

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, I have a petition to present on behalf of residents of Saskatchewan. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

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

Mr. Speaker, the signatures on this petition come from the community of Ceylon. I so present.

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

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

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

These petitions come from the Carnduff, Carievale, Regina, Alida areas, Mr. Speaker. I so present.

Mr. Toth: — Thank you, Mr. Speaker. As well to present petitions. Reading the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

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

Mr. Speaker, the petition I'm presenting is signed by individuals from the Glen Ewen, Carievale, Carnduff, and Gainsborough area of the province.

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

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

And these are signed, Mr. Speaker, from people all over Saskatchewan.

Mr. Gantefer: — Mr. Speaker, I rise as well on behalf of citizens concerned about the impending closure of the Plains hospital. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

Signatures on this petition, Mr. Speaker, are from Carievale, Carlyle, and Carnduff.

Ms. Draude: — Mr. Speaker, I have a petition to present today from the people at Ceylon.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to put a moratorium on the closure of the Plains Health Centre until they conduct a comprehensive review into the health crisis we are currently experiencing.

As in duty bound, your petitioners will ever pray.

Mr. Osika: — Mr. Speaker, I also present a petition on behalf of concerned citizens of Saskatchewan relative to 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.

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

And the signatures on this petition come from the good people of Yorkton.

Mr. Hillson: — Mr. Speaker, I present a large number of petitions from the people of Lampman, Estevan, and Arcola concerning the closure of the Regina Plains hospital and requesting that the government provide adequate funding in order that the Plains hospital may remain open.

I so present.

Mr. Aldridge: — Thank you, Mr. Speaker. I too have petitions on behalf of citizens concerned about the closure of the Plains hospital. 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 the essential services provided at the Plains may be continued.

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

Those who've signed these petitions, Mr. Speaker, are from

communities of Gravelbourg, Ponteix, Pambrun, Swift Current, and Saskatoon. I so present.

Mr. McLane: — Thank you, Mr. Speaker. I rise again today to present a petition on behalf of the 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 at the Plains may be continued.

Mr. Speaker, this petition has been signed by a lot of people from the Weyburn, Griffin, Pangman, Tribune, Kenosee Lake, Lake Alma, some more from Weyburn — mostly from Weyburn, Mr. Speaker. I so present.

Ms. Haverstock: Thank you very much, Mr. Speaker. I rise today on behalf of Saskatchewan citizens who want justice for widows and widowers whose spouses were killed in work-related accidents.

Wherefore your petitioners will humbly pray that your Hon. Assembly may be pleased to have The Workers' Compensation Board Act amended for the disenfranchised widows and widowers of Saskatchewan whereby their pensions are reinstated and the revoked pensions reimbursed to them retroactively and with interest, as requested by the statement of entitlement presented to the WCB (Workers' Compensation Board) on October 27, 1997.

As in duty bound, your petitioners will ever pray.

And this is signed by petitioners from the Regina district. Thank you very much.

READING AND RECEIVING PETITIONS

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

Of citizens of the province petitioning the Assembly in the following areas: to save the Plains Health Centre; to call an independent public inquiry into Channel Lake; and to put a moratorium on the closure of the Plains Health Centre.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Haverstock: — Thank you very much, Mr. Speaker. I shall give notice again, given that I was supposed to give it on two separate pages last week, Mr. Speaker.

I give notice that I shall on day no. 38 ask the government the following question:

Prior to the formation of the Living Sky Health District in 1994, what was the ratio of management staff to primary care-givers in 1993 at the Lanigan hospital, the Watrous hospital, and the Wynyard hospital?

And I shall give notice as well that on day no. 38 I shall ask the government the following questions:

(1) What is the current ratio of management staff to primary care-givers in the Living Sky Health District, which takes in the Lanigan hospital, the Watrous hospital, the Wynyard hospital, the Central Parkland Lodge, home care for the district, and other long-term facilities for the district; (2) what is considered to be an optimum ratio for management staff to primary care-givers in Saskatchewan hospitals and other health facilities housing patients; (3) what is the current average ratio of management staff to primary care staff at Saskatchewan hospitals and other health facilities housing patients?

STATEMENTS BY MEMBERS

125th Anniversary of the Royal Canadian Mounted Police

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Speaker, a couple of weeks ago my office received a phone call that I was wanted by the RCMP (Royal Canadian Mounted Police). Considering past MLA (Member of the Legislative Assembly) experiences, this had the potential to create some anxiety.

However upon investigation, I was pleased to discover that the Carnduff detachment of the RCMP wanted me as their guest speaker for their spring regimental ball.

Over 160 people, both RCMP officers and local citizens, were in attendance, with RCMP members in their red serge and their spouses and guests in tuxedos and gowns. This was the first of hopefully many balls to follow.

The theme of this year's gala was the 125th anniversary of the formation of the North-West Mounted Police. The North-West Mounted Police first went through our communities in 1873 as they followed the Boundary Commission trail to the Cypress Hills. Ever since then the RCMP have been an integral part of our community.

Their mission has been to protect us from ourselves — for those of us who have a tendency to speed — or to protect us from the actions of others. No matter whether the RCMP service was on horseback during the last century or an automobile today, the members continue to serve with distinction and pride.

Thank you to the members of the RCMP for their dedication, their service, and their sacrifice.

Some Hon. Members: Hear, hear!

Protein/Oil/Starch Pilot Plant Expands

Mr. Koenker: — Last week the protein/oil/starch pilot plant announced completion of a \$1.5 million expansion to their contract research and development facility in Saskatoon.

This new addition focuses on equipment and quality control systems, and another \$1 million will be spent this coming year to further improve this already world-class facility.

Mr. Speaker, the protein/oil/starch pilot plant is a premier facility in all of North America, as proven by the NutraSweet corporation's coming to Saskatoon because POS (protein/oil/starch) was the only place in North America that could accommodate their needs for contract agricultural research and development.

Officials at the pilot plant are optimistic about doubling the current business there based on current projections. POS is a critical spoke in the ag-biotech wheel in the city of Saskatoon, which includes Ag-Biotech, the University of Saskatchewan, Plant Biotech, VIDO (Veterinary Infectious Disease Organization), and numerous other research institutions. Its expansion is good news for Saskatchewan farmers, for the city of Saskatoon, and for all Saskatchewan people. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

**Minister of Health Address
to Saskatchewan Union of Nurses**

Mr. Hillson: — Thank you, Mr. Speaker. The Premier says that we Liberals are remarkable people because of our ability to have one foot on the ground on both sides of the fence. Well, Mr. Speaker, when it comes to physical dexterity, my hat is off to the friends across the way. Picture this: a cabinet minister managing to speak out of both sides of his mouth while both feet are in that same mouth.

I'm speaking of the Health minister's address to the Saskatchewan Union of Nurses last week. Just to warm up the crowd, the minister began by indicating that nurses make six-figure salaries. He obviously got our nurses mixed up with Jack Messer.

He then stated that he was worried there might be a nursing shortage sometime in the future — as if there isn't one right now.

Finally, he informed them that the problems in our health care system are vastly overstated.

Some people in the crowd expected the minister to have the public address announcer dim the lights and announce that he had left the building. Instead he spent the next few minutes fighting off the crowd as he bolted his way to the vehicle, outraged nurses in tow trying to get at him.

The only question I have is this, Mr. Minister. When is your next appearance . . .

The Speaker: — Order, order, order. Order. The hon. member will want to recognize of course that in providing members' statements that rule 28 is to be followed and all comments are to be made through the Chair and not directly to other members.

Weyburn Red Wings Win Anavet Cup

Hon. Ms. Bradley: — Thank you, Mr. Speaker. Four series down, one to go. Last night, Mr. Speaker, the Weyburn Red Wings won game seven of the Anavet Cup against the Winkler Flyers from Manitoba. Game seven was a skate-through — a

7-0 victory, a game that was over before the end of the first period.

Now game six on the other hand was anything but, and I think that game tells us what we need to know about the Red Wings. They came into Saturday's contest down three games to two. To haul out all the sports clichés: their backs were to the wall; there was no tomorrow; it was all or nothing; their season could be over. And, Mr. Speaker, I was there and they won that game 5-4, which lead to last night's clincher.

There's something very typically Saskatchewan about this come-from-behind victory as Roughrider fans will recognize. And now as I predicted here 10 days ago, the Red Wings are off to Nanaimo, B.C. (British Columbia) for the Royal Bank Cup, tier 2 championship — second year in a row — which begins this Saturday.

And, Mr. Speaker, I will predict I will be on my feet in this Assembly one more time somewhere around May 11 to formalize this final victory.

My congratulations once again to the players, coaches, staff, and the Red Wing fans, 1,900 of them who were at the game last night. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Saskatoon YWCA's Women of Distinction Awards

Ms. Haverstock: — Mr. Speaker, last week two events took place in Saskatoon that were impressive, elevating, and humbling. On Monday evening April 20, the YWCA in Saskatoon held a dinner in honour of their women of distinction. Hundreds and hundreds were in attendance to here about and recognize the incredible lives and contributions of local women.

And I've been very fortunate indeed to know many of these outstanding individuals and have no idea at all how anyone could have made the final decision amongst the many outstanding nominees. The entire roster of women honoured that evening have given immeasurable time, talents, and gifts to Saskatchewan.

Now in addition to this event, Mr. Speaker, Saskatoon hosted the national debating teams last week as well. These teams from across Canada demonstrated extraordinary skill, intellect, and passion in their debates and used three styles: academic style, cross-examination style, and parliamentary style. All members here could learn from them.

And I know that these young people were very excited about the time that they were going to spend with you, Mr. Speaker, this last weekend. I'm sure that you were as impressed with them as I was.

Their stay in our province continues until tomorrow and I wish them continued enjoyment and safe return to their homes across our nation.

Some Hon. Members: Hear, hear!

Extension of Cellular Services

Mr. Kasperski: — Thank you, Mr. Speaker. Last Thursday I was pleased to represent the Minister of Crown Investments Corporation at the official announcement of the extension of SaskTel Mobility services to Ituna. I joined Mayor Joe Garchinski, members of Ituna Town Council, citizens of Ituna, and representatives from SaskTel in making this announcement, Mr. Speaker.

Mr. Speaker, Ituna, Cabri, Pangman, and Ponteix are all joining SaskTel Mobility, the largest cellular network in Saskatchewan. Now with the expanded SaskTel cellular network, we have a link to services even when we are far away. Now all of our cities, many of our larger towns, and most of the major connecting highway corridors are included — services available to over 90 per cent of our population, Mr. Speaker.

SaskTel Mobility is making it easier for those who live and work around Ituna and elsewhere to save time and money in business and to have better peace of mind when travelling.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Changes to the Young Offenders Act

Mr. Heppner: — Thank you, Mr. Speaker. Today we learned that the federal Justice minister, Anne McLellan, is considering changes to the Young Offenders Act — changes that are a far cry, Mr. Speaker, from what the people of Saskatchewan are demanding. The only real change they seem to be suggesting is the naming of some 16- to 17-year-old offenders.

Mr. Speaker, I don't know why I continue to be amazed by the actions of this federal Liberal government. After all, they seem to have adopted the philosophy of our NDP (New Democratic Party) government right here at home — throw them a bone and maybe they'll be happy.

And just like the provincial NDP, the Liberals could no longer hide from their polling — polling which showed an overwhelming support for the changes to the Act. But they simply can't shake their preference to be soft on crime.

Mr. Speaker, my message to Anne McLellan is this: if you think you can stop the growing wave of support for tougher penalties on youth crime by making token changes, you're wrong.

And, Mr. Speaker, I also have a message for the NDP Justice minister and his NDP cabinet colleagues — two letters to a minister who has demonstrated she is not committed to meaningful change is not enough. We simply can't let this window of opportunity created by over 70,000 petitioners shut with no meaningful changes or we'll be waiting for another three years.

Mr. Speaker, how many people have to die before our provincial and federal governments admit there is a problem? I would challenge the Minister of Justice to join with the Saskatchewan Party and the 70,000 people who have signed the North Battleford petition to increase the lobby effort to change

the Young Offenders Act before it is too late.

Some Hon. Members: Hear, hear!

Sunrise Lions Indoor Games

Hon. Mr. Serby: — Thank you, Mr. Speaker. The 22nd annual Sunrise Lions indoor games will be held in Yorkton this weekend. This year's games will feature over 800 athletes. Approximately half of the competitors are from the Yorkton area; the other are coming from across Saskatchewan and parts of Manitoba. The year will also offer special Olympic events as well.

Mr. Speaker, the success of the event is heavily dependent upon the support of local service clubs, business people, and volunteers. The organizing committee, headed by Daryl Bode and member directors, consists of 12 dedicated volunteers. Between 300 and 400 additional volunteers will work this weekend to ensure the games go off without a hitch.

I would also like to take a moment to acknowledge the sponsors for this year, and they are the city of Yorkton, Saskatchewan Athletics, St. John Ambulance, the Boy Scouts, the air cadets, Yorkton Tire and Auto Centre, Danko, the Royal Canadian Legion, Yorkton Concrete Products, Morris Industries, Logan Stevens Construction, Pachal's Transport, Weber Do-it Centre, the Kinsmen Club, and Yorkton Sunrise Lions.

With that, Mr. Speaker, I want to wish all the athletes a great deal of success and good luck over the games this weekend. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Compensation for Hepatitis C Victims

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Premier or his designate.

Today we are starting to see the power of calling on elected officials to vote on behalf of their constituents. The federal government is showing the first signs that it is willing to make changes to the unfair hepatitis C compensation package — all because the opposition parties put the pressure on by calling for a free vote. However, most Canadians still don't believe the changes suggested by Mr. Herb Gray go far enough. The vote on this issue will proceed tomorrow in the House of Commons.

Mr. Speaker, the Saskatchewan Party is calling for a similar vote in this legislature tomorrow. We are calling on the Premier to allow his members to vote freely on this issue.

Mr. Premier, will you allow a free vote on expanding the hepatitis C compensation package?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I thank the member opposite for the first question of the session and I tell the member opposite that on our side of the House every vote is

a free vote; that is what we do as a caucus, is we sit down, we discuss the issue, we look at various points of view, we refine the issue, and we come up with the very best position for the people of Saskatchewan.

So from our point of view, within our ranks every vote is a free vote. We believe that rather than the American system, which is individual responsibility, we believe in group . . . or collective responsibility comes up with the best decisions.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, we are not the only people calling for changes to the compensation package and for a free vote. Just look at what your own Saskatchewan NDP MPs (Member of Parliament) are saying.

Lorne Nystrom says that compensation for all victims was part of the NDP platform — federal platform — in 1997. That's a platform the Premier supported, Mr. Speaker. In fact you forget — your deputy premier, your former deputy premier, managed that campaign.

Your former MLA, John Solomon, is criticizing the unfair package, and your former NDP Party director, Dick Proctor is saying the Prime Minister has placed a muzzle on his back-bench MPs. That's exactly what you are doing by refusing to allow a free vote.

Mr. Premier, or his designate, whose example are you going to follow? Are you going to follow your federal cousins, who are saying take off the muzzle and provide fair compensation, or are you going to listen to your buddy, Jean Chrétien, and continue to muzzle your members?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker, I would to say to the member opposite again: this government is a staunch supporter of parliamentary democracy and the traditions of parliamentary democracy, which is group or collective responsibility on this side of the House, and we have our debates in caucus.

We've been consistent, unlike the members opposite, who I notice when the Liberal Party hired a non-elected person to be a staff member, the member from Kindersley over there said he's been elected to nothing in any official capacity, other than the Liberal Party. How does that entitle him to a salary from the taxpayers of Saskatchewan?

And yet when faced with the same situation with respect to their own leader not in this House, they've changed their position.

We are consistent; we believe in the parliamentary system and the traditions of the parliamentary system, which means as a group we will take our decisions.

Some Hon. Members: Hear, hear!

Meadow Lake Pulp Mill Losses

Mr. D'Autremont: — Mr. Speaker, it's certainly evident the

minister has no intentions of answering the questions.

Mr. Speaker, my question is for the minister responsible for CIC (Crown Investments Corporation of Saskatchewan). Mr. Minister, buried in the footnotes of the CIC annual report is the fact that the province is now on the hook for all the operating losses at the Meadow Lake pulp mill over the next 18 months. Taxpayers own 50 per cent of the company, but thanks to you, the NDP, the taxpayers are now on the hook for 100 per cent of the losses.

Mr. Minister, how could you agree to that? Did you read the contract before you signed it or are you going to have another public inquiry to figure out how you blew this deal? Mr. Minister, why would you agree to a deal that put taxpayers on the hook for potentially millions of dollars of operating losses?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — I'm pleased that the member from Souris-Cannington asked the question because I have here an article from the *Star-Phoenix* of October 5, '95 that says, "Upgrader fails to fulfil province's prediction." And then a handsome picture of the individual saying that keeping our shares in the upgrader was a bad gamble.

And then a few months later, December 19 of '97, that same handsome fellow was saying, "Opposition praises NDP for sticking out the Husky deal."

The Speaker: — Order. Order, order, order, order, order. Now . . . Well, hon. members, I . . . Order. I know hon. members are quite capable of restraining themselves and I encourage them to do that.

I didn't have difficulty hearing the question being put and I will ask for the cooperation of the House to enable the Chair and everyone else to hear the answer being provided. I'll allow the minister a few more seconds to complete his response.

Hon. Mr. Lingenfelter: — Mr. Speaker, I say to the member opposite that on the Husky upgrader he was urging us to get out of that at 7 cents on the dollar and then a few months later he was congratulating us for keeping our position.

But I want to make the story clear and a bit of history. You've made the deal in the pulp mill at Meadow Lake. You did. No consultation with the Assembly. No consultation. No discussion at Crown Corporations Committee. You just put the hundreds of millions in, you and Grant Devine, your old buddy, Grant Devine. You invested the money. And it's losing money, there's no doubt about it. But I would have a look in the mirror and I'd give Grant Devine a call and ask him why he made . . .

The Speaker: — Order, next question.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. The minister's memory is failing again. I was only elected in 1991.

Mr. Minister, any time the NDP corporate geniuses did that the Channel Lake . . .

The Speaker: — Order, order. Order, order. Now the Chair is having difficulty . . . Order. Order.

Mr. D'Autremont: — Thank you, Mr. Speaker. Any time the NDP corporate geniuses that did the Channel Lake contract start signing deals, taxpayers get very nervous. Mr. Minister, the NDP . . . the Meadow Lake pulp mill cost us \$43.5 million in the last two years. The Canadian Pulp and Paper Association doesn't expect much of a price turnaround, so taxpayers stand to lose that much money again over the next two years.

Or what did you get in the return? What did you get in return for that 1 per cent of the company? Every time you guys make a deal you get taken to the cleaners. Mr. Minister, how much money will this terrible deal cost the Saskatchewan taxpayers? How much money are we going to lose over the next two years?

Hon. Mr. Lingenfelter: — The member is incredulous. Here he is sitting beside the member from Moosomin, who was in the caucus of Grant Devine when the decision was made. He was there, went to the leadership convention, supported Devine, and I say to you, I've got the record here of how your pulp mill has been making out. Your investment — not ours — yours. Here's how it's been making out: 1993 — it lost 31 million; 1994 — it lost 14 million; it made money one year in 1995 — 29 million; lost again in '96 — 22; lost in '97 — 20.

You made the deal — you and the member from Moosomin — you went to the convention to support Grant Devine, and it's losing money. What would you suggest — that we shut the pulp mill down? If you're honest about it, there's two choices: continue to support the bad Grant Devine deal or shut it down. Which of those two would you put forward?

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. The member from Elphinstone was a member of the Assembly at that time and he's partially responsible for this. Mr. Minister, it's kind of, it's kind of ironic. We are calling for your government to keep the Plains hospital open — at least until voters can decide its future in the next provincial election — but you have no money for that. But you have millions of dollars to suck up all the losses at the Meadow Lake pulp mill until the middle of the next year — right about the time for the next election.

Mr. Minister, where are your priorities? How can you find millions of dollars to pump into the pulp mill, but you have no money to put into a major hospital that is in desperate need by the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — I know the public is shocked about your investment in the pulp mill at Meadow Lake — the bad deal it was. But you know what they're even more shocked about over the weekend is to find out that Mr. Hermanson is taking \$2,000 a month of taxpayers' money. Now that's shocking and there's something you can do about that right away.

I would ask the member, and the Leader of the Conservative Party, if they will stand up today and say they've cancelled the

contract with Mr. Hermanson for 2,000 a month, and donate that money to the hospital in Regina. Will you do that today — cancel the contract of 2,000 a month and give it to the health care of Regina hospitals? Will you do that?

Some Hon. Members: Hear, hear!

Regina Emergency Services

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, my question today is for the Minister of Health. Mr. Minister, we see again a recurring pattern in the Regina hospitals. First there's a crisis in Regina emergency rooms because there's not enough beds. Then someone from the health district denies anything was wrong. Then the Health minister ignores the whole problem.

It happened again on Friday when the Regina emergency rooms reached a state of gridlock, according to the medical director of emergency services, Dr. Phil Luke.

Mr. Minister, how many more times does this kind of crisis have to occur? When are you going to address this problem? Or does there have to be a disaster involving loss of life before you get it through your head that there is a problem.

Hon. Mr. Serby: — Mr. Speaker, I want to read from the same article that the member opposite is reading from. Because when I reviewed the article, Mr. Speaker, the Regina Health District makes it fairly clear that there are a couple of reasons for why it is that issues that they had to deal with on Friday were dealt in the fashion that they were.

And I want to quote, Mr. Speaker, from what Ms. Evans says here. She said and recognizes that there were some critical care beds available, which the member eludes to mention here — says that there are critical care beds that are available here. Also says that from time to time that the system is tight, and also goes on to say:

As for the Pasqua, Evans said, the emergency ward was really busy but the hospital had beds available and was admitting patients. "And these things were OK at the Plains," he said.

Now Ms. Evans is the person, Mr. Speaker, who is responsible to ensure that adequate direction is provided for people who need emergency care services — not the members opposite and not the Liberal Party, but the people who are responsible for the actual day-to-day delivery of the services.

And Ms. Evans in her article assures the people of Saskatchewan and the *Leader-Post* and me that in fact there were beds available on that date.

Some Hon. Members: Hear, hear!

Compensation for Hepatitis C Victims

Mr. McLane: — Thank you, Mr. Speaker. The Liberal opposition put forward a motion in this Assembly on December 15 to compensate all hepatitis C victims and their families. In a rare show of support, members of this House unanimously

passed this motion.

The resolution contained the following: That:

... the governments of Saskatchewan and Canada consider, as soon as possible, setting up a compensation plan for victims who were given contaminated blood or blood products, including the victims of hepatitis C; including interim compensation . . .

And . . . that the governments of Saskatchewan and Canada consider including secondary victims in the compensation program;

Mr. Speaker, I'm wondering if the Premier will explain today why his government has failed to live up to this motion which was supported by all members of this House, including the New Democrats.

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Well, Mr. Speaker, I want to say to the member opposite — and again, to emphasize the importance of this decision that we unanimously made as Canadian health ministers across Canada, including the federal minister — when we began these discussions about six months ago, Mr. Speaker, we parked our politics at the door. And we made some decisions about how it is that we might in fact take responsibility for what we as the federal government, the provincial government, and the Red Cross feel that we are responsible for.

And today, Mr. Speaker, we have a compensation package that reflects what we as all Canadian governments across the land — health ministers, Canadian provincial governments across the land, along with the federal minister — believe is a package that reflects what we were asked to look at. And that's what's before the courts today, Mr. Speaker. That's what's being negotiated. And we believe that at the end of the day we'll have a compensation package that will in fact makes its way to those people who in our opinion should be compensated, because they were victims of the blood system that we had responsibility for over a period of time.

Some Hon. Members: Hear, hear!

Mr. McLane: — Thank you, Mr. Speaker. I think that the only thing that the government and the members opposite parked at the door was their credibility in this whole scheme of things. Mr. Speaker, the Liberal motion indicated that all victims should be compensated. In it did it no way suggest that only victims between 1986 and 1990 should be included. All members of this House, including those on the government side of the House, supported the motion. So obviously every member of this House believed on December 15 that all victims should be compensated.

Mr. Premier, if every member of this House believes there is an obligation to compensate all victims, why are you preventing them from speaking their mind through a free vote in this Assembly? Is it because you know they don't support the current agreement? Will you lift the gag order? The NDP House Leader has just stated in this House that every vote on that side

is a free vote. If that's the case, Mr. Premier, is it true that the NDP caucus will be voting against the health minister?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I've answered this question before and it's kind of ironic that it would be the Liberals in the legislature asking that question when their federal counterparts are taking the exact opposite position.

From our point of view, the goal of this government is to arrive at the very best policy for the people of Saskatchewan. We do that by discussing it amongst ourselves, taking positions, reworking the positions and coming up with the very best position for the people of the province. That's part of the parliamentary system. That's part of the sense of collective responsibility. To go to a much more American approach where everybody can be all over the map yet somehow or another come up with the best government position, isn't appropriate and it's not part of our system. And it's not part of a system that we think comes up with the very best solution to what I might say is a very, very difficult issue.

Some Hon. Members: Hear, hear!

Saskatchewan Union of Nurses Convention

Mr. Osika: — Thank you, Mr. Speaker. Mr. Speaker, the Minister of Health addressed the Saskatchewan nurses' union convention in Prince Albert last week. Nurses went to their annual meeting frustrated by the overwork and stress they face on a daily basis. They were hoping for answers from the minister. Unfortunately all he did was inflame the situation to the point where he was virtually chased out of town.

Mr. Speaker, the minister told SUN (Saskatchewan Union of Nurses) representatives that they have no reason to complain because some of them make six-figure salaries. Well I don't know where he's coming from but I have yet to meet a nurse that makes a six-figure salary.

I ask the minister, are you going to apologize in this House today for your remarks, as the president of the SUN, Saskatchewan Union of Nurses, is calling on you to do?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to make a couple of comments in clarification of what the member opposite first makes. First of all I arrived in Prince Albert and was picked up at the airport by Ms. Junor's car and her staff who transported me to the event. And then Ms. Junor and her staff transported me back to the airport; so I was not chased out of town, Mr. Speaker. In fact Ms. Junor provided that transportation to and from for me.

Mr. Speaker, I want to go on to say that the members opposite have been at all the public meetings that I've been at. They're their meetings, the Liberal meetings. And they've heard me stand up at the microphone and continuously say a number of things: that nurses in Saskatchewan today are overworked; that the system from which they work we need to provide some

improvements in; that we need to provide enhancements for nurses across the province.

You've heard me say that now at four of your meetings. You've read it in the newspapers across the province from where I've visited and the press that I've given. You've heard it all over. So there's no dispute about whether or not nurses are working very hard in this province. We all understand and appreciate that they are.

And, Mr. Speaker, we are continuing to work with nurses in this province and I made the commitment in Prince Albert — made the commitment that we're prepared to make enhancements to ensure that nurses are going to be . . . and services are going to better enriched in this province. That's the commitment that I make.

Some Hon. Members: Hear, hear!

Mr. Osika: — We can go on and on, Mr. Speaker, to study and work with people but still not come up with any solutions. When confronted about the problems facing front-line care-givers, the minister indicated that each health district is now preparing a report on that particular issue. He told SUN delegates that these reports will be completed next month and a plan will be developed by early summer.

Mr. Minister, we spoke with Susan Kotzer, the head of SUN local in the Living Sky district yesterday. She was unaware of any study and had not been contacted by anyone from your department for input.

Please explain why the nurses aren't being consulted about a plan that directly affects them.

Hon. Mr. Serby: — I don't know what the member talks about when he talks about study and where he got the word "study" from. What I said is this: I said to the nurses in Prince Albert that I was waiting for the district boards to resubmit their budgets to me, to submit their budgets because their 1998-99 allocations have gone out. And they said they wanted some assurances that there would be some enrichments in nursing staff earlier. And I said that I would want those submissions from the district boards back by the middle of May before, in fact, there would be a decision for enrichments.

But when we got them back, that there would be meetings with the Saskatchewan Association of Health Organizations; that the Saskatchewan Union of Nurses would be at that table; and the Department of Health would be at that table; and we would look at how we would make the allocations across the province that in fact would be complementary to what they suggest we should be involved in.

That's the discussion that we had, Mr. Member. That's the discussion that I had with the provincial health nurses, and that's the understanding that Ms. Junor has, is that after May 15 we'll have that audience to ensure that when we're making additional injections to ensure that we can improve the quality of nursing care in the province, that they will be at the table with us helping to decide where in fact that will be. That's the discussion decision that I delivered in Prince Albert the other day.

Some Hon. Members: Hear, hear!

Mr. Osika: — Mr. Speaker, I just need to get something straight here: that the minister has asked health districts to prepare reports on the issue of staffing yet the nurses are not being consulted or being provided any avenue for input at this point in time. Is that some kind of a whitewash? Those are the people that should be in on the initial discussions.

Mr. Minister, if you acknowledge that nurses are run off their feet, that they are battling very stressful working conditions on a daily basis, they must be consulted. They should be in on the bottom floor — not the health districts but the front-line care-givers themselves.

Will you make a commitment to nurses like Ms. Kotzer that their concerns will be reflected in this study and that their concerns are legitimately addressed in this entire review?

Hon. Mr. Serby: — Well, Mr. Speaker, to the member opposite from Melville, I want . . . all he needs to do is pick up my speech — the one that I delivered to the nurses in Prince Albert — and he will see that in my speech, and a number of occasions during the question and answer period, highlight, highlight that in fact we would be having a table discussion which would include the nurses and would include SAHO and would include the provincial government's Department of Health, to ensure that when allocations are made, that those allocations of resources are made in the appropriate location.

That was in my speech, Mr. Member. You need to pull the speech, take a look at it, and you'll have some appreciation of how in fact we're working with the Saskatchewan Union of Nurses and SAHO and the Department of Health to ensure that we provide the best health care services in the province — the best health care services in the province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Federal-Provincial Environmental Ministers' Conference

Ms. Haverstock: — Thank you very much, Mr. Speaker. My question is for the Premier or his designate.

I'm curious about who the Minister of the Environment is — the hon. member from Prince Albert Northcote or the hon. member from Indian Head-Milestone? And nothing sends a clearer signal of this government's disregard for the environment, Mr. Speaker, than benching the Minister of the Environment and sending in his place, the Minister of Energy and Mines to a federal-provincial environmental minister's conference on how to achieve the greenhouse gas reduction targets set at Kyoto. If that is not sending the fox to guard the hen-house, then I don't know what is.

Will the Premier explain why it is a higher priority for the Minister of the Environment to attend a Ducks Unlimited dinner than attending the conference of environmental ministers on the implementation of the Kyoto Agreement.

Hon. Mr. Scott: — Mr. Speaker, this is indeed a red-letter day. This is two ministers to receive the first question of the session.

In response to the hon. member — as she probably realizes — when the government takes a position, all cabinet ministers follow that. And the Minister of Energy and Mines very capably presented the Saskatchewan position at the meeting in Toronto. And basically what came of this first meeting was, further meetings were decided. We will have a secretariat set up where all provinces will participate, and as you know a federal . . . or a national advisory committee will be struck, and Saskatchewan is certainly partaking in this, and we will continue to work with the federal government and other provinces on the climate change and the Kyoto conference.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Mr. Speaker, everyone except Roger Phillips, CEO (chief executive officer) of IPSCO, believes that greenhouse emissions are contributing to global warming and that if nothing is done the consequences will be catastrophic. In Saskatchewan alone the result of global warming will be reduced precipitation, more frequent droughts, and more frequent severe weather damage.

When governments don't want to act, Mr. Speaker, they refer a problem, an issue, an action, or a decision to a committee, a commission, or a panel for study — thus postponing the need to do anything.

And I ask the minister today — since there are hundreds if not thousands of studies and reports available on how greenhouse gas emissions can be reduced — why is it that they are choosing the route that they are choosing. There is no need for delay, Mr. Speaker, two years of actions that can already be taken. Will this government show leadership in protecting the environment and commit our province to cutting down on greenhouse gas emissions in a serious way?

Some Hon. Members: Hear, hear!

Hon. Mr. Scott: — Mr. Speaker, again I thank the hon. member for the question. The Saskatchewan government, this government, is certainly committed to recognizing that global warming is not somebody's figment of imagination. It is real; it is happening. We just need to look at the series of years in the 1980s, the warmest years on record in history.

We are committed to work with the people of this province to do what we can to reduce greenhouse gases, but we must remember that because of our wide open spaces and sparse population, people have to travel to get places. Our agricultural economy is energy based. Our oil and gas industry is very important to us, creating lots of jobs.

So what we will do, we are going to work with industry as well as the environmental people. We are establishing Saskatchewan's version of a task force with people from all walks of life and stakeholder groups. And we are going to come up with a Saskatchewan made solution but we are not going to simply put our blinders on and say, the heck with the economy and jobs. We are going to make it a balanced approach and we will certainly succeed in doing this.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, with leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Lingenfelter: — Mr. Speaker, seated in your gallery are two friends of a number of people in the Assembly, Rodney and Colleen Parenteau. Rodney and Colleen are in town today to make a presentation to a youth . . . , employment for aboriginal youth. And I want all members to join with me in welcoming them here today to the Assembly.

Hon. Members: Hear, hear!

TABLING OF REPORTS

The Speaker: — Before orders of the day, pursuant to section 14 of The Provincial Auditor Act, I table the *Report of the Provincial Auditor* to the Legislative Assembly of Saskatchewan on the 1997 financial statements of CIC subsidiary Crown corporations.

ORDERS OF THE DAY

COMMITTEE OF FINANCE

Motions for Interim Supply

The Chair: — I would ask the Minister of Finance to introduce his officials please.

Hon. Mr. Cline: — Thank you, Mr. Chair. Beside me is Mr. Bill Jones, who is the deputy minister of Finance; and beside him is Larry Spannier, who is the assistant deputy minister of the treasury board branch; and sitting right behind me is Kirk McGregor, who is the assistant deputy minister of taxation and intergovernmental affairs; and beside him is Jim Marshall, who is the executive director of economic and fiscal policy; and beside him, behind Mr. Spannier, is Terry Paton, who is the Provincial Comptroller.

I should say, Mr. Chair, I'd like to move resolution no. 1:

That a sum not exceeding \$714,243,000 be granted to Her Majesty on account for the 12 months ending March 31, 1999.

And I have copies of the department summaries that I'm going to provide to the two opposition parties as well as there's one for each of the three independent members.

Mr. Gantefer: — Thank you, Mr. Deputy Speaker. And, Minister, welcome to the officials. We only have one copy of this so we're going to try to get some copies made; so it makes it a little difficult to look at the details of it but I understand the math.

The first question is an obvious one, Mr. Minister. We went through this exercise not a month ago and at that time you were asking for one twelfth, now you're asking for two twelfths. Why the change?

Hon. Mr. Cline: — It is traditional that we do two twelfths as this particular time. That's the way it's been done the past 30 years. I might remind the members opposite that last time we were here the question was why one-twelfth, why not two-twelfths? So today maybe the question is why two-twelfths, why not one-twelfth or three-twelfths, whatever. But for the last 30 years this is the way that the government has operated.

This amount of funding allows all government programs to operate at their normal levels and avoid hardships to individuals and third parties as we move through the process of approving the budget for the year.

Mr. Gantefer: — Mr. Minister, we thought that you made such an incredible argument for one-twelfth last time, we were kind of confused this time that you had moved to the two-twelfths because we thought you had actually convinced yourself of the rightness of your position a month ago.

Mr. Minister, one of the concerns that we have and we raised last time was the whole question of cash flow for departments. Has your department — in the interval since we last had this discussion — has your department done an analysis of the cash flow requirements in reaction to the discussion we had a month ago?

Hon. Mr. Cline: — Yes. Just as you were mightily moved by the arguments I was making, I was mightily moved by your arguments. And one of the things I asked the officials in the Department of Finance to do was to talk to the departments to see if they were able to manage well on the basis that this is done — the one-twelfth first interim supply Bill followed by the two-twelfths, or whether that was at variance with what they really needed.

And therefore the treasury board officials in the department spoke to the various departments and basically found out that, with very minor variances, the interim supply as it's traditionally been done is what they need to operate. And whether they would need more money or less money, the variances I'm told were very small. This is verbally what was said by the departments to the Department of Finance.

And the departments basically said, look, we operate on an annual basis. We plan our activities. For each month we need roughly one-twelfth. If you give us this amount that's roughly what we need to operate and how we can pay the third party.

So I'm advised that in fact this . . . the way that this has worked for the past 30 years is probably largely because it does meet the needs of the departments, agencies, and third parties.

Mr. Gantefer: — Minister, I take it in your discussion then that those departments that maybe have capital requirements that aren't necessary till later on in the year or things of that nature are going to have a fairly significant excess of capital available to them in the interval, while there may be other departments specifically that indeed are operating out of a cash flow deficit position.

In your review of talking about how the departments are functioning, has there been an analysis of how third parties one arm's length removed from the department are able to function

in this allocation environment?

Hon. Mr. Cline: — Yes. I'm advised that this allocation is quite suitable to meet the needs of third parties.

(1430)

Mr. Gantefer: — Thank you, Mr. Minister. And as I understand it, that this allocation is on the expenditure side only and is irrespective of any of the cash flows coming into government. Does this create a difficulty for government in terms of your sources of cash in order to operate this way, or does it put you in a better or worse situation?

Hon. Mr. Cline: — No, it doesn't create any difficulty for us and we're well able to manage with this type of appropriation.

Mr. Gantefer: — Minister, is there any implication in this system, of doing the allocation in terms of your estimates, on interest paid on the debt? Does that get allocated out on a *pro rata* monthly basis or is that done in some different way when bonds mature?

Hon. Mr. Cline: — Well this would relate to the appropriation to the Department of Finance, and some of that would be statutory.

As you can see — and I appreciate that you've just received this, but it is the same as the last one — under the department summary, the Department of Finance would receive \$725 million to service the public debt in 1998-99, which I might add is down from \$860 million a few years ago. So we're making some good progress in that regard — reducing debt, saving the taxpayers a great deal of interest, certainly going in a pretty good direction.

In any event, that \$725 million is a statutory amount; that is, by law, that has to be paid and it does not really depend upon interim supply. What the Department of Finance is getting under interim supply is two-twelfths of \$174 million, which will meet the other expense needs of the Department of Finance.

Mr. Gantefer: — Thank you, Minister. I notice there are some other statutory amounts. For example, as I read this there is \$123.7 million to the Department of Education. Can you tell me what those funds are for, Minister?

Hon. Mr. Cline: — Yes, essentially, teachers' pensions.

Mr. Gantefer: — And in addition to the two-twelfths you're looking for in the Department of Finance, there's also a \$96 million amount in the Department of Finance. Would that relate to pensions as well?

Hon. Mr. Cline: — In general, yes it would.

Mr. Gantefer: — Going down the column in general — Legislation and Municipal Government. Would you care to explain what those two statutory amounts might be?

Hon. Mr. Cline: — Yes the . . . in the case of Municipal Government, that figure of \$5.6 million is the funding to

SAMA (Saskatchewan Assessment Management Agency) and to the urban parks — the Wakamow, Wascana Centre Authority maintenance, and Swift Current Chinook Parkway, as well as the Meewasin Valley Authority. And in the case of Legislation, that figure relates to payments to the individual members of the legislature and also to the various caucus offices.

Mr. Gantefer: — Thank you, Mr. Minister. I guess I am concerned about the ability of departments to meet anticipated needs in this straight formula system but I'm also concerned about departments being able to meet extraordinary needs. For example, over the weekend was a very dry weekend with a great possibility of increased fire hazard. What does the department do if it runs into unforeseen expenditures or unforeseen difficulties? What is the methodology or mechanism for them to meet unanticipated spending requirements?

Hon. Mr. Cline: — The departments have told us that they can manage quite well with this appropriation. But in a case such as the member's referring to, Mr. Chair, if the department needed more money for forest fires right away, they could take that from another area of spending in their department. In other words, take it from monies which they would have spent on something else, put it into the forest fires, and make that money up when they get their whole budget.

Mr. Gantefer: — So each department then, Minister, is expected to sort of self-finance whatever may come up as a contingency?

Hon. Mr. Cline: — Well they're expected to manage and administer as appropriate and if something arises that needs to be dealt with they're expected to deal with it.

Mr. Gantefer: — Thank you, Minister. I would like to draw your attention as well to loans and advances and I see that there's \$900,000, I guess that would be, in Agriculture and Food for loans and advances. Can you explain that entry, Minister?

Hon. Mr. Cline: — Yes, that would be . . . the \$5.4 million relates to advances for the agri-food equity fund pursuant to The Department of Agriculture Act. And the \$900,000 is two-twelfths of the \$5.4 million — or I should say that also includes investment in Crown agricultural land held for resale, which is \$400,000.

So to recap, Agriculture and Food will receive \$5.4 million, of which \$5 million will be for the agri-food equity fund; 400,000 will be for investment in Crown agricultural land held for resale, for a total of \$5.4 million; and \$900,000 will be appropriated in this Appropriation Bill, should it be approved by this House.

Mr. Gantefer: — And the investments that are required under this department flow in a symmetrical enough way in order for this to be adequate?

Hon. Mr. Cline: — Well the department has advised us, as have the other departments, that they can manage with this amount.

Mr. Gantefer: — In Economic and Co-operative Development, I see \$1.267 million. Can you indicate where that is being spent, under loans and advances as well?

Hon. Mr. Cline: — Yes, these are loans and advances pursuant to The Department of Economic Development Act.

Mr. Gantefer: — Minister, in some of the areas you look at the allocations and I'm concerned about how this may work. For example, under Municipal Government, they're going to receive \$26 million under this allocation. And I hear you when you say that the department has said that this is enough funding. Have you talked to the municipal and urban . . . or the rural and urban municipalities to see if this enough for them to undertake the capital projects that they are planning to do this spring?

Hon. Mr. Cline: — No, I personally have not talked to them in the sense that the individual departments talk to their own groups and stakeholders, so that the Minister of Municipal Government would have some familiarity, and her officials, talking to the individual municipalities. But personally, no, I have not.

Mr. D'Autremont: — Thank you, Mr. Chairman. I would like to welcome the minister and his officials here today.

The last time you were up we held a discussion centred around the price of oil and the income being generated for the province. I wonder if you could please give us an indication of what the average price of oil was for the month of April up until this date, since we're still in April, and did it fall within the criteria that you had placed for yourselves in doing the budget? — because in the budget you were estimating \$17.25 as the annual average rate of oil. How has that rate been in comparison to what your expectations were for this past month?

Hon. Mr. Cline: — Of course the month of April is not over yet, as the member knows, although it's almost over. I'm advised that the average price of oil has been about \$15 to \$15.50 for the month so far.

That would be consistent with our expectation for this period of time. The projection for the average price for the year I believe is 17.25 — for the year. The 15 to 15.50 range for April is consistent with what we expected. We expect higher prices later in the year and we expect the average price to be about \$17.25 for the year.

Mr. D'Autremont: — Well thank you, Mr. Minister. From our previous discussions on this particular issue, your expectations for some month is going to have to average \$19 to cover off the 15.50 that you receive this month. From all the projections I have seen on either a monthly or quarterly basis, no one is predicting it to go that high. Some are predicting it may reach the 17.50 area and that in a particular month, but I don't believe anybody is making a projection that it's going to reach \$19 within the budgetary cycle.

What information, or what sources do you have to indicate that that will indeed be the case at some point in time during this budget cycle?

Hon. Mr. Cline: — Your mathematics is not quite correct. The

price would not necessarily have to go up to \$19. If the price was . . .

An Hon. Member: — Well you're a dollar and seventy-five short at this point.

Hon. Mr. Cline: — Well I repeat, Mr. Chair, the member's math is not correct. The price could be \$18 for a prolonged period, and depending upon how long the price was \$18, that could average the price for the year to seventeen and a quarter. The price would not have to go to \$19 for any part of the year, let alone the entire year, in order to average that out. That's a simple matter of arithmetic.

Mr. D'Autremont: — Well thank you, Mr. Minister. Indeed if it was at \$18 for the next 11 months, it wouldn't have to reach the \$19, but on a month-by-month basis you're going to have to average \$19 to cover off the 15.50 that you got this month.

So on a one-month basis, you're going to have to have \$19 average to cover off the losses of \$1.75 that you suffered this period. If you have an \$18 spread for the next 11 months, yes, you'll meet your requirements of \$17.25.

What other sources other than your own estimates are you using to determine that the price is going to average out at \$17.25? Therefore at some point in time, it's going to have to be greater than that because the first month of your estimates averaged out, by your own words, at 15.50.

Hon. Mr. Cline: — Other sources we rely upon to make this projection include the Government of Alberta, the BT Bank . . . The Government of Alberta, by the way, projected in their budget \$17.50. The BT Bank estimates \$17.23, CS First Boston estimates \$20; Goldman Sachs estimates 18.50; Lehman Brothers estimate \$19; J.P. Morgan estimates \$17.77; RBC Dominion Securities, 17.50; Petroleum Industry Research Associates, 18.50; for an average of \$18.18.

Now some things have happened since some of these projections have been made. But I want the member to know that in my travels as I'm talking to people occasionally from the oil industry or some of these organizations that predict these things, I ask them if they've changed their projections, whether they think that a \$17.25 average for the year is still a reasonable estimate, and so far invariably I'm told that this is reasonable and that most others expect this kind of price as well.

(1445)

Mr. D'Autremont: — Thank you, Mr. Minister. The estimates that I have seen have been somewhat lower than your estimates — from the Royal and TD (Toronto Dominion).

Mr. Minister, when you're talking these prices from all these companies, we're talking about West Texas Intermediate f.o.b. (freight on board) I believe Chicago, but I could be wrong on that. When you're talking \$17.25, when you're talking \$17.25, are you using that figure for that oil at wherever its designated point of delivery is or are you talking that's the price we're going to receive on average for crude oil in Saskatchewan?

Hon. Mr. Cline: — Yes, I'm advised that is the estimate we're

using except it would be f.o.b. Cushing, Oklahoma as distinct from Chicago. But other than that, that's the figure that we are using.

Mr. D'Autremont: — What is the average price then, Mr. Minister, that we actually received in Saskatchewan for a barrel of oil?

Hon. Mr. Cline: — Well that would depend upon the quality of the oil and so on, but on average the projection we've been talking about. And then one would convert that from U.S. funds into Canadian funds and then could estimate what we would receive in Canadian funds.

Mr. D'Autremont: — Well, Mr. Minister, surely somebody in your department has a rough estimate as to what the average price for a barrel of oil in Saskatchewan would be. You can break it down and give it to me in light, medium, or heavy; it doesn't matter. But somebody must have an average price that you're basing your estimates on, on the number of barrels that are produced and on the value of that oil.

Hon. Mr. Cline: — The average price for Saskatchewan oil, averaging all of the types of oil together, is \$15.33 Canadian per barrel.

Mr. D'Autremont: — Mr. Minister, what would be the production during the last year for oil so that we can gain an estimate as to what the figures would actually work out to in dollars for us in Saskatchewan?

Hon. Mr. Cline: — We forecast production of 149.4 million barrels for 1998-99 fiscal year and that is slightly higher than last year where we had . . . well we forecast it for last year at 148.9 million barrels. This year we forecast 149.4 million barrels so it's going up by a million barrels — no, I'm sorry, half a million barrels — roughly the same as last year.

Also the mid-year report was roughly the same — it was 149.9. So we seem to be in about 149 million barrel range last year and that's what we're projecting for this year as well.

Mr. D'Autremont: — Thank you, Mr. Minister. I'm surprised that you gave the results in barrels though since we are in Canada. I realize the oil patch prefers to work in barrels, especially internationally, but when I was working in the oil patch we had to figure everything out in metres, which nobody had a real vision of how large a cubic metre was.

Do you measure the volumes actually in barrels, or do you measure them in metres and then convert them for your monetary considerations?

Hon. Mr. Cline: — Well I'm told we measure in barrels.

Mr. D'Autremont: — Thank you, Mr. Minister. It sounds like another CPR (Canadian Pacific Railway) operation where the farmer is forced to sell his grain by the tonne, the CPR converts it back to bushels and then turns around and dumps it back into the terminals at the West Coast in tonnes again. It seems some people manage to get away without the metric conversion.

Mr. Minister, land sales I believe have diminished somewhat.

Can you give us an indication of what your revenues were on the last land sale and how that compared to a year ago at the same time?

Hon. Mr. Cline: — Yes. Mr. Chair, I am told that last year or before the last year we're forecasting \$108.3 million from land sales. And that the forecast for this current fiscal year that we've just started is \$85 million; so that we project a drop of some \$23 million from the 108.3 to the 85. And I'm advised that the most recent land sale in April brought in approximately \$6 million — I don't have the figure in front of me — which is down from probably equivalent sales last year.

What I will do is undertake to provide the member with the exact figure of what was achieved in the most recent land sale, and to provide any kind of meaningful comparison we can with respect to the same period last year if there was a similar sale at the same time and so on.

So we're acknowledging that the land sales will probably be down. And I'll get you the specific information about the most recent land sale and send that over to you.

Mr. D'Autremont: — Thank you, Mr. Minister. My concern here is that the land sales are going to be down considerably. I think the exact number, if I'm not mistaken, was 5.6 million for the land sale in April. I don't know what the one was a year ago, but somewhere in the neighbourhood I believe, of 10 to 12 million. So roughly 50 per cent less from last year. That means that's a considerable drop. I don't know if there is a trend in the land sales that perhaps a summer land sale or a fall land sale normally generates more return than any other particular month.

So perhaps you could give some indication of what the trends are in that area. Is there a particular time of the year when land sales are greater than others, or on a curve, or is it just more or less based on what the price of oil is at a particular time?

Hon. Mr. Cline: — Yes, I should say one of the difficulties here is that it's difficult to assume that the budget is going to be the same as the first 27 days; we've only had 27 days of the current fiscal year. So in terms of trends, it's difficult to say well this has happened in the first 27 days so this is indicative of what will happen across the year. We have to do an estimate for the entire year and that's what we do. That's why I say that there was no surprise that the price of oil was 15 to 15.50 during the first 27 days; what we're trying to do is budget for a whole year and the price will be different.

But to answer the question specifically, I am advised that last year the . . . there was \$23 million achieved in April in land sales so it was much, much higher, but the price was also at a very high level at that time. It is expected that as the price continues to rise throughout this year, which is what we project as we were discussing a few moments ago, that the land sales also will go up and certainly that has been the pattern in the past.

I might add that in '95-96 the land sales were similar to what we had this April, in April of '95. So it's not unheard of that they should be in that range but we are expecting that as the price goes up that the amount achieved on the land sales will go

up as well.

Mr. D'Autremont: — Well thank you, Mr. Minister. While the oil industry is known as a boom and bust industry and it cycles, you just have to make sure that your estimates are on the right side of the curves whenever you're making those estimates, and not place yourself at a disadvantage.

When the \$23 million was achieved in the April of '97 land sale, do you know what the oil price was at that particular time, to sort of gauge some sort of a relationship between the price of oil and the price of the land sales?

Hon. Mr. Cline: — I don't have that figure in front of me, but I'm advised that it may have been around \$22 — so certainly better than the price of oil since the beginning of this April.

Mr. D'Autremont: — Well, thank you, Mr. Minister. I believe that a good number of the different oil companies have a price of around 16 to \$17 as more or less a break-even point. Not necessarily that they're not making money at below that, but that's the kind of dollar figures they need to carry out extensive explorations. So when the prices drop below that, explorations drop considerably, and that's why you see a return of \$5.6 million in the last land sale.

Mr. Minister, what are you projecting for incomes for the land sales in the future? I'm not sure if they're held every quarter or every two months. I wonder if you can give some indication on that.

Hon. Mr. Cline: — Yes. The estimate for the year, as I indicated a few minutes ago, was \$85 million, and that was projected. There are six land sales throughout the year, the fiscal year, as the member will know. And we had projected for the April land sale a \$10 million estimate, so obviously we fell short of that by some four-point-something million dollars.

And for June we're also projecting, estimating 10 million. And then it rises to 15 million for August, October, and December, and goes up to 20 million for February of next year.

So, so far we're off by some \$4 million. And we hope that by the time we get through more of the year, obviously, that our estimate will be met, but that remains to be seen. But we remain optimistic based upon what we have been told by the private sector and everyone we've consulted with respect to oil prices.

Mr. D'Autremont: — Thank you, Mr. Minister. Well I guess you achieved 5.6 million. You, you rate it at 56 per cent on your estimates for your return on that. Not exactly a great return, although in school that would be a passing mark — not a great one by any means. Hopefully your future projections will be a lot closer to the mark or you're going to have a major shortfall within your budget.

Mr. Minister, I'd like to talk about the other issue that we discussed last time and that was within the Environment department — the Tetra-Paks and the money for that and for recycling. You've had a period of time now to gain some experience in that. Do you have any indications on returns from the monies coming in from the environmental charge on Tetra-Paks as compared to the outgo that you will be

experiencing?

(1500)

Hon. Mr. Cline: — No, we don't have any indications yet because it's only been 27 days since SARCAN was able to give deposits back to people — the 5 cents per Tetra-Pak. And we don't yet have reports from SARCAN with respect to the volume but I'd be pleased to, once we do have that information, provide it to the member. And certainly we're anxious to see how successful it is too.

There may be people that haven't even really finished collecting their Tetra-Paks for, you know, some period of time in taking them in. I mean if they're like our household you sort of pile all this stuff up in the basement — whether it's your tin cans or your pop bottles or your drinking cans, and even sometimes on a hot summer day a few beer bottles. And then at our house this is kind of an annual thing to clean all this stuff up. Or maybe the Boy Scouts come along every six months or something and you give it to them.

So I would imagine a lot of people, knowing that there is a Tetra-Pak refund, that they can get 5 cents per Tetra-Pak or the gabled containers that contain other than milk . . . some of the orange juice may be in gable top containers and so on. There will be people that are stocking up on these things and saving them.

So in the first 27 days you're not going to know that much, but after six months when people start collecting them and taking them in, we'll know. And I think the uptake later in the year will be better than it is now, because unfortunately the problem we had before April 1 is people were throwing their Tetra-Paks out rather than taking them in under the voluntary system; so that there wouldn't be a backlog of Tetra-Paks and gabled top containers.

But now that people can get 5 cents per Tetra-Pak or gabled top containers as a result of the recent change in the budget, I would expect people will be accumulating those and taking them in. And that I think is a real improvement, but I think it will be some time before people get around to cleaning their basements out or giving them to the Boy Scouts or whoever may come along and getting them into SARCAN.

Mr. D'Autremont: — Thank you, Mr. Minister. Your home is somewhat like mine although I don't have the beer bottles. In my house it's my mother-in-law or my mother who comes along and hauls them out and they just disappear. I'm not sure who she gives them to but they go.

Mr. Minister, one of the things that's happening in the province now is we're getting into the fire season and that is a major expense for the department for the Environment. They regularly spend, I believe it's about 26 million or \$28 million a year on fire. Most of that occurs in the months of May, June and July, although it does stretch onwards into September. They need most of their money at that particular time to cover off their operating expenses.

Giving them one-twelfth last month and two-twelfths this month, will that be sufficient to cover off the operating

expenses for the fire-fighting or does somebody have to carry that cost for a period of time — such as some of the private operators that are providing fire-fighting services — or does the Department of the Environment carry that cost through some means for a period of time? How are those costs covered on the short-term, say by the end of May, because we're giving one-twelfth for May and one-twelfth for June now in this particular interim supply. How does that department cover off that large cost that they have over that very short period of time?

Hon. Mr. Cline: — The Department of the Environment and Resource Management has indicated through the Department of Finance that they can certainly manage with the amount of money being appropriated to them. The answer to the question specifically is that if the forest fires were very badly out of control and they needed to allocate more money than one-twelfth or two-twelfths to forest fire-fighting, then they would be allowed to take money from other areas of their department in the interim and use that money to fight the forest fires so that they would have sufficient resources to battle the forest fires. So that's what they would do.

But they've indicated to us that they don't foresee any problem at all getting this appropriation. This appropriation is what they would normally get and normally expect and they are quite able to manage the forest fire-fighting part of their budget out of this kind of appropriation.

Ms. Draude: — Thank you, Mr. Deputy Speaker. Good afternoon, Mr. Minister, and to your officials. I have a couple of questions this afternoon.

I noticed last week we had an announcement about the Women's Secretariat giving out their money for on-line, for their program. It was something that was talked about in last year's budget and I understand that they've only been given out a percentage of it now. Has all of that money now been disbursed?

Hon. Mr. Cline: — They would receive the money they're entitled to under the budget in terms of their appropriation and subject to approval of this House. And then in terms of the disbursement of their money to other groups or individuals, that is a question that would certainly be better put to the minister in charge of the Women's Secretariat when she is in estimates. She is responsible for the allocation of the specific funds.

What this interim supply Bill does is says that the Women's Secretariat will receive two-twelfths of their budget, namely \$257,000 according to this interim supply Bill. With respect to the details of how quickly they're allocating that money to third parties, I'm afraid I can't really answer that question, but I know that the minister in charge of the Women's Secretariat would be pleased to do so in estimates.

Ms. Draude: — Mr. Minister, for last year's budget then, all the money that was allocated for the budget would have been given to the secretariat at that time, so they could in effect have money in their account as such, if they haven't disbursed all the money. Is that correct?

Hon. Mr. Cline: — Well I'm advised that last year we

budgeted \$1.4 million for the Women's Secretariat, and they were in fact paid that money. And then if they have not spent all of that money then the appropriation lapses.

Ms. Draude: — So is it possible, Mr. Minister, that even if the money hasn't been disbursed, the cheques have been written, and the minister could be just waiting for an appropriate time to give the money out?

Hon. Mr. Cline: — We forecast that they will actually have spent by March 31, 1997 their full appropriation of \$1.4 million and this year we have budgeted for them \$1.5 million. So if they had any money left at the end of the year, I presume that they would also have some bills that came due to them — you know, bills that came due in March — that they might be paying out in April out of their appropriation last year. But I am advised that we forecast they will certainly have spent all of the money they were appropriated for last fiscal year.

Ms. Draude: — Thank you, Mr. Minister. In the news release that was sent out last week, I believe it was or maybe the week before, I think there was about a hundred and forty thousand dollars that had been . . . that was given out to specific groups. So then that must have meant it was last year's money that they were just holding because they wouldn't have had enough from this year's appropriation to spend that amount of money. So I guess my question to you is did they just write the cheque and sit on it until the appropriate time comes to hand it out in a news conference of some sort?

Hon. Mr. Cline: — Those funds could have been funds from last year, or they could be funds from this year. I'm not familiar with the announcement that the member is talking about although I am sure the announcement is as the member has described. And the situation would be that they could have incurred expenses in March of the last fiscal year and paid those monies out in April, or they could be announcing monies that they're paying out of this year's funds.

For that level of detail, the member would be well advised to ask the minister in charge of the Women's Secretariat when she is here to do her detailed estimates, because she will then have officials from the Women's Secretariat that will certainly be happy to answer those very important questions.

Ms. Draude: — Thank you, Mr. Minister. Another issue I would like to bring up is the exemption for fire trucks, which I thank you very much for, and I'm sure a lot of people around the province too.

The second thing that people are asking me is why is it only exempt . . . the additional equipment that is required is only exempt at the time you purchase a fire truck. So if a town . . . Naicam just bought a new fire truck, they brought it into town yesterday and they were very thankful for that. And yet the next town down the line needs some equipment as well and they can't purchase that equipment exempt from PST (provincial sales tax) because they didn't purchase it at the time they purchased the fire truck. Now is there some . . . have I been given misleading information, or can you explain this to me.

Hon. Mr. Cline: — The intent is to assist the fire departments and the volunteer fire-fighters, and professional fire-fighters in

some cases, with major purchases of equipment, which would be the fire trucks and the attachments to the fire trucks.

The intent is not to give a tax break with respect to maintenance and repair. Not that maintenance and repair isn't important, but the request put forward . . . And the member is familiar with it because she's raised it in the House. I've met with the Naicam fire-fighters and so on. The request put forward to the government was with respect to purchases of fire trucks. That was the request. That request has been granted.

There's never really been a request for regular repairs and maintenance and replacement of certain parts of fire trucks, nor am I indicating that if there was such a request it would be granted. I think what we wanted to do is deal with the big ticket item that people really have a problem with. That we have dealt with.

And so the request was made. The member herself raised the request. The request has been complied with, and I'm very happy to say, because I think it's a good thing to do. There are many, many things you could do with respect to sales tax.

The member was up in the House on Friday asking about large inland terminals and maybe having a tax break on those. On reflection, after I answered the question — just saying I didn't anticipate that we would — the thought struck me that there was no particular reason why the taxpayers should assist in the shutting down of some of the smaller elevators and building the inland terminals and so on. We know that they put stress on our roadways, and so it wouldn't be appropriate, I think, to take the tax off the large inland terminals and their construction and so on.

But my point is this, that I mean you could take any item and say, wouldn't it be nice if the sales tax was taken off. And we can all agree that it would. But there has to be a certain revenue base to pay for education and health care.

With respect to the fire trucks, we've taken the tax off the purchase of fire trucks and attached parts. And I might add that in some cases that will apply to a major rebuild. Because I know there's one municipality that is using a chassis that they had before, but basically they're kind of rebuilding the fire truck from the ground up and essentially getting a new truck. And we will administer the policy with some flexibility — to say that, you know, basically they've got a new truck by the time they purchase so many parts that the parts and labour add up to a big bill.

But with respect to just any purchase of parts, no such commitment has been made. And I think we've gone a long way to meeting the major problem in dealing with it and I don't anticipate doing anything else. I would rather concentrate on more general tax reductions in the future.

If the fiscal management that we've had so far from this government continues, and the economy does well — if it rains this year, as we all hope it does, and we get a good crop off — then let's hope that in the future, maybe two or three years from now or something, we can have continued tax relief as we've tried to have in every budget since 1993.

(1515)

And so that would be my hope rather than little changes to the sales tax base. Although I might add that our sales tax base is the narrowest now of any province with a sales tax. For example, Manitoba is 7 per cent sales tax also, but they apply it to so many items that it is the equivalent that if we were at 9 per cent. They collect the 7 per cent on many, many more items. We've taken it off some items.

But I think our long-term goal should be to generally reduce tax rates — and I know certainly the members opposite would agree with that — rather than taking it off specific items.

Ms. Draude: — Thank you, Mr. Minister. And to start with, you are right now getting a request for PST exemption on other equipment as well when it comes to fire-fighting equipment. When I talked to the fire-fighters last night they were . . . they told me that at their convention this weekend there was a number of fire-fighting groups, volunteer boards, who were quite surprised that some of the equipment that they had thought maybe would be exempt now isn't.

I guess we are talking . . . you talked about upgrading, perhaps is what you were talking about when it comes to building a new fire truck on an old chassis. And I guess I'm wondering who is . . . who makes this decision on what is new and what is old.

And then some of the worries that we have is the fact that a lot of the new equipment that's required under the occupational health standards, their fire-fighting suits and that type of thing, is very expensive, and to get a break on those, on that kind of equipment, isn't going to make a big difference to the provincial coffers. It's not going to make a . . . it won't mean that you won't be able to buy another executive aircraft or anything. But it might . . .

The Deputy Chair: — Order, order. I've listened carefully to the questions the hon. member is posing and I wish to remind all members that the purpose of interim supply is to discuss whether to grant, reduce, or refuse interim supply with respect to the motion before the Assembly, and that detailed questions respecting policy of and actions of various departments are better put when those departments are before this . . . before the committee to deal with those.

So I invite the member, in that spirit of dealing with interim supply, the need to increase, reduce or grant interim supply, if she would wish to continue her questioning.

Ms. Draude: — Thank you, Mr. Deputy Chair. And I will stick to exactly the same subject that the minister spoke about. The minister talked about the fact that we're having targeted taxes. I'd like to remind the minister that last year when there was a reduction in the PST for hog barns it was only on very large hog barns. It didn't help the small farmer. So in that case we were looking at helping only the big people — somebody who was spending over \$7,500 before they'd see one ounce of relief on the PST. And now you're using another scenario which is exactly opposite. So I just wanted to bring that to your attention.

I guess the other question that I've got, Mr. Minister, is the notice I saw today that there's an increase for illegal hunting.

The fines is going to go from \$25,000 to \$100,000. What kind of an impact will that have on your budget?

Hon. Mr. Cline: — I'll have to get back to the member, and I certainly undertake to do so, with respect to the amount of revenue that is anticipated. Hopefully the higher fines would have a deterrent effect so that people would be precluded from engaging in illegal hunting activities, I would hope.

On the tax side, I appreciate the member's point that in the budget we have made the tax break for farmers on the horticultural and livestock side quite a bit more accessible. It used to be that you would have to have \$500 tax payable before you got a break. So you'd have to spend \$7,200 on a horticultural or livestock facility. Now it's \$100 — so that if you spend \$1,400 or more on a livestock facility or a horticultural facility with respect to the sales tax, after that you would be entitled to a tax credit. So it is an improvement.

Certainly it benefited many ordinary producers the other way, not just large ones. But I acknowledge what the member says, that the tax break in the recent budget which contained a number of tax reductions to the fire trucks, the livestock, and horticultural, the reduction in personal sales tax, the research and development tax credits which will encourage more employment I think, certainly do help out in the way the member has described.

And I'm very glad to see that acknowledged. And certainly we want to be very cognizant of that in the future and try to work with the members opposite and all people in the province to reduce taxes in a way that is going to encourage activity, whether it's on the farm or employment in the city.

Mr. Krawetz: — Thank you very much, Mr. Chair. Welcome, Mr. Minister, and to your officials as well.

A few questions just for clarification first, Mr. Minister. You've indicated that your request today is for two-twelfths. Do you expect a further interim supply request during this sitting of the House?

Hon. Mr. Cline: — That would depend entirely upon the opposition. I mean it's well-known that the length of the legislative session is determined by the opposition, both parties, and the time at which the budget will be ultimately approved and the estimates will be approved is really up to the opposition.

So if we go longer than after the two-twelfths runs out, which would be the end of June, then I'll be presenting another interim supply Bill at that time. And if we go that long, I'll be very happy to do so. And as far as I'm concerned, it's entirely up to the opposition whether we need one or not.

Mr. Krawetz: — Thank you very much, Mr. Minister. We're indeed looking forward to further Bills which are in the hands of the government and will develop as we move along, I understand.

Clarification on also a comment you made to one of my colleagues, indicated that you had consulted with all the various departments that I assume pass on funding to other levels of

government, and my specific question of course is with the Department of Education. In your consultations with them, are you satisfied that they will be meeting all of their obligations?

Hon. Mr. Cline: — Yes.

Mr. Krawetz: — Mr. Minister, last time when we had the interim supply up for the one-twelfth, I raised a concern with you regarding school boards. And you indicated I think a positive reaction to the fact that there seemed to be a bit of a predicament that boards were being placed in. You're aware I'm sure, Mr. Minister, that now that even though we're only 27 days into the fiscal year of government, we are well into four months of the fiscal year of school boards. And in fact if we look to the end of June — and you're saying the interim supply that you've asked for today is going to carry us to the end of June — school boards will have had six out of ten school months already past. And with a number of employees on 10-month pay plans, I would think that we're probably well over 50 per cent of their costs will have been incurred by the time we get to the end of June.

Will you be in a . . . so again a similar question to the one that I asked you last time. Will you be instructing officials to ensure that the boards of education will receive at least five-twelfths of their grant monies by the end of May?

Hon. Mr. Cline: — I did look into this matter further as a result of our conversation last time we were in interim supply, and I can advise as follows. The payment schedule to school boards is as follows, and I'm advised this has been the case for some years: in April, we pay January's payment. That is out of the interim supply that has already been approved. In May, we pay for February and March. That is out of the interim supply that I'm hoping the House will approve today.

In June, we pay for May and June, because presuming . . . (inaudible interjection) . . . Yes, yes. Presuming that the budget has passed, and thereafter, in August we pay for August, September for September, and so on up until December. The school boards receive no payments from the government in January to March but any interest costs school boards incur are factored into the government's decision on grant funding. So in other words that expense to the school board for the interest they incur for the January to March period, I'm advised, is taken into account when the level of grant funding that a school board would receive is calculated. That's the advice that I have.

Mr. Krawetz: — Thank you, Mr. Minister. That's a new interpretation and I guess we'll have to ask the Minister of Education at the time we get to estimates as to whether or not there's a new calculation in the foundation grant formula that uses previous interest costs. That I'm not aware of.

You did indicate though that very clearly boards of education, by the time the end of May comes around, will have paid out almost 50 per cent of their expenditures, salaries, and that they will have received from the government not nearly enough to meet those obligations.

I'm wondering, even though you have indicated that this is previous practice, there have been many resolutions that have been put forward by the Saskatchewan School Trustees

Association to deal with this issue; to indicate that as soon as the interim supply passes, that government provide school boards with the necessary funding so that they do not incur expenditures on the interest side.

And while you've indicated that there's consideration given, I mean that will have to be checked with some of the school boards. I do know in checking with some school boards last week that they are in an arrears position. Many school boards do not have large reserves and they rely on basically an operating loan.

Right now those, especially rural boards of education and many of the large urban ones as well, do not have tax revenue coming in. Their tax revenue is not going to be achieved until maybe July or August. So as a result they've already delved quite heavily into the operating fund that's been set up with a financial institution and incurring huge amounts of interest costs.

Mr. Minister, my question then is, are you planning to change the program to ensure that boards of education aren't on the hook for the fact that the government isn't providing sufficient funding to the department?

Hon. Mr. Cline: — Well as far as I'm concerned, as I indicated last time, or tried to indicate, the member raises some good points that need to be examined fully and fairly. And as far as I'm concerned, my deputy minister, Mr. Jones, can meet with the deputy minister of Education and the Minister of Education, her other officials, and explore whether there would be a better process to meet the objections that the member is talking about.

This process I think has presented problems to people, not just recently but over the course of time and probably under governments of various political stripes . . . (inaudible interjection) . . . And the Minister of Education says she used to ask this same question when the Conservatives were in power.

But in any event, what I'm saying to the member is this. I acknowledge that there is some validity to what the member is saying. The member raises some good points. Let's try to deal with the problem and find a solution that is workable for the school boards.

And my deputy minister and I have just had a short conversation while the member was speaking, and certainly he indicates to me that he's more than willing to have that kind of conversation with the Department of Education. So let's get that going and perhaps when the Minister of Education is up in her estimates, I don't know if . . . I'm not committing that by then we will have made any progress, but certainly the conversation can continue.

And perhaps you can even raise with the Minister of Education, some of the questions that she asked when she was sitting over on that side of the House. But let's look into it and see if we can do a better job in that regard.

(1530)

Mr. Krawetz: — Thank you very much, Mr. Minister. I'm encouraged by your comments to indeed recognize that there is

a problem. And I know that the Minister of Education has indicated that this has been a problem for awhile, that it was raised under previous governments, but we haven't found a solution.

And I'm encouraged to see you indicate that it's time that you sat down with deputy ministers and all agencies, and the partners involved of course. I think, very clearly, you want to involve the Saskatchewan School Trustees Association to find out indeed what the expenditure is to boards. Because what we have is . . . We're dealing with taxpayers' money. Whether it's the local money from the taxpayer or the provincial government taxpayers' money, it's the same dollar and we need to find a better way of spending it rather than providing financial institutions with a larger interest cost and a charge to the taxpayer.

I think we can look at that cooperatively and I'm encouraged by that, and I look forward to the discussion that we'll have with the Department of Education, the officials there and the minister, and your ministers as well.

Mr. Toth: — Thank you, Mr. Deputy Chair. To the minister, just a few questions in regards to Health. I notice, Mr. Minister, in your interim supply here you have \$286.704 million being allocated to the Department of Health for months . . . I believe we are covering now May and June. And, Mr. Minister, you're quite well aware of the fact that there are a number of concerns in the area of health as well.

You're probably aware of one of the issues that we've raised and continue to raise. And I'm wondering, Mr. Minister, if your department has given any consideration . . . When you talk about finances and extending funding to the Department of Health and the fact that your government talks about how it's created 38 district boards around the province, offering them more opportunity to be . . . carry responsibility. And yet at many times they're handicapped because of the way funding is allocated and some of the situations we've noted over the past few days, past number of weeks.

And one of the issues, Mr. Minister, when we talk of this funding allocation, don't you believe, Mr. Minister, it would be much more appropriate if we are going to allow the boards to meet the needs, such as the emergency situation that arose in Regina again on the weekend, where Dr. Phil Luke talked about emergency rooms clogged big time across the board — not just talking one hospital, but all three hospitals — Mr. Minister, wouldn't it be appropriate for us, if we're thinking of boards having the ability to determine and address the concerns in their districts, to do block funding?

Isn't that something that you could discuss with the Minister of Health and look at in giving the boards this authority to meet the demands by . . . and each district's demands are going to be a little different. They're not all going to be acute care beds or whatever. And I know you can move acute to . . . in one direction. But really to address the acute care beds or the emergency situations, you really don't have the opportunity to pull funds back in that direction. Is that an avenue that your department has talked about or you've . . . been pursued or has been brought to your attention and addressing that concern?

Hon. Mr. Cline: — Yes, that's a very good question. And certainly the matter of the freedom of the various health boards to spend their money as they see fit, without it being directed to specific areas like long-term care, home care, acute care, and so on, certainly has been brought to our attention — both the present Minister of Health and myself, when I was minister of Health, and probably the previous minister of Health.

But I want to say to the member that when this was brought to my attention when I was minister of Health — and the member was one of the people bringing it to my attention, that the districts needed to have this freedom — one of the things that ministers of Health do is to meet with the health districts themselves on a regular basis, both the individual boards and the boards together when they meet in convention, and you have meetings with all the Chairs of all the boards, and the annual meeting of SAHO, and also there's a Health Districts Advisory Committee.

And so I said to the health districts themselves — when I was minister of Health — I said, look, people are saying that the hands of the health districts are tied. Do you want some change in the way that you're free to spend the money or not free, or not free to spend the money? Should that be changed? And as far as I was concerned, quite frankly, I had an open mind about it, that the matter could be looked at and maybe there was a better way. So I raised this with them.

One of the things that happened subsequent to that was at the, I believe it was the 1997 SAHO convention — which as the member knows is the convention of all the health districts and their affiliates — one of the districts presented a resolution. The resolution said that we should do what the member is saying we should do — just give them block funding. And as I said, I was quite open-minded about the matter and remain so.

In any event, I'm told this resolution, to do what the member says we should do, was defeated by the health districts by I think about 80 per cent, but I could be wrong. In other words they said to us, no, we don't want a change, we like the present system.

So the difficulty is, you know, basically what they're saying is, it's not broke so don't fix it. We like the way you're giving us the money now. That's the message we get from the health districts and so we're prepared to live with that as well. And as I said before, I'm open-minded.

In terms of the health system generally, yes, we hear of various problems in the health care system. But I want to say to the member and to the House, that the reality is that every single day in the province of Saskatchewan there are some thousands of people that are treated in our hospitals — I think something like 4,000 people — there are 9,000 people that are cared for in special care homes, commonly referred to as nursing homes; there are 15,000 people, I believe, that see other health care professionals, doctors, and others; and there are thousands and thousands more who receive home care.

And my point is this: we have in this province an excellent public health care system that on a day-to-day basis serves thousands of people every day. And yes, you get a few complaints. But I say this to the member: I know of no place on

the face of the earth that has a better, more compassionate and caring health care system than the province of Saskatchewan.

Are there problems in it? Yes, there are. Should we try to resolve them? Yes, we should. But it's a pretty good system of which we should be proud and we should not bash that system on a day-to-day basis. Because that system is still an example to people all over the world and, I would argue, across Canada.

Mr. Toth: — Well thank you, Mr. Deputy Chair. Mr. Chair, I'm listening with some interest to the minister's comments. And having . . . recognizing the fact that the Minister of Finance did just move from the portfolio of minister of Health, he's a little more familiar with the health situation so he's quite capable of responding to concerns in the area of health.

But when we look at interim supply here . . . And, Mr. Minister, while you talk of the province of Saskatchewan having one of the most caring and compassionate health systems, I think, I believe you'll find, Mr. Minister, that there are a number of people across this province who are becoming very frustrated with the whole health system.

And one of the concerns specifically is certainly the area of hep C. And, Mr. Minister, I'm sure you're quite well aware of it. Mr. Minister, in the interim supply motion before us, if there were a court ruling that said governments were responsible to assist hep C victims, what would the Department of Finance do?

Are there any provisions that have been put aside to address concerns that may arise, should we face a situation where if we come to that point, if elected officials aren't ready to accept the responsibility and the courts end up ruling and say governments are responsible, how is your department prepared to address the issue of compensation for hep C victims? And then specifically the interim supply motion before us, of this motion, and the \$286 million, are you aware of any amount based on the current agreement that would be going to meet that need?

Hon. Mr. Cline: — In response to the first part of the member's question, I would say with respect to the health system, and yes, there is some frustration about the health system, but the question that I always put to people, and I've certainly put to the opposition, is if you know of a place on the face of the earth that has a better health care system than the province of Saskatchewan, please let me know where it is. And I don't usually get an answer to that question. In fact I never have, except one day when a member from that side of the House suggested that the United States system was more compassionate than ours, a statement I disagree with because many people have no medicare coverage there.

In answer to the second part of the question, we will meet the commitments that we are required to meet, and if there is a judgement of a court that says that the province of Saskatchewan has some responsibility to compensate victims of hepatitis C over and above the proposed compensation package that has been discussed before, then that commitment will be met.

How would it be met? It would not be met out of the current Department of Health budget, I don't believe. It would have to

be met out of the reserves of the province, of which we have some to meet unforeseen circumstances. And that's what we would do.

We would certainly meet any obligations that we were required to meet as a result of the court saying that we had some liability and responsibility to hepatitis C victims beyond those with respect to whom, in effect, liability has been acknowledged and some compensation is being forwarded.

And when I say liability has been acknowledged, I'm not talking about that in a legal sense. I'm talking about that in the sense that for that period there was some involvement by the province in the blood agency, which had some interaction with the Red Cross and some testing that was available. And so it has been thought appropriate that governments, whether or not they are legally liable — because that's another question — should contribute to a compensation package.

But if the courts go beyond that and say that there's some other responsibility legally that the province has then any such commitment as ultimately determined will certainly be met.

Mr. Toth: — Thank you, Mr. Deputy Chair. Mr. Minister, a moment ago you made some comments about a question, I believe, that had come to SAHO, and I found it interesting, having attended part of SAHO this year . . . and was quite interested in the presentation that was being made regarding home care versus acute care. Unfortunately I couldn't come to some understanding with the SAHO officials as far as attendance for just that portion, as a result of not being able to be there for the full day even though I'd offered to cover whatever costs were incurred. And I think one of the officials suggested that everyone else had come at their own expense, and I look around the room and I see a lot of the people there were representing district boards and I doubt very much that they were there at their expense. I'm sure that they were there at the taxpayers' expense as a result of the boards covering their remuneration.

But when you talked about the vote being taken, and I think back to the district boards and the way the district boards are formed, they were all appointed boards at one time. And yes, we do have a number of elected positions now but I note, as I was noting around the table and around the room, I note a lot of people who were there had been there for quite awhile. And certainly from our area I didn't see anyone who would even consider very strongly giving me any support. My guess is that a lot of people would be voting as a result of their appointed position and the fact that they were quite supportive — their government had basically put them in that position. So I would assume that you could expect a vote in favour of leaving the funding as it was.

But I do want to leave you at this point with the fact that there are a lot of people who really feel on boards, and in some cases feel that when they raise their concerns that other board members certainly look down on them. And I think it's unfortunate because they may be speaking out on issues that affect them directly. I think of Lanigan, the board member from Lanigan — I just can't remember the board member's name right now — but certainly a board member who I believe was appointed and re-elected. Certainly a strong supporter of . . .

Hatcher, I believe . . . Kachur, Kachur, but a gentleman who did speak out in favour of his community.

So when we talk about funding for health care and Department of Finance's contribution or commitment to health care . . . and I'm sure you would stand up, like the Minister of Health will when we get into estimates, and say well we're spending . . . in my budget my officials have allocated 1.72 or almost a third of our budget is going into . . . just into the health care portfolio. And I just haven't looked closely. That's probably reflected in the numbers that we have here this afternoon as well.

I think no one's disputing the fact that health care is a major concern, a major issue, and it does take a lot of taxpayers' dollars to keep . . . for the system to function and the system to operate. I guess what I would have to say, Mr. Minister, while I'm not expecting a lot of answers, or to find ways of addressing some of the concerns out there, I still think we have to go a bit to address some of the issues and concerns in the area of health and health spending, where the monies are going, to address areas where it seems that we're still missing out, where there are some people, due to no fault of their own, are missing out. And those are some of the concerns in areas that I'm looking forward to getting in with your colleague, the Minister of Health, and asking.

(1545)

Because I realize specifically at the end of the day, while the Department of Health makes determinations as to how they spend their money, they come . . . he's going to come looking, knocking on your door and saying, Mr. Minister, can you go to your officials and look and see if you can find me a few more dollars to put into health care to address some of these concerns. So I recognize that and I'm hoping that we can find a way to make sure that we certainly meet the needs of individuals out there and show some of the compassion that you were talking about. And I thank you for your time.

Hon. Mr. Cline: — Well thank you, and I certainly agree that the health care system needs to meet the needs of the people. And that's what it does on each and every day. If there are problems in the system we need to try to deal with those as well. But as the member says, we're actually spending 38 per cent now of our operating funds on health care. So it's well over a third of operating funds, providing a lot of things we've never provided before in the way of services. And certainly spending a lot more money than we have before.

And we'll just have to continue to try to deal with the problems as they arise, as indeed every government has to do at any given time. Because I don't think we'll ever be at the point where we won't have some problems in any system as large as the health care system. But I do thank the member for those questions and those comments.

Mr. Aldridge: — Thank you, Mr. Deputy Chair, and good afternoon to the minister and to his officials. With respect to what department of your government might be involved with making presentations to federal task force, I know it's very public right now that your Department of Highways and Transportation, your Department of Agriculture are making a number of presentations at Justice Estey's meetings across this

province.

Now taking you back to about a year ago now when the federal government asked for a task force on the future of the financial services industry in this country, at the time there was a request going out to let the task force know of the views of, certainly of financial service consumers across this country and in, certainly of our province. What department of your government would be involved in making such representations?

Hon. Mr. Cline: — The Department of Justice of Saskatchewan has the responsibility for regulating financial institutions with respect to provincial jurisdiction. So anything within provincial jurisdiction would be the responsibility of Department of Justice, and they would deal with questions concerning financial institutions like the credit unions and so on.

With respect to the question of federal changes to . . . concerning financial institutions, the Department of Intergovernmental Affairs would be the lead department to make representations to Ottawa, or an agency of Ottawa, with respect to the views of Saskatchewan concerning any proposed federal changes.

Mr. Aldridge: — Thank you, Mr. Deputy Chairman. Then I would ask the minister, in the figures before us here this afternoon for two-twelfths of the interim supply for Intergovernmental Affairs, what amounts might be allocated to that very task — making the views of Saskatchewan consumers of financial services known to the federal task force?

Hon. Mr. Cline: — I'm afraid I don't have the answer to that question. That question though is an important question, and I'm sure that the Minister of Intergovernmental Affairs, in his estimates, would be pleased to provide the member with the exact amount that might be spent on that kind of activity.

Mr. Aldridge: — Thank you, Mr. Deputy Chair. I would maintain to the Minister of Finance this afternoon that . . . Well certainly I would agree with you that it's a question of importance. I would, I would suggest to the point that perhaps some other level of your government might want to be involved more actively in such discussions. That of . . . Well of your department certainly, perhaps of Executive Council, given that the ante has been upped so significantly in recent months with respect to mergers — mega-merger talks, I guess if you want to use that sort of terminology.

But certainly a lot of concerns are being expressed by my constituents at this time with respect to these sorts of talks. You must be hearing those same concerns expressed from, certainly from your constituents if not from people province-wide. Would it not be prudent at this point to be allocating more resources towards making your voters' views known to this federal task force?

Hon. Mr. Cline: — Well I'm not sure that that process would necessarily involve the expenditure of more public monies. What it would involve would be people who are already in place doing the job of formulating a position on the part of the province. And certainly, what the member says is quite correct — that this doesn't simply concern the Department of

Intergovernmental Affairs. It is of concern to the departments of Justice, Economic Development, Finance, to name three.

What I said to the member was that the Department of Intergovernmental Affairs would be the lead department in making representations to the federal government or one of its agencies. But that doesn't preclude consultation and work on the part of various departments. And certainly we will want to watch very closely both what the financial institutions are proposing and what the federal government is proposing.

These are certainly not done deals. As the member says, there is a federal task force on the future of the Canadian financial services sector which hasn't produced its final report. That's one of the things we're waiting for, as is the federal government.

We don't want to prejudge all aspects of the issue. But we want to see that report. We want the mergers to be reviewed by the federal government and the federal regulators.

At the end of the day, we want to ensure that questions of service to people in Saskatchewan, and especially rural Saskatchewan, and questions of employment and job numbers are adequately addressed with respect to this issue. And we will certainly be communicating those concerns to the federal Liberal government and trying to make sure that the Liberals do what is in the interest of Canadians.

But in the meantime, the federal government is waiting for this report, and we'll be very interested to see what's in the report as well.

Mr. Aldridge: — Well thank you, Mr. Deputy Chair. Certainly the Liberal opposition here in the province will be interested in seeing this report when finalized. My understanding is it's in September of this year.

But I would maintain that this government certainly should be playing a much more active role in the interim, as an example. My understanding is the competition bureau is awaiting the results of this very same task force report. Would it not seem opportune that this government at this time would be more active in making representations to the task force so that the views of people in this province, consumers of financial services — in substantial amounts, I might add — that their views would be well-known to this task force?

It's not just a case of being able to pass the buck entirely to the federal government. We need to make all our voices heard in the whole process. You're our government at this time, Mr. Deputy Chair, our government across from us; we're looking to you to take an active role in making the views known. You read as well as I did this morning's poll results. We can say what we want about the *Leader-Post*, but the call-in poll over the weekend, 93 per cent of those calling in suggest that they think services will suffer as a result of mergers of banks.

Given the significance, I would maintain, of this sort of sentiment, I think it would be appropriate that more energies, more time involved, by members of your government in this process would be time well spent. And I'll just leave my comments at that. But I would like to hear from the minister

here this afternoon, Mr. Deputy Chair, if he would commit that his government would take a more active role in this process.

Hon. Mr. Cline: — Well we will certainly do what is required to appropriately make representations to the federal government with respect to matters of banking, just as we do with respect to the federal government and its role in rail-line abandonment, and just as we do with respect to the federal government in its role in cutting health care funding to Canadians.

On all of those issues we will be diligent in representing the desires and interests of the people of the province, whether it's the Liberal health care cuts, the Liberal rail-line abandonment, or what the Liberals may or may not do concerning financial institutions.

So with that, Mr. Deputy Chair, I'd like to thank my officials today and also both of the opposition parties for their questions.

And if I may, I'd like to move a second resolution.

The Deputy Chair: — Order. I appreciate the notice of intent to move a second resolution, Minister. The committee has one resolution before it which needs to be dealt with before we can introduce the second motion.

The question before the Committee of Finance is resolution no. 1:

Resolved that a sum not exceeding \$714,243,000 be granted to Her Majesty on account for the twelve months ending March 31, 1999.

Motion agreed to.

Hon. Mr. Cline: — Thank you, Mr. Deputy Chair. I hereby move resolution no. 2:

Resolved that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1999, the sum of \$714,243,000 be granted out of the General Revenue Fund.

Motion agreed to.

The committee reported progress.

(1600)

FIRST AND SECOND READING OF RESOLUTIONS

Hon. Mr. Cline: — Mr. Speaker, I move that the resolutions be now read a first and second time.

Motion agreed to and the resolutions read a first and second time.

APPROPRIATION BILL

Hon. Mr. Cline: — Mr. Speaker, by leave of the Assembly, I move:

That Bill No. 34, An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 1999, be now introduced and read the first time.

Motion agreed to and, by leave of the Assembly, the Bill read a first time.

Hon. Mr. Cline: — Mr. Speaker, by leave of the Assembly and under rule 75(2) I move that the Bill be now read a second and third time.

Motion agreed to and, by leave of the Assembly, the Bill read a second and third time and passed under its title.

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

General Revenue Fund Economic and Co-operative Development Vote 45

The Chair: — I would ask the minister to introduce her officials please.

Hon. Ms. MacKinnon: — Thank you very much, Mr. Chairman. On my left is the new deputy minister of Economic and Co-operative Development and I hope the members of the opposition will take this opportunity to welcome Fraser Nicholson to Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — We did an open, cross-Canada search for the best deputy minister that we could get. We had about 70 applications. And Mr. Nicholson was the choice we made.

He's originally from P.E.I. (Prince Edward Island), has worked for the governments of Prince Edward Island, Nova Scotia, New Brunswick, and has a career as a professional civil servant and also an extensive background in economic development. So as I say, it's an opportunity for us to welcome him to the province.

On my right is Dale Sigurdson, who's the assistant deputy minister of policy and co-ordination. Behind Dale is Bryon Burnett, executive project leader for community economic development. Behind me is Donna Johnson, who is director of administration.

Also attending at the back we have representatives from some of the other agencies. We have Gerry Adamson, who is the vice-president for STEP (Saskatchewan Trade and Export Partnership Inc.), and we have Neil Brotheridge, who is the director of administration for the Saskatchewan Tourism Authority. We have Zach Douglas, who is president, and Glenda Bruce, who is director of finance and administration, for SOCO (Saskatchewan Opportunities Corporation).

Thank you very much, Mr. Chairman.

Subvote (EC01)

Ms. Draude: — Thank you, Mr. Deputy Minister. Welcome to the minister and to your officials. And welcome to Saskatchewan — I'm sure you'll enjoy it — Mr. Nicholson. It's a great place to be here, and welcome to Regina. You'll have to travel around the province to see the rest of it. I'm sure you'll . . . If you like Regina, you'll love the rest of the province.

Madam Minister, I don't believe that we sent over a list of the global questions that we normally do. So I think I'll just ask you if you can give us a brief overview of what your department accomplished last year and your goals for this upcoming year.

Hon. Ms. MacKinnon: — Well thank you very much for that question. We feel that the fact that the province is enjoying pretty well unprecedented economic growth, certainly unprecedented in terms of jobs, is something that we should all be proud of in the province not just the Department of Economic and Co-operative Development.

We're very pleased that more people are working now than ever before in the province's history. Almost all of the new jobs created are full-time jobs. And as the parent of two teenage sons, I'm very pleased that a lot of those jobs have gone to young people. And as I say that's something that I think all people in the province have to be proud of.

Now in terms of direction, we believe that our role as the government is to define the sectors of the economy that we see having the greatest potential for growth, and some of them are traditional sectors like mining and agriculture and forestry. Some of them are new sectors like information technology, biotechnology.

So to define the strengths that the province has in cooperation with groups like the Provincial Action Committee on the Economy, and other groups as, the member says, as you travel around the province and then to work to ensure that we have all the ingredients in place for success, that we have the right tax regime so that, for example in our key sectors, the PACE (Provincial Action Committee on the Economy) report said Saskatchewan is the most competitive place to do business if you are, for example, a farm implement manufacturer.

That we have the right infrastructure in place. The fact that the University of Saskatchewan won the Canada-wide competition for the synchrotron, which is the most important scientific investment the federal government will make this decade. We won that because we have the right research infrastructure in place. We'd actually invested money in the proper research to lay the groundwork for that.

So you need the right tax regime, you need the right infrastructure, you need the right regulatory regime. So the member opposite will know that in the area of hogs, for example, we had to change the regulatory regime to ensure growth and to ensure that we have the right training in place.

So it's that sort of role — defining what our strengths are, building on them, ensuring that all the ingredients are in place for success.

And I think, finally, to ensure the attitude is right here that we all, without becoming boastful, take pride in the accomplishments that we as a province should take pride in, and that we talk to other parts of Canada and the world about what Saskatchewan has to offer.

And I know when Mr. Nicholson and some of the other candidates were here, they were applying for the job of Deputy Minister of Economic and Co-operative Development because they believe strongly in the potential of this province. So we need to be proud of what we've done as well.

Ms. Draude: — Thank you, Madam Minister. This afternoon, and I'm sure in the next few sessions that we have, we'll have an opportunity to talk about the PACE report and the *Partnership for Growth*, and probably the next step in that, being that this . . . that document was the second one, I'm expecting a third one fairly soon.

We were just talking to the Minister of Finance and he talked about the fact that your government didn't believe in targeted tax reduction, and yet now we're talking about targeting certain groups of industry growth. So it'll be an interesting afternoon I'm sure.

Many of the companies that I've talked to lately are talking about the regulations that were promised, that they were promised to see reduced in the next . . . over the next 10 years. I think part of the *Partnership for Growth* talked about reducing regulation of 25 per cent over the next 10 years. So we'll be discussing that as well.

But first of all we talked about the jobs, or you've talked about the jobs, and I understand that there's about 12,000 jobs — is that the number that you're talking about? — that the province created last year.

Hon. Ms. MacKinnon: — Member opposite, you always get into different numbers. Depends how you're doing it. This number is March over March so you go — because that's where the most recent numbers — this March 14,300 more people working than last March. You can do it month by month or you can do it on an average, year average. And sometimes you get . . . I have examples here of organizations comparing apples and oranges.

So the number I'm giving you is this March relative to last March, 14,300 more people working.

Ms. Draude: — So the 12,000 I think would probably be January 1, '97 to December 31, '97. That probably is where the 12,000 would come from.

(1615)

Hon. Ms. MacKinnon: — I think the member opposite is right. It's 1997 over 1996. It's the second number that I'm talking about; rather than doing it month by month you do a weighted-year average. So you're right.

Ms. Draude: — Thank you, Madam Minister. Can you tell us how many of those jobs are part-time and how many were full-time?

Hon. Ms. MacKinnon: — What we have here is 12,200 full-time and only 800 part-time, which is about the way it's breaking down month over month. The vast majority of the jobs are full-time; very, very small component of part-time jobs that are new.

Ms. Draude: — Madam Minister, out of those jobs, can you give us an idea of what figures . . . what wage brackets these jobs fall into? Were the majority of these jobs in the higher wage brackets?

Hon. Ms. MacKinnon: — To the member opposite, you can't do a breakdown like that. They don't sort out the information in that well-defined a way. But what you can look at is incomes, and incomes, per capita incomes are rising in the province.

So that assumes two things — the new jobs tend to be at least at the average or probably above the average, but also the people in the system are getting paid better. So our average incomes are rising, which would suggest that the jobs that are here and the jobs that are being created are at least average and probably above average.

Ms. Draude: — Madam Minister, from listening to government releases, we understand that the job situation is just wonderful here in the province. And I know in my own area there's a lot more . . . a lot of people that are working. But I am wondering why, if there was . . . if everything is wonderful, why there's still an out-migration here in Saskatchewan between July and September of last year.

Hon. Ms. MacKinnon: — Well again I've got a couple of answers to that. Statistics Canada is only one measure of what's happening in terms of people in the province. And sometimes I think we think it's too scientific. In the past, I know when I was in Finance, Statistics Canada had on different scores proven itself to be wrong over a period of time. But it's one indicator and I don't dismiss it entirely.

What you have to look at too, though, are health care cards, the number of people who actually have health cards in one year relative to another year. Now the health care card numbers say that the population is increasing, that more people . . . I think last year 17,000 people moved in to the province, 12,000 moved out. So you've got a net in-migration of 5,000 according to the health care cards.

Another indication is the size of the labour force. Not just the number of jobs, but how many people are in the labour force. The labour force is growing.

So again it's hard to be scientific. I think the main thing is the trend is increasing. The trend since 1991 has been upward, and all across the piece upward even including out-migration. It doesn't mean that we don't have to keep working at that. I think every parent in Saskatchewan is concerned that their children have the opportunity to work here if that's what they choose. So we have to keep working on it. But I think we're making very significant progress.

Ms. Draude: — Madam Minister, the health care cards may have indicated that there was more people, but Statistics Canada indicated that there was 1,200 more people left this province

last year than came to the province. And this in the midst of some very good economic times, or at least last year was.

What is the government considering? What do you think is going to happen this year when there quite possibly is going to be an economic slow-down?

Hon. Ms. MacKinnon: — Well again, I'm not as pessimistic about what is occurring in the province. When you consider that we had unprecedented levels of growth when key economic indicators like commodity prices were not spectacular, oil prices were not spectacular, there was a time in this province's history in which that would have just dampened the whole economy.

What's happening now is the base of this economy has never been broader. Never have we had more cylinders of the economy working and at more refined stages with value added processing and manufacturing service industries. And so although there are some trouble spots on a few of the indicators, we do not believe that this is going to significantly slow down the economy either.

We also believe that just as . . . you may remember what happened in the province was the economic numbers were going through the roof, and as the economy was growing all of those numbers were doing very well. But we weren't doing well in the people. We didn't have the jobs. And we kept saying it's going to catch up, and eventually about eight months ago it clicked in, it caught up. The jobs clicked in. I believe the same thing is going to happen with respect to the population.

So I'd be careful if I were the opposition about pounding that number too hard because the day when that number does turn around it will be like the jobs. And all of a sudden they'll say yes, we now do know for sure that the population of the province is growing dramatically too.

Ms. Draude: — Madam Minister, I believe that when you were in opposition your government relied heavily in Statistics Canada's population as the indicators, and now we're saying they're misleading. I think we had better . . . we should all be on the same page.

Madam Minister, my economic growth is predicted to be down to 2.6 per cent in 1998 compared to 3.3 per cent last year, so we're wondering what you're predicting for job growth this year.

Hon. Ms. MacKinnon: — We'll look up the exact number that we have in the budget. We always put a number in the budget. But a couple of comments. If you look back over the last few years, economic forecasts have traditionally and consistently underestimated Saskatchewan. And I think there's a couple of reasons for it. One is all the forecasts have seen an average crop, which we don't always have. And I think the other thing is that they underestimate the extent to which this economy . . . it has a momentum which is feeding upon itself.

So we expect there to be significant job growth this year. Perhaps not as dynamic as this last seven or eight months, because it has been unprecedented, but significant job growth. And we can find out the exact number for you in just a second

here.

Ms. Draude: — Madam Minister, in my area, I'm very fortunate to be in the area where there's a lot of manufacturing and a lot of industry. But in the last little while, because of agriculture and the significant price decrease for the commodity, there is a lot of — I hate to use the word depression — but there is a lot of people that are not quite as optimistic as they were the last few years.

Two years ago when the figures were extremely good, that was the year that WGTA (Western Grain Transportation Act) pay-out came from the federal government and we saw income taxes soar. This year, with the prices down, we see a tremendous decrease in the activity in employment, not only in the firms around our area with the Bourgault, Doepker, the firms that are involved in manufacturing equipment, but also in the oilfields. Many of the young people that traditionally went to work in the oilfields over winter found that they didn't have a job this winter.

Now I know that the job numbers are still saying that they, that they're up higher than last year, but you'll still find a number of people are feeling not very confident about going into this coming year. So I guess I am waiting to see what kind of numbers you'll be looking at and giving to the people, so we'll know what we're banking on.

Madam Minister, another area that I'd like to talk about is personal and business bankruptcies. They were up 7.5 per cent during the first half of 1997, and I was wondering how we can account for this in a booming economy.

Hon. Ms. MacKinnon: — Let me give you something on the jobs here first. Conference Board of Canada, "Economic Forecast, winter 1998," they're forecasting 2.3 per cent growth in jobs and employment. So our estimate usually is close to those but they tend to be estimates. If you look at the estimate last year it was quite different than the reality. We did a lot better.

Now in terms of economic indicators, almost every economic indicator is a positive one. When you look at bankruptcies I'm not sure what the member's talking about. If she's talking about personal bankruptcies, that often has very little to do with the economy. It has to do with spending habits of individual people, and it means that they're just extending their credit beyond the legitimate means that they have. And it's got nothing to do with the economy of an individual province.

But if you took that number and you looked across Canada, you would find very similar situations across the piece. In fact I know, because I've read articles talking about the fact that people as they opened up their wallets, consumers became more confident in the future, some of them went too far and became too confident. But I don't see that particular statistic as a Saskatchewan phenomena. I think it's a Canadian, and probably even broader than Canadian, phenomena.

Ms. Draude: — Madam Minister, can you give me an idea what the retail sales figures for the first quarter of 1998 are or if you have an estimate of what they are?

Hon. Ms. MacKinnon: — To the member opposite, you'd have to ask the Department of Finance. Now I don't think they probably have much of an estimate yet anyway because usually there's a three- or four-month lag. But they're the ones who would be collecting this data on an ongoing basis. They'll release reports; well certainly there'll be a mid-year report which will cover that.

But I doubt that they'll have much solid indication as to where the trend line is because there is a lag in collecting data and tax receipts.

Ms. Draude: — Madam Minister, the estimates for business development programs are up nearly 25 per cent over the previous year's budget. Can you briefly run through these programs that are in place?

Hon. Ms. MacKinnon: — The biggest single increase there is what we call WEPA's (Western Economic Partnership Agreement). Western . . . I forget what the acronym is. It's economic partnership with the federal government. They used to have them in the past. The federal government let them lapse for a while. They're now prepared to sign a WEPA agreement again.

What it really is, is we put on the table \$3.7 million is our allocation. The federal government will cost-match that money for projects in Saskatchewan. So really, the biggest item of increase is the fact that the federal government has gone back into cost-sharing economic development programs. And this of course is good news for us because it means that the federal government is willing to come in and actually participate in helping to develop the economy here.

The kinds of projects that would be involved, some of the interim funding for the synchrotron, the major project that I mentioned, comes through things like WEPA agreements.

Ms. Draude: — Madam Minister, this is very interesting. Can you . . . the federal government is actually cost sharing an economic development here in the province. Is this something that the provincial government does all the administration and the advertising and giving the businesses an opportunity to know that this is happening? Or how do the businesses in the province, how do they get to know about this program?

(1630)

Hon. Ms. MacKinnon: — They don't tend to be programs that businesses participate in directly. What you do is you sign an agreement with the federal government to invest certain numbers of dollars, often in economic development infrastructure, that you both agree, you know, here's the terms of reference, here's the sorts of projects that you look at.

But they wouldn't be . . . they would be very unlikely that they would be programs that the average business person would participate in. It would be things like . . . now this isn't one that is in fact the case, but the R&D (research and development) park building at the University of Regina would be the sort of thing that you might cost share; the synchrotron, parts of the early stage development of the synchrotron.

So they would be things that advance economic development by building say the innovation and technology infrastructure for the province — those sorts of projects. Or perhaps potentially investments in things like tourism to build the infrastructure for. And again this is not decided; I'm just pulling this example out of my hat.

If people believe, as I do, there's huge potential in this province for ecotourism. We don't have the infrastructure for ecotourism in the North, which means basic facilities, so we may agree to invest in joint government projects for that sort of infrastructure.

But it's those sorts of programs. The agreement hasn't been signed yet so we haven't mapped out exactly what the terms of reference would be. But it will be of that . . . projects of that kind.

Ms. Draude: — Madam Minister, the project you're talking about is the one that went from \$475,000 to \$3.75 million? Is that the project that we're discussing at this time?

Hon. Ms. MacKinnon: — It's just the way they categorize. You have to . . . if you're spending money you have to put it under some subheading. So I guess it was put under business investment programs because it seemed like the most appropriate kind of title to put it under. It should have probably been under a title of its own because it isn't really a business investment program as much as it's a federal-provincial investment program. So it was put there because it had to be put under some title; that seemed like the most appropriate one.

Ms. Draude: — The only example that you have given me that you didn't say isn't a real example was synchrotron. I understand, and correct me if I'm wrong, it hasn't been formally okayed for here. We're spending money to make sure we do get the project, I believe is the right way to put it.

Can you tell me if there's any other agreements that you're working on right now.

Hon. Ms. MacKinnon: — The main project we would be working on with the federal government right now is the synchrotron. The synchrotron will mean about \$170 million investment in Saskatchewan.

As I mentioned before, Canada is the only G-7 country that doesn't have the synchrotron. The federal government decided that we should have one. There should be a competition to decide which facility had the capacity to develop the synchrotron. The University of Saskatchewan won. I believe we should all be proud in Saskatchewan of the fact that we won.

So our major focus in dealing with the federal government on economic development has been on ensuring that we put in place the funding that's required for the synchrotron. The main source of funding for the synchrotron will be the Canadian Foundation for Innovation. That would . . . they could potentially provide 40 per cent of the funding.

Then our task has been to work with the federal government to identify the rest of the capital funding and to also identify the operating funding. And although we haven't completed the

discussions, I'm very optimistic that we will actually land this project.

But that's been the focus. If there's been any focus we've had with the federal government, that's been our top negotiating point, and that's what I believe is most important to the future of this province. If we have Canada's only synchrotron, that will put this province on the map in a way that people across Canada and across the world will just sit up and take notice of us.

Ms. Draude: — Madam Minister, I agree that the synchrotron is a very important project. It's something that would be great for Canada. I understand that we haven't got the project . . . actually is not positively ours yet, and you're working on it.

But to say that it's really important, it's what's going to put Saskatchewan on the map, I think leaves out a whole lot of people in this province that are working on something a whole lot different than the synchrotron — people that have invested their own hard-earned money across the province in various industries. And to say that we can target out one thing that's going to put Saskatchewan on the map I think is not being very kind to the rest of this province.

Madam Minister, can you tell me who in government decides. Is it yourself? Who decides how this money is going to be spent, the money that is put in by the federal government?

Hon. Ms. MacKinnon: — Mr. Chairman, I want to clarify what the member opposite is saying here. What I'm saying is what we as a government can do that will have the greatest impact, is that particular project. If there is one project that we have to single out, that is the one that is the most important of the projects that we have at our disposal right now.

But it's really not appropriate for the member opposite to twist that and to say that what we're saying is that we do not give credit to all of the people in Saskatchewan. Because as I mentioned earlier, we are doing well in this province because of the work of so many people in the province. It's a partnership. It's the cooperatives; it's the businesses; it's the farmers; it's the workers. It's everybody pitching in and everybody does their part and everybody's part has to be recognized. So I don't appreciate the comment being twisted.

Now in terms of decisions, as I say, what we have to do is we have to be forward looking. If we did win the competition for a major project, our job as the government is to press the federal government to live up to its commitment with the finances, which is what we've been doing. To ensure that just because this project was awarded to Saskatchewan, rather than to Ontario or to Quebec or some bigger province with a lot more clout in the federal system, that we get our fair share and that we're treated fairly.

And so that's what this is about and I think we should all instead of knit picking around the edges, we should all be proud of our successes and celebrate every success of every person across the piece.

Ms. Draude: — Madam Minister, I think as Minister of Economic Development, what you can do as the government

would be to give all of Saskatchewan business people an even playing-field, and we're talking about taxes and utilities and regulations and workers' compensation and everything else that we have as a deterrent to business in this province.

Madam Minister, I didn't get an answer as to who actually is going to be doing the deciding on how this money is going to be spent from the federal government. I heard you talk about it being used on infrastructure. For me, infrastructure is things like roads and is the basis of our society, which is education and health care and highways. Is that the type of thing that you can spend this money on?

Hon. Ms. MacKinnon: — Well probably not on roads because we'll be looking for a different agreement with the federal government on roads. That is another part of infrastructure and it's a very important part.

But this particular agreement probably will not focus on roads. It will focus on other economic development tools. It won't focus on roads because what we want to sign with the federal government is a national transportation scheme that ensures that we get some federal money in here for roads.

So I can't tell you what the projects are going to be because we haven't signed the agreement. But I can tell you that we will ensure that we use those dollars to the best effect to ensure that we have the most economic development for the whole province.

Ms. Draude: — How are people of this province going to know when you've decided what the best thing is going to be? Are you going to make an announcement after it's decided or are you going to let people know that this is an area that the government is looking at that has a possibility for growth?

Hon. Ms. MacKinnon: — Well to the member opposite, I think one of the ways that we find out what is important to people in Saskatchewan is by travelling around the province. And so when the legislature isn't sitting, I spend huge amounts of time going around the province, holding meetings with groups across the province, in ensuring that we do have a sense of what their priorities are and what matters to them. And I think that'll be reflected in the decision making here.

And as I say, part of governing is leading and listening. And so we will lead in the sense of helping to identify the different choices. But we'll also listen, and those views that I hear when I travel around the province will be reflected in the agreement we sign with the federal government.

Ms. Draude: — Madam Minister, I appreciate that when we're not in session, even during session, you're probably doing a lot of travelling around, as we on this side of the House are. And at the same time, I imagine you get the kinds of letters and faxes that we get every day. I'd like to give you an example of one that I received in my office today. It says:

Taxes are killing businesses in this province. Money that should be used for upgrading equipment and improvements in my business is being sent to Regina.

That's the kind of questions and responses that we get every

day. And I am wondering what you say when people tell you this, give you this kind of information.

Hon. Ms. MacKinnon: — Well I don't . . . I think what we need to look at is, not what the opposition says or what the government says, what independent agencies say about our tax regime. The Provincial Action Committee on the Economy looked at the Saskatchewan tax regime and assessed its competitiveness relative to other jurisdictions and they found some interesting things.

As a place to do business, it's 12 per cent cheaper to do business in Saskatchewan than it is in any comparable American jurisdiction, mainly because many of those American companies end up paying significant health care costs.

If you want to start in business in Saskatchewan, it's 18 per cent cheaper to start a business here than in Winnipeg; a full 29 per cent cheaper to start a business here than in Calgary.

So when you look at business, you have to look at the whole package of the cost of doing business. This is a very competitive place to do business. And we're particularly competitive in the areas that we've targeted — manufacturing and processing. The tax regime in this province for manufacturing and processing is simply the best in Canada.

So we feel that this place is already competitive. We're committed in each and every budget to lower taxes, to actually do targeted tax reductions and across-the-board tax reductions, as we can afford to, to ensure that we're even more competitive.

So I think on that score, we've got a lot of positive news to talk about and a lot of positive news to feed back to people who write those letters.

Ms. Draude: — Yes, Madam Minister. This is one of the real people in the province that have started a business and have concerns. Provincial Action Committee on the Economy of course did a very good job and we'll be talking about some of their statements in the next little while.

But when we talk about the costs of starting a business in Saskatchewan compared to an American jurisdiction, where we know it's the health care, starting a business here in Saskatchewan, we say it's lower than Winnipeg and Calgary, it says right in your book here, it is because of the start-up costs and a lot of that is the cost of land. And that the land itself is considerably cheaper here than in Calgary. So I guess when we're worried about this I think the people of this province know very well what they're investing their money in.

Madam Minister, the targeted areas that this government has decided is something that will keep the province going, that is, the film industry, the hog industry, and the potato industry, and synchrotron are great projects. But there are thousands and thousands of other ones that people are trying to make happen that they're finding very difficult. In fact some of the people that were in the gallery a few minutes ago, the elk breeders, are probably ones that would say that they could use some help.

Madam Minister, I'd like to touch on another area and that is the REDAs (regional economic development authority). I see in

the budget the REDAs' funding nearly doubled this year. Can you tell us where that money is expected to be going?

Hon. Ms. MacKinnon: — Mr. Chairman, the member opposite I know talks a lot about rural Saskatchewan. And if you look across rural Saskatchewan, regional economic development authorities are probably one of the most important vehicles to promote economic development in rural Saskatchewan. Parts of the province where they have really effective REDAs, the jobs created are really quite phenomenal for the dollars invested.

So we've had complaints from REDAs that they could do even more if they had better funding, so we've allocated new funding. We're sitting down talking to them about exactly how it's going to be spent.

But there's two issues. We want to give more developmental support to some of the REDAs that are not doing quite as well as the very best REDAs; so that all of the REDAs are top-notch and are in the no. 1 category in terms of achievement.

And we also want to deal with some of the concerns about REDAs. In your area, for example, the riding next to yours is doing very well and they've hit a cap. They're doing so well in Humboldt that they've hit a ceiling. We want to see if we can open up a ceiling so that they can actually continue to create jobs.

We also want to talk to them about ways of involving more young people in REDAs so that we can give young people their first opportunity for a job in a rural community; so they can stay in that rural community. And if you look at other co-op or internship programs like that, often getting that first job gives you the contacts you need to get another, permanent job in that particular area. So we see it as a way to help retain young people in rural Saskatchewan. And we'll also work with the REDAs to ensure that the dollars are in place to have the training that we need across the piece. So again, there's a level playing-field, all REDAs have staff that are of the highest quality in terms of access to training.

Ms. Draude: — Madam Minister, I'm not exactly positive of the number of REDAs there are in the province. I imagine you can give me that number. But will you also give me an idea of how many of these REDAs are doing what you consider to be well — that they're actually operating within the guidelines to the optimum that you had expected they could? Tell me what percentage of the REDAs are in that category.

(1645)

Hon. Ms. MacKinnon: — Well I would put it this way. There are 25 REDAs in the province. There are five or six that are moving so quickly that we are struggling to keep up with them. So they're doing better than well. And I think we see them as the models. Therefore we want to ensure that every other REDA is doing just as well as the rest. But they all have to be delivering a minimal level of service to get funding. They have to file reports. They have to say, we've got a plan; here's the progress we're making on our plan. And so they all have to a minimal level, otherwise they're not government funded.

But there are five or six across the province that are exceeding

anybody's expectations. And so what we say is, we said let's see them as a model. And we had this year the first ever REDA conference in Saskatoon to bring all the REDAs together, and to allow the five or six best ones to share some of their success stories with the rest; so that we can actually ensure the other REDAs do as well as the five or six that are way up in the stars.

Ms. Draude: — Madam Minister, the REDAs in our local areas in rural Saskatchewan have an opportunity to deal with the industries that have specific needs. I'm wondering if you've considered . . . or if there's work being done to allow them to do job training, or to work with the industries and see specifically what they need to ensure that the REDAs are growing in a way that industry needs; so that we don't end up with another type of bureaucracy that isn't really meeting what the industries' needs are at this time.

Hon. Ms. MacKinnon: — Well if you look at the Humboldt REDA, they're heavily involved in training because they see that as sort of an extension of their mandate.

I know in Yorkton they . . . We were just in Yorkton on Friday, and there were I believe 400 businesses that have gone through that particular . . . it's not just a REDA; it's also a federal agency, federal, provincial, municipal agency all under one roof.

So obviously they are using the REDAs, and they're using the REDAs for, in some cases, training as well. But our training strategies goal is to also be sensitive to that, to ensure that our training strategy is geared to institutional training sometimes, but often quick training, to ensure that the people are available for industry when they need them.

Ms. Draude: — I believe that most of the REDAs are funded in the same way, that is that they receive their funding from the local towns and RMs (rural municipality). Are any of them receiving funding from any other agency?

Hon. Ms. MacKinnon: — The funding varies. I think the main principle that we have is it's got to be a partnership. So if it's a partnership, they have to show visible signs of local support, which means funding, and then we'll put equivalent support on the table.

They tend to be municipal governments, but not always. In Saskatoon they have a business component; businesses actually contribute financing to the REDAs. So it varies.

I think the main concept that's key to REDAs is, if the community support is there, the funding follows. That is, the local communities are buying in so they're actually putting their dollars on the table, and therefore we welcome those sorts of partnerships.

Ms. Draude: — Madam Minister, a number of the REDAs in my area are funded directly by the municipalities or the town councils. And the increase, the \$60,000 that is . . . I guess can be doubled this year, is based on the fact that the local money will also increase.

Now the problem with this is our local RMs, whether it's rural municipalities or the towns, have been cut back so drastically

by this government. Their funding has decreased probably up to 60 per cent or higher and they're struggling big time to try and find enough funds to build the roads and supply the services that the people need.

And now at the same time, in order to get their REDAs going, they're also asked to put in more money so that the REDAs can also grow as well.

Now REDAs are a good idea but we're again asking the people who have always balanced the budgets, the people that are working with the least opportunity to get additional funding, to put more money in to see the economy grow.

Now is there any opportunity for this government to recognize the value of the REDAs in a way that isn't going to cost the taxpayer sitting in his house again more money directly through their property taxes and trying to get the economy growing again on the backs of the property owners in this province?

Hon. Ms. MacKinnon: — Mr. Chairman, I must correct the member opposite. The information isn't accurate. The decision was not to double the funding at all for the REDAs. The decision was to . . . you have situations . . . Let me give you some concrete examples of what we're dealing with.

Have a situation in your area, exactly your area, where you have a REDA doing very well, a Humboldt REDA. It's just, as I say, going through the stratosphere. It's one of them that's leading all the rest. Other parts of that region want to joint that REDA. But because there's a cap of 60,000, they can't join and get extra money from the province, which is a foolish situation. So we need to change the rules and we need to sit down and figure out a way to encourage success.

If a REDA is going well — it's hit its cap — but other communities want to join into that REDA, we shouldn't be the people saying, whoops, sorry, you've hit a rule here. So we want to free up the system to allow the money that's already locally generated — the money is there waiting to be cost-matched — so that we can be part of that local success and not an obstacle to the local success.

Ms. Draude: — Madam Minister, I appreciate the fact that maybe you are changing the rules to ensure that the REDAs can change to grow and expand in whatever way it would take to make sure that the people can benefit from the program.

But the fact of the matter is, the local contribution is still coming from the RMs and the taxpayers, who are trying to not only build the roads and keep the water and sewer system going and to ensure that, and that the infrastructure is there for the people that is putting the money in, but we also . . . they are also asked to put money into the REDA. Whether it's double or not, I'm sorry if I made a mistake in those numbers.

What I am saying is that I have a letter sitting in front of me right now from one REDA who says that they don't have the same opportunity for growth as some of the other areas because their local RMs and their local towns don't have the funding to put into the REDA. And that's where I'm asking if the government has looked at these situations to find out if they can't, if they can't, like you said, look at individual REDAs and

see what they need and ask if there is some way that they can help to get the economy going.

Hon. Ms. MacKinnon: — Well I think what, what I would say to the member opposite, two things. I already talked about the example where a REDA is doing really well and wants to expand and our particular rules as they exist now are an obstacle to expansion. So we want to end that situation. We want to be promoting success, identifying with success, helping success, not, not being an obstacle.

We also want to ensure though, across the province, that communities that want REDAs have the capacity to do that. It's like a co-op. You can't create a co-op in Regina, you can't create a REDA in Regina. If the local . . . We can go in and give them advice about how to get the local momentum going, how to reach out to their communities, how to do a business plan, how to do a mission statement. But if the local will isn't there, then we don't have the capacity to go in and create it.

So if the will is there, what we want to do is sit down and talk to them about how we can help bring it together for them. The problems that they have tend to be more organizational, or getting together a plan or a mission statement. And our role is to facilitate that, to ensure that we are there to help the REDAs as they . . . the ones that are doing well and also the ones that are struggling.

Ms. Draude: — Madam Minister, I would like to go on to another area. Should I go on to the . . . into the area of the film industry, or would you . . .

I believe the government has put a lot of faith in the increased film production industry in Saskatchewan with this new tax credit. Can you give us your forecast for the film industry in Saskatchewan over the next year in terms of the number of productions and the number of permanent, full-time jobs that will be created?

Hon. Ms. MacKinnon: — We have a number of estimates. The estimate from the Saskatchewan Motion Picture Association is, by 2001 the number of jobs will go from 500 to 1,760, which is about three times as many jobs. Our Department of Finance estimates about 1,450. So it's in that sort of range in terms of what we expect.

The committee reported progress.

The Assembly adjourned at 4:57 p.m.

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