and I are speaking of. And the current arrangement that we have with them is on a cost recovery as opposed to sort of a market price.

Now if you're suggesting here that the district health board would be disadvantaged by the rate that we provide them versus what else might be available in the community, I would be surprised at that of course.

But certainly as we look at right-sizing across the province, one of the key factors here is that we would be ensuring that when we're disposing of property that SPMC, and the people of Saskatchewan and the Government of Saskatchewan, would also realize the best value for that piece of property. Certainly

our intent is not to have vacant properties around the province that aren't satisfactory usable.

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. The legislature building itself here, is that one of the . . . listed as one of SPMC's holdings or is that a separate entity?

**Hon. Mr. Serby:** — It's currently now under SPMC.

**Mr. Bjornerud:** — Good, Mr. Minister, because I want to bring to your attention that there's no bathroom or shower in my office, and would this be a good time to bring that up? Okay. I see I'm not going to get an answer, so I'll go on to another question.

Mr. Minister, Whitespruce Youth Treatment Centre, is that owned by SPMC at the present time?

**Hon. Mr. Serby:** — I just want to first respond to the member's first comment about him not having any bathrooms or showers in his offices. I want to have you rest assured that we don't have any showers in our offices either. I think there is only one room in the building that has that. And I know that . . . well we're hoping that, and we're going to work hard to continue to make sure that it remains in the purview of that particular individual to sustain that shower, and anticipate that will be the case.

I want to share with you that Whitespruce certainly is owned by SPMC.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Therefore if that's owned by SPMC, the East Central Health District has submitted a bid to move the park and prairie units of the Yorkton mental health centre administration to Whitespruce centre.

In SPMC's annual report under item 14 it is stated that "Effective April 1, 1995, (the) district health boards will assume ownership of certain assets currently owned by the corporation." Would the Whitespruce centre fall under this regulation?

**Hon. Mr. Serby:** — My understanding of this is that there haven't been any property transfers. What there have been of course is there have been transfers of office furniture and some of the equipment have actually been transferred from health facilities to district boards, but the actual transfer of physical property as yet has not been . . .

**Mr. Bjornerud:** — Thank you, Mr. Minister. In the case of Whitespruce, will you be taking that into consideration, and in the East Central Health District's request, will that be a consideration that you will give some thought to, of turning that building over to them?

**Hon. Mr. Serby:** — Well certainly not only will we be giving some consideration to the property of Whitespruce but we have a number of properties that health district boards across the province have expressed some interest in that are currently owned by Saskatchewan Property Management. And in all of those experiences . . . or all of those locations across the

province, we're going to be having discussions and are currently having discussions with district health boards to see whether or not they have an interest in using some of that space for their own purpose along with other venues that we're pursuing.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Maybe in the . . . completely the opposite end now, is the Plains hospital property of the Regina Health Board or is that a facility that is owned by SPMC?

**Hon. Mr. Serby:** — This property is owned by the Crown. The property is owned by the Crown, but SPMC is managing it. It's owned by the Crown and SPMC is managing it.

The committee reported progress.

The Assembly adjourned at 4:57 p.m.