

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Osika:** — Thank you, Mr. Deputy Speaker. I rise on behalf of citizens of the communities of Saskatchewan who are concerned about the effects of youth crime in our great province. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to establish a special task force to aid the government in its fight against the escalating problem of youth crime in Saskatchewan, in light of the most recent wave of property crime charges, including car thefts, as well as crimes of violence, including the charge of attempted murder of a police officer; such task force to be comprised of representatives of the RCMP, municipal police forces, community leaders, representatives of the Justice department, youth outreach organizations, and other organizations committed to the fight against youth crime.

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

The signatures on this petition are from Balgonie, Kamsack, Theodore, Grayson, Melville, Killaly, and Pense. I so present.

**Ms. Draude:** — Thank you, Mr. Deputy Speaker. I too would like to present a petition today on behalf of citizens from Melville and Regina regarding increase in youth crime.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to establish a special task force to aid the government in its fight against the escalating problem of youth crime in Saskatchewan, in light of the most recent wave of property crime charges, including car thefts, as well as crimes of violence, including the charge of attempted murder of a police officer; such task force to be comprised of representatives of the RCMP, municipal police forces, community leaders, representatives of the Justice department, youth outreach organizations, and other organizations committed to the fight against youth crime.

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

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. I also would like to present petitions to do with the problem of youth crime. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to establish a special task force to aid the government in its fight against the escalating problem of youth crime in Saskatchewan, in light of the most recent wave of property crime charges, including car thefts, as well as crimes of violence, including the charge of attempted murder of a police officer; such task force to be comprised of

representatives of the RCMP, municipal police forces, community leaders, representatives of the Justice department, youth outreach organizations; other organizations committed to the fight against youth crime.

The petitioners, Mr. Deputy Speaker, are all from the town of Kamsack.

**Mr. Belanger:** — Thank you, Mr. Speaker.

The petition of the undersigned citizens of the province of Saskatchewan humbly sheweth:

That the conditions of some highways connecting communities in northern Saskatchewan are at times impassable . . .

**The Deputy Speaker:** — Order. Order, order. I will advise the members presenting petitions that members are only permitted to read the prayer and in some cases the names from the places where they come from, and no preamble. So I would ask the member to proceed to the prayer.

**Mr. Belanger:** — Thank you, Mr. Deputy Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the rebuilding of Highway No. 155, thereby ensuring adequate access for residents of the communities linked by this road, including Dillon, Patuanak, Turnor Lake, Pinehouse, and an access road to Garson Lake.

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

And, Mr. Deputy Speaker, the people that have signed this petition are . . . there are hundreds of names from Beauval and also from Ile-a-la-Crosse. And I so present.

**Mr. Aldridge:** — Thank you, Mr. Deputy Speaker. I rise on behalf of citizens concerned about the rising cost of farm inputs to unjustifiable levels in the province. The prayer reads as follows, Mr. Deputy Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to urge the government to stop contributing to rising farm input costs and begin using its influence to hold farm input manufacturers accountable for their decisions.

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

And, Mr. Deputy Speaker, those who have signed the petitions are from south-west Saskatchewan predominately, communities such as Eastend, Shaunavon. I so present.

**Mr. Boyd:** — Mr. Speaker, on the petitions. Thank you, you were a little quick off the draw there; we didn't realize that.

Mr. Speaker, I have petitions to present on behalf of the people of Saskatchewan as well. And I read the petition . . . the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to take whatever action necessary to ban stripping in establishments where alcohol is served; including appealing the recent court decision striking down the existing law banning stripping and invoking the notwithstanding clause of the constitution to enact legislation banning stripping in establishments where alcohol is served.

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

These petitions come primarily from my constituency, Mr. Speaker, areas like Eatonia, Kindersley, Kerrobert, and other places within my constituency. I'm pleased to present on their behalf.

**Mr. Toth:** — Thank you, Mr. Deputy Speaker. I'd like to read the prayer of the petition I present as well:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to take whatever action necessary to ban stripping in establishments where alcohol is sold; including appealing the recent court decision striking down the existing law banning stripping and invoking the notwithstanding clause of the constitution to enact legislation banning all stripping in establishments where alcohol is served.

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

And, Mr. Speaker, the petitions I'm handing in are by signed individuals from the Eatonia, Kindersley areas of the province of Saskatchewan.

**Mr. Heppner:** — Thank you, Mr. Speaker. I too rise to present petitions, and I read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to take whatever action necessary to ban stripping in establishments where alcohol is sold; including appealing the recent court decision striking down the existent law banning stripping and invoking the notwithstanding clause of the constitution to enact legislation banning all stripping in establishments where alcohol is served.

And these are signed by people from Kindersley, from Eatonia, Alsask, and that area of Saskatchewan. Thank you.

#### READING AND RECEIVING PETITIONS

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

Of citizens of the province of Saskatchewan humbly praying that your Hon. Assembly may be pleased to enact legislation banning all stripping in establishments where alcohol is served;  
Of petitions pleased to establish a task force to aid the fight against youth crime in Saskatchewan;

Pleased to support the creation of regional telephone exchanges;

Pleased to reform provincial legislation to help children who are being exploited for sexual purposes;

Pleased to urge the government to commission an independent study to review the social impact of gambling;

Pleased to cause the rebuilding of Highway No. 155; and finally

Pleased to protect the Dore, Smoothstone lake area by declaring it an accessible, protected wilderness area.

#### NOTICES OF MOTIONS AND QUESTIONS

**Ms. Haverstock:** — Thank you, Mr. Deputy Speaker. I give notice that I shall on day no. 53 ask the government the following question:

To the Minister of Education: how many students are in grade 4 age in Saskatchewan's K to 12 public education system?

**Mr. Belanger:** — Thank you, Mr. Deputy Speaker. I give notice that I shall on Tuesday next move first reading of a Bill called the new, organized and rigorous transportation, housing, and economic renewal of the North, known as the northern Act. I so present.

#### INTRODUCTION OF GUESTS

**Mr. Aldridge:** — Thank you, Mr. Deputy Speaker. It's a distinct pleasure this afternoon to introduce to you and through you to everybody assembled here this afternoon, a distinguished person sitting in the Speaker's gallery, front row on the east side. Loraine Braham is a Member of the Legislative Assembly of the Northern Territory of Australia.

Earlier this morning I had the privilege of meeting with her and we discussed topics of mutual interest as chairpersons for our respective Public Accounts Committees — her of the Northern Territory's and me of the province — along with my colleague, the Vice-Chair, the member from Meadow Lake.

We enjoyed very much our conversation, and I would just like everybody here this afternoon to welcome her as she drops in to view the proceedings during what is a very hectic schedule today.

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

**Mr. Sonntag:** — Thank you very much, Mr. Deputy Speaker. On behalf of my colleagues on the government side, and certainly as the Vice-Chair, I'd like to join with the hon. member opposite in welcoming Mrs. Braham today.

We certainly enjoyed our visit this morning and, as the member said, we discussed a number of issues relating to public accounts and other issues and it was most interesting to note the similarities and differences.

So I again would like members to join in welcoming Mrs. Braham to the legislature today. Thank you.

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

**Ms. Lorje:** — Mr. Deputy Speaker, it is my honour and privilege today to introduce to the Assembly, 79 of the brightest students that you will probably ever have the privilege of welcoming to this legislature. I realize that there are many other Lakeview schools in this province, but this is the best Lakeview School in my opinion: the Lakeview School in Saskatoon Southeast.

There are 79 students here today accompanied by their teachers, Mrs. Widenmaier, Mrs. Block, Mrs. Cummings, and Ms. Eva; and chaperons — not that they need chaperons — Mr. Sterling and Mr. Folkenson. And I would ask all members of the Assembly to make them feel welcome here today.

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

**Hon. Mr. Cline:** — Thank you, Mr. Speaker. I'm sure the students from Lakeview School are very bright, but no brighter than my constituents, who are 24 students from St. Gerard School in Saskatoon. They're in the Speaker's gallery. They're in grade 4 and 5.

They're accompanied by their teacher, M. Léon Bezaire, and chaperons, Ed Ripley, Brent Northey, Bev Bertrand, and Sharon Philips, who when I was the age of the students, was a classmate of mine at Estey School down the street.

And the students are going to have a tour, Mr. Speaker. Then I will meet them. We will have drinks and Dixie Cups. We're then going to get our picture taken, and I want all members to join with me in welcoming the students from St. Gerard School.

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

#### STATEMENTS BY MEMBERS

##### Farm Units in Saskatchewan Declining

**Mr. Aldridge:** — Thank you, Mr. Deputy Speaker. Yesterday the last Canadian agricultural census of the century was released. It revealed that farmers are working hard to try and diversify in many ways, but it also revealed one major, disturbing trend.

Since 1991, not coincidentally the year this government came to office, the number of farm units in Saskatchewan dropped by a whopping 6.3 per cent. That's the second worst decline of any province in Canada. More than three times higher than the national decline in the number of farms of 1.8 per cent. By comparison, Mr. Deputy Speaker, the provinces of Newfoundland, Nova Scotia, Alberta, and British Columbia all experienced a net increase in the number of farm units.

While the number of farms dropped in Saskatchewan, those remaining continue to try and diversify. Many, however, depend upon off-farm jobs which, in the regions like the south-west,

are not easy to find. Farmers' efforts to preserve and expand their businesses are hampered by rising input costs.

Given the terrible loss of farms in Saskatchewan, it's my sincere hope that this government will get quickly to work and find ways to address the issue of rising farm input costs. Thank you, Mr. Deputy Speaker.

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

##### Macklin's Population Increase

**Ms. Murrell:** — Thank you, Mr. Speaker. Last week my colleague from Lloydminster conveyed to the members of this Assembly some very encouraging statistics regarding the positive population growth in our province. I agree with the member that this positive growth is a result of the increased economic activity occurring throughout our province that is creating thousands of jobs.

Since this government assumed office in 1991, we have been working hard to build new partnerships with private and cooperative businesses that encourage new economic activity that creates jobs.

Well, Mr. Speaker, the evidence that we are fulfilling our commitment to renew Saskatchewan is everywhere. New businesses, expanded businesses, and diversified businesses are creating jobs and they are attracting people to our province. I see the evidence throughout my own constituency, Mr. Speaker.

For example, the community of Macklin is having difficulty dealing with the influx of people into the town who are arriving to fill job openings. This influx of people has increased Macklin's population by over 17 per cent. This makes Macklin the fastest growing community in the entire province, with a population of over 1,000 people. Yes, Mr. Speaker, the optimism has been restored in our province and the evidence can be seen in Macklin. Thank you.

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

##### Cameco Walk for MS

**Ms. Haverstock:** — Thank you. Many of the members of this Assembly know that walking hasn't exactly been my forte throughout my life. But on June 1 in Saskatoon, I am going to do my very best to complete the 12-kilometre Cameco Walk for Multiple Sclerosis. All of the money raised by this event comes from sponsorship dollars, and I'm on my feet today, Mr. Deputy Speaker, to tell my colleagues how proud I would be if they would make a pledge on my behalf.

I'll be circulating pledge booklets in an envelope and hope that everyone will support this very worthwhile cause. Now just tick off your name when you've received the envelope, and I'll know that you've had an opportunity to participate. I want to thank everyone in advance. Thank you.

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

**Syttende Mai**

**Hon. Mr. Nilson:** — Mr. Speaker, Saturday is Syttende Mai — the 17th of May. And the first few lines of the Norwegian national anthem go this way:

Ja, vi elsker dette landet,  
som det stiger frem  
furet, værbitt over vannet  
med de tusen hjem.

On May 17, or 1814 at Eidsvoll, Norway, the constituent assembly approved the new constitution of Norway. This constitution is still in use in Norway, making it the second oldest constitution in the world after the United States Constitution.

In 1942, Axel Sandemose, writer . . . Norwegian writer who lived in Saskatchewan in the '20s, and wrote a book about Saskatchewan called *Ross Dane* in 1928, described the Norwegian national holiday this way:

It's a day for all Norwegians, who are held together by a general impression of Norwegian nature, the forest, the mountains, the deep fjords; and spring in the bountiful splendour we'll all still remember the bitter winter that bound up rivers and water, and sent its cold clouds over the weather-beaten land.

Sounds very similar to a description of Saskatchewan.

Today we join people all over Saskatchewan — Saskatoon, Birch Hills, Weldon — and over the next few days as they celebrate this day. So I ask all members to join with the Norwegian descendants in the Assembly, the members from Saskatoon . . .

**The Deputy Speaker:** — Order, order. The member's time has elapsed.

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

#### **Birthday Congratulations to Liberal House Leader**

**Mr. Hillson:** — Mr. Deputy Speaker, it's always an honour for me to rise to pay tribute to our seniors, to show respect to those elders who have built Saskatchewan, and made this province what it is for us today.

It is in that spirit that I rise today to ask other members to join with me in paying tribute to our House Leader, who turns 50 this date. Congratulations, Rod.

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

#### **Terry Fox Foundation Fund-raising in Northern Communities**

**Mr. Sonntag:** — Thank you, Mr. Deputy Speaker. Yesterday I mentioned an award won by a student from Pierceland. Today I want to congratulate the school and community of Pierceland, and as well as the communities of Paradise Hill and Frenchman Butte also in my constituency.

The theme of my remarks, Mr. Deputy Speaker, is that the further north you go in Saskatchewan the more generous the people become. Next Tuesday Betty Fox, mother of Terry Fox, will be the guest at a dinner in Frenchman Butte sponsored by the Frenchman Butte-Paradise Hill Terry Fox Run Committee.

Mrs. Fox is coming because this small community, in 1996, raised the third largest amount in the province — after Regina and Saskatoon only, both of which have somewhat larger populations. Fewer than a thousand people in the two villages and vicinity raised nearly \$10,000. Mr. Bob Hougham himself raised 4,000. He will be treating Mrs. Fox to a ride with his miniature white mules.

The next day Betty Fox will be at the Pierceland School, which is hosting the annual Terry Fox Run. It is one of the top fund-raising schools in Saskatchewan. In 1996, 115 schools in Saskatchewan raised 88,000; of that, the Pierceland School raised over 3,000. All this money goes to cancer research to someday find a cure for the disease that took Terry Fox and so many others.

I am proud that these communities are being recognized and I am pleased that their charitable efforts are being recognized by Betty Fox, a most welcome guest to our province. Thank you very much.

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

#### **Grand Opening of Human Resources Centre for Students**

**Ms. Hamilton:** — Thank you, Mr. Speaker. Youth unemployment is a concern in our society. The youth unemployment rate is over twice the national average, both of which are unacceptably high. Solving this problem is a challenge of this age of the new global economy when greater economic insecurity seems to be the norm.

While every member of this legislature and our federal counterparts must recommit ourselves to addressing this serious problem, we should also take a moment to acknowledge programs in both industry and government that seem to be making a difference in dealing with this issue.

This noon hour I was pleased to attend the grand opening of the Human Resources Centre for Students held at Queen Elizabeth II Court in front of City Hall here in Regina. The grand opening was an opportunity for students and employers to learn more about the centre and its services. Students dropped off their résumés and registered with the Odd Job Squad. Employers left job orders with staff. A lunch was held as part of the grand opening, with Ryan Purchase and friends from the University of Regina, and McGill providing strains of wonderful, jazzy music.

Barbecued hamburgers were donated courtesy of M & M Meat Shops, and all the proceeds raised from that were donated to Youth Unlimited to promote youth development within the city.

Hire a Student is not the only summer employment program. Each year the provincial government sets aside money for

summer employment for young people through the Partnerships program. In an era of cut-backs from our federal government, the provincial government must do more. We must prioritize jobs and call on our governments in Ottawa to make good on their job creation promises.

For now I ask all employers, please hire a student.

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

### **Palliative Care Week**

**Mr. Kowalsky:** — Thank you, Mr. Deputy Speaker. This week has been proclaimed Palliative Care Week in Saskatchewan, the week in which we honour all palliative care-givers.

The Saskatchewan Palliative Care Association has helped make Saskatchewan a leader in this kind of compassionate care for the terminally ill.

And as part of its commitment has drafted a bill of rights for palliative care workers.

In honour of these workers, I'd like to read that bill of rights into the record.

I have the right to have pity for the afraid and the unfulfilled, and to be in awe of the courageous.

I have the right to feel relief when someone's death means the end of their pain, and to be angry when someone is taken too soon, while they still have much to give to the world.

I have the right to be mystified by the miracle and wonder of life, and to be resigned to the finality and reality of death.

I have the right to my own religious beliefs and a faith that whoever the true God is, they would approve of my work.

I have the right to be realistic about my own mortality.

Mr. Deputy Speaker, as the bill of rights says, I am in awe of the courage and dedication of palliative care workers. And I know that all members will offer their respect and gratitude for their contributions. Thank you.

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

### **ORAL QUESTIONS**

#### **Child Protection Services**

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, the Gove report was an extensive investigation into child death in B.C. (British Columbia). British Columbia's government launched the inquiry after the tragic death of five-year-old Matthew Vaudreil.

The Gove report made sweeping recommendations to tighten up the family service system in British Columbia.

Mr. Speaker, unfortunately information we have received from Saskatchewan Social Services through the freedom of information, shows that some children are tragically falling through the cracks in Saskatchewan's system.

Can the Minister of Social Services tell me if Saskatchewan has any plans to adopt recommendations contained in the Gove report?

**Hon. Mrs. Teichrob:** — Mr. Speaker, we have reviewed that report. We have, as the member opposite knows, increased our funding for the child action plan to almost \$25 million this year. We've announced some new initiatives that will make use of part of that money. And we will continue to try to analyse what is the best way to direct energy and funding towards these serious problems, Mr. Speaker.

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

**Ms. Julé:** — Mr. Speaker, information provided by the department shows that 55 Saskatchewan children under 16 years of age who were receiving some intervention from Social Services between April of 1991 and March 31, 1996, have died. They are classified by natural causes, accidents, murders, and suicides, but there is no mention of abuse and neglect.

I find these statistics to be extremely alarming. Yet in the letter in which we received this information, Social Services explained that these 55 children who have died while receiving family service care represent a very small proportion of all the children who received care during that time. Can the minister or his designate explain why his officials are downplaying this problem? Fifty-five children have died.

**Hon. Mrs. Teichrob:** — Mr. Speaker, there is no attempt to downplay the seriousness of this situation, and it's always a tragedy when a child dies. As you know some of these cases were . . . some of these incidents were natural deaths and not the violent type that you place emphasis on. And we continue to monitor the situation and do the very best that we can to prevent such incidents where they're preventable and to act in the best interests of children in care at all times.

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

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, we all place high value on the life of every Saskatchewan child. But the minister can and he must do more to prevent further tragedies from happening within Social Services. Sweeping public reviews have taken place in British Columbia, Manitoba, Newfoundland, and now Ontario. These extensive public inquiries were sparked by child tragedies which received much media attention.

While their deaths have gone largely unannounced, Saskatchewan children have names and there are tremendously important lessons to be learned from their stories too.

Will the minister commit to opening up the internal review on the full scope of child deaths in Saskatchewan to the public?

**Hon. Mrs. Teichrob:** — Mr. Speaker, media headlines and highlighting these issues will not aid prevention a single bit. So as I said, we continue to monitor the situation. It's always a tragedy to lose the life of a child, and whether in care or not. And we do our very best to make sure that foster parents, for example, are carefully screened and that everything possible is done to prevent such incidents to the children of the province.

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

**Mr. Hillson:** — I thank the minister for her attitude and her response. And I'm in agreement with it and I'm also in agreement that I know from personal experience, that our social workers in this province are dedicated professionals committed to their work. Nonetheless even the death by natural causes appears to be abnormally high and more than what would be expected in the general population, and that too raises questions.

We haven't had a review of the system since the mid-80s. We know there have been a lot of changes since the 1980s. A lot of new challenges are out there and a lot of new developments. And other provinces have had this review.

Is it not time that we undertake a review to see why some of our children are falling through the cracks and why some of our programs are simply not, not doing the work we want them to do?

**Hon. Mrs. Teichrob:** — Mr. Speaker, within Social Services they take advice from their professional workers in the field. And they're always reviewing the systems. I would suggest that in some other provinces where there have been some very high profile legal actions and trials, that possibly they felt because those were high profile that some sort of a task force looking into this needed an equally high profile. We haven't had such cases here and it's probably because we are continually monitoring, reviewing, and taking advice from our highly professional Social Services staff, Mr. Speaker.

**Mr. Hillson:** — Mr. Deputy Speaker, now I'm sorry but 55 deaths would seem to indicate that maybe we do have some issues we have to look at here. The letter that we received . . . First of all, the 55 deaths only came out through a freedom of information request and the last paragraph indicated that, well after all, there are lots of children going through the system who did not die, so the percentage is small — rather than saying 55 is too high a figure.

B.C. has had a public inquiry. Is it not time that we should do that too so that we can see how that figure of 55 can be dramatically reduced? As it should be. Will the minister commit to a public review of child protection programs in this province?

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

**Hon. Mrs. Teichrob:** — Mr. Speaker, I believe this question has been asked before, and our position is that a public review would serve no productive purpose, that an internal review and constantly paying attention to analysing every single unfortunate instance that occurs while a child is in care is what

we continually do and will continue to do.

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

### Health Information Network

**Mr. McLane:** — Thank you, Mr. Speaker. The Kuziak report into election fund-raising is not the only report that the people of Saskatchewan are awaiting the results of — a phase 1 report on the development of the \$70 million health information network was to have been prepared for cabinet in January; however the Minister of Health has yet to comment on whether it has received cabinet consideration or approval.

Can the Minister of Health tell this House today if the phase 1 report is complete, and has cabinet made a decision to proceed with the project?

**Hon. Mr. Cline:** — Mr. Speaker, as the member knows, this matter is under discussion, under consideration, and we will be examining all of the options available to the province and making an announcement in due course.

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

**Mr. McLane:** — Thank you, Mr. Speaker. Of course our sources confirm that the phase 1 report has been completed and is in the hands of the government. This report is supposed to provide a detailed cost/benefit analysis of the project which will determine whether the anticipated \$70 million investment is a worthwhile one. Much of this government's ability to justify this expense depends on whether it is able to develop and sell this technology to other provinces before they develop a similar system.

Mr. Speaker, is this simply another investment scheme by your government, one that has nothing to do with improving health care in this province? And do you plan on ditching this project if you're not the first one to get the project up and running?

**Hon. Mr. Cline:** — Mr. Speaker, I want to assure the member that before we proceed with any project with respect to information technology, we will be examining all of the evidence and all of the benefits that are proposed, all of the costs, and trying to arrive at a decision which is in the best interests of the Saskatchewan taxpayer.

And the member may want the government to make this decision in a rushed or hurried fashion. I want to say to the member and to the House, Mr. Speaker, that no decision will be made until the matter is thoroughly studied and we do all of our homework, which I think is what the taxpayers would want us to do, Mr. Speaker.

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

**Mr. McLane:** — Thank you, Mr. Speaker. This project, Mr. Minister, has been under scrutiny and had started up back in the early '90s — 1992. So how much longer do you need?

Mr. Speaker, if the government has not made a decision regarding the information network, perhaps the Minister of

Health would explain why the Department of Health now has created a health information branch.

The latest government directory indicates that this branch will, and I quote, “manage the development, implementation, operation, and support of this network.” Mr. Minister, if there has been no decision made, why has an entire branch been created to oversee this project?

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

**Hon. Mr. Cline:** — Well to state the obvious, Mr. Speaker, if you’re going to have a study of the information network and what kind of network we should have in our province, you need to have people that will study that matter. And that’s what the people in the information branch do. They and other officials from government will be looking at whether it’s beneficial to have a new information system in our health system.

But I want to say to the member, and particularly members of the third party, that before we proceed with any new system, we don’t want to have a repeat of some of the things that happened in the 1980s where money was spent on some information systems that really didn’t make a lot of sense.

We want to make sure that we use the taxpayers’ dollars very wisely; that whatever we do results in a system that works for the benefit of the people. And although the member is impatient for us to make a decision, we won’t be making a decision until all of the homework is done and the matter is appropriately studied.

And when that is done, Mr. Speaker, we’ll be making an announcement and the member will be one of the first to know.

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

#### **Apology for Remarks about Reform Leader**

**Mr. Heppner:** — Thank you, Mr. Speaker. My question’s for the Premier or for his designate.

The Premier and I now have something in common. As a school principal there were many times I had to discipline a student and force them to apologize for someone that he had hurt. The Premier had to do the same thing yesterday.

But a forced apology usually lacks some sincerity. And if anyone thinks the NDP (New Democratic Party) is truly sorry, just look at how some of the other members responded. The federal NDP member said people should still be terrified of Reform’s extremist views. The NDP Justice minister said Preston Manning should get a thicker skin. Even the Premier seemed more annoyed than contrite.

Mr. Premier, if the NDP is truly sorry, why is your Justice minister continuing to defend these offensive remarks?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I want to say to the member opposite that this issue was dealt with yesterday in the Assembly when the member from Regina South apologized to the people affected. And I say to the member opposite, I’m a

little surprised that you raise it today to continue the debate, to do some political grandstanding.

But what it might indicate, what it might indicate is this: that there’s a good reason why the Leader of the Third Party indicates that he’s not campaigning during this election. I think this is what is happening here today, is support for the Reform Party.

This issue has been dealt with and I want to quote from the Premier when he dealt with it as well yesterday outside the House. And he said, and I quote:

“a bright, young, zealous MLA who overstepped the bounds” — did the right and courageous thing by apologizing before being asked.

And I say to the members opposite that, why can’t you accept, as has been the long tradition in the House, where someone apologizes, why don’t you accept it and leave it — unless you’re grandstanding for political purposes/

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

**Mr. Heppner:** — Thank you, Mr. Speaker. The question was — and I guess it was missed — was the Justice minister’s response to that question. And we’re going to continue dealing with that. And the Premier’s response about asking, “Is everybody happy?” Maybe we’re not quite happy.

The only thing the NDP is truly sorry about is the thousands of votes you’re losing. Voters all across Canada have now heard the NDP member’s offensive remarks. But they’re also concerned about the reaction from the members opposite — not stunned silence when that statement was made, but howls of laughter. Most of the NDP members thought this was truly clever, comparing Mr. Manning to the inhuman Nazi regime that butchered millions.

And now even the Justice minister says people should get a thicker skin because someone calls them a Nazi.

Mr. Premier, the member from Regina South and the Justice minister have shown voters all across Canada that the real party of intolerance is the NDP.

Mr. Premier, what further disciplinary action will you be taking against the member for Regina South and the Justice minister?

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

**Hon. Mr. Lingenfelter:** — Well I just repeat for the member opposite, who continues to — and I say this sincerely — grandstand on behalf of the Reform Party here in the Assembly, first of all, this matter was dealt with yesterday when the individual involved apologized, both here in the Assembly and outside, as I understand.

And I can’t believe that the member here would try to continue to try to elevate the issue. One can only ask what could be the reason for him doing that, unless he were trying to play politics on behalf of his friends in the Reform Party.

Now if you want to play that game of being a Reform member, why don't you go out and run for them, instead of hiding behind the banner of Conservative here in the House while you're campaigning for the Reform publicly.

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

**The Deputy Speaker:** — Order, order. Order. Before the member proceeds I must warn the members that questions during question period must relate to government policy or a member's responsibility to government policy. And I would ask members to please keep that in mind.

**Mr. Heppner:** — When we're talking about government policy we are discussing the kinds of actions and statements that are made, and the Justice minister's statement are one of those things that we are talking about because that talks about government policy and talks about it very specifically and I suggest you listen to the question.

Mr. Premier, from time to time the Reform Party has . . . may had its members make racially intolerant statements. Mr. Manning sent a clear message that those statements did not reflect the views of his party by booting those members out of his caucus and out of his party.

Mr. Premier, will you take a similar action against the member from Regina South and the Justice minister?

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

**Hon. Mr. Lingenfelter:** — I say again to the member opposite that the apology given by the member opposite and I say that . . . and I quote from *Hansard*, I quote from *Hansard* from yesterday; in the conclusion of his remarks he says:

Mr. Deputy Speaker, it is now clear that some of those remarks were indeed hurtful, and for that I apologize.

My understanding was at that time that the members of the Assembly accepted that apology, which has been the long-standing tradition of this Assembly, Mr. Deputy Speaker.

So I say to the members opposite, why can't you accept the apology, unless what you're doing is trying to improve the image of the Reform Party by continuing to raise this issue here in the Assembly.

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

#### **Government Pension Plans' Investment in Bre-X**

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Speaker, my questions this afternoon are for the Minister of Finance.

Madam Minister, last week our caucus submitted a written question asking if any provincial government-administered pension plan had lost any money on the Bre-X shares. Of course your open and accountable government refused to answer the question.

Madam Minister, 133,000 Saskatchewan people belong to pension plans administered by your government. I think they deserve an answer on this question. Madam Minister, how much money did government pension plans lose speculating in Bre-X shares?

**Hon. Ms. MacKinnon:** — Mr. Speaker, to the member opposite. First of all, no pension plans speculated in any shares. What occurred is one of the pension plans, like many other pension plans, administered by an independent financial agency, invested in Bre-X as part of a stock portfolio which they automatically invest in all TSE 300 (Toronto Stock Exchange) stocks.

The loss to the pension plan was about \$1.9 million, which is not dramatic when you consider the assets are 1.6 billion. Whether or not there will be any loss in the overall portfolio isn't known because you don't know the gains on other stocks.

I think what the issue really highlights is the problem the Toronto Stock Exchange is now looking into. The directions from the independent pension board were clear — invest only in safe stocks. Why was Bre-X listed as a TSE 300 safe stock?

**Mr. Boyd:** — Thank you, Madam Minister. And thank you for confirming that the public employees' pension plan lost about \$2 million speculating in Bre-X stocks.

That is just however, one of the 14 plans your government administers. Will you confirm that the public employees' pension plan did indeed lose the \$2 million in that pension plan alone? And how much money did other pension plans administered, the other 13 pension plans administered by your government lose?

**Hon. Ms. MacKinnon:** — First of all, what I want to make clear to the member opposite is we don't make these decisions. There's an independent pension board. They hire professional managers to make the decisions.

Second point, and the members opposite, this is why we have to debate this, because they twist it. There was no speculative investment at all. The problem was the Toronto Stock Exchange listed Bre-X as a TSE 300 stock, essentially a safe stock. Therefore pension schemes across Canada thought this is a safe investment.

This is the only one of the pension schemes that invested in this stock at all. And I would remind the member that the return on that particular pension scheme was 19 per cent last year. And we do not feel that there is going to be any dramatic impact on the return because of this.

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

#### **Chief Electoral Officer Report**

**Mr. Osika:** — Thank you, Mr. Deputy Speaker. In this day and age with modern technology, we have a wealth of ways to communicate. It's now e-mail, faxes, and of course the telephone. But the minister of The Election Act has decided instead to communicate via the newspaper to ask the Chief



Electoral Officer for his report on political fund-raising. In spite of the unusual method, it is clear that all three parties have now called for the release of the report, but it remains a secret.

Mr. Deputy Speaker, we're not trying to be sanctimonious on this side of the House. For all we know, the report could implicate all three parties. The content of the report is important, but equally important, Mr. Deputy Speaker, is the timely release of the information. The people of this province have a right to know if all parties must clean up their act, but they won't until we see the report.

Will the minister tell the people of Saskatchewan if he's received a response from Mr. Kuziak yet, or is he waiting for the next edition of the newspaper?

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

**Hon. Mr. Mitchell:** — Thank you, Mr. Speaker. I am not any wiser than I was yesterday when I stood to answer the member's questions. I have not heard from Mr. Kuziak, nor has anyone on the government side. We have not received his report.

I've tried to explain to the member over a couple of question periods this year, and I don't know how many last year, that this is an independent position, that this is a position at arm's length from the government. The Chief Electoral Officer is not subject to orders from me or from the Premier, nor should he be. And the member wouldn't want it to be that way.

We need to have an office which is relatively independent. So I don't feel free to pick up the telephone and start ordering the Chief Electoral Officer around. I just don't feel free to do that. I don't think it's consistent with his office or with mine.

Now if the member thinks that that is appropriate, the member has a telephone in his office, and a fax, and he could probably get in touch with the Chief Electoral Officer himself. But as for me, I don't consider that to be appropriate, and I don't plan to do it.

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

**Mr. Osika:** — Mr. Deputy Speaker, the Chief Electoral Officer answers to Executive Council. So I'm going to ask another very, very important question.

This government has a responsibility to answer this question in connection with this report. It's been reported that the electoral officer has chosen to withhold the Kuziak report on the advice of the Justice department.

My question therefore will be to the Minister of Justice: will the minister tell us if he supports the decision made by his department — which was an advisory to delay the release until after the federal election — or does he support his colleague, the minister in charge of The Election Act, who has said the report should not be withheld? Which is it? Please give us one simple, honest answer.

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

**Hon. Mr. Mitchell:** — The member certainly was not implying that my answers have been less than honest. I know that. I know the member. I know he wouldn't intend any such implication to come.

But I want to say this. The Chief Electoral Officer does not answer to the Executive Council. He does not answer to the Premier. For purposes of budgeting, his allocation is included in the estimates of the Executive Council, but that does not mean that he is subject to any kind of orders.

And I think the member would agree that that would not be appropriate in any way, shape, or form. It would be inappropriate for the Chief Electoral Officer to be subject to instructions from the Premier, or from me in delegation from the Premier.

The member knows where I stand. I think the report, if it's completed, ought to be made public. That's my position. Now I've made that perfectly clear. If the member has an opinion on that that he thinks should be conveyed directly to the Chief Electoral Officer, he should do that. I don't think it's appropriate . . .

**The Deputy Speaker:** — Order. Order.

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

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

**Hon. Mr. Mitchell:** — Mr. Speaker, before orders of the day, I would like leave of the Assembly to give a . . . to revert to ministerial statements.

Leave granted.

## MINISTERIAL STATEMENTS

### Prince Albert Site of Youth Futures Pilot Project

**Hon. Mr. Mitchell:** — I thank my colleagues for agreeing to revert to ministerial statements, Mr. Speaker.

This morning in Prince Albert, the Minister of Social Services and I announced a \$3.1 million pilot project called Youth Futures. This is a key initiative of *The Saskatchewan Training Strategy*, and is part of the social assistance redesign.

Youth Futures is intended to help young people get off social assistance and get a job. We will do this by equipping them with the education, training, and work experience they need.

This two-year pilot will test new ways to improve the links between the jobs available and the education, training, and work experience needs of youth on social assistance. This will be most effective if our plan is designed by the community for the needs of the community — community-developed and delivered, Mr. Speaker. Local people know what skills and education are needed and what jobs are available there.

Accordingly, this project brings a wide range of partners together to assess the individual needs of Prince Albert young

people. Through a holistic or integrated approach, the partners can best determine the individual's different needs for assessment, counselling, training, work experience, basic education, or rehabilitation.

Thirteen committee members were named today, all from Prince Albert. The Co-Chairs are Merv Bender, who represents community-based organizations, and Isabelle Impey, who represents a subcommittee of concerned citizens. Business people, elders, aboriginal people, youth, local school officials, and the Woodland Institute of SIAST (Saskatchewan Institute of Applied Science and Technology) make up the balance of the 15-member committee.

I was very pleased to see such enthusiasm from the partners on the Youth Futures Steering Committee today. In particular I am pleased to see Prince Albert youth so eager and willing to be involved in the committee and work towards meeting the needs of their peers.

Mr. Speaker, 350 young social assistance clients in Prince Albert will have the opportunity to break the cycle of poverty and develop the skills needed to prepare for the workforce. Through Youth Futures we expect to learn a lot from the Prince Albert experience that will benefit young people all over Saskatchewan.

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

**Mr. Krawetz:** — Thank you very much, Mr. Deputy Speaker. And thank you to the minister for the advance copy in terms of the highlights of the announcement that took place this morning.

Firstly, Mr. Deputy Speaker, I think the Saskatchewan training strategy that we've been talking about throughout this session has evolved to the point now where indeed the focus is on jobs and retraining to meet the jobs.

The other key point I think in this announcement is the fact that individuals will be able to break that pattern of staying on social assistance with no future in sight. And I think that that is a goal that we must focus on.

And by meaning . . . by "we" I don't mean just this legislature. I mean all residents in Saskatchewan must try to move to ensure that we move people from the social assistance line to a job that returns an income for their work done. This plan, I hope — and I say hope very, very sincerely — will be generated by ideas from the community level.

And I want to commend the minister for indeed putting together a committee that includes the local people. Local people best know what is needed and what job prospects there are.

As indicated by a letter the minister and I both received from the Woodlands students' union individual who said, documents are fine; they contain nice, bright ideas. The words are very effective, but we want to ensure that indeed this plan of action occurs and that it doesn't collect dust, and that indeed there is a benefit to individuals now. Thank you.

**Mr. Heppner:** — Thank you, Mr. Speaker. I too would like to take this opportunity to respond to the ministerial statement, and also thank you for the report to give us a chance to look at it and know what's happening.

The amount of dollars that are being spent out there, I think are good. And I think the direction that that particular program's going is excellent, especially when we look at what's happening to our young people in Canada, and particularly in Saskatchewan, where the jobs always seem to be the shortest for our young people, forcing them to go to other provinces.

I think if this program of youth Futures is a success, it'll be a great step forward for the young people of this province, and also for the province itself. I think also to the extent that the hope is there that we'll get our young people off of assistance, it needs to be commended.

And if the program is as successful as we hope it will be, it'll be giving a lot of dignity to individuals and to their families, and hopefully raise them to a new stature of self-worth within this province. And I hope the program is successful. Thank you.

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

## ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Kowalsky:** — Mr. Speaker, I request conversion of question no. 71 to notice of motion for order for returns (debatable). And with leave, I request conversion of question 72 through to question 94 for order . . . to notice of motion for order for returns (debatable).

**The Deputy Speaker:** — I would ask the Government Whip if I understand this right. Question 71 through to 94 are moved to motions for return (debatable)?

**Mr. Kowalsky:** — That is correct.

(1430)

## COMMITTEE OF FINANCE

### General Revenue Fund Finance Vote 18

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

**Hon. Ms. MacKinnon:** — Thank you, Mr. Chairman. Next to me is Bill Jones, the deputy minister of Finance. Behind Bill is Bill Van Sickle, the executive director of administration. Behind me is Jim Marshall, the executive director of economic and fiscal policy. Beside me is Len Rog, the assistant deputy minister of the revenue division. Behind Len is Kirk McGregor, who is the assistant deputy minister of taxation and intergovernmental affairs.

**Item 1**

**Mr. Gantefer:** — Thank you very much, Mr. Chair. And welcome to the minister and her officials. For the record, I wanted to correct a misconception that the hon. member from Battleford put before the House this afternoon. This is not my 50th birthday; it's the 11th anniversary of my 39th birthday.

Minister, I would like to briefly go to an area of some of the charges that your department is responsible for.

Firstly, the environmental handling charge in the '96-97 fiscal year. The Saskatchewan Association of Rehabilitation Centres estimated that your government collected some nine and a half million dollars in environmental handling charges on recyclable containers. According to SARC (Saskatchewan Association of Rehabilitation Centres) the government withheld 1.6 million of these charges.

How much is the government planning to collect through the environmental handling charges in this year and will all the money being going back to SARCAN?

**Hon. Ms. MacKinnon:** — Mr. Chairman, to the member opposite: first of all, happy birthday, whichever one it is.

And all I can give you is the overall number. This is, we collect \$11.2 million in a bottle handling surcharge from ... but it's Environment and Resource Management that administers that. So what I would do is ... When they're here they have the breakdown, but we don't have the breakdown here of what they do internally with that revenue.

**Mr. Gantefer:** — Minister, does Environment ... as I understand it, you realize that the 11-odd million dollars goes into the Environment, but do you know how much is returned to SARCAN?

**Hon. Ms. MacKinnon:** — Mr. Chairman, that's what you're going to have to get from them. They're the ones that have all those details. We just have the overall number.

**Mr. Gantefer:** — Thank you, Minister. We'll make note to do that.

On fire insurance premiums, fire insurance premiums in the province are subject to a 1 per cent levy to pay for fire prevention services and fire suppression. How much money is collected through this 1 per cent levy?

**Hon. Ms. MacKinnon:** — Two point two million is what we expect to collect.

**Mr. Gantefer:** — Minister, can you tell me the allocation of the money collected. Does it go into the General Revenue Fund or is any of it actually returned for the specific purpose indicated?

**Hon. Ms. MacKinnon:** — Mr. Chairman, as is true in all cases, it goes into the General Revenue Fund. But then there's other money spent on fire services around the province of different kinds. But all the money goes into the General Revenue Fund. As you will know, that's what the auditor and the Gass Commission has told us we need to do with all this revenue —

put it into the General Revenue Fund and then allocate it.

**Mr. Gantefer:** — Thank you, Minister. There's also a tire recycling handling charge the government collects. Three dollars handling charge is collected when an individual replaces a tire through a tire dealer. Theoretically the fee would go to a fund to handle the recycling of tires. How much money is collected by this handling charge and also what is the disposition of that money?

**Hon. Ms. MacKinnon:** — Again the industry itself may very well have established a program, but the government doesn't have a program that does that.

**Mr. Gantefer:** — One other handling charge on the Tetra-Pak juice containers — I believe there's also a handling charge on those containers. Is that included in the \$11 million figure that you gave me earlier on, and if it's not, what would the number be?

**Hon. Ms. MacKinnon:** — Mr. Chairman, it's included in the 11.2 million.

**Mr. Gantefer:** — Thank you, Minister, and officials. That's all of the questions I have through the series of estimates for your department. I would like to thank you for your answers and the officials for their diligence. I would like to turn it over to my colleague, the member from Melfort ... Kelvington-Wadena.

**Ms. Draude:** — Mr. Chairman, Madam Minister, and your officials. I have a further question on \$2.2 million that was collected from the surcharge on fire insurance policies. Can you tell me how much of that money goes to the Fire Commissioner's office?

**Hon. Ms. MacKinnon:** — To the member opposite, you'd have to look across government because there are fire services in different parts of government. I think what the best approach is SERM (Saskatchewan Environment and Resource Management), and the Environment department, Municipal Government, would do most of the spending.

But it's not, it's not an allocated expenditure. That is, it all comes into the government General Revenue Fund and then is allocated out to a variety of services.

So you'd have to look through the *Estimates* and ask the Department of Environment and Municipal Government what they do in terms of spending money on fire prevention services.

**Ms. Draude:** — Can Madam Minister tell me how much money the Fire Commissioner office spends or is allocated, no matter how many departments we're talking about.

**Hon. Ms. MacKinnon:** — I think on page 100 of the *Estimates*, there's public safety and they have some fire safety there. But again what you'd have to do is you have to look across government to look at how much is spent in other areas in fire prevention. SERM spends money in fire prevention of different kinds, for example.

**Ms. Draude:** — Madam Minister, a number of times this session, I asked about an exemption for the PST (provincial sales tax) on fire equipment. And I understand that there's no breakdown exactly on how much money the government takes in from revenues . . . from the sale of or purchase of fire trucks by various municipal departments. I'm just wondering if you can tell me how the decision, if there was any way of . . . how the decision was made to not exempt this equipment when there wasn't . . . when you're not really aware of how much money you're taking in from it.

**Hon. Ms. MacKinnon:** — Well I think, I think the member opposite is confused here, because what we're saying is we don't have a dedicated tax here. We take money into the General Revenue Fund; it's spent on other services.

And why I say the member's confused is your official position as a party, I believe, is harmonization of the provincial sales tax with the GST (goods and services tax). Which means that you would be charging the sales tax on virtually everything in the province — everything that the GST is charged on. If that's your position as a party, you can't then say we want to start exempting all these things because that's not possible under a harmonized tax scheme.

Now our position is that a lot of these things sound very good as individual cases — why not exempt fire trucks, why not exempt this, why not exempt that. Rather than provide a series of special treatment for different groups, our choice was to lower the sales tax two points so that people all across the province can benefit.

And I notice different groups writing to me and saying, well because of the reduction in the sales tax by two points, we've been able to hire another person or we've been able to give this other benefit to people.

So I don't think you can argue both sides of that case. You can't say we favour harmonization, which would expand the tax base, and then say, but we would narrow the tax base.

**Ms. Draude:** — Madam Minister, what I am trying to . . . what I was trying to let the government know is that out in rural Saskatchewan specifically, there is a big concern when it comes to keeping up with all the equipment that's needed to make sure that our property and lives are not endangered out there.

This is an added tax. It's actually hurting rural Saskatchewan a lot. And I'm not sure if you're aware that if we ever to allow . . . if in some way these volunteer fire departments can't keep going, it's going to cause an additional burden, because when a fire department is closed down and the trucks have to come from a lot further, it will raise the taxes . . . the fire insurance premium for towns considerably. I've heard as high as 40 per cent.

I'm wondering if that's a concern for you and your government and if that's something that you considered when you decided not to give an exemption.

**Hon. Ms. MacKinnon:** — Obviously we have to be concerned about that issue as we have to be concerned about a number of issues.

But I do say with all great, due respect to the member opposite, it's not legitimate for the members opposite to come in as an opposition and to say absolutely contradictory things, which is what your party is saying. Because your official position is harmonization of the sales tax, means all these things are taxed — and many more other things, not just fire equipment would be taxed.

Every repair service — every time you took the fire truck to be repaired would be taxed. Every time somebody had to have another service associated with a fire truck. Everything would be taxed. There would be more taxes on those local fire departments under a harmonized sales tax — a lot more taxes.

That's why there's all the fuss in the Maritimes right now. So it's just not legitimate to say, well but I wouldn't do that. Well your party would, and you can't have it both ways on this.

**Ms. Draude:** — Madam Minister, my colleague a few minutes ago talked about the number of hidden taxes that we face here when it comes to the different issues.

And I think this is something that . . . our official position may be harmonization, but what we're talking about right now is something that's going to directly affect the lives and the property of people in rural Saskatchewan that don't have the benefit of having an on-call fire department that they can be out there in a matter of moments. And even if they did have 911 or some of the services that are available out there, we are fighting for survival out in rural Saskatchewan. And I guess I was just hoping that the government would in some way see that there are special cases out there that have to be looked at.

Madam Minister, I'm going to move on to something else.

The corporation capital tax resource surcharge is unique to Saskatchewan. We're the only province to levy a resource surcharge — a levy that has no relation to the company's ability to pay it. The surtax results in significant projection costs increases.

In the case of coal, coal companies pass the full resource surcharge on to SaskPower, which in turn passes on the additional cost by increasing electrical rates to Saskatchewan businesses and households.

Can the minister tell us the total amount collected from the resource surcharge tax on corporate capital, and specifically, from the annual surtax collected from coal?

**Hon. Ms. MacKinnon:** — Mr. Chairman, to the member opposite, the total — we don't have the breakdown — but the total we collect is \$145 million.

I would say to the member opposite from our point of view, this is an essential part of a fair tax scheme, because it means that in our tax regime large companies with a huge asset base are taxed. It's like a wealth tax. Other countries have wealth taxes.

Saskatchewan has a wealth tax.

And I would like the members opposite then to be on the record. Because if they don't want to collect \$145 million from this tax, please to tell me which service to the people of Saskatchewan you would like to cut, or which tax on the average person you will . . . would like to give? If you don't want to charge large banks and large resource companies a capital . . . a corporate capital tax, then you're going to shift that burden to individuals. And to me that's not part of a fair tax scheme.

**Ms. Draude:** — Madam Minister, my question wasn't why are you doing. My question was how much? And I guess you did give me the answer after, and then the preamble.

In terms of the level of mining taxes and royalties, where does Saskatchewan rank among the provinces? And what is the impact of this competitiveness on Saskatchewan's mining industry?

**Hon. Ms. MacKinnon:** — My understanding is that was discussed in great detail in the Energy and Mines estimates. The only point I would make is that our royalties are price sensitive and profit sensitive. That is, as companies are doing better, the royalties are higher. When the companies are not doing as well, the royalties are lower.

But I think the most important thing in terms of what's going on in the oil industry is that there is a very significant influx of oil companies into the province doing more and more exploration, buying more and more land. And I think they have a lot of confidence in the stability of our fiscal regime.

**Ms. Draude:** — Madam Minister, when the Department of Environment . . . or no, Energy and Mines was up, I asked these questions and they referred it to your department. So I have asked it in the . . . or it's been asked twice now. So perhaps maybe somebody could give me a written answer.

Saskatchewan is one of the few, if not the only province, which does not exempt direct agents used in mining and mineral processing from sales tax. The government has exempted direct agents used in manufacturing and processing in order to stimulate that economy. Madam Minister, in light of the as yet untapped vast potential in exploration, development, and processing, has the government considered exempting direct agents in mining in order to stimulate the growth in this area?

**Hon. Ms. MacKinnon:** — Mr. Chairman, we do exempt some of the direct agents, mobile capital equipment for example, and so there are some direct agents very similar to the M&P (manufacturing and processing) direct agents that are exempted.

**Ms. Draude:** — Thank you, Madam Minister. Under miscellaneous payments, I notice there is an allowance for doubtful accounts of \$2 million. Can you give me an idea of what that would be?

**Hon. Ms. MacKinnon:** — Mr. Chairman, all that is is an estimate of what the department may have to write off in a year because of people not being able to pay their taxes or

bankruptcies. So it's just an estimate that any business would make about bills that they are not going to collect in one way or another.

**Ms. Draude:** — Thank you, Madam Minister, to you and to your officials.

**Mr. Toth:** — Thank you, Mr. Deputy Chairman. To the minister and her officials, welcome. Madam Minister, I believe my colleague, the member from Kindersley, was addressing some issues the other day regarding some of the taxation problems we're running into in regards to Indians and Indian services on reserves and some of the PST that hasn't been coming forward.

I'm wondering to date, Madam Minister, what your department has been doing to address the areas where the province has jurisdiction in collecting taxes and yet hasn't been able to, or have you arrived at a process of . . . or an agreement whereby that tax would be funded to the province, refunded?

**Hon. Ms. MacKinnon:** — Mr. Chairman, the member opposite I think understands that we can't talk about individual files. And so . . .

**An Hon. Member:** — He wasn't talking about individual . . .

**Hon. Ms. MacKinnon:** — Yes, but we can't tell you that, if everybody in the province is or isn't paying their taxes. And so all we can say to you is that we collect taxes all across the province. And we use the appropriate enforcement all across the province.

**Mr. Toth:** — Well thank you, Madam Minister. Madam Minister, this certainly is a concern, and I guess in general from what you're telling me, is basically, in many cases, there are individual circumstances versus just a broad base of the disinterest in paying the provincial tax, and I'll take your word for it. And we'll certainly be interested in following up down the road to see what has happened with regards to some of the individual cases that I'm aware of.

Madam Minister, it was interesting, I caught a federal Liberal campaign advertisement last evening and it reminded me a lot of what I would expect to hear from the Premier or yourself in the province of Saskatchewan. Mr. Martin was talking about how he had balanced the budget or has working towards . . . or certainly has gone a long ways towards balancing the budget. And he talked about the strong economy.

And fortunately, Madam Minister, I think you'll have to admit as well that being elected in 1991 was certainly . . . came in at a proper time because we were about the time where the economy was starting to roll again. There are cyclical cycles. I think federally the same thing has taken place.

However, Madam Minister, as we've seen in the province of Saskatchewan, part of that so-called budget balancing has come at the expense of the provinces. And you've been talking about it. Your colleagues have been talking about the areas where financing . . . where you've been . . . offloading of federal financing or federal funding to the provinces has certainly been

used in a major way to help the federal minister much as we've seen the offloading through rural governments in the province of Saskatchewan. And you've used some significant numbers.

It seemed to me, as I was watching that ad, that it was quite ironical that the federal Minister of Finance would be using those terms, would be trying to . . . and I would have to say the federal minister just misleading the people of Canada by telling us he'd balanced the budget, he balanced the budget.

Number one, if there was significant progress in addressing deficits and the General Revenue Fund at the federal scene, it came at the expense of all the provinces and the taxpayers of Canada. And on the other hand, I'm sure revenues, the Prime Minister or the federal Minister of Finance would certainly be appreciative of the fact that as the economy tends to grow again, the interest rates go down, and he's able to then certainly shift, and you're not paying the same kind of interest.

So I guess I would like maybe your response to that type of ad, because I think in Saskatchewan we certainly have had to bear, whether it's in health, education . . . certainly the social programs has had to pick up a fair bit of that cost so that the federal Finance minister can tell us he is certainly balancing the books — balancing the books at whose expense?

**Hon. Ms. MacKinnon:** — Well, Mr. Chairman, I certainly agree with the member opposite. They cut about a quarter of a billion dollars in funding — a quarter of a billion each and every year that we will lose in funding for health, education, social programs.

In 1996, both in their federal 1996 and federal 1997 budgets, more than 70 per cent of the cuts were cuts to provincial funding for health, education, social programs. And it's always been a very big bone of contention between us and the federal government where they actually made their cuts. Because they try, as they now go into the election, to talk about how much they care about poor children and their concern about the health care system. Yet no government in the history of Canada has ever taken as much funding out of programs for health and programs to deal with child poverty.

So we do find it rather ironic. And I'd be surprised to see if people in rural Saskatchewan warm up to this little argument, because they've lost very heavily from this particular government — \$300 million a year lost in the Crow benefit closing down, abandoning branch lines, putting more pressure on our roads. Yet absolutely unwilling to share in the cost of improving major thoroughfares like the Trans-Canada, the Yellowhead, clearly roads that go right through the province, our national highways — no funding at all from the federal government.

So I'll be interested in the result, because I hope people have a good memory for what's happened in the last two years.

**Mr. Boyd:** — Thank you, Mr. Chairman, Madam Minister. And welcome to your officials.

Madam Minister, I wanted to talk to you a little bit about an area of concern that I think all people across . . . seniors all

across Canada and certainly here in Saskatchewan should be aware of and I'm sure are becoming very much aware of — the concern about the federal government's changes to the Old Age Security program.

The new plan, the so-called seniors' benefit, has set, as you know, steep claw-backs in RRSPs (registered retirement savings plan) for middle and upper income Canadians that are a steep disincentive for people who save for retirement.

According to one estimate, and I have the article, Madam Minister, it's from *The Financial Post* of March 8, 1997, written by a Mr. Jonathon Chevréau, I believe it is. And he goes on to say in his article that a pension consultant, a gentleman by the name of Malcolm Hamilton of William Mercier Ltd., is talking about the amount of retirement savings that one would have to have in order to compete — not necessarily to compete but in order to match people who have no retirement savings whatsoever.

And I think in this day and age it's important that we as governments and as government representatives and MLAs (Member of the Legislative Assembly) and MPs (Member of Parliament) and everyone else across Canada recognize the importance of saving for our old age security into the future and do everything we can, I think, as representatives and as government to promote the idea that people should be saving for themselves in their retirement years.

Anyway, he calculates that a retired couple, a retired couple in the lowest tax bracket would need a combined RRSP of more than \$250,000 — a quarter of a million dollars — just to match the 18,440 tax-free seniors' benefit available to those who have not saved for their retirement income.

And I think it's, I think it's very, very important that we point out the significant level of claw-back that the federal government is promoting here — some 50 per cent plus of a claw-back from people who have done what I think is the right thing to do and have saved for their retirement through RRSPs.

And I'd like you, Madam Minister, if you wouldn't mind, to comment on that.

(1500)

**Hon. Ms. MacKinnon:** — Well again I agree with the concerns raised by the member opposite and I would add a couple of other points. Two years ago they also clawed back a seniors' tax credit, and the argument was that they were going to start clawing it back at a level of affluence — the level of affluence was below \$30,000. So they're beginning to claw back the funds of seniors who are living on very modest incomes. And that one is already in place and has been in place for one full tax year.

We are also concerned about some of the changes to Canada Pension Plan which hit elderly senior women particularly hard. So I share your concerns.

**Mr. Boyd:** — Thank you, Madam Minister. I think what it does is it encourages people to, essentially, to blow their money

before retirement or hide it in mortgages or loans to their children rather than in trying to look after themselves in their retirement years. I think this scheme will ultimately be more costly for taxpayers and promotes an attitude of dependence on government. And I think that's something that we most certainly shouldn't be doing.

David Lewis, editor of *The Tax Letter*, describes this as, quote, "One of the most pernicious, punitive, confiscatory tax grabs to come out of Ottawa in a long time," Madam Minister. And I think it's critically important that we alert the people of Saskatchewan and the seniors of Saskatchewan as to what this is going to do for them.

Because you know the RRSP program hasn't been . . . oh it's been around for a good number of years, I guess, but a lot of people, it's only in recent years have been, I think, understanding clearly the benefits associated with saving for their retirement.

And now we see a situation where they, if they haven't been able to save a quarter of a million dollars — and I'm sure you would agree that's a tremendous amount of savings that you would have to come up — are in a very bad position, where they might as well have not saved anything. Might as well have not saved a dime and just allowed the government and looked for the government to look after them in their old age.

And I think that that's something that we don't want to promote. And I can't for the life of me understand why the federal government would want to be moving in that direction when their public statements have always been to the effect that people have to prepare themselves for their old age and prepare themselves and their families and their spouses for the fact that at some point they won't have the capacity to earn like they may have prior to their retirement.

So, Madam Minister, I think it would be incumbent upon this government to continue, if you haven't already, to continue to point out to the federal government your concerns and the concerns, I think of all of the seniors of Saskatchewan in this area to the federal government. And as well I think it might not be a bad idea if your department, Madam Minister, through its budget that I assume it has for advertising, make it clear to the people of Saskatchewan, particularly now perhaps as we're into a federal election campaign, about the significance of this change in the RRSP program.

And I wonder if you'd care to comment.

**Hon. Ms. MacKinnon:** — Well I think the member opposite has raised some valid points. And the other point that I would add is, is there hasn't been any coordination amongst these different changes. At the table when we were talking to the federal government about the Canada Pension Plan, the changes that are occurring in the Canada Pension Plan are not being related to the changes that are occurring in the Old Age Security. They're not being coordinated with the changes made to the RRSPs and they're not being coordinated to the reduction in the seniors' tax credit.

So besides that, there's not an overall kind of vision to this.

There's a series of ad hoc measures that don't properly integrate with each other.

**Mr. Boyd:** — Perhaps, Madam Minister, the other area that we and others should be concerned about is, it is our understanding that the federal government had promised to consult, had promised to consult with their provincial counterparts before this program was announced and introduced.

And I wonder, Madam Minister, if you could confirm for the people of Saskatchewan whether or not your department was consulted as to what these changes were and whether you had any input or direction or had the opportunity to provide any thoughts on the implementation of this program before it was announced.

**Hon. Ms. MacKinnon:** — Mr. Chairman, no there wasn't; it was just done unilaterally.

**Mr. Boyd:** — Has your department, Madam Minister, worked through any estimates on how this will affect future retirement savings in Saskatchewan? If you haven't prepared or done any studies with respect to this, perhaps you and your officials might want to offer a view as to what the likelihood of people moving away from that retirement savings vehicle in the future is.

**Hon. Ms. MacKinnon:** — Mr. Chairman, we really don't have enough details from the federal government to do that kind of modelling yet.

**Mr. Boyd:** — Have you, Madam Minister, have you given any thought to perhaps having some of your actuaries look at, and some of your policy people look at this area of concern and look at perhaps ways to address it, perhaps ways to fight the federal Finance department on this issue, and perhaps ways to illustrate the unfairness of a system that penalizes people for saving.

**Hon. Ms. MacKinnon:** — Well, Mr. Chairman, obviously we share some of the concerns that the member's raising, but we still don't have enough detail to give you any conclusive answers except to say we're working on it.

**Mr. Boyd:** — Thank you, Madam Minister. That is an area I think that people in Saskatchewan should be very, very conscious of and very, very concerned about when it comes to saving for their retirement here in Saskatchewan. And I hope — I sincerely hope — that you and your department will be doing everything they possibly can to raise this issue with the federal Liberal government.

Who knows, in the next few weeks they may not have opportunity . . . you may not have opportunity to raise it with the same people. But perhaps it's an area that you will want to continue to raise with the federal government with respect to relations with the federal government; and the protection of our seniors and their seniors' retirement income plans that are vitally important to the well-being of our seniors.

And I think it's incumbent, Madam Minister . . . and I would urge you and your department to look into this as closely as

possible and perhaps come up with and work towards studies as to what kind of impact that this'll have on Saskatchewan seniors.

**Hon. Ms. MacKinnon:** — Well, Mr. Chairman, certainly I've met with lots of seniors' groups and share their concerns and have raised these issues with the federal government and will continue to do so.

**Mr. Boyd:** — Thank you, Madam Minister. Moving on to some other subjects now.

With respect to the whole area of VLT (video lottery terminal) income or VLT generated to your department and the promise that you and your government made to the municipalities of Saskatchewan with respect to the revenue sharing of those revenues gained from gambling, I'm wondering, Madam Minister, at what level of discussions do you continue to have with municipalities with respect to this issue?

**Hon. Ms. MacKinnon:** — Mr. Chairman, I'm not aware of any ongoing discussions about that issue.

**Mr. Boyd:** — Does that mean, Madam Minister, that this issue has been concluded and that there is no intention with your government to share revenues with the municipalities in this area?

**Hon. Ms. MacKinnon:** — No plan at present to do so. No.

**Mr. Boyd:** — Well, Madam Minister, I think that creates a problem then for a lot of people across Saskatchewan and a lot of people that I think in municipalities all across Saskatchewan were of the belief that you were going to fulfil that campaign promise that you made in 1994 or '95, somewhere in that time frame prior to the provincial election, with respect to the whole area of revenue sharing from gambling proceeds.

And I think frankly, Madam Minister, I think that's an area that a lot of people . . . You gained I would think some degree of support for your stand at that particular time, that you would be moving to a situation where there would be sharing of VLT revenues. And I think, Madam Minister, that you and your government perhaps owe the municipalities of this province an explanation and certainly an apology for the fact that you haven't been able to keep your campaign promise with respect to this.

**Hon. Ms. MacKinnon:** — Mr. Chairman, to the member opposite, I guess unfortunately I'm going to have to get into this debate in a significant way. As is often the case, the member's quite twisting the facts here.

What occurred was this. We said to not only municipalities, we said to municipalities, we said to the teachers, the SSTA (Saskatchewan School Trustees Association) — the trustees — we said to SAHO (Saskatchewan Association of Health Organizations) — the health organizations across the province — sit down and see if you can come up with a plan to redirect some of the VLT revenue back to communities. They were not able to come up with any plan that they could agree upon. Municipalities took that particular process and tried to say our

intention was to give money to municipalities for revenue-sharing. It never was part of the intention at all. So there was no agreement as to how we would put money back into local communities from VLTs.

At the same time there was pressure on the provincial government, as your colleague was mentioning, because of the massive federal cuts to health and education. So our decision was, the best way for us . . . Because of the lack of agreement by people in education and in health care and at the municipal level about a common scheme, the best thing that we could do was to put, as we did, quite literally hundreds of millions of new dollars into health and into education — in the local health boards, in the local school divisions — to protect them from some of the federal reductions that were occurring.

So from our point of view, that issue was dealt with in a very fair and reasonable way and local communities are benefiting very dramatically from the revenue that we get from all sources.

**Mr. Boyd:** — Well then, Madam Minister, why is it that you . . . why do you suppose that we continue to hear, and hear outrage from the municipalities all across Saskatchewan with respect to your promise of sharing the revenue gained from VLT gambling here in Saskatchewan? Why is it that that continues to be an issue if you were as benevolent as you like to lead everyone to believe?

**Hon. Ms. MacKinnon:** — Well, Mr. Chairman, I don't know. Perhaps the members opposite do a very good job of whipping this up. But I think the misunderstanding was there was never an intention to put money into the hands of municipal governments. The intention was to ensure that in a very visible way money was going back into local communities. Our conclusion was, the most visible way to put money back into local communities were through things like local health boards, and to increase, as we have very dramatically, the funding for local health boards.

**Mr. Boyd:** — Thank you, Madam Minister. I think that's a very, very clever way of trying to convince people that you actually did what was the right thing. And, Madam Minister, I don't think that you can convince people that you did the right thing in that area because I think it was clear that many, many people across Saskatchewan that were in that capacity, with health boards and SAHO and education groups and municipalities, both rural and urban municipalities, were of the belief that they were going to be sharing from the revenues of VLT gambling.

And you, Madam Minister, took great . . . I think great delight in providing people with that kind of a view, that that was going to be a solemn commitment from you and your government with respect to this whole area, Madam Minister. And I don't think it's gone away. I don't think that you even believe that it's gone away and that it'll continue to be highlighted by municipalities all across Saskatchewan.

It's an area that we continue to hear about. It's an area that we hear and see responses from municipalities all across Saskatchewan, petitions that still seem to be going around Saskatchewan with respect to this issue. And it just simply isn't



going away, Madam Minister, because — and I think it's very simple — the reason is, is because you made that kind of commitment to people, and because you made some sort of a half-hearted effort at negotiating between the various groups, somehow or another the public is just supposed to accept the fact that you were not willing to stay at the table long enough to hammer out an agreement with the various interest groups with respect to this area.

(1515)

So, Madam Minister, I don't think the issue is dying at all. I think there continues to be a great deal of concern. There continues to be a great deal of concern about the whole area about VLT gambling in Saskatchewan. There continues to be concern about the loss of revenue to charitable organizations, the inability of charities to fund-raise within small communities, primarily small communities in Saskatchewan these days, on very important charitable areas.

So, Madam Minister, I just think it's incumbent upon you to provide the people of Saskatchewan and those stakeholders with an explanation and an apology to them.

**Hon. Ms. MacKinnon:** — Mr. Chairman, I've already given you the explanation and I know the member opposite will continue . . .

**An Hon. Member:** — Just give me an apology then.

**Hon. Ms. MacKinnon:** — Yes, right. The member opposite will continue to twist this. It's amazing what the member opposite will actually try to say.

But I think the point that I would make to people in rural Saskatchewan, is we've shown our commitment to them in this budget. I've got a list of some of the things that affect primarily rural people. Million dollars new money to be invested in RCMP (Royal Canadian Mounted Police), primarily in rural areas; 2.5 billion over the next 10 years for roads and highways across the province; 23 million new dollars for municipal infrastructure projects; \$117 million for training programs all across the province; \$57 million new dollars for health districts across the province.

So I think we've shown our commitment to people all across the province including to rural Saskatchewan.

**Mr. Boyd:** — Thank you, Madam Minister. I'm not sure this is an appropriate forum to . . . this estimate that is, to ask you this question, but I'll ask it anyway. You might want to make some policy on the fly here, I don't know. Probably not, but we'll see.

We've heard concern, Madam Minister, with respect to VLTs not being available in a number of facilities or groups within Saskatchewan, like the Legions, and people like that. They've met, I understand, with the minister responsible on numerous occasions with respect to this and I think the question is, is they're wondering why, why they haven't been able to have that type of fund-raising of machines available for their patrons?

**Hon. Ms. MacKinnon:** — Mr. Chairman, I always think it's

dangerous to make policy on the fly so I think you'll have to ask the minister responsible.

I would remind the member opposite that one of the things we did commit to was a cap on the number of VLTs in the province. So if you're asking for all of these new groups to be added on to the list, are you saying that you wouldn't cap the number of VLTs in the province? But beyond that, I'd ask the minister involved.

**Mr. Boyd:** — Thank you, Madam Minister. The last area that I have that I wanted to discuss with you this afternoon was of course the overall provincial budget. As you know, and myself and a couple of my colleagues voted in favour of the budget. And I want to point out to you some of the reasons. Basically there's only a couple of reasons why we did support it . . . or why I did support it. And why I think that you shouldn't draw any, any great degree of comfort from the fact that we supported it.

Madam Minister, I supported your budget for one reason, I think, and one reason only and that was with respect to the provincial sales tax reduction from 9 per cent down to 7 per cent. In my constituency of Kindersley, I think you realize how extremely important that particular issue is to the people of that constituency, the merchants of that constituency, the business community, and certainly other areas within that constituency.

Madam Minister, in my constituency of Kindersley, if people were going to go on a shopping trip say 15, 10, 15 years ago, the city of choice that they went to invariably was Saskatoon. The trading pattern from that area was to go to Saskatoon for perhaps a Christmas shopping trip or a trip in August or something of that time frame to prepare, you know, buying school books and clothes and stuff like that for their children to prepare for the onset of the school season.

And that was, I would say, at least 95 per cent of the people if not more, went to Saskatoon for that shopping trip. Now, Madam Minister, there's been a dramatic shift in that the shopping patterns of people within that area, my constituency . . . and I think that extends all along the west side of Saskatchewan — the Maple Creeks and the Leaders and even as far in as Swift Current certainly on the other . . . further north right up to Lloydminster; although of course as you know, Madam Minister, Lloydminster has the tax exemption there with respect to the provincial sales tax.

But what has happened over the last number of years — and North Battleford is another good example of this as well — what has happened, Madam Minister, over the last number of years is shopping patterns have dramatically shifted. Within our area now, as I said it used to be about 95 per cent if not higher, percentage of people that if they were going to go anywhere they were going to go to Saskatoon.

I would say it shifted now to something like 50 per cent are continuing to go to Saskatoon and the other 50 per cent are going to either Medicine Hat, which consists of the largest group, or perhaps Calgary. And if you get further north, it's Lloydminster because of the tax-free status within the city of Lloydminster.

And I think that that illustrates the significance of the problem that has been in place as a result of the provincial sales tax. And I'm sure, Madam Minister, you're going to argue about the fact that it's been around a long period of time and everything. But frankly, I don't care about that. And I don't think the people of Kindersley care about it.

I think they want a government to address it and address it as quickly as possible. I think they want, Madam Minister, for you to look to continued tax relief when it comes to the provincial sales tax, to put their business or their opportunity to buy goods in a competitive position with Alberta.

Because I think we'll continue to see that trend escalate. We'll continue to see the fact that people are leaving Saskatchewan and taking their hard-earned dollars — what is left after taxes in this province — and taking them elsewhere to shop. And any one that lives along the west side of Saskatchewan knows how very important that issue is.

And that, Madam Minister, is why, when it came it to the whole . . . the provincial sales tax and the issues surrounding it in the provincial budget, I felt that I had to — had to, absolutely had to — support any reduction in the provincial sales tax just simply based on the fact that I have given the commitment to the constituents of Kindersley and to the people of Saskatchewan through our campaign in 1995, the provincial election campaign, that we would work towards a provincial sales tax reduction here in the province. So that is the reason, Madam Minister, that we felt — I felt — that it was important to support this.

And I want to try and convince you this afternoon here, Madam Minister, to stay on track, to stay on track for future reductions in the provincial sales tax. And we would certainly offer up any help that we might be able to in providing you with areas of further reductions of government spending and allow for the offset of revenues that are lost from future reductions in the provincial sales tax.

Madam Minister, that I think is, in a nutshell, the reason why I felt compelled to support your budget.

The other . . . The concerns that we have with respect to your budget are still there. They're still there in terms of high tax loads in many areas. They're still there in terms of wanting to support you and convince you to keep on track in terms of deficit reduction here in Saskatchewan. The deficit has been addressed — debt reduction I should say, debt reduction here in the province of Saskatchewan. Because I don't think we're out of the woods at all, Madam Minister.

And I guess you and I can debate all afternoon about where the debt came from and all of that kind of stuff. But the fact of the matter is, Madam Minister, that is history, and that is I think something that people want, I think, us as legislators here in Saskatchewan to set aside and start looking at solutions rather than assessing blame. They want solutions in terms of what we're going to do to drag down and work towards reducing the provincial debt here in Saskatchewan.

And again, Madam Minister, I would offer our support and our encouragement in areas of debt reduction here in the province, and I'd be more than happy to provide you with some examples if you chose.

But, Madam Minister, those are the areas that I wanted to point out to you here this afternoon with respect to the provincial sales tax. Continue good luck and continue with your stand that the provincial sales tax reduction was important. Continue, Madam Minister, to work towards reduction in the provincial sales tax in the future and continue with your work in terms of reducing the debt here in Saskatchewan.

So I thank you, Madam Minister, for your answers to our questions here this afternoon, and I thank the officials for their help in your answers here as well.

Item 1 agreed to.

Items 2 to 9 inclusive agreed to.

Vote 18 agreed to.

**General Revenue Fund  
Finance — Servicing The Public Debt  
Government Share  
Vote 12**

Item 1 — authorized by law.

**General Revenue Fund  
Loans, Advances and Investments  
Agriculture and Food  
Vote 146**

Items 1 and 2 agreed to.

**General Revenue Fund  
Loans, Advances and Investments  
Economic and Co-operative Development  
Vote 167**

Item 1 agreed to.

**General Revenue Fund  
Loans, Advancements and Investments  
Saskatchewan Opportunities Corporation  
Vote 154**

Item 1 — authorized by law.

**General Revenue Fund  
Loans, Advances and Investments  
Saskatchewan Housing Corporation  
Vote 143**

Item 1 — authorized by law.

**General Revenue Fund  
Loans, Advances and Investments  
Saskatchewan Telecommunications  
Vote 153**

Item 1 — authorized by law.

**General Revenue Fund  
Debt Redemption, Sinking Fund and Interest Payments  
Debt Redemption  
Vote 175**

Item 1 — authorized by law.

**General Revenue Fund  
Debt Redemption, Sinking Fund and Interest Payments  
Sinking Fund Payments — Government Share  
Vote 176**

Authorized by law.

**General Revenue Fund  
Debt Redemption, Sinking Fund and Interest Payments  
Interest on Public Debt — Crown Enterprise Share  
Vote 177**

Authorized by law.

**General Revenue Fund  
Loans, Advances and Investments  
Agricultural Credit Corporation of Saskatchewan**

Authorized by law.

**General Revenue Fund  
Loans, Advances and Investments  
Saskatchewan Crop Insurance Corporation**

Authorized by law.

**Supplementary Estimates 1996-97  
General Revenue Fund  
Budgetary Expense  
Finance  
Vote 18**

Items 1 and 2 agreed to.

Vote 18 agreed to.

The committee reported progress.

(1530)

**COMMITTEE OF THE WHOLE**

**Bill No. 2 — The Rural Municipality Amendment Act, 1997**

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

**Hon. Mrs. Teichrob:** — Thank you, Mr. Chairman. On my right is John Edwards, director of municipal policy and legislative services branch of Municipal Government. And on my left is Perry Erhardt, legislative officer in the department.

**Clause 1**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. Welcome, Madam Minister, to yourself and your officials.

Just have a couple of questions, Madam Minister, because we've been over most of this stuff either in question period or a number of other debates we've had.

I believe possibly this question I've asked you earlier, Madam Minister, but you've had somewhat of more time now to look at the six-year phase-in that you're bringing in.

Can you tell me right now how many — and I would presume it's only the cities that would consider using this — how many municipalities would be using this? Are any of the rural at all thinking of it?

**Hon. Mrs. Teichrob:** — Mr. Chairman, not that we're aware of. It was ... that clause was included to make the Acts consistent. And certainly if a rural municipality had a peculiar kind of industry or something of that nature that was different than the rest of their assessment base, they might want to exercise it. But to my knowledge none have to date.

**Mr. Bjornerud:** — Thank you, Madam Minister. I would think though with the next reassessment being done in 2000 and someone going by the six-year plan, would that not create confusion in itself?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the reason that the six years was chosen is because we had representations from municipalities, urban municipalities mostly, particularly with respect to their commercial assessment base and business assessment base. That they wanted ... some municipalities wanted 5 years, some municipalities wanted 10 years.

And being conscious of the point that you're making that when another assessment comes along in 2000, the year 2000, if there's a change, I mean is it due to the phase-in or is it due to the reassessment? So we thought that the most appropriate would be six years, which would be two cycles of the reassessment system.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, when the agriculture land assessment seemed to climb much faster or was assessed much higher than the urban land in many cases and you brought in the .84 factor to take some of the brunt of the shift from rural back to urban — as you know, I believe we've caused quite a rift between the rural municipalities, the urban municipalities, and actually problems for the school divisions themselves — was there not any anticipation at all that the rural was going to be ... the assessment was going to climb much faster than the urban properties?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, based on the market adjustment factor that was used, it was quite obvious that agricultural land has increased in market value proportionately much higher than other kinds of property since 1965. So it was known.

But at the same time the assessment in a number of smaller towns and villages, which have lost elevators and part of the accompanying maybe agri-business base, was also dropped. So until the actual numbers started to come through, we weren't confident of the magnitude of the shift. And when we became aware as the numbers started to come out, that is when we gave consideration to the mitigation on agricultural land for school purposes only.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, I believe that in other venues you've answered a number of my questions that I would have had today; that's all I have at this point; that I would like to tell you that I will be presenting an amendment as we go through the Bill.

Clause 1 agreed to.

Clauses 2 to 32 inclusive agreed to.

### Clause 33

**Mr. Bjornerud:** — Thank you, Mr. Chairman. I would like to:

#### **Amend clause 33 of the printed Bill by deleting it and substituting the following:**

**"33** This Act shall come into force when the Executive Council presents a structured plan to reduce the portion of education costs raised through the municipal property taxes back down to 40 per cent of the total."

**Hon. Mrs. Teichrob:** — Mr. Chairman, I see that the Clerk has had an opportunity to peruse the amendment, but I would suggest, with respect, it may very well be out of order because The Rural Municipality Act does not have any clauses relating to the funding of education. So in any event we will be opposing the amendment, Mr. Speaker.

(1545)

**The Chair:** — Is the minister raising a point of order?

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman.

**The Chair:** — Order, order. I would rule the . . . Order. I would rule the amendment in order. This is not dealing with education tax; this is simply a condition for the clause 33 before coming into order, this is a condition. So the amendment is in order.

**Mr. Bjornerud:** — Mr. Chairman, would I be allowed to speak to the amendment before we have the opportunity to vote on it?

**The Chair:** — Yes, any member can speak more than once in committee.

**Mr. Bjornerud:** — Thank you, Mr. Chairman. Mr. Chairman, I completely disagree with what the minister was saying because I think one of the biggest problems created by reassessment has been the education tax portion of it — the shift from urban to rural and then with the .84 factor back. And I think reassessment would have been a lot smoother had the education

tax not been on property tax at all. But being that it is, and the government of the day has been reneging on their share of it, has caused much more confusion. And I would hope the member, or the rural members across would take that into consideration and support this amendment.

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

The division bells rang from 3:48 p.m. until 3:53 p.m.

Amendment negated on the following recorded division.

### Yeas — 13

Krawetz	McLane	Gantefoer
Draude	Osika	Bjornerud
Belanger	Hillson	Julé
Aldridge	Boyd	Toth
Heppner		

### Nays — 20

Van Mulligen	MacKinnon	Mitchell
Johnson	Lautermilch	Upshall
Kowalsky	Teichrob	Trew
Lorje	Renaud	Nilson
Cline	Serby	Murray
Kasperski	Sonntag	Langford
Murrell	Thomson	

Clause 33 agreed to.

The committee agreed to report the Bill on division.

## **Bill No. 3 — The Urban Municipality Amendment Act, 1997**

### Clause 1

**Mr. Hillson:** — Yes, thank you, Mr. Chairman. The indications I have received is that this amendment will have little or no practical impact because, you know, it has come so late in the piece that municipalities really can't use a six-year phase-in. And of course in any event it seems very, very difficult to understand how you could mix a six-year phase-in with a three-year rolling reassessment. So how could you have a phase-in that's going to last longer than the assessment itself?

Now I realize that the minister's position is that assessment is a dynamic process that of course unfortunately this year seems to be changing on a weekly basis. But I'm going to ask her: how many municipalities have indicated their intention to use a six-year phase-in, and whether they're indicating they'll use it for their entire tax roll or for certain segments of the tax roll.

**Hon. Mrs. Teichrob:** — Mr. Chairman, certainly Regina and Saskatoon have made use of this provision, and we . . . this will be effective as of January 1. And they were given that undertaking by the Premier at the SUMA (Saskatchewan Urban Municipalities Association) meeting in January that this legislation would be forthcoming so that they would have that ability.

**Mr. Hillson:** — So when you say Regina and Saskatoon, is that

for the entire tax roll or is that just for commercial or residential or what portions of the tax roll will it be used for?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the local municipalities have got the capacity to be flexible, and they've exercised the phase-in on different parts of their tax roll. We don't make the decisions on that. In Regina there's some phasing-in of the residential. In Saskatoon it's being applied mostly to their commercial sector, I believe. But they have the flexibility to make those decisions themselves.

**Mr. Hillson:** — I realize that, Madam Minister, but I'm just wondering what indications you've received. And are you saying that Regina has told you that they will be using a six-year or longer than three-year phase-in for their residential tax roll?

(1600)

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman. The residential phase-in in Regina, I believe, is over four years. And in their commercial sector, the phase-in is longer than that. In Saskatoon as well there are longer periods of phase-in for different parts of the assessment roll.

**Mr. Hillson:** — As you know, Madam Minister, the underlying problem, I think, that all the municipalities are experiencing which has led to so much conflict at the local government level has been the fact that education is now funded 60 per cent by the property tax load. Traditionally it was funded as 40 per cent. What aid and comfort can you give that this province has a commitment to get back to the traditional level of property tax support? Or is the 60 per cent load on the local ratepayers for education, is that just going to continue going up, up, up?

**Hon. Mrs. Teichrob:** — Mr. Chairman, again the Premier made in his address to municipal associations a commitment that as we developed the fiscal capacity to make such a move sustainable, that we would begin to incrementally fund education more from the treasury, which would reduce the local tax load. But we don't have a time frame on that yet. We wouldn't want to do it one year and then not be able to sustain it. We need to be able to see it in the context of our four-year budget plan, that it is realistic and a sustainable timetable.

**Mr. Hillson:** — Can you say anything this afternoon, Madam Minister, that will give municipalities any confidence that assessment information will be supplied to them on a timely and accurate basis that will allow them to complete their work of finalizing the tax roll, getting assessment notices out, and setting the mill rate. As you know, that process has been very much delayed this year because of the difficulty in getting proper assessment information and because, in case after case, assessment information has been cancelled and new information issued and it's just led to unnecessary hardship in implementing reassessment. If the assessment valuations had been in the councils' hands six months to a year before reassessment, then this whole process would have been an awful lot smoother than it's been.

**Hon. Mrs. Teichrob:** — Mr. Chairman, municipalities did have their information by November of 1996, and the changes that were made were generally in response to questions that

were raised. So it was a massive job — a massive job — to reassess the whole province, and using 1994 values. I expect that in future years, as everyone has more experience with the new system and the new regime, that it will become more timely.

But I'd like to remind the member opposite that I am not the minister responsible for SAMA (Saskatchewan Assessment Management Agency); I am responsible for the SAMA legislation, but SAMA is an arms-length, independent body with the majority of their members elected by SUMA, SARM (Saskatchewan Association of Rural Municipalities), and the trustees association.

So if municipalities want to get guarantees for performance and so on, they should get in touch with their appropriate representative who sits on the board of directors of SAMA and directs the activities of that agency.

**Mr. Hillson:** — Madam Minister, we've had a number of discussions over the last few months about the fact that you tax municipalities, but municipalities can't tax the provincial. Now there's a new twist. The most recent story is that SGI (Saskatchewan Government Insurance) is going to make fire protection vehicles be licensed — not the engines themselves, not the fire engines, but other auxiliary vehicles owned by the fire departments. The city of Saskatoon says the bill for them alone will be \$15,000.

So here's another case of more money is going to have to be charged to the municipal taxpayer in order to send money to the provincial government.

Now I realize that you can say, well this is an SGI issue; but I assume you're talking to your colleague, the minister responsible for SGI, and here's another case where you've just added \$15,000 to the cost of operating the Saskatoon fire department. There will be presumably prorated costs the same for every fire department in this province.

Isn't this going in the opposite direction of where we want to get? That here's another case where you . . . you say in principle it's wrong for one level of government to be taxing another level of government, but here's a new area where you've just laid another heavy expense onto the costs of municipalities operating fire departments in this province.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I, as Minister of Municipal Government, haven't done that and I would suggest that these questions should be more appropriately directed towards the minister responsible for SGI. And I might comment, Mr. Chairman, that this issue has absolutely nothing to do with the Bill that's under discussion.

**Mr. Bjornerud:** — Thank you, Mr. Chairman. Madam Minister, I have a couple of questions to do with the . . . and I brought it to your attention before, but the town of Saltcoats and the number of appeals, I believe, is 50 plus that came out of that little centre. And I think that's amazing in itself and it should show us that there has been a tremendous oversight in the assessment and the numbers that have been brought up there.

Can you tell me if any other urban centre within the province has had that comparison of appeals come forth and that type of a problem brought to the forefront?

**Hon. Mrs. Teichrob:** — Mr. Chairman, we wouldn't get that data unless someone from the municipality called or wrote to volunteer that information. But I'm aware of the ongoing dialogue in Saltcoats. I understand that there was a court of revision held on May 6 and 7. And that apparently all the appeals have not yet been heard and that decisions will not be rendered until . . . well the guidelines are, 15 days after the last appeal has been heard.

So they're in the process of appealing now, and making their comparisons with other like properties. So if there are some unique circumstances in Saltcoats, the court of revision will review that and make their decision in due course.

**Mr. Bjornerud:** — Thank you, Madam Minister. And, Madam Minister, I'm not pointing the finger at you in this case because I do know how the system works with three, three, and three. But I think where my frustration and the people of Saltcoats's frustration comes in with this, is that no one body is over SAMA.

And as a reeve I had problems with SAMA from time to time and didn't disagree with some of the things they do, and yes I could go to SARM and say to the . . . SARM was representing us, that I didn't like what was happening.

But with the current system set up as it is, on a three-three-three basis, SAMA can go along and do anything they want in this province, answer to no one, and when we get a problem come up like we have in the town of Saltcoats — and once again, Madam Minister, I am not pointing the finger at you — but what I am saying is this system is flawed when no one is over SAMA individually at some point. And my understanding of how this should work is that, even though SARM, SUMA, and the government have three members on this board, someone has to take a leadership role when there is a problem such as there is in the town of Saltcoats. And there's definitely a problem when this many appeals come forward and SAMA gets away scot-free.

And I have much problem with the way SAMA does some of the things and the attitude that they show towards the taxpayers of this province, when the taxpayers of this province, as you know, are paying requisitions to run SAMA. Someone, Madam Minister, has got to take the bull by the horns and straighten this mess out.

I would suggest that if we ever got to the point where SAMA was going to be disbanded . . . and this is probably the question I would like to ask you now: who set up SAMA in the first place? I believe it was government. And if SARM and SUMA and yourselves, as the representatives on that board, felt that there was a time to disband SAMA and get rid of it, is that a possibility? If it is a possibility, who would do that?

Because, Madam Minister, right now we have SAMA actually running around this province like a chicken with its head cut

off, and nobody is answering the questions for the people of Saltcoats, for that matter anybody else in this province that has a problem with them.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I need to take exception to the member's statement, because I often receive copies of letters and reports of public meetings that have been written to and from SAMA from municipalities regarding the assessment practice and results. And as far as I can see they are being as diligent as they can in trying to attend to those problems.

And when you talk about the operation — I mean are you saying that you're not in favour of democracy? The majority of the board of directors of SAMA are elected and if mistakes are made, that's what the appeal process is for. So I just don't agree with the statements the member opposite is making about the operation.

**Mr. Bjornerud:** — Well, Madam Minister, we're going to continue to disagree on this, because if you agree that no one individual body has, other than the way . . . We're passing the buck here. We can pass the buck from SARM to SUMA to the government, and we continually do this and the problems stay out there.

And if you don't agree that there is a big problem within the town of Saltcoats when you get 50-plus appeals come out of a town of that size and no one is addressing this problem . . . And SAMA, some of the people they have sent out there has that holier-than-thou attitude, that if you don't like what we do, that's too bad — you are stuck with it because we are the assessing power. No one has the right . . . Yes, they are appealing, but it costs them money and I'm afraid at the end of the day that SAMA is going to not have to go back and address the problem.

And what I am saying is somebody has to be responsible, Madam Minister. And again I am not pointing the finger at you. I know the position you're in here. What I am suggesting, that there has to be a system set up, that at some point somebody is really the overseer of SAMA and where we can't keep passing the buck from one part of government to another.

**Hon. Mrs. Teichrob:** — Mr. Chairman, in answer to the member's earlier question, the SAMA was created by legislation in 1987 by the previous administration. When they had partially achieved their task by 1991, by the time this administration was elected, we had a choice to make as to whether to continue in that way.

When we reviewed the situation we found that the creation of an independent agency to carry out assessment was a recommendation of the Local Government Finance Commission that had held hearings throughout the province in the early 1980s. I think they reported in 1984. And that municipalities said loud and clear at the hearings of this commission that they wanted to own the system. They did not want assessment to be a function of government. And so the agency was set up by the previous administration on the basis of that recommendation.

So when we reviewed the history and municipalities had said

they wanted it to be independent of government, and we had . . . the government had funded SAMA operation from the time the Act was passed to the stage in 1991. So the decision was made to carry on with that model in response to the municipalities wanting it.

We did make some legislative changes later on which allowed for the election of the board at annual meetings instead of having a whole board appointed by government. But that is what the board is for. The board of SAMA is to direct the operations of SAMA. They are in the driver's seat. And they hire the employees, they set the goals, and they're elected. It's a democratic process.

So if the organizations that they represent think that the current board is not doing a diligent job, well they have the opportunity at the annual meeting of SAMA to replace those members. And so in the meantime, I can only say that is the role of directors. And if urban municipalities have a problem with SAMA, they should take it up with the urban representative or any of the representatives on the SAMA board. Operating SAMA is the job of the board of directors.

(1615)

**Mr. Bjornerud:** — Thank you, Madam Minister. I guess we're going to continue to disagree, because I believe with three, three, and three, the way the current board is set up, it really . . . And I know in this case, your hands are tied, SUMA's hands are tied, SARM's hands are tied, and it seems we are getting nowhere.

Madam Minister, I want to thank you for your responses but I would like to caution you that this problem is far from over.

**Mr. Heppner:** — Thank you, Mr. Chair. And welcome to the minister and her officials this afternoon.

One of the clauses of this Bill requires villages between 500 and 100, or some place in those low numbers, to employ an administrator that's certified by the Urban Municipal Board. And having been involved in small communities, my question is, why is this necessary?

**Hon. Mrs. Teichrob:** — Mr. Chairman, it's certainly in the interest of municipalities to have a qualified administrator. This has been a requirement of rural municipalities for some time. I think it's a positive step forward. Most of the administrators are very well qualified. There are some exceptions. And we think . . . And municipalities believe that it's in their interest to have well-qualified administrators.

**Mr. Heppner:** — If we look at the communities that fit into this category, with almost no exceptions these are not communities that are growing. These are communities that are fairly stable in what's happening there. There are very few new ventures that are happening out there. They are not growing; they are not buying up land; they're not in the new developments.

The job that they do is one that is being done in many of these communities by an accountant or a well-qualified secretary; does that very well. And so specifically, what benefit could

communities of this size gain in getting a professional administrator?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, for one thing, in the interests of leaner government — and in response to it, that's what people say they want — our municipal advisory services branch is not staffed to the extent that it once was.

And the job of an urban administrator is much more than simple accounting. There are issues of bylaw preparation and passage, understanding assessment and taxation issues, licensing matters, and a host of other responsibilities that urban administrators have to deal with regardless of the size of the community.

So if these things are to be done properly, the administrator should be familiar with all of these things. In smaller municipalities the volume may be less but the principles are the same.

**Mr. Heppner:** — Thank you, Madam Minister. The kinds of things that you're talking about that apply to those small towns, they do not create a raft of bylaws. The pet bylaw they had 50 years ago is probably adequate, and changing a pet bylaw does not require some sort of administrator with some high qualifications. These are things that the mayors and the councillors of those communities can understand very well.

And you're saying this is brought about by the fact that your department's been downsized, so in effect here's another opportunity to offload by the provincial government onto communities. And this time you're taking communities of 100 to 500 and you're asking them to hire a well-qualified person and pay him those particular prices.

So my question then is, what is the added cost of a village hiring a professional administrator instead of making their own arrangements?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the certificates of qualification can be gained through a correspondence course. It's not very expensive and most administrators, or a large number of administrators, do voluntarily want to improve their credentials and their knowledge, and many of them take these courses.

So it doesn't necessarily have to increase the cost to the municipality, but it does mean that the 225-or-so municipalities between the population of 100 and 500 will have well-qualified administrators.

**Mr. Heppner:** — Madam Minister, I would suggest to you just the opposite. It does very definitely increase the cost. Because the minute that that administrator has another title behind their certificate, and it doesn't matter whether they took it by taking classes by correspondence or whatever, they're going to walk up to their council, Madam Minister, and they're going to put right in from of them on the table of that council and say, here's the wage scale that I am now and I want that particular raise. You're dealing very much with a union mentality out there and those particular administrators will put down, right on that table, I've gained another certificate, I've gained another letter

behind my name, and this is what I'm now worth.

The job hasn't changed. They could do it before, but they have that other title that you're now requiring them to have, and so there is a very definite cost to every one of those municipalities for what you are asking them to do.

My question is, where did the suggestion come from to make this particular amendment?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'd like to point out to the member opposite that UMAAS, the association of urban administrators, has, to their credit, held a number of workshops and has a sound education and information program for administrators, and they support this. They support this.

**Mr. Heppner:** — Thank you, Madam Minister. I have no doubt they support that. It's hard to believe you could go to a union that's asking for an increase of wages, or any particular group who's asking for more money, and say would they not support it. They definitely would.

My question is, did you consult with any of the communities to see if they wanted it?

**Hon. Mrs. Teichrob:** — Mr. Chairman, we consulted SUMA as well. And I'd like to take issue with the member opposite, in that this doesn't happen. I can tell you about the municipal office where I used to be the reeve and there was qualified, superior A certificate rural administrator, who also had urban administration credentials, and every single clerical staff in that office has achieved, through the correspondence course, with tuition paid for by the municipality, their superior A certificate. Like the file clerks and the people who deal over the counter with the public all have superior A certificates. And not one of them in the 10 years that I was there, and to my knowledge the last six years since I haven't been there — the same employees all there — they never asked for increases above and beyond the wage scale they were on by virtue of the additional qualifications.

They were conscientious; they wanted to be sure that they were doing their job in the most efficient and effective way possible; and they voluntarily took those courses to improve their credentials and improve their effectiveness.

**Mr. Heppner:** — Thank you, Madam Minister; you made my point exactly. When they take those other credentials and get those other certificates, they fit on a different point on the wage scale. You said they weren't asking for anything more than the wage scale sort of put them at. That wage scale is their wage scale and it goes up with the certificates they have, and when you require them to have those, they're there.

And I as well, as you know, have served on municipal boards, and without exception — without exception — when we had an administrator that took another one of those courses, the paper was put on there and say, I'm now worth more money. The job hadn't changed, but it happened. And that's why when I asked had that come from individual municipalities and what kind of support did you have for that, obviously the support there was very weak.

Under section 6 this Bill requires that municipalities prepare their own financial statements rather than rely on an auditor, as many of them do. What benefit do you, the municipalities, or the provincial government gain from this?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the reason's that the administrator is to prepare the financial statements for the municipality and then have them audited, because the job of the auditor is to audit. If the auditor prepared the statement, then he'd have to have another auditor audit it. So it makes sense that any qualified administrator should be able to prepare a financial statement and then has it audited by an independent third party. But if they were doing both functions they'd be supervising themselves, which is not appropriate.

**Mr. Heppner:** — Dealing with the assessors: will the assessors have any regulatory guidelines to constrain them or will they be able to make personal judgement calls?

**Hon. Mrs. Teichrob:** — Mr. Chairman, assessors have very little leeway because they have to follow the provisions of the Act and the assessors' manual, which is consistent across the province.

**Mr. Heppner:** — With the reassessment taking place, why do we not allow, in this particular case, taxpayers to state their case before raising their assessment? What happens now seems to be the principle of no taxation without representation seems to be a problem, in that they have to do it after the fact and the thing is in place. With the changes that are there, it would have seemed that they could have dealt with that ahead of time.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I don't know how you would appeal before you know what the assessment is, and that is what the appeal process is for. And if the . . . there is also open houses that SAMA attends. The administrator might be able to explain the rationale to an individual ratepayer for their assessment. And if all that fails, they have the right to appeal, to be heard; and if they have to pay a fee for that, if they win, even partially win their appeal, the money is refunded.

**Mr. Heppner:** — Okay, that took care of my questions, and I'd like to thank the minister and her staff for the answers that we did receive. Thank you.

Clause 1 agreed to.

Clauses 2 to 38 inclusive agreed to.

### Clause 39

**Mr. Hillson:** — Yes, Mr. Chairman, thank you. I rise to propose an amendment to this section. And the amendment, which I am sure colleagues opposite will agree is a very fine amendment and one desperately needed, reads as follows:

This Act shall come into force when the Executive Council presents a structured plan to reduce the portion of education costs raised through municipal property taxes back down to 40 per cent of the total.



Mr. Chairman, the minister has already said that the Premier admits this is needed. So she's really not breaking new ground to say that she's prepared to sign on with this.

Really we all, we all agree that the chaos caused at local government level is because we have pushed more and more education costs down onto property. Some of the education costs should properly be borne by property, but we can't continue escalating the proportion of education taxes for ever. We've already raised it from 40 to 60. Where is it going? Let us have a commitment that we'll get it back down to the 40. This will stop the infighting between school districts and municipalities.

(1630)

The minister admits that this is where we have to get back to. This amendment gives her the structure to put something behind her words, put something behind the Premier's words. She's already told us that she's in favour of it. The Premier's in favour of it.

Okay, Madam Minister, put your money where your mouth is. Vote in favour of this amendment. Accept this structured amendment so that we get back to where we were, back to where we should be — 40 per cent of education costs borne by the property ratepayers — and quit escalating education costs on the backs of property owners ad infinitum.

Therefore I so move, Mr. Chairman, and I call on all members of this House who are concerned about this issue to join in supporting this very worthy amendment.

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

**The Chair:** — Why is the minister on her feet?

**Hon. Mrs. Teichrob:** — I want to say, Mr. Chairman, that we will be opposing the amendment.

**The Chair:** — Well would the minister wait until the question is . . .

Amendment negated on division.

Clause 39 agreed to.

The committee agreed to report the Bill.

### **Bill No. 13 — The Agricultural Credit Corporation of Saskatchewan Amendment Act, 1997**

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

**Hon. Mr. Upshall:** — Mental lapse there on Carl's last name. With me is ACS (Agricultural Credit Corporation of Saskatchewan) . . . Norm Ballagh, the head of ACS; and Carl Neggers to my right.

#### **Clause 1**

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And I would like to welcome the minister's officials here this afternoon. I know earlier in the afternoon the minister was begging questions of me so I don't want to disappoint in this regard, but I will be brief. I don't have that many questions.

The dissolving of the Ag Credit Corporation, I believe was announced in the 1996 budget. I guess one of the questions I'd have, given that the Act wasn't amended that year, is, what really changed since then to make these amendments necessary now than . . . Why not a year ago, I guess would be one of the questions I'd like to put to you.

I'd be curious to know what would be the total dollar value of the Ag Credit portfolio that is eventually to be sold to third parties. I guess another way of putting it too, another way of answering it would be, how many of your, I guess we could still call them clients, how many of your clients are up to sale? Or up for sale I guess, so to speak.

**Hon. Mr. Upshall:** — Yes, thank you, Mr. Chairperson. The reason that the amendments were put in this year instead of last year is that the decision was made last year and then we took the time to figure out exactly what was going to happen. When you wind down a corporation like this, you've got lots of options.

We had meetings with financial institutions and looked at other jurisdictions that wound down, for example New Brunswick wound down their credit corporation. And just a matter of timing and deciding what had to be done and what processes had to be put forward. What we actually had to do . . . the technical detail of winding down a corporation, providing all those options and then deciding what amendments we needed to fit those, to accommodate that wide variety of options.

It's hard to . . . If the corporation were to be sold to another party, you don't know how much money would be in it. Because right now, if it were to be sold today, if somebody wanted to buy it — there's nobody knocking on the door — but if somebody wanted to buy it, it would be a value of \$263 million a portfolio — 263.

**Mr. Aldridge:** — Thank you, Deputy Chair. The minister just answered what was another question I was going to put to him. But going back to the time that is elapsed since the announcement of the dissolution of the Ag Credit Corporation, during that period of time, did that involve writing down a significant number of loans on behalf of clients; was that part of the process or was it very much one of studying other jurisdictions or . . . I suppose if you would perhaps give us, in terms of the number of clients whose loans may have been wrote down with ACS, and how many dollars we are talking about there.

I know given . . . as you say, the current portfolio is valued at something around 263 million, but what would have been the extent of write-downs to date?

**Hon. Mr. Upshall:** — I'm not sure I know exactly what the question you're asking is. But as far as the restructuring, or write-downs as you put it, the restructuring of clients'

portfolios, the wind-down of ACS did not have any effect on that. We continued . . . we made a decision — what, three years ago basically — to handle each case on what we call a businesslike basis, case to case.

If, I mean, if we were spending \$5000 of lawyers' fees to chase \$4,000 of credit that was highly unlikely that you were going to get, because there was no equity, then you wouldn't do that. That's just a good business decision. And so we handle it on a case-by-case basis.

But I'm not quite sure what you mean as to the value of the write-down. You mean over the entire life of the corporation? Or since we made the decision to wind it down? Maybe you could just explain that.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. I had I guess referred to the period of time that's elapsed since the announcement was made in the 1996 budget. But if you have both available, I'd certainly appreciate both of those figures.

And before I take my place, just would invite some further comment with respect to, as you still refer to them as clients of ASC and will be until they're essentially sold to the highest bidder, could you make some comment with regard to this: and that is, that I'd suggest that perhaps these third parties who these loans, these accounts, will be sold to may not be quite so farmer friendly as perhaps has been the experience of the past. Is the department taking any action to try and alleviate any actions by third parties against these clients who in essence are being sold?

(1645)

**Hon. Mr. Upshall:** — As far as the farmer-friendly institution is concerned, we would certainly scrutinize any turnover of any portion of the corporation. But you must remember, in reality — you're a farmer — if you go to a banking institution or a credit union for a loan you have to list your net worth, you have to list all the other loans that you have with other institutions and what's outstanding and what's not. And the reality is, on an individual case-by-case basis, the lending institutions have an opportunity to pick off sort of the better clients, okay, and really don't have an interest in the entire portfolio.

But the second thing I would want to say is because of our policy . . . we implemented a policy of the interest rate being cost-of-funds. And you will know that over the years the cost of funds for ACS, when the interest rates were high when we're still tied into some of those, would dictate that in some cases the ACS interest is actually higher than the interest a farmer could get at the bank. But we made a policy decision that we would not be subsidizing any more because of our tough financial situation we were in and so we said, set the rate at cost-of-funds.

So yes, there would be a concern. I think if it was some, you know, maybe . . . We wouldn't be selling to a disreputable operation. We'd check that out. But in many cases individually, the farmers might get lower rates. That's just the way it is.

Now with your other question, from April 1, 1996 to December

31, 1996 — I won't give you individually; I'll give you the total — but this includes capital loan program, production loan, livestock cash advance, spring seeding loan, calf . . . and that total is 32.71 million of write-off during that period of time. The total, and this is an astounding number to me, but the total loan losses, from program inception — I've seen this number before; I'm always surprised by it — is 297.75 million.

**Mr. Aldridge:** — Well thank you, Mr. Deputy Chair, and to the minister, yes it is indeed an astounding figure. And I guess it does lend itself to wonder why we entertained to leave the matter roll on as long as we did.

I think though that I would still have to ask one more question and it concerns confidentiality with respect to information, that what were your clients, or still are your clients, in terms of informations that they had provided at one time to the department, to ACS in this matter, thinking that they would remain as such with government, so to speak, and now in fact as a result of what is to happen at some point in the future here, the information will rest with a third party.

Do you have some reservations? Because I think there are some reservations being expressed on behalf of some of the . . . or on the part of some of the clients with respect to now this information, which was considered confidential and privy to government officials only, now being in a third party's hands.

And aside from that, awaiting your comments, I have no further questions of you in this matter. So I would just thank you in advance and your officials for entertaining and answering these questions for me this afternoon.

**Hon. Mr. Upshall:** — Well as I said, on an individual basis, the institutions have access to that information, if you were to go to them and ask for a loan. So the corporation wouldn't have to give out that information because, as I say, before you get that loan, you have to list all your assets and debts and that kind of stuff.

In a general way though, this Act, amendment, would allow us on a very selective basis, to paint a picture for some body that wanted to . . . that may want to purchase the portfolio. I think you can understand, in order for them to want to know whether they should buy or not, they would have to sort of get a general picture of the liquidity of the total account — the total portfolio.

So this Act allows us to do that on a very restrictive basis, of course, and that they would not be using it for any other purposes than determining whether they might want to purchase this. And I might say, this has been known for a number of . . . a year or so now.

And as I say, we met with banking institutions. There's really been no big interest in buying the whole package because I think that . . . So as far as farmers are concerned, if they want to stay with ACS, if they don't want to go with another institution, and we don't sell, of course they will continue to be in the jurisdiction of the public loans program that they started in.

So there's lots of if's and and's here, but we have to, with this legislation, have the flexibility to wind down the portfolio, and

this does it. I would thank the member for his questions.

**Mr. Toth:** — Thank you, Mr. Deputy Chair. To the minister. I understand in winding down the corporation, there's a couple of questions that I would have. And that is, where do a lot of the programs and the loans that ACS has go right now? If I understand from your last comment, there is going to be some form of program in the Department of Agriculture that will still carry them on. When I refer to programs, I refer back to all the land that was purchased in the late '70s by the NDP under the land bank program. And as far as I know, most of that land is still under ACS. It's been moved into the Agriculture Credit program. And if it's been moved out, I'd like to know where it is, because I've been looking in the blue book.

Now through the '80s, there was a period of time . . . And you talked about a 200 million write-off and write-offs that happened through the '80s as a result of an agreement between the former government and land bank tenants and, you know, the circumstances that took place in '82 with the change of government, land bank tenants . . . There was about \$100 million that had to be picked up by the public in shortfalls as a result of lease fees that didn't cover the cost of the interest that was on that land.

And so what I'm wondering, Mr. Minister, what happens to all the capital land purchases that ACS was responsible for as a result of the winding-down of the corporation? Who's responsible for that? Who is carrying those loans and have some of those loans moved into private lending institutions? Does the department pick that up? Where is that loan portfolio now?

**Hon. Mr. Upshall:** — Forgive me, I'm not sure I understand your question, but I'll answer it, and if I haven't answered your question, then you can ask again.

The land bank land was all rolled into lands branch, which is a department of Sask Ag and Food. It wasn't . . . And because it's Crown land, there was no lending on it so ACS really didn't have anything to do with that. So does that answer your question . . . (inaudible interjection) . . . Okay.

Clause 1 agreed to.

Clauses 2 to 4 inclusive agreed to.

The committee agreed to report the Bill.

### **Bill No. 55 — The Department of Agriculture Amendment Act, 1997**

**The Deputy Chair:** — I believe the minister has the same officials.

#### **Clause 1**

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. With the winding-down of the Ag Credit Corporation and with the agri-food or agri-equity fund, I guess, being continued, I suppose it would seem logical that the fund rest with the Department of Agriculture and Food.

But would you — and my questions here again will be brief — but would you be able to outline for us here this afternoon just how much has the fund invested to date; in how many projects; and what sort of projects?

Would you also outline what is your policy with respect to the amount of equity taken by this fund in any specific project. Like for any given project, is there a limit, I guess, on the equity position the fund can take in terms of a dollar amount or a percentage? And how would that maximum amount, how would it be determined by the minister on any given project?

**Hon. Mr. Upshall:** — We don't go below 25,000 . . . projects below 25,000, public dollars into these projects. And we just recently moved the cap from 500,000 to 1 million to give ourselves a little more flexibility.

And I can just run through the . . . There are 10 projects approved to date; eight have been announced and two are pending. And you understand that . . . I'll give you the eight that have been announced.

In Yorkton, Popowich Milling, to help them expand the rolled oat plant there; in Yellow Grass, Northern Genetics, so that's the elk embryo processing . . . or elk embryo business that they have there, whether it be exporting embryo; the Thomson Meats in Melfort, to help them expand their meat processing operation; Randolph & James Flax Mills in P.A. (Prince Albert) or flax flour; Melville seeds in Melville; Schneider's Popcorn in Saskatoon, to help them go into more varieties of popcorn; Canadian select growers of Eston — that's the chick-pea plant we just announced not too long ago — and Rinkles chips in Yorkton.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. Mr. Minister, with respect to the Department of Agriculture, there's a certain amount budgeted for the agri-food equity fund I understand, for investment management and also for investment financing. I'm told for investment management something in the order of 1.2 million — I don't have the *Estimates* book before me right now — and 2.4 million under investment financing.

But going back to the investment management aspect of it and tying it in with my previous question, because maybe I wasn't clear enough, but I understand as you've advised us, that the cap for investment has just been increased from a half a million to 1 million. I guess what I was getting at, and I suppose it leans towards the investment management aspect of it, is how do you decide what amount you're going to invest in that specific project? Is it at your sole discretion, or is this where the investment management aspect comes in?

It would seem to me that those particular roles would have a more appropriate place perhaps in, well in Department of Finance or with SOCO (Saskatchewan Opportunities Corporation). And why would they rest with Department of Agriculture instead of those departments instead?

(1700)

**Hon. Mr. Upshall:** — There are a few reasons why it's in

Agriculture. First of all, we've got the expertise in Agriculture.

I want to tell you first off though that I have no control over the projects that are taken . . . that are approved, rather. We have investment people around the province that make recommendation to an Investment Review Committee, and that committee then makes the recommendation to which projects would be approved and which projects wouldn't be.

We take no more ownership than 49 per cent in any project. And the percentage up to 49 will be determined on a project-by-project basis.

So we think the process is quite sound where we have professional people and knowledgeable people on the Investment Review Committee. And so far I think we've been fortunate and we've made some investments that have been working quite well.

And the difference with SOCO let's say, and Economic Development and the ag equity, is we are an equity partner, whereas SOCO is a debt partner for the most part; and not Finance because we have the expertise in the agricultural field for milling say flax or genetics or whatever. So that's the logic behind it.

**Mr. Aldridge:** — Thank you, Mr. Deputy Speaker. Mr. Minister, with respect to then the Investment Review Committee of non-departmental officials, would you just outline for us the size of the committee and perhaps the structure or procedure of how the members of that committee are chosen. But then also on the departmental side, if you would also advise us here this afternoon what department officials are responsible then for these particular activities.

And that would pretty much round out my questioning for this afternoon. So I thank you again and your officials in advance for your responses.

**Hon. Mr. Upshall:** — We only have one department person on the committee, and that's the chairman, and that's my assistant deputy minister, Dale Sigurdson.

And we have eight more members on the committee, two of which are vacant right now at the moment, but there's provision for eight.

And we have a broad range of expertise on the committee. Accountants, lawyers, food processing industry — people who are knowledgeable about the agri-food value adding of agriculture in Saskatchewan. They are appointed by order in council and to date we're very pleased with their performance.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

**Hon. Mr. Upshall:** — Mr. Speaker, before I move the Bill I would like to thank my officials and I would like to thank the members opposite for their questions. And now I would like to move the Bill be reported without amendment.

The committee agreed to report the Bill.

### **Bill No. 36 — The Health Districts Amendment Act, 1997**

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

**Hon. Mr. Upshall:** — In pinch-hitting for the Minister of Health today, Mr. Chairperson, I would like to introduce to you Barry Lacey, director of integrated financial services unit, finance and management services branch, Saskatchewan Health.

### **Clause 1**

**Mr. McLane:** — Thank you, Mr. Chairman. Welcome to the minister of agri-food and animal health and to his official as well.

Just a couple of questions that I hope the minister can answer in regards to this Bill. And part of it is setting the maximum remuneration for district health board members. And I'm wondering if the minister could elaborate a bit on what those actual amounts are now that are set in regulations.

**Hon. Mr. Upshall:** — Yes, the chairpersons for Regina and Saskatoon get . . . the maximum rates are \$830 and for other districts it's 415. The per diem, that's the retainer, monthly retainer, the per diems are \$300 for Regina and Saskatoon and \$200 for other board members; \$300 — let me get it straight — \$300 for the Chair in Regina and Saskatoon and . . . Just let me make one more check . . . (inaudible) . . . Okay. The per diems for all the Chairs right across the piece is \$300 and the per diems for other board members right across the piece is \$200.

**Mr. McLane:** — Just for the record, Mr. Minister, I'm going to ask you to go through those numbers again and talk about the retainers, whether it's per day, per month, per year, as it relates to both the larger boards, Regina and Saskatoon, and rural, as well as also adding in the actual remuneration per day for the two sectors as well.

**Hon. Mr. Upshall:** — This is a monthly retainer for the chairpersons — okay? — in Regina and Saskatoon of \$830 and in other districts of 415. On top of that, the chairpersons across the province get \$300 a day per diem for a board meeting, the other people across the piece get a per diem of \$200 per board meeting.

**Mr. McLane:** — So the per diem is there regardless if the board meeting is 15 minutes or 5 hours. Is that correct?

**Hon. Mr. Upshall:** — No, if it's a regularly scheduled board meeting then they will get those rates. If it's a meeting other than regularly scheduled meetings they would get an hourly rate, and that hourly rate is 37.50 an hour for chairpersons and \$25 an hour for other board members.

**Mr. McLane:** — Thank you, Mr. Minister. Maybe you could table those regulations with those on for us if you would, please.

Also I guess I should ask you, and I really . . . it's unfortunate the minister wasn't here, but do you see, because you've got these maximum amounts set out in regulation, do you foresee an increase in the near future, a decrease in the near future, or no change?

Mr. Minister, maybe when I say near future — maybe you could give me a guestimate on within six months, within a year, within two years.

**Hon. Mr. Upshall:** — There's no anticipated change in those rates right now as far as a year, two years down the road. I couldn't have possibly answered that. I don't think anybody would know. That would have to be brought forward through some kind of mechanism too.

I think they are set sufficiently that they probably think, say in the foreseeable future there certainly wouldn't be . . . have to be changed.

**Mr. McLane:** — Could you tell us how many of the board members and chairpersons across the piece, across the 30 districts in the province, have their rates set at the maximum level?

**Hon. Mr. Upshall:** — Right now there are 19 districts or two-thirds of the districts that have their rates set below the maximum rate.

**Mr. McLane:** — I wonder, Mr. Minister . . . I ask if you could table the regulations as to the per diems and the retainer. Can you do that? Could you also table the information regarding the districts that are paying out those amounts? And for the districts, the total amount that each district would pay out possibly for the last fiscal year in per diems and remuneration?

**Hon. Mr. Upshall:** — On your second point, we don't have that information with us but certainly we will make sure you get that.

And what I will table is the order in council, that is the public document, that has the information on the per diem rates. Okay. Table them. He'll get them.

**Mr. McLane:** — So you will send the information then on the districts as to the amount that is spent, and the districts that are at the max.

Do you also have the information that, that a district that is under the max, where they're at — that particular information as to what each district has individually? And if I could have that information as well?

**Hon. Mr. Upshall:** — Yes, what we'll have to do is request that information from each board. And then we can do that, and assuming they cooperate and wouldn't have to go through an FOI (freedom of information), I don't think it's a problem.

(1715)

**Mr. McLane:** — Mr. Minister, on that subject of FOIs, does the department have an FOI officer that deals with all those

requests? And do each of the districts have a specified person that deals with those requests as they come to the district?

I'm not only talking about information regarding board business, remuneration, that type of thing; I'm also talking about requests for information on individuals and all those type of things. So the question is, does the department have one person designated and does each district have one person?

**Hon. Mr. Upshall:** — The districts handle their own requests. And I apologize, we don't have . . . we don't know if they have each a specific person appointed to do that or if it's simply through the CEO (chief executive officer). But it would probably be one or the other, and I would, you know, probably guess that the CEO would be the person to do that instead of hiring somebody.

And as far as the department goes, yes, we have one person to coordinate all the FOI requests to the department.

**Mr. McLane:** — Thank you. Could I have the name of that person? And could you provide us with the information as it pertains to the districts, who those officers are?

**Hon. Mr. Upshall:** — The department person is Jahzi Van Iderstine. And we will attempt to include in the other information we're giving whether it's the CEOs or somebody appointed from all the districts.

**Mr. McLane:** — Thank you. Just about through, Mr. Minister. Upon assent of this Bill, section (3) of the Act comes into force retroactively to May 14, 1996 when the order in council establishing the maximum rates for the remuneration and expenses for the district boards was made. I'm wondering what would the reason for that be?

**Hon. Mr. Upshall:** — Yes, this is a clarification. This allows . . . the boards have always had the opportunity to set rates below, and what this does is it outlines specifically and clarifies that section, where the intent of the old legislation is now clarified in the new legislation.

**Mr. McLane:** — Did the cabinet feel it was necessary to issue an order in council because there were maybe some districts that were starting to climb, were paying probably more than the cabinet wanted to?

**Hon. Mr. Upshall:** — No, that wasn't a factor. Simply you need an OC (order in council) to establish board remuneration. So that's why it was done.

**Mr. McLane:** — Just for clarification then, before May 14, '96, was there an order in council then establishing a maximum height ceiling then?

**Hon. Mr. Upshall:** — No. Previous to the order in council the department simply issued guidelines that they should follow. The auditor pointed that out, that this may not be the proper way of doing things. So in order to make sure that things were being done properly, the OC (order in council) was put in to clarify this point.

**Mr. McLane:** — Thank you, Mr. Minister. I would hope that maybe in the future, over the next couple of years, that if there's a cabinet shuffle that you might become the Health minister, because you appear to be much more forthcoming with information than our present minister. So thanks to you and thanks to your official this evening.

**Hon. Mr. Upshall:** — Well flattery will get you everywhere. I want to thank you for your questions and the official for being with us today.

Clause 1 agreed to.

Clauses 2 to 10 inclusive agreed to.

The committee agreed to report the Bill.

**Bill No. 46 — The Highways and Transportation Act, 1997**

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

**Hon. Mr. Serby:** — Thank you, Mr. Chair. I have with me today Mr. Brian King, who is the deputy minister of the Department of Highways and Transportation; and seated directly behind him is the legislative officer, Mr. Dave Abbey, with the Department of Highways and Transportation as well.

**Clause 1**

**Mr. McLane:** — Thank you, Mr. Chairman. Mr. Minister, welcome. This is the first opportunity I think that I've had to ask some questions of you since your appointment to the portfolio, and I look forward to that. And welcome to your officials as well. And I realize that of course if you need back-up, it's right behind you there a couple of seats back, so I'm sure the member from Tisdale will be happy to help us out.

Just a question pertaining to this Bill and to your new transportation policy. Can you tell me what this piece of legislation might do to ensure that our short-line rail lines across the province are going to be made useful and will get the traffic back on the rails where it should be, as opposed to tearing up our provincial highways, which are already tore up and which causes most of the traffic now to be getting on to the municipal roads.

**Hon. Mr. Serby:** — Thank you very much. I want to first indicate to the member that there are three or four areas here that we're working on that will assist us with the short-line issue.

First of all, of course, the planning authorities that we talked about in the documents speak extensively about the importance of developing the short-line system throughout the province, and the planning authorities of course would be playing an active role in that. We have within the department of course a short-line advisory committee which primary focus will be to look at the development of short-lines across the province.

I think thirdly, we have also a committee that's made up of SUMA and SARM, and representatives from both of those

bodies, to assist us with the development of our strategy. And I think further, some discussions of course, as we've indicated in the past and in the document, talk about enriching and enhancing links north-south.

So there are four areas of recognition that we've given to the development of the short-line issue for Saskatchewan.

**Mr. McLane:** — Thank you, Mr. Minister. Of course I've been very critical of your government that there hasn't been a plan in place since you came to power in the early '90's, and I am — still am.

And I would ask you, what are you doing? What is your plan doing to ensure that lines such as the Imperial subdivision, which is up for abandonment, which Canadian National is not interested in selling, what's the process? What's your department doing, and you as minister to oversee it, to ensure that possibly the feasibility of that line is kept, and to ensure that the traffic that that line is now carrying stays on the line and not onto the highways which are in such terrible condition.

**Hon. Mr. Serby:** — I think certainly the member has identified very nicely that what our strategy will be is to try to enhance the development of short-lines of course across the province, because we share the same sort of concern that you do in terms of the heavy truck traffic, and not only on our highway system but certainly on our grid road system. And so part of the strategy of course, will be to continue to work at the local level with those communities to involve the local decision makers in assisting us in developing the short-line systems in each of those jurisdictions that you talk about.

I mentioned earlier that we have within the department established our own committee, a planning committee that will be working with each of the municipal levels and the local bodies to work at getting that strategy in place. As you know, this is relatively new in terms of our horizon and we'll be working closely to expand that.

**Mr. McLane:** — I'm glad the minister can admit that it's new. And that's part of the problem, that this strategy's been left to the last minute and now it's an emergency-type situation.

What commitment could you give to the people of the province, and I guess in particular to my constituents out in Arm River, on the Imperial subdivision, that your officials in this part of your department will get out there and start talking to the people that are affected, including the municipalities and the farmers, to see what can be done to stop this line from being abandoned?

**Hon. Mr. Serby:** — I think what's important to realize here, Mr. Member, is that of course when I say to you that the strategy in terms of our partnerships that we're working with with local authorities right now is somewhat new and it's developmental stages, it's not that those discussions haven't been ongoing.

Because as you can well appreciate, that we've been handed a fairly large responsibility by the abandonment of the federal government, in our opinion, of some of those responsibilities — as you recognize, with the disappearance of the Crow rate, the

deregulations of the railroads. That's put a tremendous amount of pressure of course, on the transportation network in the province. And so I think it's important to recognize how it is that we've inherited this major responsibility.

And of course the response to that is the new transportation strategy and the Bill that is before us today, which is encompassing of the entire transportation process. So in spite of the fact that there's some criticism that you make as to the degree in which we've enhanced or advanced this particular process, I think it's important to recognize that we do have a plan and we have a strategy. And it involves communities; it involves the entire province; looks at transportation in the broad perspective. And we're having to address that at a much quicker rate today than we had thought we'd have to do, based on some of those decisions that have been made at the federal government level.

(1730)

**Mr. McLane:** — Thank you. I guess first of all to address the issue of the Crow, certainly it was no surprise to most of the people in the province I guess, other than maybe your government, that the Crow was on its way out.

And before this House right now we have a piece of legislation brought forward by your Agriculture minister that is trying to give him absolute control over marketing boards. And one of the reasons that he needs that is to enhance the value added industry that's going to flourish in this province, despite your government.

And so the argument of whether the Crow was good or bad is starting to come into fruition, that hey, that's been the stumbling block to value added industry in Saskatchewan. We're seeing that. I've heard your Premier talk about . . . admit it, and so let's not talk about the Crow as caused all this problem. Most people knew it was going. I certainly was aware of it; 99 per cent of the farmers in this province knew it was going to have to go if we were going to move ahead in this province in value added industries and keep the jobs in Saskatchewan that we need.

So let's move away from that argument until we could spend some time on that if you wish.

However, I guess what I need to know is — again, I asked it before — and my first question, was: what can you do as minister to guarantee to me and the people of Arm River, in particular the ones affected by the Imperial subdivision, that there's going to be some effort made there to maintain that rail line?

I would ask the same about the line from Broderick to Tuxford, for example, which is up for abandonment. At least it's for sale. The rail line's at least willing to sell it. What's happening? Now I've had calls from people asking me what in the world do we do? I'm interested in maybe buying the line. I'm interested in doing this and doing that. They're getting very little response from your department.

Take the initiative, Mr. Minister. And will you give us that

guarantee tonight, that you will take the initiative to get out there and start the discussions and not let these rails be tore up where they need not be.

**Hon. Mr. Serby:** — Well I think what's important here to recognize is that, as I've said to you earlier, we're already involved with . . . in the process of meeting with communities; talking with communities. I would expect that if we haven't that my folks in the Department of Highways, who are working on the short-line committee, are in fact having those discussions with both of those communities that you're talking about right now, in terms of trying to develop the strategy or partnership, in terms of getting that railroad in place if in fact that's the interest of that particular part of the community.

Now I think that producers in that part of the world that you talk about, both at Imperial and at Tuxford, they need to make an investment in that themselves. If the railroad has made the decision that of course it's not required any longer on their behalf or it isn't in fact profitable for them to be in there any longer, now the decision I think needs to be not only that of the provincial government, but it needs to be one that's coordinated in partnership with the producers who are in that part of the world, to ensure whether or not that's the means that they want to see into the future in terms of transporting their agriculture products.

**Mr. McLane:** — I guess in part I can agree with some of your comments, if there's a whole bunch of players that have to be involved in this. And one you've left out is the grain companies. The problem that we've got on the Imperial subdivision for example, is your grain company. Your grain companies are wanting to move out; we're seeing all sorts of cement elevators being built.

And of course the grain companies are interested in one thing — and this includes the Saskatchewan Wheat Pool, who's now a privately traded company — they're interested in one thing, Mr. Minister, and that's the bottom line, their bottom line. They don't particularly care about Joe Farmer out at Liberty, Saskatchewan; or Hawarden, or anywhere else. They're there for the bottom line.

The discussions have to take place by and with the leadership role by the provincial government along with the producers affected — the municipalities are going to have to pick up the tab for a mammoth road bill — and these grain companies. To my notion, to my knowledge, that's not happening. And I guess the question is, is why isn't it happening?

On our line, the Imperial subdivision, mainly Saskatchewan Wheat Pool elevators. Is a discussion taking place between you and that grain company and saying what can we do to maintain that line? Will you take grain on that line? Will you buy the grain? And if not, if that discussion isn't taking place, then why isn't it?

**Hon. Mr. Serby:** — Well I think the member raises a very significant point here, and I certainly as a producer agree with the point that he makes. I mean what's happened in this province over the last 10 years is that we've seen the face of rural Saskatchewan change, by and large, by the construction of

the high through-put facilities.

And it's not only the Saskatchewan Wheat Pool where you've seen that develop. I mean you've seen Cargill Grain and ConAgra and Pioneer. I mean these people are developing their elevator system along the main lines. They're not developing them on the branch lines or on some of the secondary rail in this province. They're developing them right on the main lines.

So I think when you raise the issue or make the point that there needs to be a broader discussion here about how it is that we develop the transportation system, it needs to be coordinated of course with the grain companies across the province. And that's the kind of partnership that we're talking about. And that's some of the discussion that we're having today with them.

But the grain companies haven't in the past consulted with the governments, this administration or previous administrations, about where they're going to build a grain elevator. They're going to build it by in large where they're going to generate the largest profit. And as a result of that, what you've seen of course, is many of your smaller points across the province disappearing and the reason for that being is that as a producer, I'm going to haul to where I can get my grain stored or sold. And as a result of that, we're seeing some of the smaller rail lines in the province diminishing.

But your point about working in partnership with some of the grain companies, or the grain companies and the transportation system, which is the railroads, is critical in developing the strategy for Saskatchewan transportation. I accept that. And that is part of the role of the entire transportation package that we have in front of you.

**Mr. McLane:** — Of course because the government that's in power today in Saskatchewan has not had the foresight to move ahead with this since 1991 when they came in to power. Gainer had an emergency, crisis situation. And a month or two ago we put forward a proposal that would, once these lines are up for abandonment, they're under provincial jurisdiction, that would put a moratorium on the rail line carrying up the rails.

Your predecessor did not look favourable upon that. It's a way to stop the wholesale of abandoned . . . of branch lines in rural Saskatchewan; and why is that not something that you would look at and say okay, we need some time; we've been a little slow getting this thing out of the start.

You've talked about all sorts of federal government offloading, so if you need some time why don't you take some measures that would stop this and give us a chance to get out there and consult with the producers and the people affected and do some common sense decisions — where it makes sense to have these rail lines, where we get a commitment from the producers, and enforce these grain companies to make a commitment; and if they don't, there's other methods.

We have all sorts of producer sidings. The Canadian Wheat Board has now said that they're willing to come out and buy grain on the spot. We can load those Canadian Wheat Board cars right on the spot. We don't have to have huge grain companies out there to buy our grain for us any more. Things are changing. But we need time. We need some time, Mr.

Minister, so that some of these changes can take place.

**Hon. Mr. Serby:** — Well I think that the member identifies a number of points and I want to just take a moment here to suggest to the member that we aren't distantly behind the ball here. In fact it's our position that we're leading the parade in a lot of different areas. And I think what's important here for us is that there won't be any rail line abandoned in the province until we have an opportunity to have that discussion both with the rail companies and with the communities that are being affected by it. At the end of the day, if we don't have any kind of interest on the part of the communities that are going to be affected by the rail line abandonment that the federal government is initiating and forcing, then of course the question would have to be asked about why it is that the provincial government would be interested in that particular rail bed or rail line.

So to suggest here today that we're going to have rail coming out of the province without anybody sort of paying attention to it is not correct, because the provincial government is going to be very much involved in that process, and will be discussing that at the local level with the producers and the communities to look at the viability of what those lines might be.

And I'm sure that, you know, you as a producer, if on the piece of rail line that you talked about, are not going to be prepared to make an investment in it, if in fact it doesn't provide you the kinds of benefits that you expect it's going to provide for you as a producer. Nor will I, if it happens to me on the part of the world that I produce as a farmer either.

So those discussions are going to be very much enriched and enhanced over the next several months, and there won't be any rail line abandonment in the province until we have those kinds of discussions.

**Mr. McLane:** — Well I guess I would ask you, what happens tomorrow if Canadian National comes out in Imperial subdivision and starts pulling rails?

**Hon. Mr. Serby:** — Well the answer to that is that they're not going to pull them out until we've had that discussion with the local authorities or the individual communities, which would include the producers of course in that particular area. I mean that's the process as it exists today.

**Mr. McLane:** — Mr. Minister, you've presented some amendments to this Act that I was not aware of, and we were thinking of moving this Bill through, but because we're not sure about the amendments — we've got our people looking at them now, I believe, with an official of yours — I'm not sure that we're going to be able to finish with this, with this particular Bill this evening because of those amendments. And that's . . . for us that's not a problem. We can come back.

Just a couple of further questions though regarding the highways I guess is, in particular, what will this Bill in particular in your new strategy do to, for example, bring Highway No. 44 back to pavement? It's been half ripped up now — half of it's gravel, half of it's pavement in terrible shape. What's the strategy going to do to that in terms of fixing that particular highway, which is a major link between a huge



centre of Davidson and many communities to the west?

**Hon. Mr. Serby:** — The upgrade of the future highways in the province of course is, as you well know, is done on a cost/benefit analysis. And there are some roadways in the province today of course, that are going to need some attention that we haven't been able to provide them to the same degree that we'd have liked to. And of course the \$30 million that's in the budget this year of course — the additional \$30 million — is going to help to enhance that.

In that particular roadway that you talk about specifically, it's my information that what we've done with it of course, is we had to take the cap off it because some of it was cracked and broken up and we needed to let some of the base on that particular highway dry out. Once the base of that highway dries out to the degree in which it would be prudent again to resurface it, then we'll begin that process again.

And there are several pieces of roadway in the province that require that kind of attention, and we'll be sure that happens as time moves along and as the resources continue.

In respect to the housekeeping amendments, certainly I extend my apologies to the member for not having that to them a bit earlier. The amendments that are before us however are basically language changes in terms of making the Bill more conducive to what we want to reflect today. The Bill hasn't had a change for about 30 years, I think, to it.

And so what we're doing is changing some of the language in a minuscule fashion. We don't believe that it affects at all the intent of the legislation.

**Mr. McLane:** — Thank you, Mr. Minister. In terms of Highway 44 and the portion of it that's been broken up, there's many people — I'm not sure if you've ever been on that road or not; sometime if you'd like to take a trip, I'd be happy to drive you out there — but there's a number of people live on that particular highway on the side of the road. And of course their concern is that it's gone; it's been left to such a state that it had to be ripped up.

But more than that, of course living along the highway, a gravel highway, is a . . . the dust conditions of course in this country are most often unbearable.

Their request was that at least the portions in front of their houses and their yards would have some sort of a membrane on it so that the dust wasn't a factor with the fairly heavy traffic that's on those roads — not only vehicle traffic, car traffic, but also large trucks.

Is there something, some commitment you could make to the people in this situation? As you've mentioned, there's more than just Highway 44. Is there some kind of a commitment you could make to these people to ensure that they will get the membrane until your plan does kick in and you can eventually get this highway rebuilt?

(1745)

**Hon. Mr. Serby:** — Well one of these days when we both have a little free time on our schedule, I'll get in the car with you and we'll go down that Highway 44 and see how much dust we can make, because I'm not familiar with the condition of the highway to the degree that I'd like to be.

But I think what we need to do here is, sort of, examine what kinds of options we have available to us to put some dust retardant on it. I don't know what condition or state the roadway is in. I take it from you that it's created some problem for people who live in that particular . . . along the roadway.

I know that there are a variety of different chemicals that you can put on the roadway and some retardants for the dust, but I can't specifically tell you how that's done. But we'll certainly . . . I've made a note of it and we'll see what options are available to us.

**Mr. McLane:** — One further question. And I appreciate that, Mr. Minister, and I likely will hold you to that.

Also while we're in that general vicinity of the country, we may as well talk about Highway 19 for a minute, and of course I don't think Highway 19 is any stranger to you. I noticed on your latest ranking list it at least appears on there or portions of it do.

We've been lobbying hot and heavy with the infrastructure committee, with the federal government, to have something done to that highway. The latest information that I have is that because of the enormous cost to build that much highway, it's highly unlikely that there will be money out of the infrastructure program spent on that particular highway. I think a couple of the elected people over in that country have received letters from your department stating that there is going to be nothing done with 19 Highway, as indicated by your ranking.

I do have, however, a commitment from the federal government that they are going to initiate a study on that highway and that if the provincial government is not willing to spend some money on it, they will. And I'm just wondering where the discussions, as far as you know, are on this particular highway.

The highway is a major tourist . . . carries a major tourist flow to Lake Diefenbaker of course, and to the Harbor Golf Club, which many of your members and ministers over there have the pleasure of visiting. I guess it's getting to the point where the MLA there might have to start trying to initiate some sort of a taxing policy for your ministers as they drive in and out to try and get this highway built. It's a major, major detriment to the businesses of that community, not to mention the flow of agricultural products that have to go on that highway to market, to the elevators.

So what have you got to say about Highway 19?

**Hon. Mr. Serby:** — Well I know that from time to time I've heard from some of my caucus colleagues who obviously are in the same golf area as you are from what I hear. And just recently my deputy minister has been on that highway, not to play golf but to certainly be on the highway as part of his responsibilities, duties, in checking out many of the highways across the province.

But my understanding is, is that I'm told that Highway No. 19, from No. 1 to Hodgeville, is actually on the sheet this year for some major work. So that piece of highway is going to be done.

**Mr. McLane:** — The last question, Mr. Minister. You're ducking the issue. I think you're probably aware that that portion of the highway is not in my constituency and is not the portion I'm talking about. You may want to move a little bit north and then you'll understand where we're at.

And the member from Saskatoon sitting beside you there will certainly tell you where the portion of Highway 19 that I'm referring to, as it relates to Elbow, Strongfield, and Hawarden, as well as Loreburn.

So thank you, Mr. Minister. Our officials have had a chance to look at your amendments. I understand that they are virtually some housekeeping things. And with that I will turn it over to my colleague, the member from Battleford, if he cares to be recognized.

**Mr. Hillson:** — Thank you, Mr. Deputy Chair. Mr. Minister, as you know, Highway 40 enters Highway 16 at North Battleford at a particularly bad and confusing spot. We had another fatality there last year. There are several highways that converge at that one spot and at weird angles. And this has been identified as a serious problem for some time. We had another fatality there last year.

I must say, even for those of us who are residents of the Battlefords, with the service road, the industrial road, Highway 16, Highway 40, all different angles, it's difficult for us to keep it straight and it's certainly no wonder that those who do not live in the Battlefords simply don't keep it straight.

This has been identified as a priority, but it's not on the work list for this year. When can we expect something to be done about Highway 40 entering where it does? It's supposed to be moved further east so it will enter at a safer place and enter at a 90 degree angle. When is the department going to put that on its list for this year's work?

**Hon. Mr. Serby:** — We're going to be getting into some of the discussion, I think tomorrow, on the estimates. I do have some information on this, but if you might want to wait till tomorrow, I can answer that question for you. I'll just make a note of it and deal with it tomorrow, if you like.

**Mr. Hillson:** — That's satisfactory with me. Thank you, Mr. Minister, and thank you to your officials.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

#### Clause 9

**Hon. Mr. Serby:** — Clause 9 reads:

in section (4) we're going to be adding "or shall be instituted" after the word "no action lies"; and

(b) in:

(i) subsection (5);  
(ii) subsection (6);  
(iii) of (b) is section (7);  
(iv) subsection 8;  
and subsection 10;  
by adding "or shall be instituted" after the words "No action lies".

Amendment agreed to.

Clause 9 as amended agreed to.

#### Clause 10

**Hon. Mr. Serby:** — Clause 10 would read:

Amend clause (3) . . .

I move the amendment to clause 10. It would read:

Amend clause (3)(b) of Clause 10 of the printed Bill by adding "or shall be instituted" after "no action lies".

Amendment agreed to.

Clause 10 as amended agreed to.

#### Clause 11

**Hon. Mr. Serby:** — I move that:

Amend clause (2)(b) of Clause 11 of the printed Bill by adding "or shall be instituted" after the words "no action lies".

Amendment agreed to.

Clause 11 as amended agreed to.

#### Clause 12

**Hon. Mr. Serby:** — I would move that clause 12 we:

Amend subsection (5) of Clause 12 of the printed Bill by adding "or shall be instituted" after "No action lies".

Amendment agreed to.

Clause 12 as amended agreed to.

#### Clause 13

**Hon. Mr. Serby:** — I would move on clause 13 by:

Strike out clause (1)(b) of Clause 13 of the printed Bill and substituting the following:

"(b) '**development**' means any project, operation or activity or any alteration or expansion of any project,

operation or activity that, in the minister's opinion, is likely to increase or change the utilization of a provincial highway, or adversely affect safety on a provincial highway, to an extent that alterations are necessary:

- (i) to protect the existing public improvement; or
- (ii) to maintain an acceptable level of safety".

Amendment agreed to.

Clause 13 as amended agreed to.

Clauses 14 to 37 inclusive agreed to.

### Clause 38

**Hon. Mr. Serby:** —

#### Clause 38 of the printed Bill

Amend subsection (5) of Clause 38 of the printed Bill:

(a) in the portion preceding clause (a) by striking out "by weigh scales certified by an inspector within the meaning of the *Weights and Measures Act* (Canada)" and substituting "by any means other than the one described in subsection (4)"; and

(b) in clause (a) by striking out "by the weigh scales" and substituting "pursuant to this subsection".

Amendment agreed to.

Clause 38 as amended agreed to.

Clauses 39 to 51 inclusive agreed to.

### Clause 52

**Hon. Mr. Serby:** — Clause 52, I move that we:

Amend section (1) of Clause 52 of the printed Bill by adding "or shall be instituted" after "for damages lies".

Amendment agreed to.

Clause 52 as amended agreed to.

Clauses 53 to 55 inclusive agreed to.

### Clause 56

**Hon. Mr. Serby:** — I move that we:

Amend Clause 56 of the printed Bill by striking out the word "paid" and substituting it with the word "provided".

Amendment agreed to.

Clause 56 as amended agreed to.

Clauses 57 to 79 inclusive agreed to.

(1800)

**Hon. Mr. Serby:** — Prior, Mr. Chair, to moving the Bill with amendment, I want to first of all take this opportunity to thank the members opposite for the questions that they provided this evening.

I also want to take this opportunity to extend my appreciation to the excellent work that the officials over at the Department of Highways and Transportation have taken over the last year or so in developing this major piece of legislation for the province.

I also want to pay tribute credit today, Mr. Chairman, to the minister responsible for Highways and Transportation prior to my assuming these duties, because over the last year a great deal of work has gone into developing a very significant, important, strategic strategy in transportation for this province. And I just want to take this moment to recognize those people who have done some tremendous work in that area.

And now, Mr. Speaker, I wish to . . . or Mr. Chair, report the Bill with amendment.

The committee agreed to report the Bill as amended.

#### **Bill No. 48 — The Highways and Transportation Consequential Amendment Act, 1997/Loi de 1997 portant modification corrélative à la loi intitulée The Highways and Transportation Act, 1997**

Clauses 1 to 4 inclusive agreed to.

The committee agreed to report the Bill.

### THIRD READINGS

#### **Bill No. 2 — The Rural Municipality Amendment Act, 1997**

**Hon. Mr. Mitchell:** — 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. 3 — The Urban Municipality Amendment Act, 1997**

**Hon. Mr. Mitchell:** — 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. 13 — The Agricultural Credit Corporation of Saskatchewan Amendment Act, 1997**

**Hon. Mr. Mitchell:** — 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. 55 — The Department of Agriculture  
Amendment Act, 1997**

**Hon. Mr. Mitchell:** — 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. 36 — The Health Districts Amendment Act, 1997**

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

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

**Bill No. 46 — The Highways and Transportation Act, 1997**

**Hon. Mr. Mitchell:** — Mr. Speaker, I move that the amendments be now read the first and second time.

Motion agreed to.

**Hon. Mr. Mitchell:** — Mr. Speaker, by leave of the Assembly, I move that Bill No. 46 be now read the third time and passed under its title.

Leave granted.

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

**Bill No. 48 — The Highways and Transportation  
Consequential Amendment Act, 1997/Loi de 1997 portant  
modification corrélative à la loi intitulée The Highways and  
Transportation Act, 1997**

**Hon. Mr. Mitchell:** — 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.

**COMMITTEE OF FINANCE**

**General Revenue Fund  
Labour  
Vote 20**

**The Deputy Chair:** — I invite the Minister of Labour to introduce his officials.

**Hon. Mr. Mitchell:** — Thank you, Mr. Chair. Seated beside me is Sandra Morgan, the deputy minister of the department. Behind Ms. Morgan is Cheryl Hanson, assistant deputy minister. Behind me is Sharon Little, the manager of budget and operations. Also in the Assembly is Eric Greene, the assistant director of labour standards; and Doug Forseth, who is a labour relations consultant.

**Item 1**

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And welcome to the minister's officials here this evening.

I'm going to keep my questioning and comments relatively brief here this evening, but I think I would be ... as official opposition we would be remiss if we didn't raise the issue one more time, of the mix-up surrounding the bringing in of the regulations related to the care-givers in The Labour Standards Act.

The last time we had the officials here I had asked for what were the total number of complaints received to date. I was told at that time there was a total of 40. I wonder if we could receive some update from you this evening as to whether or not there has been any new complaints lodged since we last had requested that information. And does the ratio remain the same as far as those settled, those still outstanding? At that time there was 27 settled; 13 outstanding. I would just request this information update, please.

**Hon. Mr. Mitchell:** — Mr. Chair, and I must say to the member that I don't blame him for raising this again. It's one of those situations where it's quite appropriate for the opposition to keep pressing us. We have 41 complaints, which I think is an increase in one since we last discussed the matter in this House; 27 have been settled, 14 remain unsettled, and the department is working on those.

The average amount involved in the complaints, that is to say the average settlement, is about \$596. Whether or not that will be the settlements in the 14 remaining claims I can't say that; we'll just know that in time. I think those are the figures that the member wanted.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And, Mr. Minister, of course averages always fail to highlight the severity of the hardship caused to those most affected, and maybe it might be more appropriate this evening to express to the Assembly what is the actual range in terms of the amounts of settlements.

(1815)

**Hon. Mr. Mitchell:** — Mr. Chair, and to the member. The high end of the range was \$3,800. There was one claim at that level. There were five claims which were found to be not valid and they were settled at zero, in effect. There were five such claims. So the range of settlements has been between zero and \$3,800.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And, Mr. Minister, could we also have you express to us what would be the range in terms of those claims which remain outstanding at this point in time?

**Hon. Mr. Mitchell:** — I am advised that of the 14 remaining claims, one is in the \$4,000 range, and at the other end of the range the claim is about \$300. So the range for those 14 is between \$300 and \$4,000.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And also, Mr. Minister, if you could outline for us this evening what steps are

being undertaken by your officials at this time in terms of investigating a mechanism of compensation for all of those that have been affected through the, essentially the fumbling of this issue.

There is . . . we all recognize there's some significant hardships here. And would you just outline what is being undertaken by your department at this point to work on establishing and investigating some mechanism of compensation.

**Hon. Mr. Mitchell:** — Before getting into the substance of the member's question, I would like to comment for a moment on his use of the term, fumbling. I am not sure that that word quite captures it, but it is a fact that everybody makes mistakes and that no matter how careful we are in our private lives or in our businesses or in our professions, these things will from time to time happen. And it certainly happened in this case.

It is . . . it would have taken a very, very sharp eye to have caught the mistake. If someone had said to me, there is a mistake in this packet of materials, find it, I don't think I could have found it. And I've practised labour law for all of my professional career and I don't think I would have found it. But nonetheless fumbling is not bad. It's not precise, but it's not bad.

And I really must say that I admire the tenacious effort that the member has put forward on behalf of the people who are affected here, because they have had to pay money pursuant to a mistake that was made by the government. And in those circumstances it is quite appropriate for someone like the member to champion their cause.

We are considering options. I don't want to put on the public record what those options are because one of the things that we must guard against here are claims being put forward that don't have a basis in facts. So we have to be a bit circumspect at this stage about what the options might be.

We are monitoring, as the member will know. I've given you the update on the monitoring to this point. We have out there a number of people who complied with the law and ought to be treated on the same basis as those who failed to comply with the law. And we're . . . one of the puzzling parts of this for us is to try and figure out who those people are. And we're considering a couple of options with respect to how we might go about that.

So while it must be a terrible aggravation to the people involved, I'd ask them just to be patient until we have had an opportunity of properly understanding this situation, and properly considering the alternatives that are available to the government.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair. And, Mr. Minister, in a previous session in estimates we did in fact speak at some length concerning some options of identifying those who are essentially affected by this matter. And as you say, it turns out that those individuals were in compliance versus inadvertently not in compliance with the regulation. And I hope that you and your officials have perhaps taken seriously some of the suggestions I made in that regard and perhaps they could be incorporated in some of your options.

And just in concluding my questioning and comments here this evening, I do feel that I do have to continue to press on the issue and just provide notice to you that I'm awaiting a few more petitions concerning the matter and all those affected — all of those who have encountered hardship as a result — and I will be presenting such in the House next week.

Having said that, I wish to thank the officials who have come here this evening, and the minister as well.

**Hon. Mr. Mitchell:** — Mr. Chair, I just might say a word of response. It is the fact that we are considering some of the ideas put forward by the member. And let me say through you, Mr. Chair, that if he has any other ideas with respect to some of the problems that I'm obviously having with this, we'd be glad to hear from him.

**Mr. Osika:** — Thank you, Mr. Chairman. Mr. Minister, I just have a question for some clarification and perhaps some edification on my part . . . (inaudible interjection) . . . No, it was a question that was raised by a constituent of mine which alerted me to the fact, after doing some reviewing, that there is a regulation which disallows young people under 16 to work in certain establishments. I believe that regulation came into effect in 1981 or thereabouts. It's not really relevant, but it has been some time ago.

The question that was raised was why, particularly in rural areas, in small town Saskatchewan, why can't my daughter, who's 15 years old, work three or four hours on the weekend in a restaurant — whether it be a family restaurant, a friend's, an uncle's, whatever — to earn a little bit of spending money, which is desperately needed in some of those small communities by people?

Is there any consideration, Mr. Minister, to review those regulations? Getting on into the '90s and into the next century, perhaps a review of that and perhaps other regulations in that regard?

**Hon. Mr. Mitchell:** — I recall the member writing to me about this some months ago — or at least raising it with me — because it is a matter that I've had on my mind and that the department has been considering.

These restrictions are in the form of an order of the Minimum Wage Board and it has to do in part with liquor — with the availability of liquor on the premises — and in part, and this applies to the 16-year-olds, to do with the requirements of The Education Act for them to be in school.

Now it's a complicated question and I can't help but say that I share the member's concern. I mean I think that some of these rules were laid down when our understanding of ourselves as a society is different than it is now. And we will be reviewing those and trying to either underpin them with solid logic or else asking the Minimum Wage Board to consider a change.

**Mr. Osika:** — Mr. Chairman, thank you. And thank you to the minister. That was the only question that I wanted to ask and I appreciate your response to it and your consideration of that

particular regulation.

**Mr. Toth:** — Thank you, Mr. Deputy Chair. To the minister and to your officials, I'm not going to take a lot of time this evening as well in raising questions, but there's a few concerns I'd like to raise.

Number one, I'd like to certainly commend you and your department for what you've done in the area of occupational health and safety and the educational program and certainly working through the schools. I think the Southeast Regional College needs to be commended for their initiatives that were taken.

And thank you for the invitation to join with you yesterday in recognizing the individuals who have already taken the course. Certainly it sounded like the students I had talked to were quite pleased to have been involved and given that opportunity.

Having said all that though, Mr. Minister, there's an area where I think occupational health and safety may be a major factor, a major concern. And while it's not your department, the occupational health and safety area is.

It's in the area of health care. And I believe a group of nurses were meeting yesterday in Regina to discuss some of the major problems they're running into as a result of decreased funding in the health care field, the cut-back in staffing, and the problems arising especially in the area of back problems in as far as working with and dealing with and lifting patients.

And I guess what I would like to know, Mr. Minister, is what your department is doing to address this concern on the basis of the occupational health and safety aspect of your program and of your department.

**Hon. Mr. Mitchell:** — Mr. Chair, the point is a matter of great concern and has been for some time. And it happened long before there were any — at least publicly aired — staffing problems in any of the institutions. Because frequently nurses have to handle heavy patients, and if there's no one handy to help them they'll frequently try and do it themselves and they've been hurting themselves in this respect for years. And it's happened within my own family. We had injuries like that and they're of great concern.

The member, Mr. Chair, may have seen the media coverage of a program that was sponsored by SAHO and the Workers' Compensation Board — in which the department had a great interest — to demonstrate and providing some training in the use of devices that can be used to help lift — lifting devices. These are not terribly expensive and are very effective in assisting nurses to handle patients.

We have this very high on our list of priorities in the department and SAHO certainly has it high on their list, and I know that the Saskatchewan Union of Nurses feels very strongly about it and I think working cooperatively we can make a lot of progress.

As I mentioned, the equipment is available, the technology is there. It's easy to use and we hope that before too long it'll be

in common use and we can get away from these needless back injuries.

(1830)

**Mr. Toth:** — I thank you, Mr. Minister. The unfortunate part I think, when you talk of equipment and certainly different methods of lifting patients, we start talking of funding again and that is one of the big questions. And so I guess when it all is said and done at the end of the day, it's a matter of, I guess the will to provide for and make sure that there are areas and ways and means in which you can address some of these concerns so that we don't have so many of these injuries.

As you indicated, Mr. Minister, certainly it was a concern that was being raised but it certainly has escalated in the last little while. And I find more and more nurses, and specifically not just in hospitals but care homes and even you get to the private care home facilities, where we're dealing with heavier care, and actually heavier-level cares of personnel, that it becomes a problem, Mr. Minister. So I certainly . . . I think from your comments we do recognize that it is something that we would need to address and look at it very carefully.

In regards to that, I'd like to come to another aspect and that's the Workers' Compensation Board and some of the problems that are continually brought to my attention. I am sure that as minister you've had it, and even as an MLA you've had issues dealing with Workers' Compensation that have been brought to you.

One of the biggest concerns I have, Mr. Minister, other than we have a disagreement between the auditor and the Workers' Compensation Board as to who should be auditing and who they should be responsible for or whether it's Public Accounts — one of the biggest concerns I do have and that is . . . and it's not just Workers' Comp. We get into this whole aspect of no-fault insurance and some of the onus that Workers' Comp or . . . and I'll use no-fault insurance as an example as well, what SGI basically requires of people. When people are injured they go see a general practitioner. A general practitioner looks at that person, they suggest, well I'm going to have to send you to a specialist because I'm not trained in that area.

A specialist looks at a patient and says, well there's some real problems here. And if those problems lead to having to be off of work as a result of it, and then they're available or able to go to Workers' Comp, they go to Workers' Comp; but unfortunately all of a sudden they get there, Workers' Comp wants them to go through a process of dealing with their own so-called trained specialists.

And there doesn't seem to be . . . Or SGI for that fact has their own rules and there doesn't seem to be a working relationship or an understanding of really being able to work with the professionals that are already out there in the medical field. It seems like every little board sets up their own level of training or personnel. And I think that's where we run into a lot of conflict. Where the Workers Comp medical personnel may say no, that didn't happen as a result of this, whereas the medical profession who has been dealing with a person, has seen that.

And I'm wondering what is being done by your department to address some of these concerns that are being brought forward, and how do we arrive at a position whereby people can feel that their concerns are legitimately being heard rather than many occasions they just feel they're being pushed under the rug. And in the meantime they continue to have to live with injuries or ailments that are bothering them and yet being told you're well enough to go back to work.

What does your department do in the light of those concerns, Mr. Minister?

**Hon. Mr. Mitchell:** — One of the aspects of the question that the member asks, Mr. Chair, is a problem that's been around for a long time, and I think that the board is doing better now than they have before. I remember in my own experience as a freshman MLA, finding a situation where the claimant's doctor had reported to the board that the injury was real and the injury was work-related and therefore seemed to be compensable.

And another doctor — who may or not have been employed by the board, I've forgotten — another doctor reading that opinion decided that the doctor was wrong and that no claim should be entertained by the board, which struck me as being a little bit out of line.

Now the story has a happy ending because in the end a medical panel was set up under the Act and the medical panel found in favour of the employee, of the injured worker, and compensation was paid.

But I just cite that story to demonstrate, as the member will know — we've been in this House exactly the same length of time — that this is an old story. And I think we're getting better at it.

The board of review that has reported just in January of this year dealt with the question and recommended, among other things, that the board should add a chiropractor to their staff, and dealt with medical opinions in a variety of ways. I've forgotten just the detail of that, but it is addressed there.

It's a difficult question. I mean very often, lawyers are spoken of in terms of a client can shop around until he finds a lawyer who agrees with the opinion. And I don't think that's true, but there is some doctor shopping too, as people go around trying to find a doctor who will support their claim. I don't, I don't know whether that actually happens but the story is out there. I hedge my statements because I just don't know from my own personal experience whether that's true, but that's the story that's out there.

So the board has to be careful about these cases, has to ensure that the injuries are real and that they are work related; but there will be controversy always when there are differences of opinion between doctors, and the board has to somehow arbitrate between those opinions and make their decisions.

Just to sum up, I think the board is doing better. They're certainly tuned up to this issue. And they are trying to take their responsibilities very seriously in this respect.

**Mr. Toth:** — Well I thank you, Mr. Minister. Yesterday actually we had a couple of people from Workers' Advocate drop by the office as well and they are dealing with a number of issues that are ongoing with Workers' Comp.

I see in your estimates you actually have a figure of \$288,000 I think, goes towards this and I would gather that Workers' Advocate certainly does work and gets involved in appeals or areas where workers feel that their concerns have not been heard properly and appropriately. And they try to represent individuals and get to the bottom of some of the issues where workers are basically feeling left out in the cold.

Unfortunately there was so much material, I didn't have a chance to get through it all or to really get to the bottom of it and I'm not going to get into a number of details I'm not familiar with, but I think it's certainly, just from what was handed to me, there is a problem there. And it's certainly something that needs to be worked on and addressed.

And I guess what I would say at the end of the day, I think we need to find a mechanism whereby medical professionals have some understanding of where a medical person that's hired by the board . . . and where they're coming from. Rather than a specialist is over here and makes a diagnosis, but the board's medical personnel seems to come up with a different decision. And yet this person is still living with a problem.

And I think that's where a lot of the confusion comes from, especially when you've gone through a general practitioner, maybe to a specialist, maybe to the second one and then find, when you go to Workers' Comp, you've got to deal with another medical personnel who . . . he doesn't follow that . . . I mean hasn't been through that and all of a sudden comes up with a different choice.

So we need to work and find ways and means in which we can address these concerns and make sure there's some working together and communication, rather than Workers' Comp over here trying to protect itself and paying out funds and individuals trying to receive a fair compensation for the loss they've incurred.

One other area, and I won't belabour this one as well, but the Crown Construction Tendering Agreement Act. We've raised this on a number of occasions. I'm not sure, Mr. Minister, where you are; if you've taken a review of what's taken place on this Crown construction tendering program.

Mr. Minister, it would seem to me that there are two or three issues here that certainly need to be reviewed — the concern that we're spending more money on some programs simply because there isn't the competitive bids coming in because a lot of the non-unionized contractors have decided not to get involved in bids.

And the other concern, if a person does even put a bid in or a company contractor puts a bid in, the fact that if they don't have a unionized firm and there are unionized people in the locality where they live who would be available to work, but the unfortunate part as I understand it, they have to go through the two union shops either in Saskatoon or Regina, which creates a

problem for them in funding local employees.

So I'm wondering, Mr. Minister, where we are in this; what your department is doing to address a number of these concerns; and how we are looking at ways and means in which we can take a serious look at making sure you're using . . . get the best bang for our buck, that you get the best qualified or lowest qualified tender. And you've got the opportunity of being able to look at that so you can stretch the dollars in government further and certainly provide as many if not expanded services as a result of being able to take advantage of lower contracts with qualified bidders.

**Hon. Mr. Mitchell:** — This is a very, very difficult issue. At the root of the issue is not the agreement. At the root of the issue is this abhorrent, utterly incomprehensible notion of double-breasting or spinning-off non-union subsidiary companies. I use those adjectives about it because you could go across this country and look in every jurisdiction there is and not find a labour relations board anywhere who is prepared to accept that idea.

It just seems laughable to think that a company like IPSCO, let's say, who's had a bargaining relationship with the steelworkers for how long — 30 years, maybe longer — to think that the law might allow the employer, IPSCO, to avoid the union certification and the collective agreement by simply setting up another company and announcing that from now on that company is going to be running the steel business. The law would not permit that for a moment.

And yet for some incomprehensible reason the jurisprudence has developed in boards in this province over the last 15 years, that allows that to happen in the construction industry.

And that's what's at the root of this thing. I mean if that problem could be cleared up, as we thought we had cleared it up in the 1993 legislation, there wouldn't be any CCTA (Crown Construction Tendering Agreement); there wouldn't be any need for one. So I just observe that in passing.

But I want to make a more positive response to the member's intervention. There are processes that I've initiated that I hope is going to come to some resolution to many issues surrounding the agreement and surrounding the legal questions that exist in this area. Collective bargaining in the construction industry simply is not working. It is not working. It is in a state of near collapse. And it falls on the minister and the department to try and do something with that.

So I have initiated discussions with everybody involved here — with the Saskatchewan Construction Association, the labour relations organization, the Construction Labour Relations Association, with the building trades, to begin to talk about these things and to try and in the end get everybody together and decide what we're going to do in order to normalize relations in the construction industry.

I think that if we're successful in doing that, then the CCTA will no longer be necessary as a matter of a public document or a document affecting the capital program of the government, and we can return to a state of normalcy in the industry.

I'm certainly going to do my best and we'll see whether we can produce any results.

**Mr. Toth:** — Thank you, Mr. Minister. I think based on just the last comments that were made, if some of that was followed through prior to CCTA we might have created a better environment and that could be in place right now.

I don't really know, but I'm suggesting that certainly CCTA has really played a major role in some of the confrontation that is out there and some of the disagreements that we have within the construction trade.

But I don't intend to belabour the point, other than I trust that as you've indicated, you're taking a look at it; you're going to look at ways and means of addressing some of the concerns and coming up with a better understanding so that we have . . . so that construction firms across the province have the ability to hire union or non-union, or be involved in unionized and non-unions, and really recognize the fact that they're able to bid on projects based on their best estimates, whether they're union or non-union, and know that they have a good chance of receiving that tender. But I think if we work through that process we certainly open the door for a better working environment and construction environment in the province of Saskatchewan.

With that, Mr. Minister, I thank you and your officials for having taken the time to come in this evening.

(1845)

**Mr. Hillson:** — Yes, if I may, I'd like to ask just one question. Of course recently, occupational health and safety has developed in the area of sexual harassment of workers. And I think that this is a positive development that most of us applaud and we realize the unfortunate necessity of it.

However, I would like to ask the minister this. There now appears to be some overlap between the Human Rights Commission and occupation health in this area, and I know of complaints that are going concurrently to both bodies. And so it's somewhat of a problem that we don't seem to know which body should really be in charge of a complaint in this area.

And I trust the minister will agree with me that while sexual harassment is a serious issue that has to be dealt with, on the other hand, it doesn't make a lot of sense to have two bodies dealing with the same complaint.

I wonder if the minister could speak on that for a moment for me, please.

**Hon. Mr. Mitchell:** — I thank the member for the question, Mr. Chair. Our regulations require that employers have a policy with respect to harassment. If someone runs afoul of that policy, our people go in and try and help them resolve it. And if they're able to resolve it, that's fine; that's the end of the matter.

We have no power to do anything beyond that. We have no power to order anybody to do anything or stop doing anything



or to impose any penalties or anything.

If we're not able to work it out then their recourse to the Human Rights Commission is there to legally enforce their rights.

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Vote 20 agreed to.

**Hon. Mr. Mitchell:** — Thank you, Mr. Chair. I would like to begin by thanking the members of the opposition, my colleagues, who have dealt with, I believe, the important issues that exist so far as the department is concerned, at least the issues of the day.

And I would like also to thank my officials for coming here today. It's become a small department over the years, Mr. Chair, as a result of successive economy measures taken by successive governments. And we have now a small band of highly qualified people working far too hard and I just want them to know how much we all appreciate it, including I'm sure members on the other side of the House. So I'd like to thank them very much.

**General Revenue Fund  
Justice  
Vote 3**

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

**Hon. Mr. Nilson:** — Yes, Mr. Deputy Chair, I am pleased to have with me this evening Brent Cotter, the deputy minister of Justice and the deputy attorney general; Doug Moen, the executive director of public law. And Ron Hewitt, assistant deputy minister in the back; Colleen Matthews, who's executive assistant to the deputy minister; Elizabeth Smith, who is the director of administrative services branch; Richard Quinney, who is the director of public prosecutions. And I also have with me in the back, Keith Laxdal from finance administration; Darryl Bogdasavich from civil law; John Baker from law enforcement; Dick Till from corrections; and Betty Ann Pottruff from policy planning and evaluation.

**Item 1**

**Mr. Hillson:** — Thank you, Mr. Deputy Chair. To me maintaining confidence in the administration of justice is always the first and most important task of the Minister of Justice. And that requires that the Minister of Justice be somewhat above the political process at times, even somewhat non-partisan, and that the Minister of Justice brings some dignity to the process.

And it was with that in mind that I was extremely disappointed yesterday, when we were into this unfortunate, unfortunate debate about calling political opponents Nazis. That the member for Regina South — the member for Regina South — had the decency to retract and withdraw. The Premier of the province, and of course the former justice minister, also had the

decency to say this is inappropriate.

But the Minister of Justice yesterday on television appeared to be still arguing that it is fair game to call political opponents Nazis, and appeared to be saying that if anyone objects to being compared to the Nazis that they're being thin-skinned.

Then earlier today in this House the Minister of Justice was, I think encouraged and given every opportunity to retract. Again he declined to rise. He did rise for the Norwegian national holiday, but despite repeated references to his interview yesterday he did not take the opportunity to follow the lead of the minister of Regina . . . the member for Regina South and the Premier of this province in saying that this is beyond the pale in responsible political debate. And this has no place for any member of this House, but particularly for a Minister of Justice.

Sir, I regret to say that your comments were unworthy of you . . .

**The Deputy Chair:** — Order, order. Order, order. I've listened carefully to the minister's comments, as I'm sure he will appreciate — or the member's comments — as I'm sure he will appreciate, and I simply wish to ask that you tie your comments to the Department of Justice estimates before the committee as that is what the committee is dealing with at this point.

**Mr. Hillson:** — Well yes, but I . . . as the minister responsible for this department, do you now wish to take the opportunity to address this issue that unfortunately you did not take the opportunity to address earlier . . .

**The Deputy Chair:** — Order. I wish to point . . . Order. What a minister or a member of this legislature states as their personal opinion is just that. What is before us this evening is Department of Justice estimates. I ask the hon. member for North Battleford to move to Department of Justice estimates.

**Mr. Hillson:** — I would then — on the work of the Department of Justice — then like to move to the issue of the Kuziak report, and the media reports this week that the department gave an opinion that that report should be suppressed pending the federal election. And I wish to ask the minister if in fact those reports are correct? Was an opinion prepared by the department? If so, by whom? And can that report be filed with this House?

**Hon. Mr. Nilson:** — Well I think I have to start all of my responses with questions about the research and the kinds of things that the member raises.

This whole situation . . . I responded to questions in the press, and basically I will give you the same response that I gave to the press.

What happens, as you know or you should know by now, the Department of Justice has many legal officers who provide advice throughout the government, including to the Chief Electoral Officer. And it's not political advice; it's legal advice.

And as it relates to this particular issue, because of some of the comments that have been made, a request was made to the

Chief Electoral Officer that it would be okay if the privilege was waived as to some of the advice provided by officials of the department. And as it relates to this specific part, he agreed that that should happen.

And so what I am going to say to you now is that department officials provided advice in the process of preparing this report. They also, at that point, said that there are a number of factors that you should look at as it relates to the timing of the release of the report. And that included things like making sure that when you release the report, all the individuals who were interested, including obviously presidents of political parties and others, that they were all available to get it at the same time. And so that was one factor.

Another factor was that . . . was to make sure, if possible, to have it available in a way that would allow for some involvement at the legislative level, if that was possible. It's another factor to consider.

And a further factor was basically a fairly standard policy throughout government, but also within the Department of Justice, that you look at whether the release of a report would affect an election, whether it's a by-election, a provincial election, or a federal election. And all of those factors are laid out.

But it's very clear that the Chief Electoral Officer is a independent officer. He can make the decision that he wishes to make, but he does seek advice. And that is the extent of the situation.

Now I know that when the Chief Electoral Officer eventually releases his report, I'm sure he'll be happy to answer a number of these questions. But at this stage, that's the extent of the advice.

(1900)

**Mr. Hillson:** — Well the Chief Electoral Officer may be a independent officer, but he claims to be acting under advice from your department. So I have to ask: was an opinion prepared, and if so, can that opinion be filed with this House?

**Hon. Mr. Nilson:** — It's not an opinion that we would be tabling in the House.

**Mr. Hillson:** — Mr. Deputy Chair . . . (inaudible) . . . your colleague, the Minister of Labour, who of course also is a former minister of Justice himself, has said quite clearly he thinks the report should be released. Now the officer is saying he's not releasing it on advice from your department. You are the present Minister of Justice. Will you now stand in this House and agree with your colleague, the former minister of Justice, that yes, that is the appropriate course, and that in fact in a democratic society, people have the right to information. Indeed, how can they make right judgements on public issues without information?

**Hon. Mr. Nilson:** — Well I think that the whole way that we're trying to deal with this is to make it as apolitical a situation as we can. Because the Chief Electoral Officer has the choice of

making . . . he has to make his own choice. He uses his discretion as to what to do here. And I think just by the question you raised, you point out exactly that the Chief Electoral Officer is independent. I mean my colleague can have one position and we can give some advice that's opposite, but he finally makes the decision.

And what you are in fact requesting me to do is somehow to put even more pressure on the Chief Electoral Officer to do something. And I'm not going to do that.

**Mr. Hillson:** — Well I think what I was asking you to do is to do the same as your colleague, the former minister of Justice.

I guess the other thing that disturbs me and disturbs a lot of people is that of course this is a report on provincial party fund-raising. We're now in the midst of a federal election. I can think of no connection, no nexus, no similarity whatsoever, with one small possible exception, namely that the official agent of the New Democratic provincial party, through the years in question, is now a federal candidate. I can't think of any other possible connection between a provincial report and a federal election. And I encourage the minister to correct me if there are some other connections here I'm missing. But I can't think of any other connection.

We're not talking about the federal election. We're not talking about the federal parties. We're not talking about federal fund-raising. We're talking about a report on provincial fund-raising that we can't release in the midst of a federal election campaign. And we're talking about a federal candidate who happens to be a provincial official agent a few years ago.

**Hon. Mr. Nilson:** — Well I think one answer to your question is very close at hand for you. If you just lean over to your seat mate and ask what he referred to the Chief Electoral Officer, what the issue really was, is interplay between the federal parties and the provincial parties. And that included the Liberal Party, the Progressive Conservative Party, New Democratic Party.

And if that's not something that directly relates to a federal election, I don't know what is.

**Mr. Hillson:** — I'm trying to be non-partisan. I think my colleague from Melville has indicated that there may be issues that have to be addressed by all three parties. And if they have to be addressed by all parties, so be it. But part of having free elections and part of voting is that the information is open and made available, and so I can't possibly imagine why your department would take the view that it's terribly important that voters have information withheld from them prior to making their judgement.

**Hon. Mr. Nilson:** — Well I think you've misunderstood my previous answer. Our department, our officials, have not said to the Chief Electoral Officer, don't release this report. What they have said is, when you look at this, take into account the various factors and you make your decision. But make sure you look at some of these factors. But you're absolutely wrong to say that advice has come from our department to not release that report.

**Mr. Hillson:** — If I may, Mr. Deputy Chair, and obviously I accept that the *Leader-Post* is not always necessarily gospel truth, but I must read a sentence from it and ask the minister if it is correct or not. May 14, 1997:

Myron Kuziak says the investigation he launched last June is complete, but he is holding back the report on advice from the provincial Department of Justice.

**Hon. Mr. Nilson:** — Well I have no reason to doubt what Mr. Kuziak says, but I know that he has given permission to me to release the information about the kind of advice that we've given and that's what I've told him.

**Mr. Hillson:** — Are you prepared now to stand in this House and say that you see nothing wrong with releasing the report and that you agree with your colleague that releasing the report would be one small step away from cynicism; one small step towards public confidence in the political process?

**Hon. Mr. Nilson:** — What I would say is that in my role as Attorney General, I end up having to be part of the advice process in the whole system. And what I have told you is the advice that my officials have given to an independent officer, and that person is evaluating the various options as to what to do and they will finally . . . he will finally make his own decision. And I'm not in here in a position, and I don't think you necessarily should be in the position, where you're putting the Chief Electoral Officer in a place of difficulty. But I will not step into this position.

I think you can have your opinion. I think that my colleague can have his opinion, but in the final analysis what we have here is a Chief Electoral Officer who has a job to do and he will have to do it.

**Mr. Hillson:** — As I said earlier, this is a report about provincial fund-raising. We're having a federal election. The only nexus I can figure out is that one of the federal NDP candidates was, from 1993 to 1996, official agent of the provincial NDP.

Can the Minister of Justice at least go so far as confirming and reassuring this House that that is not the reason why this report must be kept from voters' eyes until after June 2?

**Hon. Mr. Nilson:** — Well all I will say is that the particular issue that was raised by your colleague was the federal tax credit and its interrelationship with provincial parties. And that's directly something that's involved in this federal election.

The advice that we provided through the Department of Justice was advice saying, look at all of these factors and make your independent decision. And I think that's the appropriate advice that we gave and I think that other than that I can't say anything more.

**Mr. Hillson:** — But I guess I have to come down to you personally. Can you personally give us your assurance that your failure to join with your colleague, the former minister, and say I want to see that report, I want it out in the public, that your

failure to do that has nothing to do with trying to salvage the Dick Proctor campaign?

**Hon. Mr. Nilson:** — I guess I'm very surprised that you would make that comment. And basically my role as Attorney General gives me some specific positions that I end up taking in this legislature, and I greatly resent that you would say that I would be in any way dishonouring that role.

So I guess what I would say that we have — through the department — have provided advice to an independent officer and that independent officer will make a decision, and it'll be his decision.

**Mr. Hillson:** — Yesterday, according to reports, Mr. Minister, you met with the police association in order to discuss some of the issues before us, especially to do with youth crime. And according to media reports, they had been trying to arrange a meeting with you for a year. I want to ask you if that is in fact correct and give you the opportunity to rebut that if it's not correct.

But the reports were saying that the police association was trying to meet with you for a whole year. And I want to know if that is in fact the case.

**Hon. Mr. Nilson:** — Well you know, if all your research basically is done over coffee in the morning with the paper, then you know I'm not sure how long we'll be here. But practically, yesterday I met with the police officers at their request. They asked that I come last year to this meeting because it's a meeting for the whole province. And it ended up that I couldn't go because of responsibilities here in the House. And the deputy minister went.

This year when the invitation came I said, of course I want to go and be part of this. We had a very good discussion. The issues revolved around many things that are of concern to police officers. And I think practically, they were very pleased with the way that we look at and are examining the justice system. And I have a standing invitation to go to every one of their meetings, and I will try to go to them when I can.

Because I think as I said in the media, if you caught this, one of the important things I said to these police officers was that I need to thank you on behalf of all of the people of Saskatchewan for the role that they play in being the interface often between the justice system and ordinary people. And that they have a very important role to play in educating people about how the justice system works.

And we then ended up talking about many things which are of importance to policing in the province, and I guess what I would say is that the press reports were quite different than actually what we did.

**Mr. Hillson:** — I thank you, Mr. Deputy Chair. I'm aware that the minister did publicly thank the police officers, and I congratulate him for that.

May I just ask though, you've referred to of course the public meetings of the association. We know that public meetings are

not usually the place to do serious business. What about private meetings with the police association where there can be a frank exchange of views and receiving opinions back and forth as to how we can deal with the issues before us at this time? Have those been requested? Have they been responded to?

**Hon. Mr. Nilson:** — Well this meeting yesterday was a private meeting. It was . . . If that's what your question is. It wasn't a public meeting; it was a private meeting, that was, meeting with their board of directors or their representatives from the different areas.

And practically I'm, you know, ready to meet with them at any time. Now because of not missing some of these . . . or not being able to go other times when I had been invited, it took us awhile to get there. But there was never, ever any sense that we were avoiding meeting with these people.

The other side of it is that the officials in the Department of Justice meet very regularly with these people on the different legislative amendments that are proposed to The Police Act, also about issues that relate to some of the other concerns about public safety in the province. And that happens on a very regular basis and there's a very good rapport I would say, between our department and the police officers. And it just happened that I wasn't able to be at some of these meetings.

(1915)

**Mr. Hillson:** — Thank you, and one final question. I believe my colleague from Melville and the hon. member from Moosomin may have some questions but I wish to return to the fact that your response to the suppression of the Kuziak report, it runs completely contrary to the former minister of Justice. Have you had consultations with your colleague so that you can come to some joint understanding as to the appropriate way for the Minister of Justice to respond to these requests when your department is cited by the Chief Electoral Officer as the reason why that report is being suppressed? Have you had consultations with your colleague? Are you going to?

**Hon. Mr. Nilson:** — I think we go right back to the basic point I made before, is as Attorney General, and through my staff and people who work within the department, we provide advice right throughout the government. And on this particular point the advice was provided, and through the kind agreement of the Chief Electoral Officer, he allowed me to talk about the particular advice on this point. And I've done that and that's the advice that's come from our department. And basically that's the position that I end up having to take here. My colleague has another position on this and I think that's appropriate. But as far as me as Attorney General, this is the advice that I've given.

**Mr. Hillson:** — Mr. Deputy Chair, I realize that, but I say . . . my question is though, you can see that your position is diametrically opposed to your colleague and the former minister. Are you talking to your colleague in an attempt to come together into a proper understanding of what your response ought to be? I realize you can't give orders to the Chief Electoral Officer, nor should you, but you can at least say what your colleague has said, namely, I think the report should be out.

**Hon. Mr. Nilson:** — I disagree with your comment that we're diametrically opposed, because the position that I've taken as the legal and constitutional adviser to the Chief Electoral Officer and to the government is that through my officials, they have laid out these points and said, you're an independent officer, then you have to make a choice. That's as far as I can go on their advice and I can't . . . I don't . . . that's where it stays.

**Mr. Toth:** — Thank you, Mr. Deputy Speaker. I have a few questions here I'd like to address before we move through the Committee of Finance. The other day I was talking to you about custody, and about joint custody and about some of the problems that are arising.

And, Mr. Minister, I think you received a fairly thick piece of information from the National Shared Parenting Association in Regina. And they raised a number of problems or a number of issues, brought them to your attention, to the department's attention, a number of concerns they had.

Number one, the problem with what they called the adversarial courts forum, and number two, the problem, children are often used as pawns in litigation process. The problem of our children have price tags on their heads. The problem, our current justice system is concerned with the rights of parents and not of children.

And then it spends . . . it goes on further to explain exactly what they mean by that, such as spending time with children, don't neglect children. The myth of disruption, dispelling the disruption myth, and a number of other areas.

And I think under the former minister of Justice there was a process of mediation that was brought into play to try and alleviate some of the major problems that were arising out of custody battles.

Unfortunately, Mr. Minister, I'm not sure if that process of mediation is working. I think, Mr. Minister, what we're finding, parents and custody battles are . . . they go through it . . . in some cases they indicated they're forced into it without really taking the time to look at the problems that may arise if they go beyond that. And the fact that mediation can work or possibly can work if people are willing to work with it.

Number one, it would probably do two things for them. It would save them some money at the end of the day. It will probably put more money in their pockets and in the pockets of the children at the end of the day versus a long-drawn-out court process system. Plus they may end up as friends and being able to provide parenting, ongoing parenting, to their children.

What we have today, Mr. Minister, is a situation where . . . and one of the biggest concerns is the fact where in many cases the wife may receive custody of the child and then in some cases uses that in . . . or as well as while they receive custody and have been awarded a maintenance agreement, they . . . at the same time there's custody allowed or access given to the father who's the parent.

And on some . . . many of occasions . . . Of course the ones we hear are for the ones where there's ongoing disagreements that

arise — where parents don't feel they've received appropriate or get appropriate access.

Now, Mr. Minister, in the March 12, 1997 *Times Union* article, an article of . . . and I believe this is from the United States, there was a decision made and I believe in a Saratoga court where a question of custody and access was addressed. Now in this case the, I believe — and I'm just going to go through a specific case here just to bring this to your attention — I believe the mother was awarded 60 per cent of children and the father was awarded 40 per cent. But the father was given 25 per cent . . . sorry, ordered to pay a level of maintenance of 25 per cent of his income. And he carried this case through to the point, because he argued while he was making \$53,000, his wife was making \$43,000, it wasn't fair that he had to pay all the maintenance.

At the end of the day, and just for your information, a new ruling came down which said well — a judge looked at it and said — well you know, that might be fair. The custody is 60 per cent for the wife, she should pay . . . So the father therefore is responsible for 60 per cent of the financing. But the wife is making \$43,000 so it's only fair that for 40 per cent of the custody that the father has, she should pay 40 per cent. I think in the end they ended up with a saw-off of about \$69 that the wife got.

Now what I'd like to know, Mr. Minister, is what is being done to address the concerns where custody is denied? And I think I mentioned this the other day, about maybe tying the fact . . . Maintenance may have been awarded but if custody is not being followed through, then maybe is it reasonable to suggest that maybe maintenance payments may be reduced? I think you talked about the fact that if you awarded custody but custody isn't followed through, that you then would have to take civil action to address this question.

And the concern I raise and the reason I would like to raise this, Mr. Minister, is why would a person then be forced to take civil action to make sure that the court indeed follows up on the decision that was made by the court in regards to number one, maintenance; and number two, the biggest question of access to the children and custody of the children?

**Hon. Mr. Nilson:** — Thank you for that question. I think the point you're wanting to make is that access was being denied, not custody being denied . . .

**An Hon. Member:** — Yes, access.

**Hon. Mr. Nilson:** — Yes, access, okay. As we looked at some of these issues before, one of the questions that was asked was, why aren't we doing more in this area. And I think that is a good question. But what I would say is that our Children's Law Act in Saskatchewan actually has more remedies for access that's denied than most other jurisdictions in Canada or maybe all other jurisdictions in Canada.

And some of the things that can be awarded include other time to make up for the access that's been denied. Expenses — you can get your expenses reimbursed if you've had to travel somewhere and then the access was denied. And so there are some extra remedies. One of the things is accurate though that

you say, well you end up having to go to court to get some of these remedies.

And so as part of the overall discussion and strategy relating to family law which has been worked on through the special family law working group through the federal, provincial, territorial ministers across Canada is, we looked at child support guidelines of child support issues. That is now in place as of May 1, 1997, and we are now going to hopefully focus our efforts in a broader way on access, custody issues. That's on a national basis. And we have people from our department who are working on that.

On a provincial basis, we know that a year ago the Children's Advocate raised some issues around access and the rights of children to see both parents. And out of that an interdepartmental working group has been working over the past year at trying to identify the issues and some of the responses that might come. And we're hoping within another month, month and a half, two months, to go out into the community of Saskatchewan to discuss these issues and see if we can't address some of the specific things that you're raising.

I think that many of the models and things that we have done in Saskatchewan have gone a long ways to addressing some of your concerns, but I agree with you that we're not there yet.

**Mr. Toth:** — Well thank you, Mr. Minister. And I guess the real question I'm raising is the fact that up until now, and I believe today, if you don't have access you do have to go back through the court. Which can become a monetary problem for a number of individuals, especially if all of a sudden you find yourself with . . . you've lost your job and you've got a lower paying job, you still have this maintenance question that you have to deal with.

And if you're then forced to go to the courts . . . and you talked about, just mentioned the lawyers a minute ago I think, when you were talking, made a comment about lawyers, talking about the minister of North Battleford. Unfortunately they don't really come cheaply. And these costs become an abhorrent cost. And it would seem to me we need to find a way of addressing this without forcing people back into the court system to make sure that we follow up on orders that have been given by one level of the court in this area.

While you're saying changes are being made, I would certainly encourage you, Mr. Minister, to look at ways in which we can make sure that we certainly follow up. That if an order is given, that order has some bearing, and you don't have to then follow another process of court procedure to make sure that the original court order was followed through on.

**Hon. Mr. Nilson:** — Well that's a good suggestion. And it is I think, I can quite clearly say, included in the discussion about how we provide self-help kits for people so that they can identify this. We do have a part of our family law division of the courts that includes public education and there are seminars and things that help people understand some of the issues.

But I think you're going another step, saying let's figure out how to make this even more user-friendly, if I can put it that

way, and that's our goal. So we agree that we will continue to work on that and maybe next year you can ask me and I'll say, well here's the things that we've been able to do in this past year. But we're working in that direction.

**Mr. Toth:** — Thank you, Mr. Minister. Mr. Minister, you commissioned the Martin report to look into prosecutions in the province of Saskatchewan and a number of issues and concerns that have been raised about prosecutors and prosecutions and how they're followed through. And as has already been indicated, Mr. Minister, that was spurred on because of some key and some high-profile cases where some . . . what would certainly appear there was some major blunders made in the way prosecutions were made and followed through on.

And I have some very deep concerns in that. I think you might share in some ways the views of other people on it as well because of the fact that so many, especially in the Martensville case . . . we had so many charges laid and we ended up with, I believe one actual conviction at the end of the day. And so we have a number of people . . . in fact I don't know right now how many people are actually suing the department as a result of what happened in the Martensville case. And it seems to me, Mr. Minister, as a result of that we find ourselves where the department is under purview . . . or under investigation or under severe criticism for what happened there.

Now in higher profile cases where people may be able to take on the department to gain compensation for economic loss as a result of charges — and of course when you look at Martensville that is a higher profile case than other ones — there are some real concerns there.

Now when the report came down I was very disturbed in the fact that . . . and the thing that really disturbed me, Mr. Minister, is — and this was an issue that I think was raised when the report was originally commissioned — that it was really limiting Mr. Martin and his official in their review.

(1930)

And I noted that they had basically talked to lawyers, they had talked to prosecutors' offices, they had talked to policemen. No one really took the time to talk to . . . and I guess maybe that's because of what the parameters they were given to review. But it appeared they really didn't look outside of the very core of the judicial process; that one would have to question whether or not you would get a fair review, because this level of the judiciary are all involved in prosecutions and it wouldn't be in their best interest to come out and say to the public of Saskatchewan, we have a very poor and a very inefficiently run prosecutors' office or judicial process.

And I'm wondering, Mr. Minister, why there wasn't a broader review and a broader opportunity for Mr. Martin to review the concern and specifically look at cases like the Martensville, like Milgaard, and the Latimer case, to be able to look and come up with a review that would look in depth at prosecutions in this province, that would address some of the concerns that we have and certainly in the minds of the public of Saskatchewan.

**Hon. Mr. Nilson:** — I think I could respond to your question

quite simply by just taking the terms of reference in my letter to these people that do the review. But all I'll do is say that they were given the opportunity to interview and deal with as many people as possible, but the fifth term of reference was: consult and interview, as required, to address the above terms of reference, individuals within and outside the criminal justice system.

And the people who were interviewed included many people within the criminal justice system, but it did also include many high-profile defence lawyers who have lots of questions about the justice system. And I think practically, the kind of review we got came back and said very clearly that you have competent, capable people running your prosecution system. And that there are some areas that you may want to look at, and they laid all of those out. But it provides us with, I think, a very good review of prosecutions in Saskatchewan and allows us to build on this review to make a better prosecution system.

I would also say that this review is one that's taken place in the Department of Justice and follows on the heels of other reviews. We did one in corrections. We did one through the land titles system. We did one in public prosecutions. And there are obviously many hot points that relate to the prosecutions issues and that means that there are many times that issues arise.

But I think that to say that they did not have the ability to go as broadly as they wished, that's not accurate.

**Mr. Toth:** — Well, Mr. Minister, I think for individuals who are trying to deal with the system and have certainly been affected by decisions in the system, they certainly may disagree with you. And of course the system itself doesn't seem to have a level of responsibility at the end of day for when charges are laid and when they're dismissed. There again you've got to go through the whole process of court review and you've got to have the money and be able to go back to court and then to get due compensation for economic loss or whatever if you prove your innocence.

And someone obviously . . . A decision or choice was made that certainly put an individual or a group of individuals in an awkward situation. And that's one of the problems.

Now you mentioned in your letter when you presented the report, the Martin report, you mentioned:

It cannot be overemphasized that the purpose of a criminal prosecution is not to obtain a conviction. It is to lay before a jury what the Crown considers to be credible evidence relevant to what is alleged to be a crime. Counsel have a duty to see that all available legal proof of the facts have been presented.

Now, Mr. Minister, in regards to that — and I'm not getting into a specific case — but based on a broad overview of some of the situations that have arrived on my desk, some of the things, some that I've presented to you, one that we just discussed a moment ago, there seems to be situations, Mr. Minister, where individuals find themselves as a result of allegations made against them eventually going to court. And it

appears that until they get to court they've never really had the opportunity to sit down and explain or find out what allegations were originally made and at least being interviewed to find out whether or not there is substantial evidence to go to court.

Now you say it's the responsibility of the Crown to make sure there's enough information. Now I would like to know where the Crown gets its information, whether or not the Crown interviews alleged individuals who may be convicted of a crime, or how they derive the information that they are to deal with. Or do they just take the information that comes via a police officer in a specific case and determine whether or not that is sufficient evidence to lay a charge?

Now I think you're talking of . . . in the Martin report you point out the fact that we're going to implement a screening system to make sure that there is — I guess what you're basically suggesting — a better system of sitting down to determine whether or not charges should be laid in appropriate situations, rather than because an allegation is made, someone feels a charge should be laid, then we end up in the court system.

What process is followed in order that a Crown prosecutor for sure has the evidence in front of him and an individual, who may be convicted at any . . . or may face a conviction, knows that they have had the opportunity to present and to answer to any questions that are raised to determine whether or not there is sufficient evidence to go to court versus an allegation is made, a charge is laid, a person ends up in court before they've even had a chance to be interviewed or talked to.

And in the case that I've presented to you, there certainly seems to have been some lack of communication. I've got another circumstance where an individual now is \$32,000 on the hook. But this is one we've talked about back and forth, where it's gone between jurisdictions, which has certainly been a problem for us. And in the end there hasn't been the . . . The Crown is . . . in this case the other jurisdiction finally stayed the charges and allowed it to come back here.

It just seems, Mr. Minister, that the door is too wide open and I guess what I'm saying here is while you say it's not the purpose to obtain a conviction, it is the purpose to lay it. It's almost like you're saying all the Crown has to do is just lay the charge and try and present enough evidence to gain the charge, rather than determine whether or not they should be going to court at all. And that's part of the interpretation that may be here.

And I think that's something that we need a clarification on and a better understanding of the process. So that at the end of the day in due course the legitimate charges are being followed up on, and what would appear to be charges that really aren't shouldn't be going to court, that they don't end up there tying up our court system and costing individuals thousands of dollars just to defend their innocence.

**Hon. Mr. Nilson:** — I think what I would say in response to your question is try to give you a bit of an idea of what happens and . . . because I think that is your question.

When the police receive a complaint they begin gathering evidence. And their job is to gather sufficient evidence so that a

charge can be laid. Sometimes they are in a position where they'll actually lay the charge. Quite often they will be involved in consultation with a Crown prosecutor.

The Crown prosecutor standard of review is a little bit higher, if I can put it that way, than the police's standard. And the standard for the Crown prosecutor is, should this matter proceed. And the question they ask themselves, is there a reasonable likelihood that somebody will be convicted as opposed to whether there's sufficient evidence to lay that charge.

Our system has full disclosure of the information that the prosecutor has. So that means a person who has been charged receives full disclosure of the information that the Crown has. And then there's a process to deal with this which is the court process.

I think that what you should maybe recognize or maybe what all the public should recognize is, and I think what the report says, is that when a conviction is not obtained that's not a failure of the system. And in fact it may be a success of the system. Because when it does happen is the point you were making, is that there the defendant is finally in a position, if they wish, to present their whole story.

And I guess what I would say is that the system that we have as it relates to criminal prosecution has developed over many, many, many years and it has many checks and balances in it. But that the system is designed so that the defendant receives full disclosure of the evidence against them as early in the process as possible.

**Mr. Toth:** — I thank you, Mr. Minister. Unfortunately, Mr. Minister, when you suggest that the system works and if a person at the end of the day proves their innocence, if that person has in the process, and let's say it's been a time-consuming process and they find themselves with anywhere from 20 to \$200,000 in the red, who covers that?

The person that was forced to prove they were innocent is left to bear that. It may mean, in some cases, Mr. Minister, it may mean a family breakdown. In other cases, it may mean the loss of a business. And I'm not exactly sure we can just hang our hat on the fact the system works because you were able to prove innocence at the end of the day.

Now you made the comment about full disclosure. What I would like to know, Mr. Minister, is when is full disclosure available to a defendant? Is it when a charge is laid and then the prosecutor is to make full disclosure if it's required . . . requested by the lawyer? Or who makes that . . . and what do you mean full disclosure?

**Hon. Mr. Nilson:** — Well full disclosure can occur at a couple of different times, but often it's at a time when the charge is laid or it is automatically given at the time a person pleads not guilty.

I think another point that I would make is that at any point in the process a defendant who wishes to make a statement about what has happened, they're free to do that and provide that

information to the Crown which then is reviewed in the whole process. And there have been instances where at that stage, the charges would be dropped.

**Mr. Toth:** — Thank you very much, Mr. Minister. I guess the reason I ask that question, I go back to some of the former members that are on trial right now. And I know a number of members I've talked to didn't find out till they got to court, some of the information that was certainly being used against them.

Now if you're telling me that full disclosure is available, they should have, if you will, full access to anything or all information that would have been used against them. The only reason I raise that one is because of having communicated with some of the individuals.

Now another individual, there's a couple of cases I've brought to your attention right now where the circumstances are much different, but the feeling is that they don't really know what they're facing as well.

So when you mean full disclosure, you're basically suggesting and telling me that any defendant has, should have, or can gain access to all evidence that would be used against them. Is that true, Mr. Minister?

**Hon. Mr. Nilson:** — Yes, I think the answer is that full disclosure will take place automatically at first appearance in court. It may happen earlier than that.

The other point I would like to make is that there's disclosure of all evidence, both for, you know, in favour of a defendant, or against the defendant. So that practically all of that information is there and it's fully disclosed.

I think I should also say that when you refer cases to me in this area, as you know, I refer them to the director of public prosecutions and they're all handled there because I do not get involved in individual cases.

(1945)

**Mr. Toth:** — And I thank you and I'm not expecting that. But I'm basically looking for some information. On many occasions from when individuals contact me with a particular case, I'm looking for some background and what can be possibly done in certain circumstances. And yes, I realize as well if something is before the courts, there isn't . . . you have to allow the process to follow.

But if there's some information that can be given or they can be steered in a direction, then I think it's my responsibility and your responsibility as well. That's something that we need to do as representatives of the public to make sure we're working and trying to give them the help that they need as well.

Mr. Minister, in the Martin report you mentioned about the fact that there's not only going to be a screening process in place as far as prosecutors to try and deal with and determine to take a closer look at whether making sure that when cases are . . . certainly, charges are laid and cases end up in court, that you're

dealing with situations that would certainly be the type that would stand up in court.

But you also made another recommendation that there be more computers available. What I'd like to know is what do you mean by computers? Are we talking of computers available to Crown prosecutors to utilize in the courtroom? Or are we talking computers available that could be used and utilized in offices versus being carried into the courtroom and used in the courtroom?

**Hon. Mr. Nilson:** — I think the answer is both. I mean there are some cases where through the use of various types of software, if you have thousands of documents, then the judge, defence, and prosecutor will all have a computer so that they can access material through a computer. So that's one area.

But also we're providing more than within the offices because they're of great assistance when it relates to legal research and also preparation of documents. So I guess I would say it's all those areas, and we know it's an area that we have to provide better resources.

**Mr. Toth:** — Thank you, Mr. Minister. There's one question I do have here in regards to the use of computers, and having sat in on a couple of court cases recently and watching the . . . and the one that we're all familiar with is the most recent former MLA and his challenge of computers.

The concern I have, and I think the public won't be too long in gathering this as well, is the fact that when computers are keyed up, computers are keyed up and they're only as good as the person keying them up. And it would seem to me a prosecutor's only going to key in evidence that he's gained that would substantiate his case, not anything that may point to the innocence of an individual.

Now the biggest concern at the end of the day, Mr. Minister, is the fact that if evidence has been gained and you're going to key computers, number one, where did you get that evidence? You probably would have received it either from interviews or from taped interviews or even from printed material that goes back and may be dated back a while of period of time.

And the biggest concern is, as we see in the one case, where material has been shredded. It would seem to me that until a case is completed, heard, and is put to rest, that all backup information should basically be available — any printed material to substantiate what's on that computer chip or that computer disc.

Secondly, you made the comment that the defence would have access to. The concern there is as well, information can be deleted or added to on a disc very easily. And how does the defence, or if you will, say the defence has something and they utilize the computer. The prosecutor wants access to it. How are either one of them assured that they are receiving all the information that is being utilized in the case? Or just what either of the different to the defence or the prosecutor might feel they'd want to give because they may not want to jeopardize the area or the mode of question that they would like to get into.



What assurances do we have that when disclosure or access to a computer is given, ordered by the court or requested of, that all of the information will be made available, Mr. Minister?

**Hon. Mr. Nilson:** — Well I think the answers can be very general. And I'm not in any position to comment on any specific cases, as I've said before.

But lawyers as prosecutors and defence lawyers are officers of the court and there's a code of professional ethics that has been developed over centuries that relates to criminal proceedings. And the full disclosure means full disclosure of all relevant evidence.

And I don't think it really matters what kind of technology there is or isn't. The code of professional conduct says if you have relevant evidence, then you need to make sure that the defendant and their defence counsel know about it. And that's the answer.

**Mr. Toth:** — Thank you, Mr. Minister. On to another line of questioning.

There's been a fair bit of debate about volunteer groups and certainly the Eastend Rink Complex board being held accountable for some problems that arose from a fund-raiser that went wrong. What has been done to date, Mr. Minister, to address a similar circumstance that may happen down the road so that we don't jeopardize the work of volunteer groups in . . . well throughout Saskatchewan?

I shouldn't say just rural, because I'm sure large urban centres as well have many people who volunteer time and efforts to fund raise and to provide for recreational facilities and what have you, and we've got different opportunities. What has been done to date to address a circumstance such as the one we've had show up in the Eastend area?

**Hon. Mr. Nilson:** — Well I think basically what happens in this area, and we've talked about it before, is that in Saskatchewan we have certain standards as it relates to directors of non-profit corporations. And those standards are related to the reasonableness of a person's actions, and if people take reasonable actions as directors of a corporation, they don't need to worry.

Now there was a specific problem that arose in this one community that has raised the issue again. And we've been looking at this but we know that the present standard is really quite high and the ability to be successful in a lawsuit of a director of a non-profit corporation is quite remote, as long as the people are acting in a reasonable way.

I think that the standards are quite good there, but that's where it sits right now. But it doesn't mean we're not continuing to look at what other options there might be. But at this point we think there is actually fairly good protection, but we are examining other jurisdictions and other places to see if there are some other ways of doing something.

**Mr. Toth:** — Mr. Minister, as you can appreciate and you've

probably noted, just in the last few recent days while we've been receiving phone calls and we've been receiving a number of letters regarding the Appeal court's decision regarding strippers in bars in the province of Saskatchewan, and then just recently we've had just an onslaught of petitions that have been coming in from across the province.

Now I'd like to know, Mr. Minister, what the government is doing to address this concern. I'm sure that your office has been, and your MLAs have been hearing from people who have been calling regarding it. Our caucus has certainly suggested that the notwithstanding clause of section 33 of the charter of rights is something that could be of use to address this problem.

According to Mel Smith, a former constitutional adviser for several B.C. governments, Justice Hrabinsky's rulings is a prime opportunity for your government to invoke section 33 of the charter. Mr. Minister, while I think you were looking at the Minister responsible for Gaming, there is a judicial situation here that we want to bring to your attention. I think your department has a responsibility as well and you'll be probably asked to give information on this. Is it possible to use section 33 of the charter as suggested by Justice Hrabinsky?

**Hon. Mr. Nilson:** — I think that that remedy that you suggest is an uncommon remedy. It's not one that one would use in the first instance. This particular case is under appeal at this point, and practically I don't think you'd even look at the kind of suggestion that you're talking about until the full appeal process has been completed. It's a section that is rarely used, but I think the possibility of using it is there.

But our position is that we are going to go through all of the appropriate legal processes, the appeals, before we look at that.

**Mr. Toth:** — Mr. Minister, another question, another concern that I'd like to raise and it comes from . . . and it's actually something that's been ongoing. It goes back a few years; it's prior to your term as minister.

It began when the member from Saskatoon was the minister of Justice, and it's this whole issue of the judges in this province and a piece of legislation that was enacted that agreed to a process of working out monetary provision for the judges. Then when the government felt they couldn't honour that they revoked that. And as of right now, I believe it's before the courts.

And you're probably going to stand and say I can't respond to that because it's before the courts, but I can ask you the question. When do you think, or when do you anticipate that there will be a response or an answer to this question that is being raised and to this lawsuit that has resulted as a result of a decision by the department in response to what was basically agreed to be prior to negotiations regarding salaries?

**Hon. Mr. Nilson:** — You were correct in surmising this is before the court. I can say though that the present situation is that examinations for discovery are being completed, and I think that they may be close to completion. And the next step would be the parties certifying to the court that they're ready for a pre-trial conference. So at this stage it's in the court process

and we hope that it will be resolved soon.

**Mr. Toth:** — Mr. Minister, the only thing I can say is I think most people are thankful that it's the judges and the lawyers who are in this process. They probably can afford to follow the . . . afford to follow through the process. And the cost at the end of the day is something that they'll probably be more than willing to eat up whereas a private individual would really begin to think, well, I really can't afford this any more. But we'll let the process work.

Mr. Minister, the other day you announced with the Minister of Social Services that you were bringing in . . . or going to work at a program to try and deal with prostitutes on our streets, and specifically with child prostitution. And at that time, Mr. Minister, I raised the concern that well on one hand, yes, it's appropriate and it's proper that we deal with the problems on the streets and individuals who would take advantage of children. I think you're going to basically deal with prostitution on the basis of sexual assault or child assault or whatever the term. I forget the term.

But on the other hand, there's a question that is not being addressed and that's the question of how do we deal with . . . I guess the circumstances that allow for and certainly that bring children, especially when we start seeing 10-, 11-, and 12- and 14-year-olds on the streets, the circumstances that certainly allow them or even encourage them to be on the streets, Mr. Minister. I think that is one area that we are overlooking and we haven't even started to look at yet.

Now that may be outside of your department. I know the legal aspect question is something that's there. But I think it's something that maybe your department needs to take a close look at as well with the Department of Social Services; that there's another problem there that needs to be addressed as well as dealing with individuals who would take advantage of young girls on this — or I shouldn't say young girls — young people on the street, Mr. Minister.

I would hope that your department is looking at ways and means of addressing the other end of the problem. And I'm wondering what your views are, whether or not this is something that is an issue that is being addressed. Or are we just dealing with it after the fact and the johns who would take advantage or would be out on the street trying to solicit the availability of these individuals.

**Hon. Mr. Nilson:** — I appreciate your question and the way that you've asked it because it does allow me to respond by saying that the issue is these young people and why are they on the street. And there are lots of factors that are social factors.

What we in the Department of Justice are doing is working closely with the Department of Social Services, Department of Health, Education, and very much that cooperation along with other departments through the child action plan tries to address some of the issues that results in people or young people being on the street.

I think that the concerns that you raise identify that often the Department of Justice has a role of picking up the pieces when

things don't go quite right for people, whether it's adults or young people. And that often means that we're involved in some situations that are really quite distressing.

And I think that the role that we can play is to help solve those specific instances if we can, but also to identify too all of the appropriate services — whether it's education or health or social services, the kinds of things that we find that they can do that would maybe prevent kids being on the street or other types of crime.

And we very much work in cooperation with all of the other government departments as well as non-profit community organizations and municipal governments throughout the province.

(2000)

**Mr. Toth:** — Thank you, Mr. Minister. Mr. Minister, I just want to add another couple of concerns and questions and throw out something your way as well.

Mr. Minister, when this whole case of prostitution and how we deal with it comes forward, I think it's incumbent upon everyone involved that there is certainly a level of respect and regard and that the levels of . . . whether it's the police; whether it's the judiciary; whether it's the legal community, certainly are free of and make themselves as clean, if you will, in dealing with the situation.

You and I, as individuals in this Assembly, people look to us and we have to . . . we basically are, I guess, elevated to a level where people expect us to maintain a certain level of conduct. One of the concerns I do have . . . and I take a *Saskatoon Star-Phoenix* article and I believe it was the 26th. I forgot to write the date down; I didn't get it. But the article talks about Belleville, Ontario where a police inspector was one of six people charged in the prostitution crackdown in Oshawa last week.

Now unfortunately, Mr. Minister, when we look at this case or prosecution, it doesn't matter what sector of our society . . . we're probably there . . . you probably will find that of all sectors of society. Well just the other day we heard in Saskatoon where another member of the clergy is being charged by a number of individuals.

And I'm not sure how you deal with that. I know someone's going to be throwing back in your face, well what about this person? What about individuals in possibly our police forces or individuals in government?

I'm not sure how you're going to deal with it, but I think it's going to be an interesting challenge for you and your department when you start dealing with this. Because I think some of this may be thrown back and establishing, I guess if you will, a level of credibility so that we are indeed showing people that while we're concerned we're not just elevating, but we're holding to a standard that we're trying to impress upon society.

And that's a concern. I think it's something that we need to work towards. And as minister, I think certainly leadership is

going to come from your office as well, and responsible for that. And so I don't know if you want to comment about that on this time, but I'm throwing it out as something that we need to certainly be very cognizant of and very mindful of.

Mr. Minister, one other question and just a quick . . . Your department I believe is responsible for the Human Rights Commission and the Human Rights Code. Is that correct?

**Hon. Mr. Nilson:** — That's correct. I'm the minister who is responsible in the legislature for the Human Rights Commission. They are obviously independent, but I'm the person who answers questions about them.

**Mr. Toth:** — Mr. Minister, as well, just prior to the last election, the former Justice minister brought forth a change to the Human Rights Commission, and his argument was that we needed this change. We added the words "sexual orientation" so that there was a sector of our society could not be picked on or could not be trodden upon, or made slightful allegations of or racial slurs about in our society. I believe that was brought forward to address a concern regarding the sexual orientation of individuals.

It seems to me, Mr. Minister, the reasons that were used were that there was a group in our society that certainly could face persecution as a result of the fact that they weren't dealt with clearly. Now I think you were here at the time. I think you heard some of the arguments we presented when that Bill was brought forward — the fact that we felt there was enough in the Charter of Rights and Freedoms to certainly address that.

But I'm wondering, Mr. Minister, your view . . . is this . . . has the change really made a difference in regards to how people perceive other individuals and how they treat them, and the fact that there aren't racial slurs or individuals mistreated as a result of their personal abuse?

**Hon. Mr. Nilson:** — Well I wasn't in the legislature during that debate, but what I would say is yes, I think it is an important signal to all of the community that discrimination based on sexual orientation is not tolerated. And the Act itself and those words being there are part of the education process for society. So yes, I think it was an important step and it was something that should have been done.

**Mr. Toth:** — Thank you, Mr. Minister. And yes you're correct. Now that I recall, you were elected in 1995. And I appreciate that.

Mr. Minister, as the minister responsible for Justice, as the minister responsible for the Human Rights Code, and in view of what has taken place in our country over the past . . . not even too distant numbers of weeks — and we certainly heard some of that today: the response that the Leader of the Reform party had to make in regards to a couple of comments made by his members.

And then there was the president of a riding in B.C. was forced to respond to an allegation that what he used . . . as an East Indian suggested they're looking for all-white candidates. There's been a lot of media attention.

It would seem to me, Mr. Minister, that it certainly would be your responsibility as well to uphold . . . And whether it's a slip of the tongue, I think it takes . . . and it's certainly incumbent . . . And I know even in my case on many occasions, where you may say something that afterwards you regret having said, you wished you could pull it back.

But, Mr. Minister, I do have a concern over an issue that arose last night that certainly appeared on the network. And it would seem to me, Mr. Minister, that it would certainly be appropriate as the minister to acknowledge that if a case like where the member from Regina South had apologized, I think a comment such as we heard last night it certainly wasn't becoming.

And I just . . . I'm not sure how you feel about that comment but I just want a response or give you a chance to respond to it.

**Hon. Mr. Nilson:** — I think I should explain that yesterday morning, before any of these comments were made in the legislature by my colleague, the press asked me about this incident and basically wanted me to make some comment. That really wasn't what I wanted to do.

But my response was that it appeared that the member from Regina South had intended it as a spoof. And then I went on and made the comment that when one goes into politics, talking about myself and I suppose all politics, that you can't do that with a thin skin. The comment that I made at that point was in reference to all kinds of comments. At that point I had no knowledge that the Leader of the Reform Party even knew about the comment.

Later in the day the apology came forward, which I think was entirely appropriate. And as I said to the press this afternoon, if there was any problem, it wasn't intended by me and I apologize to all who may have been concerned about that.

So practically, it was a situation where comments that I had made before an apology had been given were then played after the apology had been given, without any explanation about the timing of it.

And it's a situation that I regret because it clearly doesn't reflect my position or my perspective. And I would hope that you and all the people here in the legislature would understand that.

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

**Mr. Toth:** — Well I thank you, Mr. Minister. And I think you can certainly appreciate where we're coming from as well. Because we're out in the public and it's easy to take comments and run with them. And I'm sure the member from Regina South is quite well aware now of the fact that you need to be somewhat cognizant of the public perception and what we would like to certainly present.

And I just felt it was important that as minister responsible for this level and for the Human Rights Commission, that that should be acknowledged, and I appreciate that and I thank you. And I thank your officials for being here tonight.

**Mr. Osika:** — Thank you, Mr. Chair. The recent exchange between the hon. member for Moosomin and the hon. minister, Mr. Chair, has compelled me to go back to a question that was raised earlier. And, Mr. Minister, you alluded to the fact that we develop mutual respect, we develop mutual respect with our electorate, and that's the reason that we're here and we're honoured to represent the public in this venerable institution.

We also develop a mutual respect for one another in this House, and despite the differences of opinions we still have a mutual respect; although people watching some of our proceedings would never believe that.

The less than complimentary comments . . . And, Mr. Minister, you'd said that . . . and again, in a comment . . . and this is not being critical. But when I hear people say you have to have a thick skin to be in politics — and I agree — you have to develop some thick skin. But the fires of public cynicism and some of the comments that people make about politicians, regardless of how thick your skin is, does hurt. Especially when the motivation for being in this honourable institution is such, that is to represent the best interests of the people who elected you here and the people of the entire province.

It's saddening when you hear people have derogatory remarks about politicians and paint everybody with the same brush. I know, I'm sure, that — and I know — that you have a great deal of respect for this institution. You and I being relatively new, share that feeling in a very, very strong manner. Because I know that you as I do feel very honoured to be here in this House and be able to represent the folks that allowed us to be here.

I guess what I'm getting to is, Mr. Minister, is I'm going to implore you once again to do the decent thing, as the leader, as the Minister of Justice, with respect to an investigation that has been ongoing for a number of months, an investigation that may or may not implicate all three political parties; may or may not involve some perhaps contraventions of The Election Act — may or may not. If it does, are people now that are viewing us saying, well it's there, the investigation's been completed, why is it not being revealed to the public. Why can't the people know what's in that report?

If there's something that's going to get someone in trouble, or if it involved an infraction — regardless of who it is — let's deal with it. Let's not delay and fuel, continue to fuel, these fires of cynicism by having people respond by saying oh, they obviously have something to hide.

So I guess, Mr. Minister, one last time, I'm imploring you to please perhaps pour some water on these fires of cynicism, that fuel the fires of cynicism. And please, you in your authority and your capacity, you are in a position to ask for that report without jeopardizing the integrity of the Chief Electoral Officer. I believe I heard the minister responsible for The Election Act earlier say in response to the question from my hon. colleague about the matter of babysitters, that you know people do make mistakes. And he also accepted the fact that perhaps fumbling was not the appropriate word. But human nature being what it is, perhaps there was an error in judgement when certain advice is given to people. Perhaps there was in this case.

And so I guess I'm asking you, as the Minister of Justice, who has waited, as we all have, over almost 11 months to get to the bottom of an investigation that's now done . . . The report is available. It does not impact — it should not have any impact — on whatever else is going on federally. This was a provincial issue, provincial matter. The people have a right to know.

(2015)

And I guess once again, I implore you to reconsider, to ask your Justice officials to reconsider the advice they gave to the Electoral Officer, if you or the hon. minister of The Election Act do not feel it proper to request that report for distribution in this House and for the benefit of the people of Saskatchewan.

I guess what's the difference whether it's revealed now or whether it's revealed later. If it's a matter of it's there but we won't let it go, I go back to what I said earlier — all it does is fuel the fires of cynicism that there's something to hide. And I would hope that that's not the case, and I'm not suggesting it is.

But you do have an opportunity, sir, to come clean with that report or let us see it — not come clean, I'm sorry, that was the wrong choice of words — but to ask for the report in a way that will not discredit anyone that's been involved in leading up to my beseeching you at this point to ask you to reconsider. Thank you.

**Hon. Mr. Nilson:** — Well I appreciate your comments. And unfortunately you, by the comments that you've just made, have put onto me as Attorney General the decision. It's not my decision. What my role is, is through my officials to provide advice and the advice given is as I stated earlier. And I am not the person that makes the decision, and I'm not the person that's to step in there and make a request.

You have a position that you can take as a member, and other members here can take positions, but as Attorney General I have a couple of different roles. When I'm acting as Attorney General, my role is providing the advice to an independent officer and that person has the discretion to make the decision. The advice provided through the officials from the department set out some of the factors that should be taken into account by the Chief Electoral Officer, but finally the decision is his.

I'm not in a position and I don't think that the people in the department are in a position to force the Chief Electoral Officer to release this report. And you put me in a very awkward position when you say that I have that power, because I don't.

**Mr. Osika:** — Thank you, Mr. Minister, and Mr. Chair. In the event . . . and again now all of a sudden people speculate all sorts of things and this is what happens when there's a reluctance to reveal certain information. It's taken a long time . . .

**The Deputy Chair:** — Order, order. I thank the hon. member from Melville for yielding the floor to the Chair. I'm listening very carefully to a debate that has some difficulty for all members.

I just want to read a portion of Beauchesne's 6th edition, chapter . . . or pardon me, paragraph 481. And I'll quote it in part, ". . . it has been sanctioned by usage that a Member, while speaking, must not" . . . And in section (e), it lists (a) through (j), but section (e) of that 'while speaking must not impute bad motives or motives different from those acknowledged by a Member.'

And I sense that we're skirting or flirting with this this evening. And I know that hon. members would not want to be imputing motives different from those acknowledged by other hon. members.

**Mr. Osika:** — Thank you, Mr. Chair. I certainly wasn't meaning to skirt around any of the issues, but this was a forum that would give an opportunity for some discussion with respect to the Justice minister's responsibilities and how he sees them and as being part and parcel. If I'm incorrect on that, I apologize.

I guess only one more comment and that's with respect to your response, Mr. Minister, then. What if, as I said, what if there was something in that report that did identify a violation and it's been delayed? What would your reaction or response be to that finally tabled report?

**Hon. Mr. Nilson:** — I don't think I'm able to speculate on that at all.

**Mr. Osika:** — I guess that was my concern again, that that report that's been under an investigation — if there is something untoward, should it not be dealt with as quickly as possible, rather than be delayed?

**Hon. Mr. Nilson:** — I think these questions are quite properly or should quite properly be directed to the Chief Electoral Officer, who is doing the investigation. And my role has not been to be involved in any part of that at all.

**Mr. Osika:** — Thanks, Mr. Minister. So I take it that there would be no discussion with your officials to see if they would reconsider the direction that they gave the Chief Electoral Officer?

**Hon. Mr. Nilson:** — I think I have to reiterate that my officials did not give a direction. And that's I think the difficulty here, is that there's some assumption that anybody can direct the Chief Electoral Officer. He's an independent officer. He has the discretion to make a decision. All of the advice that my officials gave in this area was to say, look at the various factors involved when you make your decision. But in the final analysis, the Chief Electoral Officer has to make the decision.

**Mr. Osika:** — Thank you, Mr. Minister. And thank you to your officials. Thank you, Mr. Chairman.

Item 1 agreed to.

Items 2 to 8 inclusive agreed to.

Vote 3 agreed to.

**Supplementary Estimates 1996-97**  
**General Revenue Fund**  
**Budgetary Expense**  
**Justice**  
**Vote 3**

Items 1 to 5 inclusive agreed to.

Vote 3 agreed to.

**The Deputy Chair:** — Committee members, earlier this day under Minister of Finance, loans, advances and investments, we passed in the *Estimates* book but I forgot to read the "be it resolved." Can we complete that portion of business? Agreed.

**General Revenue Fund**  
**Loans, Advances and Investments**  
**Agriculture and Food**  
**Vote 146**

Vote 146 agreed to.

**General Revenue Fund**  
**Loans, Advances and Investments**  
**Economic and Co-operative Development**  
**Vote 167**

Vote 167 agreed to.

The committee reported progress.

The Assembly adjourned at 8:29 p.m.



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