

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Bjornerud: — Thank you, Mr. Speaker. I'd like to present a petition today to do with the twinning of No. 1 Highway. I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reach necessary agreements with other levels of government to fund the twinning of the Trans-Canada Highway in Saskatchewan so work can begin in 1998, and set out a time frame for the ultimate completion of the project.

The people that have signed the petition, Mr. Speaker, are from the towns of Moosomin, Broadview, and Pense. I so present.

Mr. D'Autremont: — Thank you, Mr. Speaker.

To the Hon. Assembly . . . Hon. Legislative Assembly of Saskatchewan legislature assembled, a petition of the undersigned citizens of the province of Saskatchewan humbly sheweth that the residents of the province of Saskatchewan are opposed to the practice of night hunting by any citizens of the province; and that night hunting at any time of the year is extremely dangerous to those who are hunting and others in the vicinity; and that night hunting is an extremely unfair and unsportsmanlike form of game hunting; and that the majority of citizens are not allowed to practice night hunting.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with aboriginal and Metis leaders in the province of Saskatchewan in an immediate effort to end the destructive and dangerous practice of night hunting in the province for everyone regardless of their heritage.

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

I so present, Mr. Speaker.

Mr. Heppner: — Mr. Speaker, I also rise to present a petition, and I'll read the prayer.

Wherefore the petitioners humbly pray that your Hon. Assembly acknowledge this petition to aid in the ongoing problems with young offenders, with crimes such as murder, arson, rape, and robbery on the rise; at the hands of young offenders, these crimes have increased in recent years and, in light of the increased laws, have to be enforced.

And I so present. Thank you.

Mr. Osika: — Thank you, Mr. Speaker. I also rise to present a

petition on behalf of the people of Saskatchewan concerned about the health care system, and particularly the closure of the Plains Health Centre.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

Mr. Speaker, signatures on these petitions are from Assiniboia, Limerick, Viceroy, and in addition to the thousands of petitions that the loyal Liberal opposition has presented in the past.

Mr. Hillson: — Thank you, Mr. Speaker. I also present petitions from citizens of the province concerned about deteriorating health services. If I may read the petition:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that the essential health services provided at the Plains Health Centre may be continued.

Mr. Speaker, I so present.

Mr. McPherson: — Thank you, Mr. Speaker. I join with my colleagues here today to present petitions to add to the tens and tens of thousands of petitions . . .

The Speaker: — Order, order. Now the hon. member is well aware of the rules regarding the presentation of petitions that do not permit for the opportunity to engage in debate. Order, order. And I'll ask the hon. member to introduce the petition in the ordinary fashion.

Mr. McPherson: — Thank you, Mr. Speaker. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

The people that have signed these petitions, Mr. Speaker, are from Congress area, Assiniboia; some from Regina — many from Regina — Fife Lake, Coronach, Kincaid; all over south-western Saskatchewan to join with the hundreds of thousands that have already done so. I so present.

Mr. Aldridge: — Thank you, Mr. Speaker. I too rise to present petitions on behalf of citizens who are concerned with the state of health care in our province, and in particular with the closure of the Plains Health Centre. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre

by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that essential services provided at the Plains may be continued.

And those who have signed these petitions, Mr. Speaker, are from all over Saskatchewan. Communities such as Willow Bunch, Assiniboia, Viceroy, Fir Mountain; a number from the city of Regina itself; Rockglen, just to name a few. I so present.

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

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

As in duty bound, your petitioners ever pray.

And the people that have signed the petition, Mr. Speaker, are from Assiniboia, they're from Coronach, they're from Humboldt, they're from all throughout the land; and I so present.

Mr. McLane: — Thank you, Mr. Speaker. I too today have a petition to present on behalf of people of Saskatchewan:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure and by providing adequate funding to the Regina Health District so that the essential services provided by the Plains may be continued.

Mr. Speaker, this petition is signed by the good folks in the communities of Assiniboia, Lafleche, Crane Valley, Glentworth, Bengough; the list goes on and on, Mr. Speaker.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present petitions from the many concerned citizens, their concern being the serious problem of youth crime.

To the Hon. Assemblies of Canada and Saskatchewan. The petition of the undersigned citizens of Canada humbly showeth that youth crime is a serious problem in our society; that we need more effective ways to deter youth crime and to protect society.

Wherefore your petitioners humbly pray that the Parliament of Canada and the legislature of Saskatchewan enact legislation and policies to deal with the problem of youth crime.

And this petition, Mr. Speaker, is signed by citizens from Humboldt, Spalding, Leroy, Watson, Naicam, Middle Lake, and many, many communities throughout our province. I so present.

Mr. Goohsen: — Thank you, Mr. Speaker. I'm happy this morning, Mr. Speaker, to present the following petition with regards to the No. 1 Highway:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reach necessary agreements with other levels of government to fund the twinning of the Trans-Canada Highway in Saskatchewan so work can begin in 1998, and to set out a time frame for the ultimate completion of the project with or without federal assistance.

I'm happy to present this, Mr. Speaker, on behalf of the people of Maple Creek, the villages of Claydon, the town of Fox Valley, and I believe Consul as well. I'm happy to present these, Mr. Speaker.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, with your permission I would like to read notice of two motions, please.

I give notice that I shall on Thursday next move first reading of a Bill, the Legislative Assembly and Executive Council amendment Act, 1998 entitled, the free votes. And I give notice that I shall on Thursday next move first reading of a Bill, the recall of members Act, 1998.

The Speaker: — Order. I'll ask all hon. members to come to order.

Mr. D'Autremont: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the Power Corporation amendment Act, 1998. I give notice that I shall on Thursday next move first reading of a Bill, the Saskatchewan property rights Act. And further I give notice that I shall on Thursday next move first reading of a Bill, the wildlife amendment Act, 1998.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I give notice as well that on Thursday next I shall move first reading of a Bill, the public inquiries amendment Act, 1998, health care system review. I also give notice that I shall on Thursday next move first reading of a Bill, the Saskatchewan health ombudsman Act. I give notice that I shall on Thursday next move first reading of a Bill, the health districts amendment Act, 1998, fully elected health boards. And finally, Mr. Speaker, I give notice that I shall on Thursday next move first reading of a Bill, the health districts amendment Act, 1998, block funding.

Mr. Bjornerud: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move reading of a Bill, the regional telephone districts Act.

Mr. Heppner: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the referendum and plebiscite amendment Act, 1998. And I also give notice that I shall on Thursday next move first reading of a Bill, the public inquiries amendment Act, 1998.

Mr. Gantefer: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the Crown corporations amendment Act 1998, for investment prohibitions.

I also give notice that I shall on Thursday next move first reading of a Bill, the Crown corporations rate review Act, 1998.

I also give notice that I shall on Thursday next move first reading of a Bill, the Crown corporations disclosure Act, 1998.

I also give notice that I shall on Thursday next move first reading of a Bill, the balanced budget Act, 1998.

And I finally give notice that I shall on Thursday next move first reading of a Bill, the government accountability Act.

Mr. Boyd: — Thank you, Mr. Speaker. As part of an extensive legislative agenda, I give notice that I shall on Thursday next move first reading of a Bill, the trade union amendment Act, repealing successor rights.

Also that I give notice that I shall on Thursday next move first reading of a Bill, the right . . . pardon me, the Saskatchewan right to work Act.

Also I give notice that I shall on Thursday next move first reading of a Bill, the democratic unionism Act.

And also, Mr. Speaker, to complete, as I've said, a part of an extensive legislative calendar for the official opposition, I give notice that I shall on Thursday next move first reading of a Bill, the Crown Construction Tendering Agreement revocation Act.

Mr. Osika: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the health care bill of rights. Thank you.

Mr. McPherson: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the hospital beds waiting-list reduction Act — short title, additional hospital beds Act.

Mr. Aldridge: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the Plains Health Centre preservation Act; short title, save the Plains.

Mr. Belanger: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the exceptional drug plan Act. And I so present.

Mr. McLane: — Thank you, Mr. Speaker. I give notice that I shall on Thursday next move first reading of a Bill, the doctor-patient confidentiality Act, Mr. Speaker.

Ms. Julé: — Thank you, Mr. Speaker. I now give notice that I shall on Thursday next move first reading of a Bill, an Act to amend The Local Government Election Act.

I also give notice that I shall on Thursday next move first reading of a Bill, an Act to reclassify certain telephone rate designations. Thank you, Mr. Speaker.

Ms. Haverstock: — Thank you, Mr. Speaker. While I'm on my feet, I'll give notice of three Bills. I give notice that I shall on Thursday next move first reading of a Bill, an Act respecting public presentations to the Legislative Assembly.

I give notice that I shall on Thursday next move first reading of a Bill, an Act to amend The Legislative Assembly and Executive Council Act respecting the determination of sessional

dates.

I give notice that I shall on Thursday next move first reading of a Bill, an Act to amend The Legislative Assembly and Executive Council Act, 1998, duration of Assembly.

INTRODUCTION OF GUESTS

Ms. Draude: — Thank you, Mr. Speaker. I'd ask the Assembly to join with me in welcoming some friends of mine from the aboriginal community: Oliver Constance, Jim Favel, Stephen Constance, Milton Tootosis, Rita Galloway, Marlene Fellows, Robert Whitehead, Doreen McKay, Lena Campeau, Nancy Whitehead, Terrance Whitehead and Treean Whitehead, and Jaylynn McKay. Welcome.

Hon. Members: Hear, hear!

Mr. Osika: — Thank you, Mr. Speaker. I would like to ask my friends and my colleagues in the Assembly here today on this first day of our opening of the legislature to once again welcome the Leader of the Liberal Party of Saskatchewan, Dr. Jim Melenchuk, who is sitting in your gallery. And he's seated with our chief of staff, Richard Phillips. Thank you.

Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I am pleased to introduce to you and through you to the legislature, 14 grade 8 students from Davin School here in Regina, along with — they're in your gallery — along with their teacher, Mrs. Wynne Edwards and the chaperon, her husband, Rev. Larry Edwards. Welcome.

Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. I'd like to introduce to you today, to you and through you, members from the RM (rural municipality) of Saltcoats who are in for a SARM (Saskatchewan Association of Rural Municipalities) convention. And I know these gentlemen are going to be very happy to hear the Minister of Municipal Government returned some of the money that they have cut from municipalities. They can look forward to that.

I would like . . .

The Speaker: — Order, order. Order, order. Order. Now all hon. members, I know we're early in the session and we might just as well remind ourselves of the rules. And I know the hon. member is aware that in introducing guests it's improper to engage in debate and I'll ask him to simply introduce his guests in the usual manner.

Mr. Bjornerud: — Thank you, Mr. Speaker. I would like to introduce to you today the administrator of the RM of Saltcoats, Mr. Ron Risling, and two of the councillors, Jim Datema and Nelson Rodgers. Welcome. Would you join with me and welcome them.

Hon. Members: Hear, hear!

Mr. Jess: — Thank you, Mr. Speaker. I'd like to take this opportunity to introduce my son Tyler in the west gallery. He

came down yesterday for the opening and assures me that there's enough feed out there for the cows that he can stay today. So . . .

Hon. Members: Hear, hear!

Mr. Belanger: — Thank you, Mr. Speaker. To you and through you I want to welcome some very special guests that come from a long ways.

We have some people from Bogota, Columbia. We have Federico Nieto, Patricia Laxdal, Claudio Nieto, Luisa Fernanda Guerrero, and also from Regina here we have Lori Hall.

I'd like to ask the Assembly to put our hands together and welcome our very special visitors.

Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, on the first day of the first sitting of this legislature, I had the pleasure of introducing Mr. Martin Draude of Watson. And I would like to take that pleasure once again today to welcome Mr. Draude to the legislature. Enjoy the proceedings. It should be interesting, Marty.

Hon. Members: Hear, hear!

Mr. Belanger: — Thank you, Mr. Speaker. Again I beg your indulgence to do a second introduction of guests. I want to welcome the aboriginal people that are in the Assembly today. And maybe tell them that . . .

(The hon. member spoke for a time in Cree.)

And as an aboriginal member of the Assembly, I take special pride when the aboriginal people are here visiting the Assembly. And hopefully we'll see many more of you out here in these seats. Thank you very much.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

International Women's Day

Ms. Stanger: — Thank you, Mr. Speaker. 1998 is a special year for celebrations around the globe. Since 1911, every year throughout the world, International Women's Day is celebrated on March 8. It is a symbolic day for women — a time to recognize women's struggles and celebrate women's achievements.

This past weekend in communities all over Saskatchewan, many people took part in International Women's Day activities. I would like to take a moment to recognize this special day and the achievements of women.

Women-run businesses have become a significant and growing force in the Canadian economy. They provide jobs for more than 1.7 million people — more than the *Canadian Business Top 100* combined.

Women are making great strides in the area of post-secondary education. In Saskatchewan in 1993, 57 per cent of the graduates of all bachelor and professional degrees were granted to women.

Through policies, legislation and programs, the Saskatchewan government will continue working with the community to assist women and their families in achieving social and economic equality.

I would like to take a moment to congratulate our athletes. We have much to celebrate: the Sandra Schmirler rink team winning gold at the Olympics; Catriona Le May Doan won gold and bronze in speedskating. Congratulations. Happy belated International Women's Day to everyone.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. I too would like to recognize International Women's Day — a day set aside to celebrate the achievements of women. Our society has come a long way in breaking down the gender barriers for men and women in the workplace and at home. As a matter of fact today, in 1998, it is almost hard to believe that not so very long ago women were not even considered people under the constitution. Since that time we've seen incredible changes in people's attitudes, and even in our most staunch of institutions.

I was pleased to hear the recent announcement made by Queen Elizabeth, as she supports changing the past for succession to the British, and hence Canadian, throne, to the first born child — not the first born son — shall become heir to the throne.

Mr. Speaker, this example may seem far removed from the reality of Canadian women, but just imagine for a moment if this gender exclusion had never been made. I would suggest to the members of this Assembly that the entire course of history would have been altered considerably.

Mr. Speaker, one of the guiding principles of the Saskatchewan Party is individual freedom and equality of opportunity for all citizens. As women we have come a long way, but as we approach the new millennium we must recognize there is still a lot of work to be done. But I have no doubt that through the education and the hard work of our sons and daughters, we will achieve this much-needed equality. Thank you.

Some Hon. Members: Hear, hear!

Outstanding Young Athlete

Ms. Julé: — Mr. Speaker, I'd like to recognize an outstanding young athlete from my constituency who happens to be a neighbour of mine from the Peterson area, 18-year-old Justin Dauvin. This past summer Justin was selected to be part of the Canadian squad at the World Junior Softball Championships played in St. John's, Newfoundland where Canada won the bronze medal. Justin is known as a steady hitter, and his remarkable skill at the plate was one of the big reasons he was able to secure a spot on the Canadian team. Justin led the tournament as top batter with a staggering .542 batting average and with a .792 slugging percentage.

Justin's athletic ability has taken him many places throughout Canada — and the world, indeed. To New Zealand last February, which in turn . . . that experience, which in turn prepared the team to go on to the Canada Summer Games in Brandon, Manitoba. He also played with the Delisle White Socks at the Canadian midget tournament last August. The highlight of Justin's softball career thus far happened on October 25 last year when he was presented with the Male Athlete Award of the Year by Softball Saskatchewan. Congratulations, Justin.

Some Hon. Members: Hear, hear!

Order of Canada Awarded

Mr. Kowalsky: — Mr. Speaker, I'm delighted to stand here today and to welcome all members back to the third session of the twenty-third legislature and to bring to the attention of this Assembly the fact that Dr. Orville Hjertaas, a highly respected resident of my constituency, received the Order of Canada award on February 4, 1998.

I consider Orville Hjertaas to be the doctor of medicare. In 1960 when Tommy Douglas was re-elected on his promise to introduce medicare in Saskatchewan, Dr. Orville Hjertaas from Prince Albert was named as Vice-Chair of the commission to oversee the implementation of medicare. He had previously worked to organize health regions in Weyburn and Swift Current. Dr. Hjertaas displayed his courage and his dedication of the concept of medicare when he did not join many of his peers who went on strike and withdrew their services in July 1962 — supported, incidentally, by the Liberal Party.

His work to promote one-stop caregiver teams in health centres to provide comprehensive, curative, and preventative health, served as a model for health reform, both here in Saskatchewan and across Canada. It may have been government that developed the programs, but it was Dr. Hjertaas and others like him who put medicare into action and made Canada's health system a model for the world to aspire to. For his lifelong work Dr. Hjertaas received many awards, including the P.A. Citizen of the Year Award, and the Saskatchewan Order of Merit. I'm sure all MLAs (Members of the Legislative Assembly) will be with me when I say here today, congratulations, Dr. Hjertaas, doctor of medicare, Order of Canada.

Some Hon. Members: Hear, hear!

Kinsmen Telemiracle

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, it is with great pleasure that I rise today to congratulate everyone involved in the continued success of the Kinsmen Telemiracle. This past weekend, the hardworking and dedicated Kinsmen and Kinettes raised over \$2.5 million. Mr. Speaker, the people of this province never cease to amaze me. Despite the fact that their pocketbooks are the most heavily taxed in all of Canada, the people of Saskatchewan continue to give generously to this wonderful cause.

As a matter of fact, Mr. Speaker, I believe that there may even be a lesson here for the government. The people of Saskatchewan are the most generous people in the world if they

know that their money is going to a meaningful cause, and they know their money is staying right here in Saskatchewan to help the people of this province.

As a current Kinsman, I understand the huge amount of volunteer time and energy needed to make Telemiracle a success. Having been involved, and having felt the pride and gratification that comes with being part of the Kinsmen Telemiracle, I think I understand the exhilaration the senior girls' volleyball team from the Canora High School must have felt when they had the honour of putting up the final total: \$2,546,637. A job well done, Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. I would also like to praise the Kinsmen and Kinettes on their fine work over the past weekend. We're all aware of the success the Telemiracle has had in the past and that this year was no exception. The Kinsmen and the Kinettes . . . which was held at the Centre of Arts in Regina this year raised over \$2.5 million.

We're always grateful to the stars who turn out for this wonderful cause. It is generally the stars we see on the stages of the Centre of Arts and the Centennial Auditorium. Let us not forget however, what truly makes Telemiracle a miracle — the people of Saskatchewan.

The Kinsmen and Kinettes, along with many others, spend countless hours in preparation for this event. From them a spirit of voluntarism washes over us like a great wave.

To those who give their time, our sincere thanks. To the great majority, who give their money, we thank you for your generosity, which has come to symbolize the caring attitudes of the people of Saskatchewan. Thank you Mr. Speaker.

Some Hon. Members: Hear, hear!

Honour Band Concert

Mr. Osika: — Thank you, Mr. Speaker. It always does me a great deal of pleasure to hear people recognizing the achievement of youth in our communities throughout the province and throughout Canada.

Each year here, the Honour Band of Prairie Region, made up of sea, army, and air cadets, will present a concert tour to include the cities of Thunder Bay, Winnipeg, Regina, and Edmonton. This is the fifth of its kind. And I recall having had the pleasure of attending one of these most entertaining concerts at the Centre of the Arts a couple of years ago.

Today I would like to acknowledge and congratulate a Melville youth, Jay Stanley, son of Larry and Jackie Stanley, for having been selected once again from across the Prairies to be a member of this honour band. Jay is a member of 752 Campbell Royal Canadian Air Cadet Squadron under the command of Captain C. Mervin Ozirny. Jay plays the trombone and is one of 100 cadets chosen from the 210 cadets from across the Prairies. My good friends Larry and Jackie have good reason to be proud of Jay's achievement.

The performance in Regina, by the way, will be at the Saskatchewan Centre of the Arts on April 15. I am pleased to bring this to everyone's attention so we can acknowledge and congratulate all the young people who participate and make these kind of commitments to achieve their goals. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Meadow Lake Tribal Council soon to own Techfor

Hon. Mr. Sonntag: — Thank you, Mr. Speaker. I'm proud to rise and speak about another successful first nations business venture in Saskatchewan. Today you are going to hear about Techfor, which will soon, as I understand it, be 100 per cent owned by the Meadow Lake Tribal Council. Techfor owns 40 per cent of NorSask Forest Products Inc. This deal is worth an estimated \$20 million.

The Meadow Lake Tribal Council is one of the most progressive tribal councils in the country, if not in the world, Mr. Speaker. This deal may well be the largest financial transaction involving a first nations group in the history of the province outside of government transactions. Many predict in the not-too-distant future that NorSask will be involved in producing value added products. When this happens, jobs will be created and a lot of those jobs will go to first nations people.

We all know that more jobs are being created and more people are working here in Saskatchewan than ever before. This statement is not only true for southern Saskatchewan but now for northern Saskatchewan people as well.

Mr. Speaker, the Meadow Lake Tribal Council is another proud example of first nations people contributing towards self-determination for aboriginal people in northern Saskatchewan.

Thank you very much.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

SaskPower President's Resignation

Mr. Gantefer: — Thank you very much, Mr. Speaker. Mr. Speaker, my question is to the minister responsible for SaskPower. Mr. Minister, it is now clear that neither you nor the Premier are telling the full story as to why you fired Mr. Jack Messer. You can't just fire the Premier's long-time buddy and campaign manager for the party in 1991 unless he messed up something pretty severely.

Mr. Speaker, Minister, it's not too late for you to come clean. Will you tell us the whole truth today? Will you tell us why you fired Jack Messer?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, the member opposite will know that Mr. Messer resigned a few days ago under mutual agreement between Mr. Messer and the government,

with the understanding that was very clear in his letter and in press statements that have been made, that the reason is that Mr. Messer is looking for a change, another opportunity, and the government and SaskPower is looking for new direction.

Some Hon. Members: Hear, hear!

Sale of Channel Lake Petroleum

Mr. Gantefer: — Mr. Speaker, Mr. Minister, last week you confirmed that the mismanagement of the Channel Lake Petroleum deal was one of the major factors where . . . after Jack Messer was fired. But that's all you said. You flatly refused to provide the official opposition and Saskatchewan taxpayers with any details at all about the purchase and sale of Channel Lake. In fact you kept the whole deal under wraps until the Provincial Auditor exposed it last fall.

Mr. Minister, taxpayers have the right to know how you managed to lose millions of dollars on this deal. In '97 you sold Channel Lake in a secret, untendered deal for about \$20 million — \$5 million less than you should have got for it, and what you paid for it four years ago. Will you release the asset sale studies and any other sale studies that you used to arrive at the \$20 million purchase price?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to indicate to the member opposite that following question period today, as I indicated to some of the members of the press yesterday, that I will be making a statement under ministerial statements. And I will be asking for leave to give an extended ministerial statement because I think reporting on this issue is crucially important. And I say to the member opposite, if he's patient — and I ask this sincerely — I will do my best to explain the situation surrounding Channel Lake.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Thank you, Mr. Speaker. And, Mr. Minister, I want to make it very clear what we expect you to come clean with in this ministerial statement. We want to see all of the asset sale studies and any other reports that were done into the purchase, management, and sale of Channel Lake. We want to see the Durand report in its entirety. We want to know how the Channel Lake fiasco was reported to the board of SaskPower, the board of CIC (Crown Investments Corporation of Saskatchewan), and the cabinet. We want to know how this contributed to the firing of Jack Messer, and we want to know who else in SaskPower and CIC and the cabinet were negligent.

Mr. Speaker, the taxpayers deserve all of this information. Will you commit to giving all of it your statement, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the members opposite — to all the members opposite — I intend to make a full ministerial statement. It may be a bit longer than normal and I will be asking for leave to do that, but I will be as forthcoming and open with the issue as I think the member is wanting; although this is a complicated issue, but I will do my

best to explain as the best of my ability.

Some Hon. Members: Hear, hear!

First Nations Financial Accountability

Ms. Draude: — Mr. Speaker, my question is for the Minister of Intergovernmental and Aboriginal Affairs. Mr. Minister, this morning the Saskatchewan Party caucus met with members of the first nations accountability coalition. These are first nations men and women from across the province who believe that millions of dollars are being mismanaged by band councils and they're not getting to the ordinary band members on the reserves. They have brought with them documented instances where members of band councils have received hundreds of thousands of dollars in salaries, honorariums, contracts, expenses, forgivable loans, and even welfare payments. At the same time, people on the reserve live in the most deplorable conditions imaginable.

Mr. Minister, your government provides millions of dollars a year in funding to Indian bands. And what are you doing to ensure accountability? What are you doing to ensure that money given to first nations people gets to the people who really need it?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, these are very serious matters. They are not matters to play politics with; they're not matters for grandstanding. They're serious matters of accountability. Nor, Mr. Speaker, are they partisan issues.

I want to say to the members opposite and to the House, that all of us agree on all sides of the House, that if there's any fraud or impropriety by aboriginal people or others with respect to the handling of government funds, whether federal or provincial, we are all unwilling to tolerate any kind of misapplication of public monies — any kind of fraud, Mr. Speaker — we will not tolerate it. And it should be a fundamental tenet for every political party, Mr. Speaker, to be on guard against any kind of misappropriation.

And I say to the members opposite, and to anyone else in the province, that if anyone has evidence or information to offer of any kind of misappropriation of public funds, that should be provided to the police, and the law officers of the Crown will do their job, Mr. Speaker, in pursuing these matters to the utmost.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. Mr. Speaker, to the minister, there are people here that do have some very important information and they do want to meet with you. And they do want to meet with you very soon.

Mr. Minister, your government and the federal government is failing the first nations people. We spend millions of dollars a year yet there is no accountability as to where this money is going. Mr. Minister, the members of the accountability coalition say that Indian bands don't need more money. They're not asking for more money. What they're asking for is accountability to ensure the money that they're receiving right

now is going to the people who are supposed to get it.

Your brand of cheque-book politics is failing. It's simply not good enough to write a cheque and turn your back while funds are mismanaged and Indian people continue to live in third-world conditions right here in Saskatchewan.

I ask you, Mr. Minister, will you tell the people here today what you're going to do about it? What are you going to do about the accountability that the first nations people need so that their standard of living is up to where everyone in Saskatchewan should have?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I repeat again: this is not a matter for partisan politics; this is not a matter for grandstanding. If there is a concern with respect to the manner in which federal Indian Affairs money from Ottawa is being dealt with, let us agree, Mr. Speaker, that as a matter of law and jurisdiction, it is the job of the authorities in Ottawa — perhaps the federal Auditor General or perhaps someone else — to look into it.

The members opposite know that no provincial government can audit federal Indian Affairs money that goes to Indian bands, Mr. Speaker. The opposition knows that very well. Let us not grandstand or play politics with this issue. Let us join together in this House and with Indian people in calling upon the federal government to ensure that federal monies are properly spent, whether by Indian people or non-Indian people, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. Mr. Minister, that's exactly what we're asking for. We're asking that the government and opposition work with the aboriginal people to make sure that everyone has a decent standard of living.

Mr. Speaker, the members of the first nations accountability coalition have dozens of examples of mismanagement and corruption by band councils. For example, they have records showing how Pelican Lake Band councillors paid themselves welfare at the same time they were paying themselves salaries, honorariums, expenses, and loans — which were never repaid.

Meanwhile, the people on the Pelican Lake Reserve live in third-world conditions. I know — I've been there. Because governments refuse to deal with an issue of accountability, the people have to live in these kinds of conditions. And this is just one example.

Will you please meet with the coalition . . . (inaudible) . . . first nations accountability today immediately after question period to review this information? And will you immediately begin to address the issue of accountability of this money?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, the member should understand that if there are allegations of fraud or misappropriation of funds, those matters should be dealt with by the police and the proper law authorities. They should not be

dealt with by politicians in a legislative chamber. That, Mr. Speaker, is highly inappropriate and the member should know that.

I can only say to the member, Mr. Speaker, that if she, any of her colleagues, or anyone else has information of fraud or misappropriation, they should report such matters to the police authorities.

In specific answer to the member's question: will I involve myself in that kind of investigation? The answer is no, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you again, Mr. Speaker. Mr. Minister, Indian bands in Saskatchewan receive about \$400 million a year from the federal government, and they receive millions more from the provincial government to look after the 47,000 first nations people who live on reserves in Saskatchewan.

Yet the province's 70 bands are more than \$50 million in debt: 35 have deficits; three are in receiverships; six are operating under co-management regimes; and 34 have been asked to draft a debt-management plan. Only 12 bands are actually balancing their books.

And where's the money going? We don't know because there is no accountability. And, Mr. Minister, we ask if this afternoon right after question period you do meet with this group to understand their very serious concerns. I ask you sincerely.

Hon. Mr. Cline: — Mr. Speaker, if the member is not simply interested in grandstanding and playing partisan politics for reasons which are well aware to all of us, then I think the member should acknowledge that if the \$400 million going to Indian bands — the member is talking about coming from Indian Affairs — are going to be audited, that audit, Mr. Speaker, will come from the federal authorities. It cannot by law or jurisdiction come from the provincial authorities.

And I note in today's *Star Phoenix*, Mr. Speaker, that the Canadian Taxpayers Federation wants the federal government to undertake independent financial and operational audits of all Indian bands. I would say, Mr. Speaker, that all people, whether Indian or non-Indian, responsible for public funds should be properly accountable, should be properly audited.

But when it comes to federal funds, Mr. Speaker, that will be a job for the federal authorities. It will not be a job for the provincial government.

Some Hon. Members: Hear, hear!

Plains Health Centre Closure

Mr. Aldridge: — Thank you, Mr. Speaker. Mr. Speaker, the countdown is on. If this NDP (New Democratic Party) government has its way, in 235 days they'll take the wrecking ball to the Plains Health Centre. The NDP has closed down 53 rural hospitals; it scrapped almost 400 hospital beds in Regina. We have waiting-lists which are unacceptable to say the least.

Health care professionals in Regina tell us our emergency rooms are already flooded. Surgeries are being cancelled. Stretchers are being lined up in hallways in all of our hospitals. On one occasion — at least one occasion last week — there wasn't a single available bed in this city.

Mr. Premier, everyone knows that health care will suffer more if the Plains is allowed to close on October 31. What are you going to do about it?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, we have launched the renewal of the health care system in Saskatchewan which is going to guarantee its stability and its top-notch qualities well into the 21st century. And this involves readjustments, and it involves new technologies and new procedures, and I believe that it is the model which other provincial governments and jurisdictions facing this problem are following.

But I want to say to the hon. member that there is another dimension to this problem. His federal Liberal counterpart, Mr. Rock, Mr. Rock . . . (inaudible interjection) . . . Now now, listen to me on this — himself last weekend said that what he urged all Canadians to do — get this — Allan Rock said all Canadians should be writing to Mr. Chrétien and the Liberal Party in Ottawa, urging them to raise medicare as the first fiscal dividend payment from the fact that Ottawa has balanced its books.

Where you should start is to join Mr. Rock by writing to the Prime Minister and getting more federal funds.

Some Hon. Members: Hear, hear!

Mr. Aldridge: — Supplementary question to the Premier, Mr. Speaker. So the pattern's already set, Mr. Speaker. Everything's fine in health care except, when there is something wrong, we blame the federal government.

But as the head of orthopedic surgery in Regina indicated in an October 3 *Leader-Post* news item, every time something like postponed surgeries makes the press they say, oh no, this is a singular item, a singular event. We say, B.S. Until you . . .

The Speaker: — Order, order. Now the hon. member will recognize that he just engaged — Order! — that he just engaged in unparliamentary language. I will ask him to withdraw his remark and apologize to the House.

Mr. Aldridge: — I withdraw my remark, Mr. Speaker.

It's bad enough that this government forced proposed closure of the Plains. But it's just as bad . . . is the fact that you've ignored thousands and thousands of people who have signed petitions opposing your plans.

Mr. Premier, what are you prepared to tell these people — that they don't understand or that you don't care about what they have to say?

Hon. Mr. Romanow: — Well we've been telling the people the truth, something which you are very allergic to. We're

going to tell them the truth about health care reform and what's taking place with respect to medicine.

Don't tell me that I'm blaming Ottawa. Allan Rock is blaming Ottawa. Allan Rock said this weekend he called on all Canadians to join him in his battle against Paul Martin to get the federal funds devoted to medicare and not to a millennium scholarship fund. All the premiers, including Liberal premiers of the Atlantic region, the Conservative premiers, NDP premiers, every premier unanimously — I wrote the letter on their behalf as Chair of the premier's conference — said to the Prime Minister: pay the dividend to medicare. I'm not blaming Ottawa. Ottawa is accepting blame.

Why don't you join us in seeking to get more funds from Ottawa for health care? That's what we're doing.

Some Hon. Members: Hear, hear!

Mr. Aldridge: — Second supplementary to the Premier, Mr. Speaker. Mr. Speaker, that's not what people are telling us. They're telling us that the health care system must be saved from this NDP government. And we have to start by saving the Plains hospital. There's a feeling out there that while medicare was born here, it will surely die here if left in the hands of the NDP government.

During this session, we'll introduce a private members' Bill which would place a moratorium on your plans to close the Plains until the next provincial election.

Mr. Premier, will you let the people which . . . who you are supposed to represent have their final say in this crucial decision?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the only way that medicare would ever die in this province — one of two ways — is if the Liberals or the Tory Party over there got ever re-elected to the government of this province of Saskatchewan. If ever the Tories over there or the Liberals over here had the occasion to sit in the front benches, that would be the end of medicare.

And I can guarantee the hon. member that it will never happen because the people of Saskatchewan will never place their trust in medicare in the Liberals, who fought it tooth and nail in 1962, with a doctors' strike in 1962, not like the Dr. Hjerstaas who defended it.

And they won't trust the Tories, who right now want to privatize it and dismantle it and turn hospitals into profit.

That's the only way it will go.

And one other way it will go: if Ottawa continues to cut back in its transfer payments to the provinces — from 50 cents on the dollar to medicare to 13 cents on the dollar on the medicare. Shame on you Liberals, shame on you Tories for attacking medicare.

Some Hon. Members: Hear, hear!

SaskPower President's Resignation

Mr. Osika: — Thank you, Mr. Speaker. It is obvious that finances are a serious concern in this province, and therefore I need to continue with some questions that are related. Not long ago the minister in charge of the Crown Investments portfolio and Jack Messer were referred to as the organ grinder and his monkey. Now while the monkey is now off our back but the question remains why. Mr. Premier, does it have to do with what *Leader-Star* columnist Mark Wyatt has referred to as the bungle in the jungle or does it have to do with SaskPower's operation, an untendered sale of Channel Lake Petroleum, which cost the taxpayers of Saskatchewan at least \$8 million. We're talking about dollars that might have gone to the Plains. Or is it a series of other embarrassments during the course of his seven years at the government trough?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I repeat for the member opposite that as it relates to the resignation of Mr. Messer last week, I think his letter, which was included and the statement that was made by the individual mentioned, that obviously the parting of company was of mutual consent.

And I want to say to the member opposite, as it relates to the issue of Channel Lake, again, I will be asking for leave to make a longer statement than normal so that I can have the full attention of you and the members of your caucus in explaining as best I can that situation.

Some Hon. Members: Hear, hear!

Mr. Osika: — I would like to ask the Premier, if Mr. Messer resigned, as you and the minister in charge of CIC have indicated, then there is no reason that he be provided a severance package. And we're again talking about financial problems here in this province. If Mr. Messer was dismissed with cause, there is no reason, there is no reason for a severance package.

Mr. Messer has already collected \$1 million in total salary from the government since assuming his position at SaskPower. And that is all the taxpayers of Saskatchewan should be on the hook for. Mr. Premier, will you confirm that taxpayers will not have to dole out another dime for your friend Jack Messer?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, to the member opposite, my comment regarding the resignation of Mr. Messer is the same as it was last week when asked about the possibility of any severance payment. I indicated that that issue had been referred to the Vice-Chair of the SaskPower Corporation, Mr. Milt Fair, to determine what is appropriate in that circumstance.

Some Hon. Members: Hear, hear!

Mr. Osika: — As I stated earlier, Mr. Speaker, the monkey is now off our back but we believe that the time has come for the organ grinder to step up to the plate as well.

Mr. Messer has been made the scapegoat for many of the

problems that SaskPower . . . when the buck should stop with the minister in charge of Crown Investments Corporation, who obviously was not in control of his department. Surely the minister knew firsthand what was happening in Guyana. After all, he took junkets to involve himself in the negotiations, or perhaps to take advantage of the warmer climate.

On the issue of Channel Lake, no one can suggest that the minister was not aware of this debacle.

Mr. Speaker, I would ask the Premier once again, the monkey is off our back, isn't it time for the organ grinder to go the same route?

Hon. Mr. Romanow: — Mr. Speaker, if the hon. member is asking whether or not the government has full confidence in the Deputy Premier and the minister in charge of Crown Investments Corporation, the answer is we have full confidence.

And in the statement which will be made here very shortly, there will be a full revelation of Channel Lake. The member has heard the answer taken by the minister respecting other matters unrelated to Mr. Messer's resignation, and that'll be looked after in the appropriate occasion of this House proceeding.

Some Hon. Members: Hear, hear!

First Nations Financial Accountability

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to address a question to the minister responsible for Indian and Metis Affairs. Mr. Minister, as you heard earlier on, my colleague addressed a very serious issue. We're listening to the Minister of Finance; the Minister of Finance is suggesting that the federal government is totally responsible. However, I believe your government is responsible as well. Because there are people living in this province who face a serious problem, are bringing it to your attention, have brought to our attention, and are bringing, I'm sure, to your attention, the fact that they are facing a problem; they need some help.

Mr. Minister, a number of individuals have walked to this Assembly, have come to this Assembly and are looking for some support, are looking for some help. Mr. Minister, will you and your colleague, the Minister of Finance, take a moment this afternoon to sit down with the group of native leaders, the aboriginal leaders here this afternoon, and discuss and get an understanding of the problems they're facing. So that you can indeed do and follow up what the minister was talking about, of addressing this matter with the federal government, representing the people of the province of Saskatchewan. Will you do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — Mr. Speaker, one of the great privileges of this portfolio is to meet with people across Saskatchewan of every background and, especially in the Aboriginal Affairs part, to meet with aboriginal people, to work with them to help build our province and to help improve the state of being for all Saskatchewanians. And I'm more than happy to meet with any group that has the time to schedule to meet with me. So we'd be . . . we make ourselves available at a time that's appropriate.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Hon. Mr. Lingenfelter: — Mr. Speaker, I request leave of the Assembly to make a statement and to use a little more time than might be normal in doing so. And therefore, I would ask the indulgence and leave of the Assembly to do so.

Leave granted.

Channel Lake Petroleum

Hon. Mr. Lingenfelter: — Thank you very much, Mr. Speaker. I will send to the members opposite, as soon as we can, copies of the statement and say to them that in getting prepared for this, we have a number of documents that I will be tabling on the completion of my remarks and obviously my statement as well will be tabled here in the House and we will get it across to you just as quickly as we can.

Mr. Speaker, late last year the Provincial Auditor raised concerns about the sale of Channel Lake Petroleum and the company's gas trading activities while it was owned by SaskPower. On December 9, I instructed my officials at Crown Investments Corporation to conduct a thorough review of the operation and sale of Channel Lake. Their report is now in and I will be tabling it today. And I would like to report the major findings to the House and to brief members on what we are doing about the findings that were filed.

First, a brief review of the state of affairs at SaskPower, taking into account all of the activities of the corporation and its subsidiaries. SaskPower is doing very well at its number one job of providing safe, reliable power to the people of all parts of the province at the lowest possible price. By controlling its costs, the corporation increased its net profit for the people of the province from 107 million in 1992 to 139 million in 1996.

(1430)

And over the same five years, SaskPower financed a 268 million increase in capital assets while its debt to equity ratio went down from 68 per cent to 63 per cent. Improved efficiency made it possible for SaskPower to finance both significant expansion and improvements to its system, and to reduce its debt. In short, SaskPower has vigorously controlled its cost, reduced its debt, improved its system, and produced a solid return for its owners, the people of the province of Saskatchewan.

SaskPower has been well managed overall and is in much better shape today than it was in 1992. And I might say the credit for that goes to the people who work at SaskPower.

SaskPower purchases an average of about \$16 million worth of gas each year to produce electricity at four power plants in the province. About 3.5 per cent of the power that we use in our province comes from those plants that use natural gas in its production.

And in 1992, as part of its efforts to reduce cost, management at SaskPower concluded that it needed to find a more economical

and efficient way to obtain its natural gas. And in November '92, after studying the matter, SaskPower decided that the best way to ensure security of supply and a stable price was to acquire its own natural gas reserve. That's in April 1993 after investigating a number of alternatives; SaskPower began negotiations to purchase the assets of an Alberta natural gas firm, Dynex Petroleum, for \$25 million. SaskPower set up a subsidiary called Channel Lake Petroleum Ltd. to manage these assets.

A board of directors was established, comprised of the president of SaskPower, two VP's, and SaskPower's legal counsel serving as the board's secretary. And the audit and finance committee of the SaskPower board was to provide financial oversight of the investment. Mr. Lawrence Portigal was appointed by SaskPower as general manager of Channel Lake.

Mr. Speaker, according to the report provided to me by CIC officials, the management of Channel Lake began the attempt to expand the firm's revenues in 1994 by engaging in gas trading above and beyond what was required to meet the needs of SaskPower and their need for natural gas. Specifically, the firm became involved in arbitrage in its gas trading activities.

Mr. Speaker, arbitrage involved simultaneously buying and selling natural gas in different markets to take advantage of slightly different price differentials. Money could be made in this way and, Mr. Speaker, money could also be lost. These activities were undertaken by Channel Lake's general manager, Lawrence Portigal, and his staff without appropriate gas trading and risk management strategies.

The Channel Lake board was aware of the gas trading activities, did not stop them, and did not implement appropriate policies in a timely manner to control them. Further, according to CIC officials, the management and the board of Channel Lake apparently undertook these gas trading activities without authority from the board of SaskPower, and indeed contrary to the mandate given to Channel Lake by the SaskPower board.

The risks of these arbitrage dealings became apparent when two companies which sold gas to Channel Lake became insolvent in September and November 1996, resulting in 8 million in trading losses. According to CIC officials, SaskPower management should have provided complete disclosure of the unsanctioned trading activities and the losses resulting from the insolvencies to the SaskPower board. Instead, they did not.

And in January of '97 SaskPower officials sought and received approval from the SaskPower board to sell the assets of Channel Lake. Mr. Speaker, SaskPower board accepted this recommendation, reserving the right to approve the final price and the final terms of the sale agreement.

According to CIC officials, SaskPower management then set a number of goals for the sale of the company's assets. These included: to get the best price possible; to gain enough to cover trading losses in 1997; to gain enough to have overall positive return from Channel Lake investment; and finally, to sell before March 31 of 1997.

The March 31 date is significant. The Deloitte Touche report says the following about the sale target date. And I quote:

"it is clear that significant attention was focused by SaskPower officials on how the 1996 Channel Lake financial results would be detailed and made public, and it was believed in some quarters that a settlement by March 31 would allow the corporation to tie losses and the sale together in one 'package' and thereby simplify the public statements surrounding the Channel Lake situation."

The goal of concluding the sale by March 31 — that is, in less than 90 days — led to serious shortcomings in the sale process. An independent evaluation of assets obtained from Gilbert Lausten Jung Associates . . . And this asset evaluation of the Channel Lake assets found the assets to be worth \$20.3 million. Offers were sought from potential buyers by Channel Lake management and, in the interest of time, no formal process was undertaken.

Five conditional offers were received. The highest offer was for \$27.7 million, submitted by an Alberta company called Direct Energy Marketing Limited.

According to the CIC report, which I'll be tabling later, I quote:

"DEML officials have indicated that they had no intention of paying an inflated value for the Channel Lake assets. There is no obvious rationale for such an unorthodox negotiating approach, excepting the possibility that such an initial offer would have the effect of 'freezing out' alternative bids. The DEML offer was also made in consideration of receiving the ten year natural gas supply agreement. DEML claims SaskPower knew this original offer would be subsequently reduced; SaskPower officials deny this assertion.

DEML's initial letter of offer contained three conditions. First, their offer was to be reduced by the cash flow adjustments of \$1.7 million. Trading losses incurred by Channel Lake would be deducted from the purchase price. And third, long-term gas supply contract with SaskPower would be included.

Mr. Speaker, if all these conditions were met, DEML was prepared to close the sale by March 31 of '97. SaskPower officials decided to pursue this offer with approval in principle from the SaskPower board on March 17. On March 27, SaskPower officials informed the board of SaskPower that a sale agreement had been reached.

The proposed sale price was presented by management to the board as a, and I quote, "total purchase price of 20.8 million," omitting the significant fact that this sum was arrived at by deducting trading losses from the higher price. SaskPower board approved the sale on the assumption that the proceeds would be 20.8 million. It also approved a 10-year gas supply agreement. What follows were serious errors by some SaskPower officials.

Channel Lake management and DEML negotiated the final terms of sale and submitted two draft agreements to senior officials at SaskPower. The first two drafts reflected the final net sale price of \$20.8 million. However, on March 28 — or about March 28 — the third draft agreement was prepared by DEML. It was reviewed by Mr. Portigal, who was responsible for negotiating the deal. This third draft turned the 20.8 million

from a net price to a gross price and deducted the second set of trading losses. In other words, this draft reduced the purchase price from 20.8 million to 15.6.

On April 1, without reading the third and final draft agreement containing the lower price, senior SaskPower officials approved and signed it. Without authority, Mr. Portigal then negotiated and executed additional clauses in the sale agreement. Mr. Portigal sent memos to senior officials at SaskPower over the Easter weekend advising them of these changes. These memos do not seem to have been understood or acted upon.

SaskPower officials only became aware of the very significant change in the sale price on or about May 27 of '97 when DEML made arrangements to pay for their purchase of the Channel Lake assets.

A number of steps, Mr. Speaker, were taken in response. SaskPower management corresponded with Mr. Portigal, asking for an explanation. On June 4 of '97, the employment of Mr. Portigal was terminated. On June 6 of '97, SaskPower wrote to DEML and informed them that SaskPower considered the sale agreement was not binding. And DEML replied on June 11 and indicated that, in their view, the signed and sealed agreement was binding.

SaskPower consulted legal counsel on its options but no legal action was taken to scrap the deal. And on June 13 of '97, the president of SaskPower sought outside legal opinion and ordered an internal audit of the sale. A draft report was prepared which outlined the failure by senior SaskPower officials to properly review and approve the final versions of the sale agreement. And in the opinion of CIC officials, SaskPower management took no appropriate action on this information.

On June 20, 1997, SaskPower officials provided a report in general and sometimes unclear terms on these events to the audit finance committee of the board and then to the full SaskPower board. Largely on the strength of a statement by SaskPower management that it would still recommend the sale even at the new and lower level of approximately 15 million, the SaskPower board approved the new terms of sale.

Mr. Speaker, SaskPower management argued that the corporation will receive the fair market value for Channel Lake assets and there was no legal recourse to overturn the agreement; that mistakes might have been made by officials; but that in final effect, SaskPower was not harmed financially.

In summary, Mr. Speaker, CIC concludes the following. The original mandate of Channel Lake and for Channel Lake was clear: to provide security of supply and predictability of price for SaskPower's natural gas purchases. Channel Lake got involved in arbitrage activities without authority from the SaskPower board and without a trading of gas policy and appropriate risk management strategies.

As a result of two insolvencies, Channel Lake incurred gas trading losses. The losses were not brought to the attention of the SaskPower board in a meaningful and direct way. The recommendation to sell Channel Lake appears to be linked directly with the question of disclosing trading losses. Under time pressure, the sale of Channel Lake was conducted in an

informal and ad hoc manner. Under time pressure, the final sale agreement was signed without being read or understood, and the final sale price was substantially lower than the board of SaskPower had authorized.

Once this was discovered, SaskPower management tried to remedy this mistake. The Channel Lake official directly involved in the sale and negotiation was terminated, legal counsel was sought and an internal audit was conducted, and an attempt was made to cancel the sale agreement. And management ultimately recommended that the board approve the sale on the argument that it was still a good deal. And finally, the board accepted the advice of its officials and approved the sale. And, Mr. Speaker, that's what happened.

Here's what we are doing about it. First, today I'm tabling a detailed report on this issue here in the legislature for all members. I'm tabling the text of my remarks; I'm tabling a copy of the management report prepared for me by my officials at Crown Investments Corporation; I'm tabling a report prepared for CIC officials by Deloitte Touche which CIC officials used to assist them in preparing their report; and I'm tabling the Channel Lake Petroleum's 1996 audited financial statements.

CIC officials received legal advice on this matter from the firm, Gerrand Rath and Johnson. Because of issues of legal liability, it is not appropriate to table legal opinions and I will not do so. The salient conclusions are reflected in my remarks today and in the report of CIC.

Secondly, Mr. Speaker, our government is taking a number of steps to tighten up the governance and accountability of Crown corporation subsidiaries. These measures will include the following. Outside directors will be appointed to the boards of all Crown subsidiaries. New rules are now in place to insure subsidiaries regularly and properly report all of their activities. All subsidiaries will be accountable to the legislature's Crown Corporation Committee, as Crown corporations themselves now are.

CIC will review the Crown practices to ensure appropriate risk management policies are in place. CIC will ensure that frequent board meetings are held and that follow-up mechanisms to insure board directives are being carried out. And CIC will tighten up the approval process for the sale or disposition of Crown corporation subsidiaries.

(1445)

We have also added new skills and industry expertise to the Crown corporation boards. And CIC has implemented a comprehensive board training and evaluation program. And we will be implementing additional changes as recommended in the CIC report.

Third, Mr. Speaker, a copy of the material I'm tabling today has been provided to the Provincial Auditor. The auditor will be reviewing the operations and sale of Channel Lake in the normal course of his duties.

Fourth, the auditor's report on this issue will be considered in detail by the Public Accounts Committee. Officials from Crown

Investments Corporation and SaskPower will be making themselves available to this committee as well as the Crown Corporations Committee to answer any and all questions about this issue and to discuss the measures we are taking to strengthen governance.

Mr. Speaker, I noted at the beginning of my statement that SaskPower is in considerably better financial shape now than it was several years ago. Pending final reconciliation, the Channel Lake investment did not harm SaskPower financially. The Deloitte Touche report I am tabling today suggests SaskPower earned \$2 million from its operation of Channel Lake. The taxpayers suffered no loss as far as we can see today.

Therefore, Mr. Speaker, the issue today is not about losing money nor is it about personal gain. It is about respecting mandates of boards. It's about seeking proper authority for engaging in trading activities. It's about selling public assets properly. It's about management activities vigorously to report and to correct mistakes.

This government is extremely disappointed in the events that I have described. We deserve our share of criticism for letting it happen. We ordered a detailed review, we have made that review public, and we are acting to ensure that events like this don't happen again.

Having dealt at length with what happened to a subsidiary which comprised less than 1 per cent of SaskPower's assets and business, I want to end by looking to the future of our power company. As I said earlier, SaskPower is in good shape today and has made dramatic improvements since 1992. It will continue to do better by building on its considerable strengths. These strengths of course, Mr. Speaker, include the corporation's employees, its success in controlling costs, its shrinking debt, and its preparations for competition in the electricity market-place.

Our power company's number one job is always and has been, will be, providing safe, reliable power to the people of the province and to all parts of the province of Saskatchewan at the lowest possible price.

And while I'm on my feet, Mr. Speaker, I want to deal very quickly with three other matters. Members will know that my report today is considerably more detailed and complete than my answers to questions on this matter in question period during last December's special session. At that time, my answers were based on incomplete information as noted in CIC and Deloitte Touche's report. The thorough review by CIC which I requested has now been provided to me with many new facts and I have shared them with the House here today.

When we announced that our government was not approving the SaskPower's proposed investment in Guyana, we released the corporation's due diligence costs for legal and consulting work from outside the corporation. There have been since requests for SaskPower's internal cost and those of CIC as well. I am tabling an accounting of all costs associated with the proposed Guyana investment today.

Finally, I would like to advise the House that the government is undertaking a full review of the guidelines governing any

potential equity investments by Crown corporations outside the province and I will report further on that in due course.

So, Mr. Speaker, with that I would like to table the following documents. And I also appreciate very much the attention that members have given while I gave this rather lengthy report. I appreciate that sincerely and hereby table the documents.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, in all of my experience I have never seen a confession that went on for 11 pages, but then I suppose I am not used to dealing with the way this government operates.

You see, Mr. Speaker, what really bothers me about this all a whole lot is some of the stuff that isn't said in this rather lengthy statement. And what isn't said is that the government doesn't take any responsibility fundamentally for this kind of a messed up deal.

You know, I look here on one of the pages and says, the issue is not about losing money. As if it really doesn't matter at all that we paid \$25 million for this deal, had a deal potentially inked for 20 — there's already five down the drain — and then we sell it for 15 because of a mess-up by the incompetence of the minister and the board of Crown corporations of SaskPower. And they say this isn't about money. Of course it's about money, but it's also about competence, Mr. Speaker.

And, Mr. Speaker, we see time and time again where these guys don't even get it about what's wrong with this attitude. You know, the last week or two we heard and we said, well aren't you lucky, Saskatchewan. Aren't you lucky that we spent \$800,000 and more — which I hope is in detail tabled today — of your money so that we could decide we shouldn't be in Guyana. Aren't you lucky, Saskatchewan, that we blew almost a million dollars to come up with this decision.

Well, Mr. Speaker, anybody in the streets of Saskatchewan would have told you for a dollar you had no business in Guyana. They would have done it for a buck, a loonie. And you guys think you're doing a good deal because you spent \$800,000 figuring this out. Mr. Speaker, it's like putting arsonists in charge of the fire truck. You don't get it.

And now we've got a situation here where, finally, a year after all of this mess was going on, while the Legislative Assembly was sitting last year, and nobody breathed a word about it until the Provincial Auditor got it into the report, and we finally could get to the report and all of a sudden you said "uncle."

And here we go, and we sit here and say, oh, it's not about losing money. Of course it's not about losing money. What's \$10 million? You blew five from the original price, blow another five because you had a messed up deal with your officials who have no idea what you're doing. And you say well, we've taken action, we're going to fix it.

The Speaker: — Order, order. I would like to remind the hon. member that rule 20 of the House requests all hon. members to direct their debate through the Chair and I'll remind the hon. member of that and ask that he conduct himself accordingly.

Mr. Gantefer: — Mr. Speaker, I wasn't sure you wanted to take responsibility and that's why . . .

The Speaker: — Order, now the hon. member also knows that he's not to engage the Speaker in the debate and I'm sure he'll want to return to the text of his remarks and enter into the record in appropriate fashion.

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, it really is strange because no one over there wants to take responsibility, Mr. Speaker. I mean, at the very least any organization that had any sense and credibility about it would be holding the minister of the day responsible. You'd be holding the board of directors responsible. And all I see in this whole thing is you guys have said that Mr. Portugal or something had to be dismissed. Well, Mr. Speaker, that's just not good enough.

That doesn't fix the issue. It doesn't hold those individuals who are accountable answerable for the \$10 million mess to the people of Saskatchewan. It doesn't do it at all. Where are the board of directors? Where was the minister of the day who was supposed to be sitting on the board of directors to make sure these kinds of messes didn't happen, and if they did, to stand up and have the courage to take responsibility for it? Where are they all? Where are they, Mr. Speaker?

They're all running and hiding and now the minister of CIC says oh well, here it is, we're really sorry — oops Another one of these oopsies.

You know, Mr. Speaker . . . And then what we hear is that the president of this whole outfit, Jack Messer, resigned because he wants to pursue other opportunities with his future.

And you know what's really strange? — is today in the House I heard the minister responsible say well, we turned over to the vice-president the issue of Mr. Messer's severance, for crying out loud. Can you believe that this outfit would even consider severance for Jack Messer? He should be dismissed with cause. The minister should be fired, the whole board of directors fired and get somebody other than a bunch of political appointees in there who maybe will manage the investments of this province appropriately.

Mr. Speaker, this goes some small part of the way, but there's all kinds of questions that remain unanswered. Is there going to be an effort for the recovery of any of these funds? Were the board of directors insured so that there could be a call on that insurance for their responsibility of incompetence at the very least? Are there any pending legal issues that are going to come out of this that you're not telling us? I don't see any reports about that. You say you can't table the report by the lawyer because there's legal issues involved.

Mr. Speaker, what we're seeing here is the final end of an administration who has no idea at all about what's going around in the Crown corporations, and simply, this is not good enough, Mr. Speaker. The people of Saskatchewan are going to demand much more accountability from the members opposite and this government. And nobody is taking responsibility of this. All they're doing is running and hiding and finding scapegoats.

Mr. Speaker, it's simply not good enough.

Some Hon. Members: Hear, hear!

Mr. Hillson: — Mr. Speaker, this is not a happy day for this province. I think, however though, it is appropriate for all members to pay tribute to the Provincial Auditor for bringing this matter to the attention of this Assembly and the people of this province.

After he initially did, the Liberal opposition on December 12 requested a meeting of the Crown Corporations Committee to look into the operations of Channel Lake. The chairperson of that committee did not reply for several months, and when she did reply, she told us that the Saskatchewan Party was not interested in additional time in Crown Corporations.

Then in February before the Public Accounts Committee, I raised nine questions. I raised nine questions concerning the Channel Lake transaction which needed . . . which needed to be looked at. Nine times — nine times — my request for information on Channel Lake were voted down by members of the New Democratic and Saskatchewan Party caucuses.

Now some of the questions have been answered. Others certainly remain. And I will be dealing specifically with some of the questions I raised in Public Accounts and was stonewalled on by the New Democratic and Saskatchewan Party caucuses.

Might I first say though that part of the shame of this province is that the auditor reported that there had been a purchase of another company by Channel Lake, of some company not disclosed by SaskPower in this province. It was assumed because of what we knew from Alberta corporations branch that that was Radisson Petroleum. That is confirmed in the documents that the minister has filed with us today.

As to the best of my knowledge today is the first day that it has been publicly acknowledged that Channel Lake bought this other company. We could have found it out in Alberta. We could find out what our Crown corporations are up to in Alberta, but we can't find it out in the province of Saskatchewan. That is a shame to this province that if we want to know what our Crowns are up to, we've got to travel to Guyana, we've got to travel to Calgary, but we're not going to find it out here.

One of the questions I asked was why did Channel Lake not file its financial statements with this House? Well we could get no answer. We were stonewalled by both other caucuses. Now we see that the financial statement on Channel Lake was dated January 31. It is only now being revealed.

Mr. Speaker, the minister responsible for Crown Investments said in Meadow Lake recently that Millar Western was hemorrhaging badly. How many other problem areas are out there? What really is going on with the public's money? What did he mean by that statement that Millar Western is hemorrhaging badly? What did he mean by the statement that we will never know how much was lost on the Guyana venture?

(1500)

When I was before Public Accounts, I brought a motion, first of all, why was this sale of a Crown asset untendered? Most outrageous is that SaskEnergy, another Crown corporation, was not brought into the loop that this subsidiary was for sale. So even the Crowns are not talking to each other. That still is not answered. The minister tells us today that it was the pressure of time is why these deals were cooked up in the back rooms without even the rest of the Crown corporations being aware of what was going on.

I asked the question about Lawrence Portigal negotiating the sale on behalf of the Government of Saskatchewan and SaskPower, and popping up shortly thereafter as the president of the new owners and the new company. I ask:, is there a possible conflict of interest there? I think that question has been answered at least indirectly. I think the question of whether Mr. Portigal was diligently looking out for the interests of the taxpayers of Saskatchewan appears to be addressed at least indirectly in the report before us.

What are the collateral agreements? Do we still have obligations here? Has the bleeding stopped, or is the hemorrhaging continuing because of the supply contract which will go on for the next 10 years? Is that a supply contract which means that we will continue to lose money? Are we still liable for the bad agreements made previously that apparently we still have?

As I read the material before us, the bleeding continues because we still have outstanding liabilities from the Channel Lake fiasco.

There is nothing in the minister's statement today which answers the question as to why this House was told last year by the member for Regina South that Channel Lake was one of the success stories of our Crown corporations; that Channel Lake was an example of the responsible and sensible approach to managing the investments of the people of Saskatchewan.

Well, Mr. Speaker, if Channel Lake is one of the success stories, if Channel Lake is an example of the responsible and sensible approach to managing Crown investments, then I don't know what's going to happen to us when we see the irresponsible examples of how our investments are being handled and managed.

We were told last year by the member for Regina South that there had been a net profit of five million. We were told by the former minister responsible for SaskProfit there was a net profit of 5 million. On December 13 SaskPower told us there'd been a profit of 2 million. And the Hon. Deputy Premier told us 2 million in his statement in this House on December 16.

Mr. Speaker, it is indeed a sad state when it is easier to get information in Alberta concerning the operations of our Crown corporations than what we can get in Saskatchewan. We still do not know if, we still do not know if there will be new orders that all subsidiaries of the Crown corporations file their financial statements with this House. We still do not know why, if the entire board of directors approved these transactions improperly we are told, why they are still in place and only one has gone. Is this an attempt to put the mess on Messer when we know that the Messer had a boss, and that boss is the

Government of Saskatchewan?

And we have to know to what extent they were managing affairs properly. We know that the New Democratic youth says that ministers have to step up and take responsibility for the operations and conduct of our Crown corporations. And for once, I find myself in complete agreement with the New Democratic youth that this government cannot escape its responsibility for the way our Crown corporations have been managed. They cannot shove this mess on Messer.

Some Hon. Members: Hear, hear!

Mr. Hillson: — We have finally found out that years ago, we found out that years ago Channel Lake bought a company and did not reveal that to the people of Saskatchewan. The auditor has said that is illegal; that there was not an order in council revealing that. Why has it taken so long for that information to become public to the people of Saskatchewan?

Mr. Speaker, this is not just about one bungled deal. This is about the overall philosophy of the Crown corporations. And we have seen many, many problems of late and we suspect we are going to hear about many more. Do our Crown corporations exist to serve the people of Saskatchewan or do they exist to get involved in hare-brained, risky investments around the world that we then . . . whether it's a cable company in Chicago or an electric company in Guyana or gas futures contracts in Alberta, we try and keep quiet and hope that the auditor and the Liberal opposition won't find out about. Thank you.

Some Hon. Members: Hear, hear!

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

Mr. Goohsen: — Mr. Speaker, we were indicated that the members who sit as independents would also be allowed to respond briefly to this tragedy here today.

The Speaker: — It is beyond the normal procedure for members other than caucus representatives to respond to a ministerial statement and therefore leave will be required. I take it . . . would the hon. member . . . is the hon. member requesting leave?

Mr. Goohsen: — I would so, Mr. Speaker.

Leave granted.

Mr. Goohsen: — Thank you, Mr. Speaker. I'll make my comments brief because the appropriate ranting has been done by the official opposition parties and by the third party, and that was necessary. And because it's been done, it doesn't need to be repeated. But there are a couple of points that have been missed in the debates here today and in the comments that were made. And I think it's important that Mr. Premier and his government take note of these things that have happened that haven't been mentioned.

First of all, I identify, as I listen to this report, one thing that has disturbed me for a long time in politics in Saskatchewan — and not just with this government but with every government — and that of course is the fact that we have supposedly watchdogs

appointed in our province to watch over our Crown corporations and the other businesses of government. We do that through appointed boards that are supposed to watch what's going on.

Here we have an appointed board of course, that obviously was a rubber stamp board, a rubber stamp board that was probably put into place to draw wages because of their political affiliation. And once again we find that this type of board is nothing more than a rubber stamp board that doesn't bother to read the reports, doesn't bother to study what's going on. And as a result, they pass whatever comes up before them, and we have this kind of a mess on our hands.

And it is obvious that if you appointed people to these boards that were competent to do the job, then they might have triggered by reading the reports and studying the materials that were passed through their hands. If they'd have studied it, even bothered to read it, they might have cut this thing off at the pass.

And that's something I think, that the Premier has to seriously look at because there is no question that governments have fallen on lesser issues than this. And certainly ministers have been fired for lesser problems than this. I wouldn't suggest that the minister should be fired because I quite honestly think that we have inherited here a system that has caused the problem, and that is the appointment of boards that don't do their jobs and never will, unless we get past this patronage part.

The second issue here is this word called arbitrage. It is a stock market, gambling name, word. It is something that means we are gambling with other people's money. It is, in this case, fine and dandy if you want to go to the stock market and play with your money — go right ahead. That's what the markets are there for. But we should not allow Crown corporations, Mr. Speaker, to do that sort of thing.

I have a strong suspicion that this may not be the only corporation or the only department of government that is playing with the money of Saskatchewan. I have a strong suspicion that the Premier needs to take a serious look at whether or not other departments are doing this very same kind of action.

I hear some rumours in this city, and they go out all the time because it's a political city. But I hear rumours in this city that there is a floor somewhere in a building somewhere — and I'm not going to name the places or the names — where people are trading in the stock market on a daily basis with the taxpayers' money.

If that sort of thing has been going on and you're losing money with SaskPower, then take a look. I say this not to make the press but to make you aware, Mr. Premier, because you may not even be aware of what's going on. You obviously didn't know what was going on in SaskPower or you'd have stopped it.

And so, Mr. Speaker, I say to the government, take a look at all of your departments. Use this as a cue, not only to save your government, but perhaps to stop the things that could be happening that are identical to what happened here. No more gambling. We're not addicted to gambling in this province and

we don't need to gamble with the taxpayers' dollars. Thank you, Mr. Speaker.

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I rise before orders of the day, by leave of the Assembly, to move five routine motions which are traditionally moved the day after the Speech from the Throne.

Leave granted.

MOTIONS

Referral of Report to the Standing Committee on Communication

Hon. Ms. MacKinnon: — I move, seconded by the member from Prince Albert-Carlton:

That the report of the Saskatchewan Legislative Library be referred as tabled in the present session to the Standing Committee on Communication.

Motion agreed to.

Referral of Retention and Disposal Schedules to the Standing Committee on Communication

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I move, seconded by the member from Prince Albert-Carlton:

That the retention and disposal schedules approved under The Archives Act by the Public Documents Committee be referred as tabled to the Standing Committee on Communication.

Motion agreed to.

Referral of Reports of the Provincial Auditor to the Standing Committee on Public Accounts

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I move, seconded by the member from Prince Albert-Carlton:

That the various reports of the Provincial Auditor as tabled in the present session be referred to the Standing Committee on Public Accounts.

Motion agreed to.

Referral of *Public Accounts* to the Standing Committee on Public Accounts

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I move, seconded by the member from Prince Albert-Carlton:

That the *Public Accounts* of the province of Saskatchewan as tabled in the present session be referred to the Standing Committee on Public Accounts.

Motion agreed to.

Referral of Bylaws and Amendments to the Special Committee on Regulations

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I move, seconded by the member from Prince Albert Carlton:

That the bylaws of the professional associations and amendments thereto, the bylaws and amendments that are tabled in the present session, be referred to the Special Committee on Regulations.

Motion agreed to.

(1515)

STATEMENT BY THE SPEAKER

Commonwealth Day Message

The Speaker: — Hon. members, before orders of the day, I wish to advise the House that with Commonwealth Day being held yesterday around the world, I delayed presenting to the House Her Majesty's message for Commonwealth Day to this day with the Speech from the Throne being scheduled for yesterday. And I'll ask all hon. members to rise for the reading of Her Majesty's message.

The Commonwealth provides many special links between its members. Apart from more formal contacts between governments, there are any number of professional associations and voluntary organizations with close connections throughout the Commonwealth. Among the most active are those involved in sport and recreation.

I believe that sport will always play a very important part in the social welfare of all generations. Sport — and team games in particular — teaches young people many valuable social lessons. It demonstrates the value of co-operation, teamwork, and team spirit; it teaches the need to abide by rules and regulations; it emphasizes the importance of self-control and how to take victory or defeat with good grace.

Sport is a great leveller. The same rules apply to all; there are no age, racial, or cultural barriers to participation. Indeed, enthusiasm for a sport brings together people from every background. Some sports attract dedicated spectators. Some do not, but that makes no difference to the participants. All are absorbing and enjoyable, offering unique opportunities for self-discovery and to develop self-confidence. For many young people participation in sport can offer a lifeline and an essential alternative to delinquency, drug abuse, or crime.

The Commonwealth Games are the organization's greatest sporting festival and rightly known as the "Friendly Games." It is always the athletes from the smallest nations who receive the warmest welcome. And it is the sporting gesture that wins universal recognition. The Games take place every four years and this year they will be held in Malaysia where every effort is being made to ensure that competitors, officials, and spectators will thoroughly enjoy the experience of this great gathering. Manchester, too, has already begun preparations to host the Games in 2002.

The Commonwealth Games will indeed bring us together. I

am much looking forward to joining them.

That concludes Her Majesty's message and members may be seated.

ORDERS OF THE DAY

SPECIAL ORDER

ADDRESS IN REPLY

Ms. Hamilton: — Thank you, Mr. Speaker. Since we last met on December 19, Christmas has come and gone, and in the spirit of peace and goodwill which that season calls forth, the world has just avoided a return to armed insanity in the Mideast — thanks, in no small part, to the world at work through cooperation, the United Nations.

Closer to home, there has been both good and sad news. W.O. Mitchell, Saskatchewan's favourite storyteller, died. But we are left with a mythical prairie world that lives on through his books.

Saskatchewan women won gold and glory at the Olympics. Saskatchewan teachers and doctors have signed new contracts. Telemiracle raised another \$2.5 million, proving once again the energy of the Saskatchewan volunteer and the generosity of the Saskatchewan spirit.

Change within stability — at least in this corner of the world, that is our home and our responsibility.

And here we are again at the beginning of the third session of the twenty-third legislature settling in to do the people's business.

Mr. Speaker, I'm happy to be here, and before I begin I want to say how pleased I am to see all my colleagues back. I know I speak for all of us when I say that I look forward to the spirited and reasoned discourse which is the hallmark of this Assembly as we all work for the good of the people — the people we serve with honour, dignity, and humility, as the member from Swift Current said last year in moving that address.

Mr. Speaker, I'm happy to see you return to your rightful place as referee/verbal traffic officer in this legislative freeway. You have earned all three corners of your hat. In the past two sessions you've been fair, stern, and patient, and we're all comfortable in our role, knowing you're in command of yours.

I know I echo all sides of the House when I say you need to be commended again, Mr. Speaker, for expanding that role by travelling to our schools. Our parliamentary tradition is a precious one, and you've shown that to imprint the values of parliaments on the minds of our youth, it is necessary to move beyond this Assembly. And you've done that for us, Mr. Speaker. We say, keep up the good work.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — You are ensuring that we will be well served by the legislators of the future.

Speaking of change within stability, I should note as well that for the first time in five sessions, I believe, we have the same Leader of the Opposition for two of those sessions. I have to congratulate the member from Canora-Pelly for his longevity. Two sessions in the same chair on that side of the House is indeed a miracle. Changing parties in order to feel that you can stay where you are is just like swimming upstream; you have to paddle pretty fast just to stay put.

An Hon. Member: — You're up the creek.

Ms. Hamilton: — No paddle in that creek.

Mr. Speaker, for me it is an honour to be asked to move the Speech from the Throne, and I thank the Premier for his vote of confidence in me. I am well aware of the previous movers, who are very capable, whom I've followed on this side of the Assembly.

As well, no one I think, can rise in this Chamber without feeling the sense of parliamentary continuity of which we are all a part. In leading off this debate, I feel I am in a straight line that goes back to those representatives who drafted the Magna Carta and forced King John to share the burden of governance, whether or not he wanted that burden lifted.

Thinking of that, we're all in pretty heady company indeed. By representing our constituents to the best of our ability, we are in fact honouring those who set the traditions that have come before us. That duty, I firmly believe, transcends both party affiliation and parochial boundaries.

The life of an MLA might be much critiqued on occasion, often prudish, and at times short. But it is also a privilege — a privilege I try not to forget. I share with a few other members the privilege of representing a constituency that combines urban and rural citizens. It begins in the south-east corner of Regina, where I make my home, an area that I have represented for 12 consecutive years, first on city council and now as an MLA. My constituency includes the communities in and around Balgonie, Pilot Butte, White City and Emerald Park.

I've discovered firsthand the strength of working in partnerships. Whether they be with the Regina REDA (regional economic development authority), the community association networks, Wheat Pool members and delegates, local school parent-teacher organizations, the Optimists, the Lions, the local wildlife federation or the seniors centres, I'm continually strengthened and sustained by the hard work and dedication to this province of the men and women who have chosen to put their faith in me.

I'm pleased to represent them, and on their behalf, I'm delighted to speak in support of His Honour's address because, as he said, it charts a course for Saskatchewan's journey into a new year and beyond into a new century, a new millennium. Our future is bright and full of promise. In my remarks I would like to focus on the nature of the course we have charted because it is sound, sensible, workable, affordable — a plan for Saskatchewan.

Before I do that, I want to say a word about how we charted this course. I want to point out to all in my hearing — but

particularly to the members opposite — that the program outlined in His Honour's speech, the plan that we will follow during this session, is a result of those values our Premier instils in each of us. And we affirm in all our deliberations, consultations, cooperation, a sense of community, a strong sense of compassion and prudence.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — This is a plan of an open government, a government in touch with Saskatchewan people. It is therefore a document which reflects the strength of Saskatchewan people as His Honour said. It is a plan which reflects the quiet pride in our own blessings and our own abilities.

In short, Mr. Speaker, this is a Saskatchewan throne speech which mirrors the hopes, aspirations, responsibilities, and, yes, the quiet pride of Saskatchewan people.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — In the past 55 years we have built on this geographical rectangle, a society that is the joy of those who share it, the envy of those who know it, and the best-kept secret to most of the rest. We plan to keep what we have built, and that is what I mean by a responsible plan.

I stress the openness of this government because there seems to be some confusion among members opposite about the meaning of what I thought was a rather simple word. It does not mean changing political coats in the middle of the night, that's for sure.

What do I mean by open government? First, I mean a government that establishes the support of the people, that produces a budget in a timely fashion, and finally, releases the public accounts that truly reflect the government's expenditures. According to the auditor, our Public Accounts have gone from being the worst-kept books in Canada a few years ago, prepared by the disguised Tory members opposite, to the best-kept books in Canada today.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Information about government once kept secret is now available through new freedom of information laws we put in place. Facts on MLA expenses are now transparent. Committees once closed to the public and that ever vigilant, Conrad Black press are now open.

The Premier and his cabinet are the most visible and available ministers in the history of this province.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Administratively and bureaucratically this government, strives to be open and answerable to the people we serve. Can we improve? Sure. Will we? You bet.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — But openness is not just about bookkeeping, though that's nothing to sneer at. Openness and accountability

are also about making representative government work. And, Mr. Speaker, I'm proud to say that this government and this caucus does just that.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Each MLA in this caucus makes it a priority to communicate with their constituents — a communication that works both ways. Through public accountability meetings, phone calls, neighbourhood canvassing, information sheets, and regular newsletters, we listen to what the people are saying. And those messages find their way into the decision-making centre of this government. That centre is us, Mr. Speaker — the elected representatives of the people — and we do just that.

We are a team that listens to the opposition, Mr. Speaker. That might be carrying openness close to the edge but we recognize that no one has a monopoly on good ideas. In this Chamber and in our duties, we know we are stronger if we have a strong opposition. We'll be able to test their mettle this session, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — For instance, members of the public and members opposite asked for the recognition of Betaseron and got it. They urged caution on certain Crown investments and were heeded. The electorate appreciates and understands that we're all strong players in this democracy. I grant you we can't accept all their suggestions, which the people of Saskatchewan say to that one — amen. But we do listen.

Now, Mr. Speaker, I have outlined the disciplined way in which we have organized for decision-making. Each of us has a voice and a vote on matters that comes before the whole. We are all valued members of this team.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — If we're still not open enough, what would the members opposite do? Well we have only example of their past deeds to show us their definition of openness. So which party should we start with first? Which beacon of light to show us the way? The Liberals?

I remind you that it is the Liberal leader who said that open and accountable government is far too dicey to leave to the people. Health boards, he told us, should be run by highly educated and highly knowledgeable people whom he would undoubtedly appoint himself. That is not the attitude of one who believes in openness. The back-room dispatching of the previous Liberal leader engineered by the current leader — well, let's just say that's not democracy's finest hour.

Woodrow Lloyd once said that the footprints in the sands of time left by Saskatchewan Liberals would be distinguished only by the fact that they point off in all directions. Not much has changed since Woodrow's day.

(1530)

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Well thank goodness then for the new Tory Party says the good doctor. Compared to them the Liberals are the stepchildren of Ms. Manners. What is the new Tory Party's concept of openness?

Well here we don't have to embellish a bit. We don't have to exaggerate for effect. The simple facts provide their own rhetoric.

Fact one. We now have an official opposition party which has not one single member elected representing that party. Not one member elected to represent that party. At the low point — if ever there was one in the history of democracy.

Fact two. Half the new caucus signed an oath of loyalty to their previous party scant weeks before they broke the oath to join the new Tories — new or old Tories, I'm not sure. They broke their oath with such alacrity that some people suggested to me the name should be BOOP, or break our oath party.

Fact three, fact three. The rest of the opposition is represented by the quote from the member from Moosomin, the member from Moosomin who said crossing the floor would seem to be rank opportunism.

Fact four. By their own admission, the new party has no principles, no ideology. They say to the people: you tell us what you want us to be and that's what we'll be.

That adds up to me to say no shame — just a desperate longing for power.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Fact five. The new Tory Party has been endorsed by two Grants — Devine and Schmidt. We're waiting to hear from Mulroney. Need I say more?

Mr. Speaker, Saskatchewan has had one experience with a party of the right, a party that took advantage of the trust of the people. They called themselves Tories. But as one long-time Progressive Conservative Tory said, they are not Conservatives — they were a bunch of opportunists.

Fifteen billion dollars later, the Saskatchewan people had had enough and said, never again. We learned our lesson and we are reminded of it every day — every day — because the portion that we pay on interest on the debt every day is \$2 million. Approximately \$2 million each and every day. What a reminder . . . (inaudible interjection) . . . What a reminder, what an experience that was for us. One that we'd like to forget and we can't.

But as the film actor, Uma Thurman said, Uma Thurman tells us that's it's okay to forget the experience as long as you remember the lesson.

Now the reel has been rewound. The same movie is playing and the new elected . . . Well by who? The new, unelected opposition is claiming that it's something new because they have a new alias. Mr. Speaker, I've been to camp. I remember the old camp song: "Second verse, same as the first; could be better, but it's going to be worse."

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Something is clear though. The new party does have an idea. They said, if it comes from Saskatchewan, it's bad. If Saskatchewan has a way of doing things, that's the wrong way. If there's grass growing somewhere else, it must be greener than here.

This contempt for Saskatchewan at the core of this retread party was best expressed by a member from Melfort recently when he said the Saskatchewan people are, and I quote, "too tired to change their ways." Is the new name of the old Tory Party their way of mocking the province we all hold dear, the province we love?

I say that Saskatchewan people know exactly who and what they've been voting for, which is the reason why the CCF (Co-operative Commonwealth Federation) and NDP have won 10 of the last 14 elections.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Not too tired, just too smart to trust the Tory Party under any name — under any name — retread or otherwise. Speaking of names, Mr. Speaker, most Saskatchewan people were fairly amused at the effrontery of the Tories renaming themselves.

A group that could only get 150 people out to its founding convention, have held its constituency meetings in phone booths across the province, is not exactly a prairie fire. Yet it attempts to take the name of our province. That is not presumptuous, Mr. Speaker; it's just downright silly.

An Hon. Member: — Arrogant.

Ms. Hamilton: — Arrogant. That's right. Not silly, arrogant.

The better name for this collection of floor-crossers and name-changers would be, I suggest, the Panamanian party. Because if ever there was a party that flew the flag of convenience, that's the one.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — So, Mr. Speaker, open, accountable government on one hand, the back room on the other — day and night.

Mr. Speaker, the author and journalist, David Halberstam, recently wrote a book about the American civil rights movement of the 1950s and the 1960s. He wrote the book, he says, because, quote:

"Today there's all too much coverage of pseudo events about extraordinarily inauthentic people doing inauthentic things. I wanted to recall the remarkable moments when seemingly ordinary people joined together to change the country."

His book is about many ordinary people with a few extraordinary leaders who change the nature of that society for ever and at the same time change the way people think about

their society.

It's not an exaggeration to suggest that something similar has happened in this province. Under the leadership of Tommy Douglas, Woodrow Lloyd, Allan Blakeney, and our current Premier, Saskatchewan people have done a remarkable job of changing this province into the kind of society . . . a kind of society that's built on economic fairness and social equality.

A great thinker once said, "Philosophers try to understand the world, but the point is to change it." Mr. Speaker, we changed the world and there's much more that we can do. We're getting there. It's a never-ending process, but we're working on it.

Your Honour's address demonstrates that to the people of this province. It announces the continuation of the plan that we announced in 1996, the first session of this term of office.

First, of course, we have to heal the wounds left by the previous Tory government. We've had to work hard to restore the credibility in government and we've had to work equally hard to restore the credit. We did that. We had to save medicare from collapse; we did that. We had to revamp our education system; we did that.

The themes of our first term were to restore, repair, renew, and revamp. With the guidance and encouragement of the people of Saskatchewan, we made some tough decisions — not always popular ones, but they were necessary — such as renegotiating both the upgrader deals.

The theme of this term is building on the restored foundation to prepare for the new century. We do that by investing in people.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — We do that by building on our common values — values established at the beginning of our journey, values of shared opportunity and shared responsibility that are the tap root of the Saskatchewan character.

So far, Mr. Speaker, our investment portfolio is sound. Our credit rating again is a straight A from all the rating agencies. We're expecting once again to have above-average economic growth. We're moving along quite well. For instance, retail sales were up more than 9 per cent in 1997, which follows a similar gain from the year before. New vehicle sales are up by 9.5 per cent. Farm income was up more than 5 per cent. Oil and gas drilling licences set an all-time record. Potash production was up by 18 per cent and gold by 40 per cent.

Look at any of the strategic sectors we've identified for our economy and what do you see? Growth. Manufacturing shipments, housing, building permits, are up; ag bio-tech. These numbers might sound a bit abstract, Mr. Speaker, but here are some that really count. More people are working in Saskatchewan than ever before.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — That's Saskatchewan people working at Saskatchewan jobs, supporting Saskatchewan families and contributing to their Saskatchewan communities. In 1997 more

people were working than ever before, and in January, 19,200 more people were working than January a year ago.

And there's more, Mr. Speaker. Our unemployment rate has been either the lowest or the second lowest every single month. In January it was 5.6 per cent.

One more number, Mr. Speaker, because in many ways it's the most encouraging. The number of employed youth in Saskatchewan between the ages of 15 and 24 increased by 10,000 in January of this year over last year.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — The unemployment rate for youth dropped from 16.5 per cent to 10.6. This is the best in the country. It's still too high but it's going the right way. Now couple this with the fact that our population has grown steadily over the last year and every quarter since 1992, and you can see we're doing fairly well. The economy is humming, people are working, and people are being trained for the new jobs which are coming in the new century. I want to say a bit more about that in a moment.

A healthy economy is important. Democratic socialists have always known this. We recognize that the bottom line is important. But unlike the members opposite — we hear them chirping — we consider a healthy balance sheet to be not the end but the means. It's a stepping stone to improving our lives and all the lives of our citizens.

(1545)

Our investment portfolio, Mr. Speaker, has six pockets. Not one, six, and they're connected. Effective health care involves far more than hospital beds and operating rooms. Similarly, a healthy society only begins with a robust economy. We intend to keep our economy robust, and that is why the first two parts of our investment have to do with jobs, training, and education.

Jobs I have already mentioned. To ensure that there would be jobs for tomorrow we're building on our Saskatchewan training strategy that was announced last year. To complement JobStart and Future Skills, Saskatchewan has recently signed an agreement with the federal government which gives Saskatchewan the total responsibility to design and deliver employment programs and services in our province.

The labour market agreement is a new partnership. It fits right into the Saskatchewan training strategy. Saskatchewan will now be able to design and develop a complete array of made-in-Saskatchewan employment programs and services. These will be formatted to suit the needs of our workers and those of the provincial labour market.

As a parent of two young people ready to enter that market-place, I'm happy to see our government facing the future, facing a new economy, and not retreating from it.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Mr. Speaker, it's important to point out that we are not talking here about government decreeing. We're not

talking about decreeing from on high. The Saskatchewan training strategy is not a government-imposed program; rather it envisions an integrated regional delivery system that's going to be throughout the province to work with community partners to plan and deliver training and labour market services.

SIAST (Saskatchewan Institute of Applied Science and Technology) and our regional colleges will work very closely with Saskatchewan career and employment centres to ensure career services are integrated and available. And they will continue to deliver high quality education and training programs.

As well, employers' needs will be met by linking students and workers with employers through the employment programs and through supporting sectoral and regional planning.

This agreement supports the province's commitment to invest in people and to build on effective partnerships with employers and other training and employment partners. In short, Mr. Speaker, it supports our commitment to invest in people and to build on effective partnerships designed by and for Saskatchewan workers and employers.

We all know that the one overriding fact about the market-place of today and tomorrow is that it changes constantly. The jobs of tomorrow, some of them haven't been invented yet. Most of today's students will have to be trained and retrained. Many people in our labour force today will be trained and retrained many, many times during their careers. That's why our training strategy is flexible, able to react swiftly to changing market needs. And that's another advantage to having a made-at-home plan.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Mr. Speaker, we're investing in people by investing in health care, something that CCF and NDP governments have been doing for 54 years.

I thank the member from Prince Albert Carlton for giving his member's statement on Dr. Hjertaas because we can never forget the vision and heroism of our medical pioneers like Dr. Hjertaas. Nor can we ever forget that the enemies of medicare are the same today as they were then.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Our Premier tells us and points out to the opposition that it's Mr. Rock who is telling them to join with him and enunciate to the nation that medicare funding by the federal government has dropped from 50 cents on the dollar to 13 cents on the dollar.

They stand in this Assembly and ask us what we're going to do to save medicare, and at the same time, just refuse to recognize what their federal cousins are doing. And their other federal cousins are asking them to help us. Will they? No, Mr. Speaker. They are going to play the short-term politics and they are going to bring it to this Assembly and say it lays on our door. They are not going to look to their cousins in Ottawa.

Mr. Speaker, I want to tell a little fable called *The Wolf at the*

Door.

An Hon. Member: — Is this referring to Tommy Douglas's stuff?

Ms. Hamilton: — I'll let you decide, sir.

Mr. and Mrs. Sheep were sitting in their living room with their daughter, their daughter who was as pretty as she was edible. Then there was a knock at the door. "It's a gentleman caller," said the daughter. "It's the Fuller Brush Man," said the mother. The cautious father got up and looked out the window and said, "It's the wolf, I can see his tail." "Don't be silly," said the mother. "It's the Fuller Brush man and that's his brush." And she went to the door and opened it, and the wolf came in and ran away with the daughter. "You were right after all," admitted the mother, sheepishly.

Moral: mother doesn't always know best.

Courtesy of James Thurber.

I was reminded of this story, this parable, when I heard the Liberals announce they were going to make health care their issue during this session. The party of two-tiered medicine; the party of a vision of health care that is at least 50 years old; the party that would restore the 500 local boards because the 30 present ones are too many.

Now that's their logic, Mr. Speaker, it's not mine. The party that would ignore studies by highly-educated and knowledgeable people that their leader talks about, and they would save the Plains, they say. Now at the same time they're talking about implementing Australians' regional health model.

Mr. Speaker, I've been there to see the closure of major hospitals and facilities — not to be converted into wellness centres to be closed. At the same time they're saying save the Plains, they're saying somehow to people, we'll implement the regional model from Australia which says close the hospitals. Which is it? That's not my logic, Mr. Speaker, that's theirs.

If there was ever a wolf at the door of medicare, it's the Liberal Party.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Mr. Speaker, let's not be fooled by the Liberal and the Tory wolves at the door. Rather than going backwards with health care, we're going forward. The Saskatchewan Health Information Network is just one example of that, and I'm happy to see its announcement in this throne speech. This is truly laying the infrastructure for the medicare of the next century.

I said earlier that a healthy bottom line is really a springboard to a vibrant society. I am therefore most pleased that this government is investing in people by investing even more in those programs that affect Saskatchewan families, especially Saskatchewan children.

One of the main reasons I chose to run as a New Democrat was

the position I held on the board of inquiry — chairing the Board of Inquiry into Hunger for Regina, Mr. Speaker. The Tories were in government at the time and they were saying there are no hungry children in Saskatchewan. A Mr. Schmidt said the simple solution was that their mothers should just grow bigger gardens. The problem would go away. Their response: have the community make a few muffins in the morning and things will be better.

Mr. Speaker, none of us in this nation and province of plenty should rest until we've completely eradicated the plight of child poverty.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — It's a persistent thorn in our social conscience — the most glaring example we have that human nature is imperfect and our institution is therefore more imperfect.

We have pledged to do better. Programs associated with child action plan have improved the situation. The new initiatives announced in this speech will help even more families and more children. They will help by providing the kind of support that builds opportunities instead of dependence for individuals, that provides supports to help people become independent. We need to break the welfare trap that our social structures have so neatly set for these people. We need to change our system so that people are encouraged to work and are rewarded for that work.

Mr. Speaker, the national child benefit program which the federal government is finally joining is one part of that plan. The Saskatchewan employment supplement, the Saskatchewan child benefit, the family health benefits, the provincial training allowance, and the training programs mentioned earlier — they're all part of the redesign of our social programs which will promote independence and move us closer to dealing with the root of child poverty.

So I believe there's cause for optimism here. Of course all children and all people have the right to live in safe communities. They have the right to live in communities that will move them from dependence to independence. And this speech has those initiatives contained within it.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — The speech also has initiatives that will protect the average citizen. It talks about changing the young offenders' Act being one of those initiatives. Because we know, in a very few cases, a young offender needs to be dealt with severely and the authorities will now be able to exercise this option.

But I hope that all thoughtful members of this Assembly want to state openly that although the problem is severe, it does not characterize the 99.5 per cent of our youth who are just darn good kids.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Investing in people means our transportation

infrastructure. I know other members will want to speak on this so I'm only going to say a few things. One, it strikes me as very strange that a former federal Liberal cabinet minister, one Doug Young, seemingly can do more for the roads of his province than our own federal cabinet minister, Mr. Goodale.

A *Leader-Post* article from January 31 said that: "Federal budget won't address highway twinning, says Goodale." And it didn't. Not 1 cent for Canada's national highway system. However the Toronto *Globe and Mail* of February 5 points out that Mr. Young, when he was minister, set aside \$32 million for the New Brunswick portion of the Trans-Canada. And it's being spent by the Maritime road development corporation as we speak. It's now chaired by Mr. Young who was freed by a New Democratic in the last election so he could work in the private sector.

Maybe we could trade Mr. Goodale and two unknown named players — we'll name them later — for Mr. Young.

Second, we've heard this, but it's important to repeat. Our a hundred and eighty-five thousand kilometre network of roads and highways is enough to circle the globe four and a half times. Only 6 per cent of those roads carry 70 per cent of the traffic. A friend, which shall remain nameless, named Ted, drove from Regina to Radville the other day. From Corinne to Radville, a distance of roughly a hundred kilometres, he met less than one vehicle every five minutes and passed exactly one going the same direction.

I mention that, Mr. Speaker, just to remind us of the difficulty our Highways department faces when deciding where to put its scarce resource. And we're hearing that at SARM as well. At SARM they're saying, we want to spend money on our roadways. And they have priorities. Others are saying, put your money into twinning the highways.

It's very difficult, when the resources are scarce, to decide where those resources will be put down or laid to work on our highways. That's why we rely on communities, we rely on cooperation, and we will be relying heavily on our community partners working together to establish a transportation policy in this, the post-grain transportation subsidy era. We've got those partners working now and will be calling them together to help us establish where those dollar priorities should lie.

Mr. Speaker, our program of investing in people is a good one. It is workable and it's working. It's practical and it is local. It builds on the strength of Saskatchewan people and it takes inspiration from them.

(1600)

Mr. Speaker, I think of my public duties and my faith stance in life as closely intertwined. My faith informs and strengthens my public resolve. I sometimes forget — and I shouldn't — that the roots of my party are solidly within the social gospel and therefore it's no surprise that the language of this legislature and its documents often echo that of the good book and vice versa.

The second great commandment, after all, says that we should love our neighbour as ourselves. I take that to mean that we

should work to provide the amenities we would like for ourselves to everyone, which is what I believe we are doing — we're struggling to accomplish here — with the tools of government that we are provided to work with.

The story has been often told and need not be repeated in detail here, but the hard lesson we've learned over the years in this invigorating but imposing environment is that together we can do much, alone we are at the mercy of stronger forces. Hence our development of society that treasures the individual but nurtures the community. Ours is an elemental land that teaches us elemental lessons.

In fact, Mr. Speaker, one of our many fine writers, Saskatoon's Edward McCourt, wrote of his home, and I quote:

The Saskatchewan prairies are a world that enables us to see ourselves clearly in relation not only to our fellow humans but to those values that are inherent not in the many but in the one. It is a world that persuades us to accept the fact of our own curious duality — that we are at once nothing and everything, at once the dust of the earth that God made it . . . Nowhere, I think, is it possible for us to know better our littleness and our greatness. For this is a world which objectifies the great words birth and love and death and God and eternity, casts them in a scale that exalts their grandeur and diminishes their terror.

Mr. Speaker, I have spent all but two years of my life here. I understand McCourt's awe at our home and I share his love for it. Like him I use my allotted talents to try to repay some of what I've been given. It is my obvious and profound duty to give to my children and theirs something of what I have received today.

Yesterday we heard His Honour read the throne from the speech . . . the Speech from the Throne, Mr. Speaker, with its emphasis on jobs, training, health, families, the environment, the social infrastructure. It's a sound document. Last evening I read a prayer which I think reflects our secular desire to love our neighbours. It goes in part like this:

To all nations, grant unity, peace and concord. And to all people, give dignity, food and shelter. Grant us abundant harvest, strength and skill to conserve the resources of the earth and the wisdom to use them well. Come to the help of all who are in danger, necessity and trouble, protect all who travel by land, air or water, and show your pity on all prisoners and captives. Strengthen and preserve all young children and comfort the aged and lonely. Defend and provide for refugees and the homeless, the unemployed and all who are desolate and oppressed. Heal those who are sick in body or mind and give skill and compassion to all who care for them.

In this one area of our lives, we work in unison to change the minds and hearts of all people so that this prayer and others like it can be answered.

In this part of our lives we legislate and budget what we can to provide the practical tools to move toward the same ends. We all know not all our prayers are answered, not all our secular plans succeed. We do what we can do. The same is true for all

of us.

The program outlined in the Speech from the Throne is, I believe, responsible, progressive, prudent, and practical because I believe it's a solid blueprint to take us closer to the next century and because I'm confident in the ability of this government to follow this blueprint.

I am happy to move, Mr. Speaker, seconded by the member from Estevan, a humble address be presented to His Honour, the Lieutenant Governor, as follows:

To His Honour, the Honourable John E. Wiebe, Lieutenant Governor of the province of Saskatchewan.

May it please Your Honour:

We, Her Majesty's dutiful and loyal subjects, the Legislative Assembly of the province of Saskatchewan in session assembled, humbly thank Your Honour for the gracious speech which Your Honour has been pleased to address to us at the opening of the present session.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Ward: — Thank you, Mr. Speaker. I'm pleased and honoured today to second the motion just read by the member from Regina Wascana Plains. I am happy to have the opportunity to offer my support for the Speech from the Throne that we heard yesterday.

Mr. Speaker, the throne speech laid out this government's vision for the future — a future which includes commitment to health, education, and social services, a balanced approach to fiscal management and continued economic prosperity for the people of Saskatchewan.

I support this vision wholeheartedly. It is a vision in which this government takes great pride. It is a vision that I am proud to take home to my constituents in Estevan. Mr. Speaker, my constituents sent me here to represent them, to ensure that their priorities, their aspirations, are reflected in this government's plans for the future. This is a great honour and I do not take my duty lightly. I thank my constituents for their continued input and support.

I am pleased that there is so much in this throne speech that my constituents can feel good about. I am also pleased to report that my constituency, like so much of Saskatchewan, has plenty of reasons to feel positive about our future. Mr. Speaker, the economy in my constituency is based primarily on farming, coal mining, and oil and gas production. Our economy has been flourishing and I believe will continue to do so.

One reason for this bright future is the recent changes to our province's oil royalty structure, as was recently announced by the Minister of Energy and Mines. This announcement is meeting with favourable response in my constituency and around the province. For example, Carl Henneberg, Saskatchewan chairman of the Small Explorers and Producers Association of Canada, is quoted in *The Estevan Mercury* as

saying the following about this government:

They are doing a good job and I think the industry in general is pleased with the package. They know that this isn't the end-all or be-all on the government side, but I think it is a good step and a proper step where we find ourselves.

One result of the success in the oil patch is that, and again I quote from *The Mercury*, "the Estevan residential real estate business is booming." Yes, Mr. Speaker, Estevan was the hot real estate market in Saskatchewan last year.

The Saskatchewan Chamber of Commerce recently conducted its annual survey and they found that the majority of Saskatchewan residents believe the economy is improving, and that it will continue to improve. The Estevan Chamber of Commerce year-end survey found similarly positive results. Business owners and managers indicated a reasonably or very optimistic economic outlook for the Estevan community.

Some Hon. Members: Hear, hear!

Mr. Ward: — But although our province is doing well, this is not a government that is simply content to rest on its laurels. No, yesterday's throne speech clearly demonstrates that this government is looking toward the future. The writer C.S. Lewis once said the following about the future: "Everyone reaches it at the rate of 60 minutes an hour, whatever he does, wherever he be."

This is the truth. We cannot stop the future from coming. We must prepare for it. We must have a clear vision of the province that we would like our children to inherit, and put measures in place to ensure that future will be realized.

The throne speech reflects that vision. It tells us that this government will continue to take a common sense approach to managing the finances of our province. It tells us that although the future looks bright, the world is ever changing and so our watchwords must always be, caution and balance.

You know all this talk of change reminds me of a speech I gave in this Assembly a couple of years ago, Mr. Speaker. I was speaking about, that I could even see political change. And as I looked across this floor, I said I could see Liberals that wanted to be Tories. I said I could see Tories that wanted to be Reformers. And I said I could see Liberals that wanted to be Liberals but even the Liberals didn't want them.

Now, a short two years later, look at what we have. Liberals that are Tories; Tories that are Reformers; and we have even more Liberals that want to be Liberals but the Liberals don't want them. Now I don't want to have to take the blame or the credit for planting this seed of suggestion in such a fertile field, Mr. Speaker, because I'm sure nobody wants to take the credit for that crop of weeds over there.

Some Hon. Members: Hear, hear!

Mr. Ward: — But I want to make it clear that when this government talks of change, it is a very different sort than what has occupied the members across the floor. We are talking

about looking ahead to the changing realities that face our province as we move into the new millennium, and having a plan in place to allow Saskatchewan to thrive and prosper whatever the future might hold.

The centrepiece of this plan is our strategy for investing in people. Our investing in people agenda is the map which guides us on our own course toward our bright future. Mr. Speaker, the first component of our plan to invest in people is jobs. There was a statement in the throne speech yesterday that I think bears repeating: more people are working in Saskatchewan than at any time in our history.

Some Hon. Members: Hear, hear!

Mr. Ward: — And it's a full day's work; a full week's work. Part-time work is down; full-time is up. Saskatchewan continues to have the lowest unemployment rate in the nation.

Some Hon. Members: Hear, hear!

Mr. Ward: — And that job growth is happening where it ought to be happening — in the private sectors, in the cooperatives. In manufacturing we have 3,300 more jobs than a year ago. In financial services there are 4,500 more jobs. And it's especially encouraging to see that more young people are finding good, full-time jobs.

Mr. Speaker, much has changed since the dark days of the late 1980s when my colleagues across the floor, now operating under an assumed name, were in power. Today young people are finding that Saskatchewan is a place where they can begin their careers, where they can put down roots. They feel confident about Saskatchewan's economy and about our province's future. That is why 1,000 more young people moved into the province last year than moved out.

(1615)

Youth employment posted an increase of 10,000 from January of '97 to January of '98. Summer employment for young people is growing as well. The summer student employment program, Partnerships '97, created 22,072 summer jobs for Saskatchewan.

Mr. Speaker, the members opposite are always comparing us to Alberta. They're always saying, why don't you do it like they do it in Alberta? That leaves me with the impression that if they get elected they're going to do it like they do in it Alberta.

This headline caught my eye the other day. "Alberta MLAs keep expenses secret." I wonder if they intend to govern the same way in Saskatchewan. I think the Tories got in some trouble for doing that same thing here, Mr. Speaker. And, Mr. Speaker . . .

The Speaker: — Order, order, order. Order, order. Order. It would appear that the hon. members have many, many strong feelings and ideas in their hearts. And as good luck will have it, we have a long time to debate in the Speech from the Throne, and I'll ask all hon. members to allow the hon. member for Estevan to be heard in his remarks.

Mr. Ward: — Mr. Speaker, social assistance case-loads have been dropping steadily in Saskatchewan. Clearly our job strategy is paying off. This government will continue our work of ensuring that Saskatchewan people have access to good jobs right here in our province. And as jobs are created, we must ensure that Saskatchewan workers are equipped with the skills necessary to fill these jobs. That's why the throne speech also outlines this government's commitment to education and training.

Mr. Speaker, the labour market is constantly changing and Saskatchewan workers need skills which are relevant to our new information economy. That's why this government has developed the Saskatchewan training strategy. Under the strategy, approximately 13,000 Saskatchewan residents will receive skills training or retraining in the year '97-98 to assist in meeting industry skills demand. The training strategy has a number of components.

For example, the apprenticeship programs: 2,620 will benefit from these programs in '97-98. JobStart, Future Skills: it is estimated that in '97-98, 4,000 people will receive training under this program. And SIAST annually trains approximately 5,000 people in technical skills required by Saskatchewan industry. The employment success of graduates from this training was over 90 per cent in '96 and '97.

And there are many other exciting initiatives as well, including job-training programs that are taking place off site from the major SIAST campuses.

Working in partnership with industry allows us to provide students with hands-on job training that will equip them to make a smooth transition between school and the work force. Education is a vital investment that we make in the future. That's why this government will continue to support public education at all levels — K to 12, and post-secondary, our universities, and SIAST.

Investing in people is also about health care, Mr. Speaker. As the throne speech stressed, this government believes that the Saskatchewan value of cooperation is vital to the continued growth and renewal of our health care system. It's about working in partnerships. Partnerships with nurses, doctors, communities, and health boards. Partnerships that will ensure that our health care system is effective, efficient, and accountable. There are many examples of just how effective this partnership approach can be.

Saskatchewan still has more hospitals per capita than the national average. The waiting time for surgeries is consistent with those found across Canada. And rural residents now have better access to day surgery than they did in 1991. Effective health care is not only about caring for people when they are sick. There are many aspects to health, and so Saskatchewan Health has been focusing on prevention and providing more community-based services.

And unlike the Tories, with a new-name party, this government remains committed to the sacred trust of medicare.

Some Hon. Members: Hear, hear!

Mr. Ward: — The throne speech also outlines our commitments to families and children. Mr. Speaker, child poverty cannot and must not be tolerated in our society. It is a problem which needs solutions — solutions that are practical, workable, and which move beyond just talking about the problem, of tackling it head on. That's why I'm proud that our province has taken a leadership role in the fight against child poverty.

The Premier was a vocal advocate for the new national child benefit. He led the way for this important national initiative which will provide tax credit for working poor families that are trying to earn a living but are finding themselves walking the tightrope between work and welfare.

Some Hon. Members: Hear, hear!

Mr. Ward: — Our award-winning action plan for children is another way in which we will continue to help young people living in our province's inner cities.

Mr. Speaker, children are the future of this province. They are also the most vulnerable members of our society. We must ensure that each and every child has an opportunity to develop to their fullest potential.

This government will continue to be an advocate of children — not only in Saskatchewan, but throughout Canada.

Some Hon. Members: Hear, hear!

Mr. Ward: — Finally, investing in people is about building and maintaining our transportation infrastructure. It is unfortunate that the Liberals' cousins in Ottawa have turned such a blind eye to the transportation system here in Saskatchewan.

It is unfortunate that they have stood by and watched as the railways aggressively abandoned branch lines across our province, crippling our rural communities. This massive rail-line abandonment is adding an enormous stress to our highway system.

Mr. Speaker, there are 185,000 kilometres of roads and highways in our province, and as has been stated, strung together they would circle the world four and a half times. But the federal government will not do its part to help maintain and improve this extensive road system.

In fact over the last 10 years, the federal government has only contributed 3.4 per cent of the total spending for Saskatchewan roads while the province has contributed 96.6 per cent. The federal government refuses to provide for a national, cost-shared highway program, and the Liberal Party here in Saskatchewan is too busy circulating petitions to spend any time convincing their federal counterparts to help fund Canada's national highway system.

Our government has committed 2.5 billion to highways over the next 10 years. And since even this is not enough to accomplish all that we have to do, we will be actively consulting the people of Saskatchewan's communities on how best to target that investment.

Mr. Speaker, one thing that makes this investment in people possible — continued fiscal integrity. Just over a week from now, this government will introduce its fifth consecutive balanced budget.

Some Hon. Members: Hear, hear!

Mr. Ward: — Clearly our balanced approach to fiscal management is paying off. We have been able to invest in program spending, delivered tax relief, and we've even been able to start chipping away at the Tory debt. We have established a plan whereby the total debt will be eliminated as soon as possible. This is good news because it will reduce the interest we have to spend each year servicing the debt.

Nesbitt Burns has stated, and I quote: "Saskatchewan's turnaround is nothing short of remarkable."

Some Hon. Members: Hear, hear!

Mr. Ward: — That's why all four major North American credit rating agencies now place Saskatchewan credit-worthiness in the A bracket. Our province has been able to achieve these successes because we have worked together as partners — a partnership of business, labour, community, government, and many other groups working together for Saskatchewan's future. And we will continue to work together in the months and years ahead; to work together for the benefit of Saskatchewan communities and families; to use the successes we have achieved as a bridge to an even brighter future.

Before I conclude, Mr. Speaker, I would like to discuss a couple of other areas that were touched in the throne speech. The first is our government's position on the Young Offenders Act.

Mr. Speaker, many people in Saskatchewan have concerns about Young Offenders Act as it currently stands. They feel that it is not serving as a sufficient deterrent to youth crime. They are calling on the federal government to strengthen the Act. This government is listening to the concerns of the people of Saskatchewan. We share the view that steps must be taken to ensure that youth offenders are dealt with effectively and appropriately by the courts and our communities.

We believe that the Young Offenders Act needs to get tougher on violent and chronic youth offenders. That's why the ministers of Justice and Social Services have written to the federal Justice minister, calling on her to make important changes to the Young Offenders Act. Those changes include: public protection must be recognized as a primary purpose of the Act.

Some Hon. Members: Hear, hear!

Mr. Ward: — Youth courts should be allowed to authorize publication of the names of convicted, violent, or chronic young offenders when this is in the public interest; the courts should be able to release information about young people who pose a risk to the community; and we need to strengthen the ability to transfer serious, violent, and chronic young offenders to adult court.

At the same time, Mr. Speaker, this government recognizes —

and I want to stress this — that the vast majority of young people in this province are good, law-abiding kids.

Some Hon. Members: Hear, hear!

Mr. Ward: — Less than one-half of one per cent of young people are in young offender facilities, and the majority of those offending youth are in facilities for non-violent offences. A balanced and fair approach is what is needed to deal with youth crime, Mr. Speaker. Our first priority must be to protect law-abiding Saskatchewan citizens.

Some Hon. Members: Hear, hear!

Mr. Ward: — We hope that the federal Liberals will listen to our province's call for a tougher, more effective Young Offenders Act.

Finally, I want to talk about our province's Crown corporations. Mr. Speaker, our Crowns are often portrayed unfavourably by members of the opposition, so I think it's important to remind them of the proud history of accomplishment and service possessed by our Crowns.

Saskatchewan people want convenient access to quality service when it comes to telephones, electricity, natural gas, or auto insurance. And they want to access that service at the best price. That's why I'm pleased that our Crowns are so competitive. SGI (Saskatchewan Government Insurance) has the lowest auto insurance rates in Canada. SaskPower rates have been frozen until at least the year 2000.

To demonstrate how competitive SaskPower rates are, let me offer the following example. Someone in Saskatoon pays \$64 for 750 kilowatts of hour . . . of power. That same power costs \$58 in Edmonton, 66 in Thunder Bay, and \$73 in Halifax.

SaskTel has the second lowest rates in the country in both rural and urban service. SaskTel's rates are more than 20 per cent below the national average, and long-distance rates have dropped by over 50 per cent since 1993.

SaskEnergy offers the second lowest energy rates in the country. It costs the average family about \$61 to heat their home here in Saskatchewan. That same heat costs \$74 in Winnipeg, \$72 in Vancouver, \$76 in Toronto, and \$130 in Montreal.

Even with rates that are among the lowest in Canada, our Crown corporations earn profits that are comparable to privately owned utilities in other provinces. And half of the profits earned by the Crowns are paid back to the province to help pay for the health care, the education, and the highways.

Some Hon. Members: Hear, hear!

Mr. Ward: — The services offered by the Crowns cannot be provided for free, but here in Saskatchewan our Crowns provide better services at better prices than private companies would.

Some Hon. Members: Hear, hear!

Mr. Ward: — And in order for our Crowns to . . . (inaudible

interjection) . . . I'm coming to that.

And in order for our Crowns to continue providing top service to the people of this Saskatchewan, they need to find additional business outside our border. Thanks to the Free Trade Agreement, Saskatchewan can no longer prevent other corporations from knocking on our door here. If they are to survive, our Crowns must go knocking on other doors for business.

And I would like to quote an editorial from the *Langenburg Journal*:

Why is it a good investment to hand your hard-earned dollars to a mutual fund to invest in hopefully profitable business in and outside of Canada, and it's a bad investment for Crown corporations to essentially do the same thing, again with your hard-earned dollars?

If the Crowns did what the opposition parties wanted them to do, for example, take some of their current profits and return them to the public in the form of reduced rates or outright rebates, then we would only be hastening the financial crisis awaiting the Crowns. It's a much wiser strategy to leave the money with the Crowns in order to give them some freedom of movement in developing future business strategies.

(1630)

Mr. Speaker, this quote demonstrates that the media understands the reality currently facing our Crown corporations. Why is it so difficult for the members of the opposition to understand? Perhaps it is because the main desire of the opposition is to defeat this government and they will do or say almost anything in order to achieve that goal.

Marcel Proust once said: "There is nothing like desire for preventing the thing one says from bearing any resemblance to what one has in mind."

Mr. Speaker, the opposition's desire to form the government is so strong that they continue to deny the new economic realities that are facing our Crown corporations. The truth is our Crowns are governed by the fundamental principles of universality, reliability, quality, and reasonable cost. Our Crown corporations do, and will continue to, provide us with quality service at competitive rates and they will change and grow to meet the reality of today's economy.

Some Hon. Members: Hear, hear!

Mr. Ward: — Mr. Speaker, with the throne speech we have presented our plan to the people of Saskatchewan. We have promised to continue our common sense approach to managing our province's economy. We have promised to maintain our province's fiscal integrity, and we have promised to continue investing in people.

There is a Chinese proverb that tells us: "One generation plants the trees, another gets the shade." Our government is laying the foundation to ensure that our children and our grandchildren will inherit the stable, secure, and prosperous future that they

deserve.

And so, Mr. Speaker, I am pleased to second the motion in support of the Speech from the Throne.

I move this debate be now adjourned.

Some Hon. Members: Hear, hear!

The Speaker: — The hon. member has moved that debate on the resolution before us be adjourned. Is it the pleasure of the Assembly to adopt the motion?

Motion negatived.

Hon. Ms. MacKinnon: — I move the House do now adjourn.

The Assembly adjourned at 4:33 p.m.

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