

The Assembly met at 10 a.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I'm pleased to present petitions today on behalf of the people of Saskatchewan. 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.

These signatures, Mr. Speaker, come from Carlyle, Weyburn, Coronation, Stoughton, Antler, Lampman, Langbank, Grenfell, Regina, Wawota, Gravelbourg, Willow Bunch, Weyburn, Yorkton, Edenwold, Moosomin, Estevan, Arcola, Manor, all across south-eastern Saskatchewan, Mr. Speaker. I so present.

**Mr. Toth:** — Mr. Speaker, as well to present petitions and reading the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to put an immediate halt to all plans of the closure of the Plains Health Centre.

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

And, Mr. Speaker, the petition I'm presenting is signed by individuals from the Lebreton, Fort Qu'Appelle, Edenwold areas of the province. I so present.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also have petitions to present:

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 is in duty bound, your petitioners will ever pray.

The communities involved, Mr. Speaker, are Radville and Lake Alma. I so present.

**Mr. Heppner:** — Good morning, Mr. Speaker. Jack Messer may be gone but people still want the severance back . . .

**The Speaker:** — Order, order, order. Order. Now the hon. member will want to avoid all debate I'm sure and proceed immediately to the presentation of his petition in the orderly form or else pass his place.

**Mr. Heppner:** —

Wherefore your petitioners humbly pray that your Hon.

Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

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

And these are signed by the good people from Mayfair, Speers, and Hafford. I so present.

**Mr. Gantefer:** — Thank you, Mr. Speaker. I rise on behalf of people concerned about the impending closure of the Plains Health Centre. 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.

The signatures on this petition, Mr. Speaker, are from the communities of Ceylon, Weyburn, and Radville, Mr. Speaker. I so present.

**Ms. Draude:** — Mr. Speaker. I also have a petition to present today:

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.

The people that have signed this petition are from Prince Albert and Bengough.

**Mr. Boyd:** — Mr. Speaker, I have a petition as well to present to the Assembly this morning dealing with the issue of the Plains hospital and the impending or possible moratorium that we're all hopeful of. These petitioners come from the Alida, Gainsborough area of Saskatchewan. I'm pleased to present on their behalf.

**Mr. Osika:** — Thank you, Mr. Speaker. My petition is also on behalf of concerned citizens of Saskatchewan with respect to the closure of the Plains Health Centre. And the prayer reads:

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.

The signatures on the petition, Mr. Speaker, come from the good people of Ituna, Hubbard, and Yorkton. I so present.

**Mr. McPherson:** — Thank you, Mr. Speaker. I join with my

colleagues in bringing forward petitions and Saskatchewan people's efforts in stopping the closure of the Plains hospital. The prayer reads:

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

As in duty bound, your petitioners will ever pray.

Mr. Speaker, the people that have signed the petitions that I have today are from Mankota, Fir Mountain, Glentworth, and Regina. I so present.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I too rise to present petitions on behalf of citizens concerned about the Plains Health Centre closure. 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 this petition, Mr. Speaker, are all from the community of Lafleche. I so present.

**Mr. Belanger:** — Thank you, Mr. Speaker. I also rise to present a petition. The petition reads as follows:

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

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

And the people that have signed the petition, Mr. Speaker, are from Goodeve, from Ituna, from Hubbard, and from all throughout the land, and I so present.

**Mr. McLane:** — Thank you, Mr. Speaker. It is my pleasure to rise again today on behalf of people of Saskatchewan to present a petition. The prayer reads as follows:

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

Mr. Speaker, this petition has signatures on it from the city of Moose Jaw. I so present.

**Mr. Goohsen:** — Good morning, Mr. Speaker. I'm happy today to present petitions on behalf of the people of Saskatchewan. And I'll read the prayer:

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

As in duty bound, your petitioners will ever pray.

These folks, Mr. Speaker, come from the communities of Maple Creek and Fox Valley and Piapot, which is a small town to the east. And I'm happy to present them on their behalf today.

### READING AND RECEIVING PETITIONS

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

Of citizens humbly praying to cause the government to reach necessary agreements for the funding for the twinning of the Trans-Canada Highway; of citizens praying to save the Plains Health Centre; of citizens praying to put a moratorium on the closure of the Plains Health Centre; and finally of citizens praying to have the Workers' Compensation Board Act amended to reinstate pensions for disenfranchised widows and widowers of Saskatchewan.

### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Belanger:** — Thank you, Mr. Speaker. I've got two notice of motions here. The first one is, I give notice that I shall on Wednesday next move the first reading of a Bill to amend the northern municipalities airports Act.

And the second one is that I give notice that I shall on Wednesday next move first reading of a Bill, the northern Act.

Thank you.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 52 ask the government the following question:

To the Minister of Agriculture: with respect to the Saskatchewan community pastures program, (1) which of the pastures in the program offer the additional service of backgrounding of calves during the 1997 pasture season; and (2) what were the net profits or losses for each of the calf backgrounding projects during the 1997 pasture season, shown separately?

### INTRODUCTION OF GUESTS

**Hon. Mr. Nilson:** — Mr. Speaker, it's my pleasure to introduce to you and through you to all members of the legislature, in your gallery in the back row, a number of representatives from the credit union system in Saskatchewan.

And I won't introduce all of them but I would like to introduce Elwood Harvey, who is the president of the board of directors of Credit Union Central and also a member of the Saskatoon Credit Union; and Colin Markusson, who is the first vice-president of the board of Credit Union Central and from the Raymore Credit Union. He also is the Chair of The Credit Union Act rewrite working committee who has been very involved with the drafting of The Credit Union Act for this session of the legislature.

I would ask all members to welcome these people.

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

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, on behalf of the official opposition, we too would like to extend a welcome to representatives from the credit unions. It's certainly has been our privilege to sit down with them and discuss, and we've discussed it for a number of years as they're aware of it, The Credit Union Act that they've been looking forward to.

And we want to thank them for their input and welcome them to the Assembly this morning.

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

**Mr. Osika:** — Thank you, Mr. Speaker. I, on behalf of the Liberal opposition, would also like to extend a sincere warm welcome and an expression of appreciation for the input, the dialogue that we've had recently, and we appreciate and look forward to working with them continuing into the future. Thank you. Welcome and thank you for being here today.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. Mr. Speaker, to you and through you I'd like to introduce to the Assembly, Mr. Miles Vass, who is in the east gallery today. Miles of course is a gentleman from Carnduff, Saskatchewan who has worked very hard on behalf of his friends and neighbours in the agriculture industry, mostly the farmers around the area, in the areas of surface rights and the attempts of course to achieve some fairness in surface rights for agricultural producers.

Much like the people from the credit unions, who I'm also glad to see here, Miles works on behalf of other people at his own cost and expense to a large extent. They have of course, in the credit union movement, have worked for many years to get their legislation that's coming up soon and will be passed. Miles of course has been waiting since 1997 when Alberta put into effect the very legislation that he would like to see in Saskatchewan. And we're hoping that he will have success as well.

I'll ask all members to please join with me in welcoming Miles today.

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

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. Mr. Speaker, it is again my pleasure to introduce to you this year a group of students who come to us from Balfour Collegiate. They're seated in your gallery. They're enrolled in the special tutorial class. I say that I'm pleased, because on previous visits these

students have shown themselves to be very attentive to what is happening in question period. They've also prepared very many good questions; so it's a real treat to sit down with them as I hope to later again to discuss what's happening here in the Legislative Assembly.

And I would ask all members to join with me to extend them a warm welcome today. Thank you very much.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I'd like to join my colleague from Cypress Hills in welcoming Miles Vass to the Assembly today. Miles is one of our neighbours just to the south of my home community and works very hard on behalf of the South-East Surface Rights Association.

Again, I'd like to ask members to welcome him to the Assembly.

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

**Mr. Aldridge:** — Thank you, Mr. Speaker. To you and through you to the rest of us assembled here today, I'd like to introduce, sitting in your gallery a group of grade 2 and 3 students from Avonlea School in Avonlea, accompanied by Denise Dombowsky, their teacher, and a number of chaperons; Mrs. Beingessner, Mrs. Kirkpatrick, Mrs. McRorie, and Mrs. Knowles.

I'll look forward to seeing them later this morning — or one of my colleagues depending on how things go here this morning. So I'd just like everyone to welcome them here.

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

**Ms. Draude:** — Thank you, Mr. Speaker. There's a very special young man in the House today. And though his mother is here — she's a very shy person, she doesn't want to introduce him — I'd like to introduce the gallery to Alan MacKinnon.

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

## STATEMENTS BY MEMBERS

### The Importance of Credit Unions to Rural Saskatchewan

**Mr. Jess:** — Thank you, Mr. Speaker. We have been hearing about bank mergers for some time. Many of us suspect this will have a negative impact on rural areas in terms of availability of financial services. This is why credit unions are so important to this province.

There are communities in my constituency like Speers, Borden, Langham, Marcelin, Leask, and Asquith where credits unions are the only financial institutions. There are also towns like Perdue where the banks simply picked up and left the community, but credit unions came in to fill the void. I know many of you can relate to this in your own constituencies.

The Credit Union Act modernizes business powers to allow credit unions to offer a broad range of financial and other services to members and non-members. It provides access to

non-member investment capital for credit unions, but also ensures members retain control over credit union affairs.

The Act allows credit unions to use electronic communications to conduct meetings of directors, members, and shareholders and to file documents. Market practice codes have also been instituted and regulatory roles and practices modernized.

In short, The Credit Union Act is this government's response to the bank mergers as it puts credit unions on a level playing-field with banks while retaining their community-based character. Thank you.

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

### National Nursing Week

**Mr. McPherson:** — Thank you, Mr. Speaker. Mr. Speaker, nurses week in Saskatchewan is winding down. And the Liberal opposition had hoped to see the NDP (New Democratic Party) government do more to address the increasing workloads and the stress of front-line health care workers. Instead, we watched the Minister of Finance launch into a tirade demonstrating how much he values the concerns being expressed by nurses throughout this province.

We have been warned by the Premier to start addressing the real issues. We have a similar warning. Start addressing the fact that nurses are overworked and overstressed.

Mr. Speaker, this is not only Nursing Week; this is also Mining Week. And we believe that there may be some confusion on the government side of the House. Why else would the NDP government be giving nurses the shaft?

### Cathedral Village Arts Festival

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. The eighth annual Cathedral Village Arts Festival has become a right of spring in Regina Centre. In fact I think you can go right from the Moose Jaw festival over to the Regina one because one ends as the other starts.

It starts on Victoria Day with a kick-off pancake breakfast and a full day of family activities in Turtle Park. This Saturday, May 16, we build a little momentum with a full community garage sale. But the festival includes a full week of art, film, food, crafts, music, dance, poetry, theatre, buskers, drumming, and much more.

This festival has a couple of special events, including yart. Now this is where you can transform your own yard into a work of art or to a land of intrigue, and also you have a chance to use those Christmas lights one more time. As well, the public art committee and the Cathedral business association have gone together to put banners along 13th Avenue, and anybody can take a drive and have a look at those specially made banners.

It culminates the following Saturday with a full day and evening of food, craft fair, and performance venues. And, Mr. Speaker, I know you'll be disappointed, but they've invited me — not you — to the dessert tasting contest on Saturday. And as well I have an event with a friend of mine from Pakistan and

tabla player, Nadeem Naz, called the Rhythm of Unity.

So come one, come all, and have your soul reawakened.

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

### Benefits for Veterans' Spouses

**Ms. Draude:** — Thank you, Mr. Speaker. To the members of this Assembly, war is something of an abstract concept that fortunately we have never seen. But our country's veterans have never been that fortunate. It is our war veterans who bought and paid for the freedom that we as Canadians enjoy today. We owe an insurmountable debt to those who risked their lives, those who lost their lives, and those who gave their loved ones for the life we enjoy today.

Sadly today many veterans are no longer with us. There are currently 10,000 veterans in Saskatchewan and about 150,000 in Canada. Their average age is 77. And it is incumbent upon all of us to ensure their final years are filled with dignity and respect.

Currently veterans have access to veterans independence programs — a program designed to help them stay in their homes as long as possible. But under this program the benefits to veterans' spouses are cut off one year after the veteran's death. Many spouses desperately need this program to remain independent in their homes.

As a member of the Spalding Royal Canadian Legion and in my capacity as an MLA (Member of the Legislative Assembly), I have spoken to many veterans and their spouses about this issue. We have drafted a petition calling on the federal government to change the veterans independence program to provide benefits for veterans' spouses until their death. This weekend at the provincial board meeting a resolution was passed to support this petition.

I would ask all members of this Assembly to join with me in calling on the federal government to reaffirm their commitment to our veterans for this wish.

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

### SABEX Award Winners

**Mr. Koenker:** — Thank you, Mr. Speaker. Yesterday evening in Saskatoon the winners of the 1998 SABEX (Saskatoon Achievement in Business Excellence) awards were announced at a gala banquet.

And the winners are as follows: for the hall of fame award recipients, Mr. Gerry Rose and Mr. Harold Latrace; for new business venture, Terminal Systems International; for new products, prairie *Free Press* newspaper; customer service, Westwind Aviation; for marketing, Cover All Shelter Systems Inc.; for community involvement, M.D. Ambulance; for exports, Wavecom Electronics; for innovation, Terminal Systems International; for growth and expansion, Cover All Shelter Systems, Inc.; and for business of the year, Wavecom Electronics.

Although special recognition is given to these particular businesses and to the finalists in the SABEX process, it's really all of Saskatoon and district and all of the province that benefits from the business community in Saskatoon — for their enterprise and their contributions to the economy, the quality of life we enjoy, and the opportunities that we have for the future.

Thank you, Mr. Speaker.

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

#### Good News Headlines

**Mr. Van Mulligen:** — Mr. Speaker, here are five recent good news headlines from Saskatchewan weekly newspapers. (1) "Successful year brings expansion," *Davidson Leader*, April 27; (2) "Shaunavon GM set to build new dealership," *Shaunavon Standard*, April 28; (3) "Kamsack firm expanding to Canora," *Canora Courier*, April 29; (4) "Building supply store expands," *Kamsack Times*, April 30; (5) "Construction boom," *Shaunavon Standard*, May 5.

These headlines have two things in common, Mr. Speaker: one, each is further proof that the Saskatchewan economy and Saskatchewan communities, especially our smaller communities, are doing quite well; two, each story comes from the constituency of an opposition member, members who ignore the good fortunes of their province.

One is tempted to think, Mr. Speaker, that they, the official opposition and the third party, spend their time praying for bad news, all for the sake of short-term political gain, as opposed to applauding the economic success stories all around them.

Of course, Mr. Speaker, they can prove me wrong by applauding today's good news. Thank you, Mr. Speaker.

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

#### College Mathieu 80th Anniversary Celebrations

**Mr. Aldridge:** — Mr. Speaker, many households across Saskatchewan yesterday witnessed the end of an era. Although some nervous members opposite might think I'm talking about their days in this Chamber, if it's any comfort, I'm talking about *Seinfeld*. The *Seinfeld* era came to an end much like the previous Tory administration — with all of them ending up in jail.

However, now all eyes in the community of Gravelbourg are turning towards celebrations this weekend in their community, some rather special celebrations to mark the 80th anniversary of College Mathieu. Over the years, College Mathieu overcame many turbulent times, most notably the fire which gutted much of the facility in 1988.

Dedicated people rebuilt because they strongly believed in the value of providing an excellent education in a francophone setting. Aside from offering a strong, francophone-based secondary education, the college also serves as a focal point for the francophone community in Saskatchewan by making many educational, recreational, and cultural opportunities available.

Alumni from across the country are attending and some will even be entertaining at the celebrations. The highlight of the weekend will however, be graduation celebrations for the class of '98.

I'm sure all members join me in congratulating students, staff, alumni, and the community, and wish them an enjoyable weekend. Thank you.

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

#### Good News for Weyburn Economy

**Hon. Ms. Bradley:** — Thank you, Mr. Speaker. I rise here today to inform this Assembly of many good things happening in the Weyburn economy. Weyburn Inland Terminal is constructing a new pellet mill facility to produce animal feed from the screenings left over from grain cleaning. The terminal was also honoured with a Canadian Wheat Quality First Award.

The Weyburn Wheat Pool elevator is adding new grain-cleaning equipment to its expanding facilities and screenings will be utilized in the Wheat Pool's new subsidiary, Cangro Food Processors.

A new 40-bed, private nursing home is under construction. The \$1.5 million project will create 30 jobs.

Paradise Herbs, a local company that grows and wholesales herbs and spices, is purchasing the former Co-op store building. They plan to employ as many as 15 full-time employees.

ARC Design Studios, specializing in architectural designs, opened recently.

And tomorrow, Mr. Speaker, I will be bringing greetings on behalf of the province and my constituents at the grand opening of a new retail store in the Weyburn Square, Bata and Athlete's World.

Mr. Speaker, these stories have two things in common. One, they illustrate the strength of Saskatchewan's economy. Two, they're all happening in my constituency and I'm proud of it. Thank you.

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

#### ORAL QUESTIONS

##### SaskPower Computer Project

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for SaskPower. Mr. Minister, yesterday you told us that your \$100 million computer purchase, code name the Delta Project, was a good deal. And of course we've heard the same thing from you about Channel Lake and about Guyana before they all went down the tubes. You've also told us that you've learned some really valuable lessons from Channel Lake and so we just really want to find out what you've learned besides giving your deals code names.

First of all if it was such a good deal, why wasn't it announced? Why would we have to learn about this \$100 million deal

through a brown envelope from one of your employees?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, yesterday when the member asked the question he also passed along a document. And while he was talking about what a terrible deal this was, in the document, his own — as he says — secret document, it says and I quote: “Total benefits over the analyzed period will be a sum of \$174 million.” He talks about the investment being 99 million and his document says the analyses show that the benefit will be \$174 million.

Mr. Speaker, in today’s *Leader-Post* as well it indicates that the company doing the work for SaskPower, I quote:

The SAP software is renowned for its excellence, according to industry analysts. About 150 to 200 Fortune 500 in the U.S. use the Germany-based system and even Microsoft and IBM are running their business on the German software neither one of them makes.

So, Mr. Speaker, I say to the members opposite that their condemnation of the Crown corporations in Saskatchewan is well understood. They want to privatize them and they’re trying to undermine them and destroy them, and by doing that attacking thousands . . .

**The Speaker:** — Order, order. Next question.

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

**Mr. Gantefer:** — Thank you, Mr. Speaker. I trust that the analysis was done by the same genius, Mr. Christensen, who didn’t even bother reading the contract he put his signature onto. Mr. Minister, you can excuse us for being nervous in light of the record over there at SaskPower.

Mr. Minister, if you’ve learned so many lessons from the whole Channel Lake deal, the question is, did you learn to tender this project. If you have tendered this \$100 million project, will you table all the bids you received in regard to this Delta Project?

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I say to you that the member opposite, who continually harangues the employees of SaskPower and employees of all the Crown corporations . . . I say the record of SaskPower stands on its own. It’s a very good power corporation in the context of Canadian power companies. It’s got excellent employees.

Is it perfect? No, it’s not perfect. But I can tell that member, who has joined the Conservative Party recently, that compared to any of the approaches that your group, the Tories of Saskatchewan, used in running up a \$15 billion debt, I’ll tell you, you can stack up the record of the Power Corporation today against any of the deals that your government made.

As to this project, I want to say that the process is followed and the board recommendation and approval are all in place. Any questions on the details of the project, I’m sure the Crown Corporations Committee will get into and all the answers on this arrangement will be provided.

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

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, our concern is always we get the answers after you’re already deeply in trouble and the money is already gone.

What we want to know is, before the fact, before you finalize this deal, what information are you going to share with us and with the public of Saskatchewan about the due diligence that you kept talking about in Channel Lake. What information are you going to share with us in terms of the detailed analysis of the cost and benefit analysis other than one piece of paper that we got leaked to us in a brown envelope?

Are you going to share with the people of Saskatchewan who got the management consulting contract? Who are the computer consultants involved in the potential awarding of this contract? And did you look at any local — ISM (Information Systems Management Corporation) for example — contractors who potentially could have benefited from this deal, Mr. Minister? Will you give us all the facts before you’ve lost the money?

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I say to the member opposite that obviously the Crown corporations in Saskatchewan have projects and procurement of about \$1.2 billion a year. This a project of five years in duration. The member obviously says many times in this House that he wants politics removed from the Crown corporations — doesn’t want any politics involved in the Crowns.

We have boards of directors and managers that manage \$8 billion in assets. And you say you want no politics involved. And yet daily, daily you come here to the House and politicise the Crowns. Why? Because you’re intent on privatizing them. And what you’re trying to do is destroy the Crowns for political reasons.

I tell you that the processes followed will be reviewed in Crown Corporations Committee as has been the structure over the years. All of the details will be provided and I’m sure the members opposite will be there to ask the tough questions. And I say to the member opposite, who again maligns one of the people from SaskPower here in the House, does not do any of that when that individual comes to the committee. No attack on the individual but he maligns him here in the House.

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

### Benefits for Veterans’ Widows

**Ms. Draude:** — Thank you, Mr. Speaker. My question today is for the Deputy Premier. Mr. Deputy Premier, although you and I disagree on many issues in this House we certainly agree that Canada is the best place in the world to live. I think you and I would also agree Canada would be a much different place today if it were not for the war veterans who risked their lives to protect our freedom. We owe each of these veterans a tremendous debt.

One way the federal government repays this debt is through the veterans independence program, a program to help our ageing

veterans stay in their homes and live out their final years in dignity. Sadly, once a veteran dies, the spouse is cut off the VIP (veterans independence program) benefits after one year.

Mr. Premier, as a member of the Spalding Legion, I've drafted and signed a petition to call on the federal government to extend VIP benefits to all veterans' spouses until their own death.

Mr. Deputy Premier, I'll be circulating this petition to show our support to our veterans and their spouses. I would like you and the other members of this Assembly to be among the first to sign it. I'll be sending it over, and will you please sign it today.

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I want to say to the member opposite, who raises a very important issue, that her idea of taking this as a project I think is a very worthwhile effort and I think it is one of the examples of what private members can do to become more involved in the process.

I would take it one step further and suggest that not only a petition but she may want to work with other private members to bring forward a motion that could be commonly debated and voted on in private members' day that would deal with this most important issue.

So I say to her, without a lot of discussion or debate on behalf of my caucus, because that's where that decision will have to be made, but I would be very receptive to taking forward the idea that a common resolution passed by the Assembly on the next private members' day may in fact be in order.

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

### Child Protection Legislation

**Mr. Osika:** — Thank you, Mr. Speaker. Mr. Speaker, the Liberal opposition raised concerns earlier this week about two Melville children who are caught in the middle of a custody fight. Leon Walchuk has been charged with the murder of his estranged wife and came within hours of getting unsupervised custody of their children.

We believe this demonstrates how in some cases there must be a mechanism that kicks in to help children when the system fails.

My question is to the Minister of Social Services. Following question period I will be introducing the child protection Act which aims to add some teeth to the system. The minister has a copy of this Bill and my question is, will he be supporting this legislation?

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

**Hon. Mr. Calvert:** — Thank you, Mr. Speaker. I've only just received from the member a copy of the Bill that he intends to introduce, so I haven't had an opportunity to thoroughly . . . or even have a cursory look.

I want to say to the member though that we certainly share what I believe is the motivation behind this Bill, and that motivation

being to extend to the children of our province, in whatever circumstance they may find themselves, the best possible of protection and guidance and strength.

On the specific issues of children which are caught in the courts and are sometimes trapped in battles between parents and in other circumstances, Mr. Speaker, our Minister of Justice and the Department of Justice is currently conducting a province-wide discussion with some documentation asking for input from many people in Saskatchewan how we might better deal and provide for children caught in those circumstances.

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

**Mr. Osika:** — Mr. Speaker, the Bill that we are proposing will add teeth to the system. It will allow the Children's Advocate the authority to step in when the system has failed children.

Mr. Minister, this issue must be addressed before the end of the current legislative session. It must not be left to die on the order paper. I'm not trying to play politics, Mr. Speaker. I urge you to pass this Bill we have proposed or make whatever amendments you feel are necessary to make sure it's workable.

Mr. Speaker, I'm appealing to the Minister of Social Services and to the Minister of Justice to ensure that we do pass this legislation. It's desperately and urgently needed in this province. I'm asking the minister for his commitment that such legislation will in fact be passed on this issue before this current session.

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

**Hon. Mr. Calvert:** — Mr. Speaker, I want to say again — and I've said this in reference to other Bills that have been presented before the Assembly — that when legislation is introduced into this House, it is most appropriately introduced after there has been some significant public consultation.

Now if the member had listened a moment ago, I have indicated that the Department of Justice, working interdepartmentally with the departments of Health and Social Services and others, are at this moment talking to citizens of our province, talking to groups, talking to families, about what should be done to better serve the needs of children caught in these circumstances.

It would be inappropriate, Mr. Speaker, for us simply then to legislate before that kind of discussion. This is not to minimize in any way, this is not to minimize in any way the issue that the member raises. I want to confirm that. But you don't simply, on a day, come up with a piece of legislation and then hoist it onto all of those who will be affected.

Mr. Speaker, our process is to work with the people of Saskatchewan first.

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

### Plains Health Centre Closure

**Mr. Aldridge:** — Mr. Speaker, the Liberal opposition has learned that the late Tommy Douglas was inducted into the Canadian Medical Hall of Fame this week. He is the first

non-medical professional ever to be inducted.

Mr. Premier, I couldn't help but wonder, if Mr. Douglas was with us today, would he be fighting for or against the closure of the Plains hospital? What do you think? Would this great man who fought so hard to ensure all people in Saskatchewan have access to quality health care approve of your decision to close the Plains Health Centre?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I'll tell you one thing. I'll tell you one thing. One Premier of this province who would never be so inducted would be late premier, Ross Thatcher.

Mr. Speaker, to have the Liberal Party, the Liberal Party of Saskatchewan — the direct heirs of the Ross Thatcher Liberals who fought medicare — to have them invoking the name of Thomas Clement Douglas, Mr. Speaker, is almost beyond what I ever thought I would hear in this House.

Mr. Speaker, Tommy Douglas in 1982 or thereabouts said to the people of Saskatchewan, we accomplished the first phase of medicare, we accomplished the first phase of medicare, and that's the separation of the ability to pay from the ability to receive services. We built hospitalization; we built medicare; we built doctor coverage.

He said in 1982 there was a piece we didn't finish. That's the second phase. That's the wellness phase. Mr. Speaker, that's what we're doing, in the direct descendant of Tommy Douglas.

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

**Mr. Aldridge:** — Mr. Speaker, the late Tommy Douglas believed that health care should be available for each and every Saskatchewan resident, urban or rural. But each and every day the Liberal opposition is serving this government with evidence to demonstrate that Tommy Douglas's dream is dying under the present NDP.

The Liberal opposition believes that a landmark should be established so that future generations can recognize the work of Mr. Douglas and as a constant reminder to the present government demonstrating how they've gone wrong. Following question period today, we will be introducing a private members' Bill to rename the Plains hospital the Tommy Douglas memorial hospital.

Mr. Minister, what better tribute could there be for the late Mr. Douglas. Will you be supporting this legislation?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I understand, I understand that the Liberals cannot find a leader of their own to quote on the subject of health care, and so they will quote Tommy Douglas.

Mr. Speaker, any student of Saskatchewan or Canadian history know that for all the time that Mr. Douglas sat in the premier's chair of this province, he was fought daily by the Liberal Party, the same Liberal Party that sits over there and now invokes his

name.

Mr. Speaker, I tell you, I tell you, if they want to build the tribute to Tommy Douglas, they will join in what we're doing here — building a renewed health care system for the people of Saskatchewan on Saskatchewan soil.

And again, Mr. Speaker, as Mr. Douglas had to do it, we're doing it without the help . . . in fact being deterred by that federal Liberal government which they represent. On a daily basis Mr. Douglas had to fight the Liberals; on a daily basis we have to fight the Liberals.

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

### Election Campaign in Nova Scotia

**Mr. McLane:** — Thank you, Mr. Speaker. During the recent provincial election in Nova Scotia, there were widespread media reports that Saskatchewan NDPers and perhaps Saskatchewan government employees were out there working on the Nova Scotia provincial campaign. It was also reported that calls were being made from a call centre in Regina.

Mr. Speaker, can the Premier or Deputy Premier assure this House that no government staff went to Nova Scotia and worked on the election campaign at taxpayers' expense, and will he tell this House that the phone calls that were made to Nova Scotia from Regina were made from government offices or the NDP's big call centre.

And will he also table any records for any staff, particularly senior staff, deputy and acting deputy ministers, that happened to travel to Nova Scotia or Atlantic Canada during the period of February 19 to March 24.

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I want to say first of all, the references to the election are obviously as a result of the fact that the NDP made historic gains in that election, and I understand why the Liberals are upset about it. And the worry of course there is that they'll end up a rump of a party sitting in opposition very quickly, as you are here in Saskatchewan for a very good reason.

I want to say to the member opposite that your attempt to accuse government employees from Saskatchewan of going there at taxpayers' expense is not accurate. But it may be true that some people would take holidays or days off to go and work against the kind of divisive party that we are seeing here in Saskatchewan in opposition, the Liberal Party, Mr. Speaker, that hypocritically allows the federal Liberals to cut \$7 billion out of health care. And then roam around our province dividing family against family, town against town, for political benefit, when it's your federal government that's causing havoc with health care right across the country in every province and in every city.

**The Speaker:** — Order, order. Next question.

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



**Compensation for Hepatitis C Victims**

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Health or whoever would like to respond to the question.

Mr. Minister, yesterday Health ministers met in Ottawa to discuss the compensation package for hepatitis C victims. And unfortunately as we see from by the headlines it says, "Nothing decided at latest meeting." That reminds me of a sitcom I believe that was just completed last night, a program about nothing. And unfortunately for hepatitis C victims, the latest meeting basically was a meeting about nothing.

Mr. Minister, you're the Chair of the Health ministers. Mr. Minister, and Mr. Premier, or whoever, why would you not take some leadership and show hepatitis C victims that you have the courage and the compassion to stand up to meet their needs, and to call on the federal government to put in some extra funds to address the needs of hepatitis C victims outside of the period prior to '86 and past 1990. Will you do that today?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I want to report to the House today on behalf of the Minister of Health, that ministers from across Canada yesterday met; met also with representatives of the Hepatitis C Society and the Hemophilia Society. At the close of their meeting, with the exception I understand of Ontario, all ministers have agreed to form a working group over the next three to six weeks to again wrestle with all of the significant issues that must be dealt with in this very complicated, complicated package of compensation.

Mr. Speaker, the Conservative Party here in the legislature may be pleased to know that the working group is being led by the Conservative Government of Alberta.

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

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Minister, it's unfortunate that the Minister of Health, the Chair of the Health ministers of Canada today, would not take the leadership. This was a true opportunity for the province of Saskatchewan to take some leadership and to show compassion, to show a sense of fairness, and to give some real leadership.

Mr. Minister, why did the Minister of Health not take real leadership and call on the federal government, rather than call on Mr. Rock, the Minister of Health, to also show some leadership and show some compassion to hepatitis C victims. Mr. Minister, are you going to give us the assurance today that this province will give some leadership in calling on support to hepatitis C victims who are not covered in the '86-90 package?

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

**Hon. Mr. Calvert:** — Mr. Speaker, that is precisely, precisely what this minister and this government has been doing. It's providing the leadership to build a Canadian consensus. So that no matter if I'm a resident of Newfoundland, or a resident of British Columbia, or a resident of Saskatchewan, or a resident of Ontario suffering from hepatitis C, there is a fair and

equitable approach to compensation. And more importantly, in my view, Mr. Speaker, a fair and equitable approach to providing for medical care for those who are suffering from this dread disease. That's the leadership that this minister has been showing.

It's happening. The ministers have established a working group. They have selected, on this occasion, the Government of Alberta — the Tory Government of Alberta — to provide leadership there, and we can expect, I'm sure, further communication from that working group over the next three to six weeks.

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

**Saskatchewan Government Insurance Damage Policies**

**Ms. Draude:** — Thank you, Mr. Speaker. My question is for the minister responsible for SGI (Saskatchewan Government Insurance). Mr. Minister, SGI has decided to send a message to the Saskatoon man who risked his life trying to stop an armed gunman after a bank robbery. Unfortunately SGI isn't sending its hero a congratulations note. They're sending him a bill — a bill for \$700.

Randy doesn't want his last name published because the bank robber he was trying to stop is still at large. When the robber fled the scene in the stolen car, Randy took up the chase and attempted to stop him by sideswiping him with his own car. In the chase, the robber tried to kill Randy, firing as many as six shots into Randy's car. The end result is that Randy's car was a complete write-off, and extensive damage was done to the stolen vehicle as well. Now SGI wants Randy to pay the \$700 deductible on the stolen car.

Mr. Minister, is that how SGI thanks people who see something wrong and tries to do something about it? Will you call off the dogs at SGI and cancel the \$700 bill that SGI sent Randy?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I say to the member opposite that the issue she refers to was written up in the *Star-Phoenix* on May 14. The article indicates that the issue that she raises and the Randy she mentions, that this is in fact a serious issue where the individual who was, as it says here, at one moment a softball coach and hobby artist, the next minute a crime fighter chasing a fleeing bank robber around the streets of River Heights and dodging bullets as the masked man fired from a stolen car. We understand the situation to be that in an attempt to stop the robber, his car, in trying to ram the fleeing vehicle, was sideswiped.

And the issue here is twofold. First of all, is Randy responsible for the deductible on the fleeing car as well as his own? And contrary to the press report here where it says SGI also will make him pay the 700 deductible on the stolen car that he side-swiped, that is not accurate.

Secondly, we're reviewing the file to make sure that Randy receives adequate and proper scrutiny of the situation and that his rights are in fact protected.

But, Mr. Speaker, in closing, the one word of advice that I would give to Randy and others when they see serious crimes

taking place, that the attempt should be immediately to call the professional police — the city police or the RCMP (Royal Canadian Mounted Police) — in order to avoid this kind of an incident.

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

**Ms. Draude:** — Mr. Speaker, Randy is still a victim of a crime. He's the father of three and he's facing difficult financial challenges. And these days he's also living in fear because this bank robber is still at large. And he's very upset with the treatment he's received at the hands of the SGI staff. It's one thing to say that you're going to look at it all but it's another thing to send him a bill.

What he wants to hear from you is that he doesn't have to pay \$700 for trying to do what we're supposed to be doing, and that is being good citizens in this province. Will you stand up and tell him that he does not have to pay that \$700?

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

**Hon. Mr. Lingenfelter:** — I say again, the issue here is twofold. The issue is, is he responsible for the vehicle that he side-swiped? I'm telling you no, he is not.

Is he responsible for his own deductible on his own vehicle? We're reviewing the situation. But there's obviously an important issue of fact here as to whether or not an individual who rams another vehicle in trying to stop a stolen car and a thief, should pay their own deductible. We're reviewing that.

But I think the more important issue, to the member opposite, is the comment that I'm sure the police forces — both in the cities and the RCMP — would indicate, that when you're confronted with this, the issue is what would you do if you did get the vehicle stopped and the robber has a gun and you are then going to do what?

The issue here is, call the police and allow the professional people, who we pay and train to do this sort of thing, to do their job.

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

## INTRODUCTION OF BILLS

### Bill No. 745 — The Tommy Douglas Memorial Hospital Act

**Mr. Aldridge:** — Mr. Speaker, I move that Bill No. 745, An Act to rename the Plains Health Centre as the Tommy Douglas Memorial Hospital, short title, The Tommy Douglas Memorial Hospital Act, be now introduced and read for the first time.

Motion agreed to, the Bill read a first time and ordered to be read a second time at the next sitting.

### Bill No. 746 — The Child Protection Act

**Mr. Osika:** — Thank you, Mr. Speaker. Mr. Speaker, I move that Bill No. 746, An Act Providing for the Protection of Children who are the subject of Custody Hearings in Courts of

Law be now introduced and read a first time. The short title of the Act, The Child Protection Act.

Motion agreed to, the Bill read a first time and ordered to be read a second time at the next sitting.

### Bill No. 63 — The Film Employment Tax Credit Act

**Hon. Mrs. Teichrob:** — Mr. Speaker, I move that Bill No. 63, The Film Employment Tax Credit Act be now introduced and read the first time.

Motion agreed to, the Bill read a first time and ordered to be read a second time at the next sitting.

## ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Ms. Hamilton:** — Thank you, Mr. Speaker. Mr. Speaker, in the interest of open and forthright governance, I now table the answer to question 63.

**The Speaker:** — The answer to question 63 is tabled.

## GOVERNMENT ORDERS

### SECOND READINGS

#### Bill No. 46 — The Credit Union Act, 1998

**Hon. Mr. Nilson:** — Mr. Speaker, I'm honoured to rise today to move second reading of The Credit Union Act, 1998. Saskatchewan credit unions have worked in cooperation with this government to put before this legislature a new legal framework that will take them into the next century.

In 1937 the first credit union legislation was enacted by this Assembly. That legislation was enacted to allow Saskatchewan people to establish a source of credit to rebuild the economy and their community. That same year the first credit union was established here in Regina — the Regina Hebrew Savings and Credit Union. The first rural credit union was established at Lafleche shortly thereafter.

In his work, *Deposits Fully Guaranteed*, Dennis Schroeder noted:

... rural credit unions had an enormous impact on (the Saskatchewan) ... economy as, for the first time, people were able to put their own savings to work for their mutual benefit and, at the same time, retain control of (the) ... revolving ... funds within their own communities.

It is in this same spirit and the Saskatchewan tradition of cooperation and community, that this government is proud to present this legislation to the House today.

The credit union movement has grown substantially since its inception. In 1947, 188 credit unions with assets of approximately \$5 million served 31,000 members. Today, 152 credit unions with assets of \$6.24 billion serve a membership of over 500,000.

And in the pioneering spirit of Saskatchewan people, Saskatchewan credit unions are tackling the forces shaping the future. Today's financial climate is, in many respects, as challenging as that faced by credit unions at their inception. Perhaps more than any other part of our economy, the financial services sector is undergoing rapid change. Globalization, advances in technology and home-based computing, and consumer demand for quality, affordable services, are some of the forces shaping the financial services sector.

While Canada's banking industry is looking beyond this country's shores for new opportunities and promoting mega-mergers, many Canadians are asking, is bigger really better? What will bank mergers mean for jobs and the cost and availability of financial services?

This government's response to the prospect of mega-bank mergers is to provide the legal framework that will allow our own community-based credit unions to compete effectively today and tomorrow, and to continue to provide services to urban and rural citizens of this province.

Recognizing there were changes on the horizon, in 1995 this government began an extensive consultative process to review financial services legislation. This process resulted in the passage of The Trust and Loan Corporations Act, 1997 during the last session, and the introduction of The Credit Union Act, 1998, and The Saskatchewan Insurance Amendment Act, 1998 in this session.

From the outset a series of goals have guided the development of this legislation: maintaining confidence in Saskatchewan credit unions, ensuring credit union competitiveness and ability to adapt to market changes, ensuring consumer and depositor protection, encouraging access to financial services and economic development, preserving the cooperative nature of credit unions, achieving elements of consistency with other jurisdictions.

This Bill represents two years of extensive review and analysis and has the following major features. Credit unions can offer services to members and non-members. Credit union investments will continue to be based on the concept of the prudent person. There will be enhanced access to non-member investment capital for credit unions. Members will retain control over credit union affairs.

(1100)

The Act establishes market practice codes and provision for regulations if necessary. Modernized corporate governance processes will ensure that credit unions can benefit from developments in communication technology. The Act provides for out-of-province credit unions to provide services in Saskatchewan. Regulatory roles and responsibilities of credit unions, the Deposit Guarantee Corporation, and the registrar are outlined.

Mr. Speaker, credit unions are seeking a modern approach to business powers in both structure and content that is consistent with modern financial services legislation. This Bill will do that. Mr. Speaker, this legislation will enable credit unions to

compete with other financial institutions while preserving their long-standing tradition of providing excellent service to the people in the communities they serve in Saskatchewan.

Credit unions have requested that they be able to provide services to members and non-members. Providing financial services to both members and non-members reflects the credit unions' renewed vision of working together to build a better community and provide the best financial service anywhere, any time, any way. The decision to provide non-member services will remain with local credit unions and their membership.

Credit unions requested that this government consider a modern approach to investment opportunities for credit unions. Currently credit unions can invest in permitted investments, including investments which satisfy the prudent person principle.

This Bill will incorporate this principle and require that the board of each credit union act as a prudent person would with regard to the type and quality of investments that a credit union selects. In conjunction with this principle, regulations or standards of sound business practice will provide for a list of investments that are either restricted or prohibited.

Additionally, credit unions will be authorized to make substantial investments in only those entities set out in regulations. Currently there is no restriction on the type of subsidiaries that can be owned by a credit union. Adopting a permitted list is consistent with the modern approach to the regulation of financial service providers and the corporations that they control.

Providing for a list of permitted substantial investments also provides a framework within which credit unions will be able to enter business arrangements. Services of these companies can in turn be provided through the credit union to its members and customers.

Credit unions have asked for enhanced access to investment capital for business purposes. The credit union capital structure will be composed of two principal categories of shares — membership and investment.

Membership shares will be issued exclusively to members. New provisions are being added to provide the legal framework for investment shares. However, only the membership can approve changes to the articles to authorize investment shares. Investment shares will not detract from the members' control over credit unions.

Firstly, the cooperative principles in the former Act are retained. These include the fundamental principle of one member, one vote; no proxy voting for members; and membership control over earnings. In addition, the legislation continues the concept that services are primarily provided for the benefit of members.

Secondly, the following provisions respecting investment shares ensure that control of a credit union remains with the membership while allowing for limited participation by investors on the board of directors: membership approval to

issue investment shares to non-members; membership approval to allow non-member investment shareholders, shareholder-directors on the board. A maximum of 20 per cent of the board can represent non-member investment shareholders. No one person will be allowed to hold more than 10 per cent of the outstanding investment shares.

Turning from internal matters of control and membership participation, I come to the relationship between credit unions and their members and customers. Market practice regulation is the term used to describe how financial products are marketed and sold to consumers. This Act will require that a code consisting of rules, and administrative procedures in support of those rules, be developed or adopted by each credit union.

It is anticipated that the credit union system, represented by Credit Union Central, will develop a standard code that will be available for credit unions to adopt. However, each credit union will retain the option of filing its own code or modifications to any standards to tailor the code to its local business. These codes will address important consumer issues such as disclosure to members and customers with respect to products and services, privacy of information, fair sales practices, complaint handling.

Credit unions have pointed out that the concept of market practices is well established within the system and consistent with the credit union's community outlook and overall purpose to serve their membership's interests. For these reasons, credit unions will work closely with the registrar of credit unions and develop the necessary code in support of this new regulatory direction.

Credit unions have asked that extra-provincial credit unions be allowed to operate in Saskatchewan. Presently, out-of-province credit unions can only register security interests, collect on loan agreements, and participate in the Co-operative Superannuation Society. Credit unions ask the fundamental question, why are we denying access to sister credit unions when we are already competing with a multitude of other financial service providers.

Before a credit union from another jurisdiction can be registered in Saskatchewan, the following conditions will apply. The credit unions will be regulated by their home jurisdiction with regards to solvency. Deposits from Saskatchewan residents will be eligible to participate in the home jurisdiction deposit insurance scheme or another acceptable source of deposit insurance. This approach will lay the groundwork for discussions with other jurisdictions in Canada to open their markets to Saskatchewan-based credit unions on a similar basis.

An important aspect of the process leading up to the development of this Bill, Mr. Speaker, was the considerable time and energy spent on examining the regulatory roles and responsibilities with respect to the credit union system.

In Saskatchewan there are three participants in regulation: the credit unions, the Credit Union Depository Guarantee Corporation, and the registrar. This Bill recognizes the important role each plays. Each credit union will establish a conduct review committee composed of board members to be responsible for ensuring appropriate practices and procedures are put in place inside the credit union.

This will ensure that business considerations, combined with the overriding purpose of credit unions to serve members, are the basis on which transactions occur. In addition, credit unions will continue to establish an audit committee which will review the auditing procedures and work in conjunction with the credit union auditor.

The other key participant in the self-regulatory approach taken in this legislation is the Credit Union Deposit Guarantee Corporation or CUDGC. CUDGC is the successor body to the mutual aid board established in the 1950s to maintain confidence in the credit union system. CUDGC manages the fund which supports the unlimited guarantee on deposits held in Saskatchewan credit unions.

CUDGC has most of the ongoing responsibility and authority with regard to solvency matters for credit unions within the legislation, regulations, and by agreements with the government. CUDGC's responsibilities include inspection and monitoring of credit unions. CUDGC plays a key role in developing and enforcing standards of sound business practices governing the activities of credit unions.

This Bill will clarify that CUDGC has the primary responsibility with respect to credit union and system solvency regulations, the ability to accept other regulatory responsibilities delegated to it, such as market practices, and the tools to carry out its mandate.

The registrar of credit unions will continue to work with CUDGC on the development of standards of sound business practice and will retain broad responsibility with respect to CUDGC and its activities and graduated powers consistent with that role. The registrar will continue to monitor the credit union system from a system perspective. The registrar will continue to have direct responsibility for the development and implementation of the market practice initiative within the credit union system.

Finally, Mr. Speaker, but no less important, is the question of credit unions and insurance. Currently the Act contains a prohibition against and the extent to which credit unions can engage in insurance activities. In this Bill the prohibition against insurance activities will be maintained subject to permitted activities in regulations.

In addition, neither the Act nor the regulations will allow credit unions to own insurance brokerages as subsidiaries. Details respecting the permitted insurance activities of credit unions will be contained in insurance business regulations. These regulations will be based on similar regulations in existence under federal financial institution legislation and in other Canadian provinces.

The approach taken in this Bill to this issue is consistent with that found in federal financial institution legislation and other provincial legislation. The most obvious and likely circumstance that could lead to changes to the insurance business regulations would be changes to the rules that apply to federal financial institutions.

However this is not to say that this may be the only

circumstance. Saskatchewan may have cause to examine the regulations as the role of, and policies respecting, deposit-taking institutions change over time. Interested parties, including the Insurance Brokers' Association of Saskatchewan, will have the opportunity to review changes in advance and provide us with their comments and suggestions.

Consultation is an integral part of the regulation-making process in Saskatchewan. This government policy of consultation before regulation changes is one of the key principles of the regulatory reform initiative and the code of regulatory conduct.

I wish to emphasize that the Saskatchewan government is committed to consulting with the Insurance Brokers' Association of Saskatchewan and other parties prior to making material changes to the insurance business regulations. I have given the Insurance Brokers' Association of Saskatchewan my written commitment to give them a minimum of 90 days advance notice of material changes to these regulations. Our government believes that this approach to insurance activities and the ownership of insurance brokerages serves the interests of both the insurance sector and credit unions.

Mr. Speaker, this government will continue to work with credit unions to implement a Saskatchewan approach to the changes that are facing the financial service sector today. Our trust and faith in Saskatchewan credit unions is well placed. Saskatchewan credit unions are forward thinking and community oriented with demonstrated success.

As part of this forward-thinking approach, Saskatchewan credit unions have been at the forefront of finding new ways, including the use of new technologies, to better serve the needs of their members and their communities. Saskatchewan credit unions have a proven track record of customer service and recognize that the heart of their success and strength is rooted in the communities and the people they serve.

Saskatchewan credit unions have asked for a legal framework to ensure that they can continue to provide support to Saskatchewan communities and provide quality, affordable, competitive services with the same spirit of commitment that led to their inception.

Mr. Speaker, I move second reading of An Act respecting Credit Unions.

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

**Ms. Murray:** — Thank you, Mr. Speaker. With leave, to introduce guests.

Leave granted.

(1115)

#### INTRODUCTION OF GUESTS

**Ms. Murray:** — Thank you very much, Mr. Speaker. And my thanks to my colleagues on the other side of the House for extending me this courtesy.

It's always a pleasure to have young people visit this Assembly.

And it's a particular pleasure when these young people come from our neighbour south of the border. So, Mr. Speaker, I am very pleased to introduce to you and my colleagues in the legislature today, 29 grade 6 to 8 students from Fairview School in Fairview, Montana.

They are accompanied by their teachers, Melinda Berkram, who is also their principal, Karen Shaide; their chaperons, Charles Larson and Paul Mueller; and of course they wouldn't have got here without their bus driver, Dennis Duda.

So I thank you for choosing to visit Regina and making this Assembly part of your tour. We welcome you here and hope you enjoy the proceedings. Please join me in extending a warm welcome.

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

**Mr. D'Autremont:** — With leave, Mr. Speaker, to also introduce guests.

Leave granted.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I'd like to join our colleague across the way in welcoming the folks from Fairview, Montana to our Assembly. I've had the privilege to visit Fairview and it's a very nice community.

I hope you find the proceedings very interesting. They're certainly a lot different from what your state capital . . . the manner in which things are done. I've had the opportunity to visit in North Dakota. And while we come both from the British parliamentary roots, we have taken different branches to achieve our government styles, and I hope you find it interesting and informative. And welcome to the Queen City.

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

**The Speaker:** — Why is the Minister of Justice on his feet?

**Hon. Mr. Nilson:** — With leave, to introduce guests.

Leave granted.

**Hon. Mr. Nilson:** — Mr. Speaker, it's my pleasure to introduce two more important people from the credit union system who arrived after I introduced guests before. And I would ask that Mr. Sid Bildfell please stand. Sid is the chief executive officer of Credit Union Central.

And sitting beside him is Mr. Bill Turner, who is the former president of Credit Union Central and has been very instrumental in bringing forth the legislation which was brought to second reading today.

Let's all welcome them.

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

**Mr. Belanger:** — Yes, Mr. Speaker, I ask for leave to also introduce guests.

Leave granted.

**Mr. Belanger:** — Thank you, Mr. Speaker. On behalf of the Liberal caucus, I want to also extend our sincere welcome to our guests from the States and also the gentlemen from the credit union and the ladies as well.

We certainly hope that you learn a lot from the Assembly. And I also want to put a special note to the credit unions that the work that you're doing is most commendable and we certainly look forward to continuing supporting that direction that you're going. Thank you very much, Mr. Speaker.

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

## SECOND READINGS

### Bill No. 46 (continued)

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker, and I want to begin by thanking the opposition for allowing me this opportunity to speak briefly on The Credit Union Act, 1998 as well. My comments today will be more from a personal perspective and I hope not too self-serving.

As a former manager in the credit union system it is with a great deal of pride that I stand in my place to speak in favour of The Credit Union Act, 1998. As the Minister of Justice has just pointed out, the first credit union was established in Saskatchewan in 1937. Three short years later my grandfather, Henry Sonntag, Sr., began organizing, with his neighbours and other members of his community, to start a credit union in Goodsoil, Saskatchewan.

They believed that a community-owned financial institution was the vehicle that would offer them the best service for the future. After six years of organizing, the Goodsoil Credit Union was officially established on September 23, 1946. They, like so many others, began by only offering share accounts. It was and I believe, some number of years before anyone could actually borrow any money and the maximum loan, as I understand it, was for \$50. And that wasn't very easy to get. Now I still have trouble borrowing \$50, Mr. Speaker, but that's another story.

At the end of year one, the Goodsoil Credit Union had an amazing asset total of \$840. By the third year however, this had grown to an astounding \$3,400. At a time when large banks had little time for ordinary people, my grandfather and others continued working with the community, convincing them that neighbour helping neighbour was the way to go and that the local credit union could provide good quality service.

You could always go to the credit union because the people that worked there were almost always local and they understood your needs. And so the credit union continued to strive and grow. In 1956, a grandson, yours truly actually, was born. Less than a year later my grandfather passed away before I ever got to know him, but he started something, Mr. Speaker, that would never die.

In 1979, after much coaxing by several local board members, I agreed to submit my résumé for the position as a manager trainee at the Goodsoil Credit Union. I was fortunate enough to

be the successful candidate. And early in 1980, nearly 34 years after my grandfather started the credit union, I began work at that very same credit union.

Now this may date me just a little bit, Mr. Speaker, but when I started we calculated all of the interest and services charges manually and then posted the results onto the ledger cards with an old posting machine.

As we in the provincial credit union system continued to grow, it was sometimes difficult to keep up with the rapid change. This change required legislative change as well and so in 1985, now as a manager myself, I was able to contribute in a very small way to The Credit Union Act rewrite of 1985.

Our assets continued to grow, and we were now worth nearly \$2 million. As time went by I became more involved in provincial committees of the credit union and the credit union managers association. I met many wonderful people in the system, many of whom are sitting in the gallery today and many of whom remain my very close friends.

By 1988 the Goodsoil Credit Union had grown to over \$4 million in assets. I decided to move, and took on a position at the Meadow Lake Credit Union. As I continued my involvement in the system, my interests in its survival and its future grew. The credit union seemed to me to be the model that served people best. Owned and controlled locally, the profits were returned back into the community. It seemed a recipe for ongoing success.

In 1990 with the moral support, if nothing else, from the Meadow Lake Credit Union, I sought the nomination for the New Democratic Party of the Meadow Lake constituency. In October of 1991 I was elected to this Legislative Assembly and the rest of course is history, as they say.

With the amalgamations taking place in the banking industry, I think there are comparisons that can be made to 1937, when the credit unions were first formed. Credit unions will, in my opinion, be called on again to provide service to many small communities in Saskatchewan where, because of the amalgamations, the same level of service may no longer be provided by larger banks.

To a large degree this is why legislative change is now required. I believe credit unions will see this as an opportunity, and because of their uniqueness will continue to strive and grow.

And so, Mr. Speaker, as I stand here I am sure my grandfather, like so many others from those early days, would be proud to know that his credit union now has assets of over 12 and a half million dollars. I think, and I say this modestly, Mr. Speaker, that he would also be proud to know that his grandson was standing in the Legislative Assembly of Saskatchewan speaking in favour of legislation that would allow his dream to continue and to grow.

Thank you very much.

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

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, it's a

pleasure to stand in this Assembly this afternoon and make a few comments regarding The Credit Union Act that we have before us that's been presented to the Assembly.

As well, Mr. Speaker, as I indicated before, we certainly in the official opposition want to thank the staff and interested parties from the credit unions for their involvement and for giving us an opportunity to touch base with them as well regarding the Act. Because they know very well from our discussions that we had some concerns, that some issues were being raised by other interested groups who felt that the Act might impede their ability to provide a service in their small communities.

What I appreciate, Mr. Speaker, is the fact that credit union members, managers, board members from across the province that I've had the privilege of dealing with, are very cognizant of that fact. They're very aware of the fact. While there's changes in their system, and while they're calling for changes, there are small business that had some concerns and those were brought to their attention. And it would seem to me that a number of those concerns have been addressed.

One of the issues that we were concerned about is the fact that a number of the terms of services were now being moved from legislation into regulation. However, Mr. Speaker, as we are aware of the changes taking place in the banking community, we've heard talks of major bank mergers much larger, I would assume right now, than the credit unions. But also with the fact that the credit unions provide a much needed service in rural Saskatchewan — not just rural Saskatchewan, all of Saskatchewan — but certainly as was pointed out and brought to our attention, a lot of small rural communities have nothing but the credit union to work with.

And certainly in my area credit unions have . . . while they were all individuals, we now see even smaller credit unions working together and amalgamating to form larger bodies so they can provide a larger service to the communities they represent. And, Mr. Speaker, no doubt individual members and credit unions across this province see that as something that was needed. And certainly the membership in our area are quite pleased with the amalgamations that have taken place and the services that continue to be provided.

Mr. Speaker, when I talk about groups that had some concerns, the insurance brokers certainly have raised a number of areas that they felt might . . . their business area might be affected with. I understand this legislation is addressing that. And in chatting with insurance brokers they feel quite comfortable with the legislation as it's currently drafted.

One of the areas I guess when you talk about the fact that it's been a number . . . changes have been . . . will be moved to regulations — and I can appreciate where credit unions are coming from — is that as the change takes place, and if we had everything always confined to legislation, it would certainly be an impediment to credit unions if indeed they didn't have a chance to move right in and work along with the banks or least keep up with the banks.

And so as we chatted with members from Credit Union Central, representatives from the credit union boards, we'd appreciate the reasons why they felt it was imperative that we move

towards setting some of the guidelines into regulations; so that when changes came and the federal Bank Act, they would be there and they'd be able to respond immediately so that they could continue to provide the service that the customers were looking for rather than maybe having to come to governments to look for legislative changes which may take place 12 to 18 months down the road.

Which means that customers would then be torn between do I continue to support my local credit union or do I take advantage of some of the advantages that the banks may have as a result of changes. So in this regard, Mr. Speaker, we certainly don't have a problem with that.

As you can see, Mr. Speaker, as well though however, the piece of legislation before us is very extensive. There's a lot in this legislation. While we've had a lot of discussion, we would like to have some more discussion before we move into further debate on the piece of legislation as it's walked through the Assembly.

And with that in mind, Mr. Speaker, I believe it's only appropriate that I move to adjourn debate.

Debate adjourned.

#### **Bill No. 50 — The Urban Municipality Amendment Act, 1998**

**Hon. Mrs. Teichrob:** — Thank you, Mr. Speaker. Mr. Speaker, Bill No. 50 amends The Urban Municipality Act, 1984. This Bill introduces amendments to assessment and taxation processes and focuses on modest, legal fine-tuning and other adjustments to assessment and taxation provisions.

With the 1997 reassessment now virtually complete, we have identified some adjustments that are required and some additional changes that will streamline the process and respond to the changing needs of municipalities.

Many of these amendments were identified as people worked through the reassessment experience. We are pleased to provide a number of improvements to the existing system. The amendments illustrate our commitment to providing legislation that works for people.

As well, every year a number of administrative issues are brought to our attention by local municipal administration and department staff. These amendments contain changes to a few administrative processes and are in keeping with our ongoing efforts to develop user-friendly legislation.

Since the early 1980s, Saskatchewan has undertaken incremental legislative amendments with periodic comprehensive revisions to individual statutes or to specific subject areas within statutes. This approach helped to keep municipal legislation up to date. However, this incremental approach has its limitations.

Occasionally we need to take stock and consider our directions in a broader sense, Mr. Speaker. In February the Premier announced that a task force on municipal legislative renewal will be appointed to consult with municipalities, stakeholders,

the public, and government departments.

(1130)

Since that announcement, we have discussed the terms of reference for the review with municipal associations and the individual municipalities. The task force will undertake a comprehensive review of directions for the municipal sector and the legislation that pertains to it. It will also consider the province's needs and goals.

We need to define a new provincial-municipal relationship based on shared interests. We need to ensure that municipalities have the ability and capacity to provide appropriate services in the context of province-wide systems and programs. These are the kinds of needs that will define a new relationship and clearly set out provincial interests and provincial municipal roles and responsibilities.

The task force will examine and help to define these new relationships. It will set in motion an exciting process that has the potential to change the future of municipal government.

With that picture of the future in mind, Mr. Speaker, I will now briefly touch on a few highlights of this Bill.

First there is some fine-tuning of some of the legal wording and unresolved concerns on assessment and taxation issues and appeals. One in particular is an amendment permitting towns to create a residential subclass of property assessments for condominiums to address high tax shifts from reassessment.

Other amendments clarify provisions with respect to assessment appeals, requirements for notices of hearings, terms of office, and remuneration for boards of revision. All of the provisions related to assessment will benefit municipalities, boards of revision, or assessment appellates by clarifying some of the provisions and by giving parties to appeal more flexibility.

Another amendment provides authority for a municipality to collect the taxes on behalf of a regional park by agreement, even though the regional park is within a neighbouring municipality.

Another provides a property tax exemption for off-reserve, Indian band-operated schools similar to the exemption provided for school divisions to create a level playing-field.

Mr. Speaker, we are proposed amendments clarifying the application of penalties relating to costs associated with the tax enforcement process, and preventing the removal of fixtures from a building for which taxes are outstanding. Although amendments like this aren't the stuff of headlines, they can improve the efficiency of local administrations.

Lastly, we propose amendments giving the government the ability to adjust by regulation the annual timetable for assessment and taxation. Such adjustments may become necessary as we approach the next reassessment.

This change responds to three significant municipal concerns: the lateness of SAMA's (Saskatchewan Assessment Management Agency) delivery of assessment of numbers for

1997; the limited time which municipalities had available last year to make tax policy decisions; and the financial uncertainty associated with assessment appeals for municipalities and school boards.

Appellants have also complained about insufficient time to appeal assessments. If a change is made in this respect, it will be implemented in conjunction with the next reassessment so that the resulting new assessments are used for taxes in the year 2001.

At this point it is not at all clear whether SAMA and municipalities that do their own assessments will be able to provide sufficiently accurate assessment estimates in advance of the next reassessment. Timely assessments are necessary to permit completion of the required analysis and tax policy decisions, such as relating to percentages of value and tax exemptions. The amendments in this Bill will permit adjustments if they are needed.

Mr. Speaker, these amendments should be supported by all members of the legislature. They are in the best interest of municipalities and all Saskatchewan residents.

Mr. Speaker, I move second reading of Bill No. 50, The Urban Municipality Amendment Act, 1998.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I am pleased to rise today to address Bill No. 50. The minister talked quite a bit about tax adjustments and making some changes to the tax structures brought about because of the reassessments done by SAMA.

There certainly was a lot of difficulties experienced across the province when it came to this reassessment process. A lot of properties went up in their taxation, while others dropped. This caused a shift in the tax burdens, the ramifications of which are still being felt across this province, and certainly there does need to be some adjustments made to it.

Also the minister talked about a new relationship between municipalities and the province. And certainly there has been a new relationship developed over the last couple of years. The provincial government cut \$30 million out of the municipal budgets in '97 and cut a further \$8 million in '98.

I hope this is not the direction the minister is talking about when she talks about a new direction between municipal and provincial governments. Does that mean that the provincial government is simply going to remove their entire allocation towards municipal governments? I hope not, Mr. Speaker. And I hope that the minister will see to it that that does not happen because I know that the minister was at one time a reeve of a rural RM (rural municipality).

The minister talked also about a province-wide interest in a task force that she's proposing to put in place to look at how municipalities can work together on joint-interest projects and how those interest projects will affect the entire province.

Mr. Minister, is this code words for amalgamation? Forced



amalgamation? I hope not, because we have certainly seen how disruptive . . . and how the service has deteriorated with the forced amalgamations in the health care system. It has not been to the benefit of the people of Saskatchewan. It may have been to the benefit of the government, but not to the people of Saskatchewan.

Because we have all these questions, Mr. Speaker, in dealing with this particular Bill, in dealing with the possibilities of task forces that are aimed at forced amalgamations in this province, I would move that we adjourn debate.

Debate adjourned.

**Bill No. 51 — The Rural Municipality  
Amendment Act, 1998**

**Hon. Mrs. Teichrob:** — Mr. Speaker, Bill No. 51 amends The Rural Municipality Act, 1989.

Mr. Speaker, this Bill is consistent with many amendments that are proposed for the urban and northern municipal Acts in this session. It adjusts and improves upon some amendments that were introduced in 1996 and 1997 respecting assessment, assessment appeals, and taxation processes.

As mentioned in my earlier remarks regarding amendments to The Urban Municipality Act, we propose to amend the assessment and taxation provisions by including authority to change, by regulation, the annual assessment and taxation timetable. This change could allow municipalities to complete their assessment procedures the year before they levy taxes on those assessments. This procedure will only take effect if, closer to the next comprehensive reassessment, it is required.

Some concerns of an administrative nature have been expressed about the assessment and taxation timetable by the rural municipal administrators association. We will continue to consult closely with all municipal associations on this matter and will only make the change if it becomes absolutely clear that all necessary information and decisions cannot be finalized in time for the next reassessment.

The provisions in the Bill that relate to assessment appeals will benefit municipalities, boards of revision, and assessment appellants. Another amendment provides authority for a municipality to collect taxes on behalf of a regional park by agreement, even though the regional park is within a neighbouring municipality. Another provides a property tax exemption for off-reserve, Indian band-operated schools similar to the exemption provided for school divisions to create a level playing-field.

Similar to the other municipal Acts, some changes to legislation are brought to our attention by local municipal administrators. This Bill contains several changes to administrative practices in keeping with our ongoing efforts to maintain up-to-date legislation for municipalities.

These amendments include: clarifying the application of penalties relating to costs associated with the tax enforcement process, and preventing the removal of fixtures from a building for which taxes are outstanding; providing a licensed owner of a

mobile home the same voting privilege as an assessed owner of an improvement; allowing RM councils to impose a special charge for specific services and to set tax penalty rates and other matters that will improve the efficiency of local administration.

Mr. Speaker, these amendments are in the best interests of rural municipalities and all Saskatchewan residents and I ask that they be supported by all members of the legislature.

Mr. Speaker, I move second reading of Bill No. 51, An Act to amend The Rural Municipality Act, 1989.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Again we're dealing with another one of the municipal Bills that is a result of the reassessments and the changes to SAMA that occurred over the last couple of years, which created, as I said earlier, a great deal of difficulty with the tax shifting from one piece of property to another. There certainly needs to be some changes made there, Mr. Speaker, but people do have some concerns about how those changes are going to be made and who they're going to affect.

When you talk about, Mr. Speaker, talk about taxing ratepayers to support a regional park in another area, there certainly may be some benefit to that because people throughout the whole region do gain benefit for that, but sometimes you have to wonder just how far afield are you going to go to try and collect those taxes. Are you going into regions that are not utilizing the services provided by those regional parks?

So I think, Mr. Speaker, there are a number of questions here that need to be dealt with. As the minister said, the rural administrators have some concerns here. We believe they need time to assess the particular piece of legislation before it is debated and carried forward in this House. Therefore I would move that we adjourn debate.

Debate adjourned.

**Bill No. 52 — The Northern Municipalities  
Amendment Act, 1998**

**Hon. Mrs. Teichrob:** — Mr. Speaker, Bill No. 52 amends The Northern Municipalities Act. The Northern Municipalities Act is a major piece of legislation setting out the powers, duties, and responsibilities of our northern municipal governments.

Mr. Speaker, in general terms this Bill contains many provisions that are very similar to those in the amending Bills pertaining to The Urban Municipality Act, 1984, and The Rural Municipality Act, 1989, which have just been described. Many of the amendments relate to assessment and taxation provisions and other matters respecting the administration of municipalities.

Mr. Speaker, my remarks respecting the amendments to The Urban Municipalities Act, 1984, have addressed those issues. Because the details are described more fully there, I will just focus on the amendments that are specific to the North.

Mr. Speaker, a unique amendment in this Bill provides new authority to establish a Northern Revenue Sharing Trust Account Management Board. The purpose of this board will be to advise the minister on allocation of northern grants and to make recommendations for future funding.

This is a new approach that gives northern municipalities an opportunity to have direct input into the application of funds in the northern revenue sharing trust account by allowing northern municipalities to make recommendations for changes in the northern grant programs funded from the NRSTA, as it is known.

This will be a welcome change for Northerners. It follows a number of discussions with the Saskatchewan Association of Northern Municipalities, or New North, as they are commonly called. By making these changes in legislation, the arrangement will enjoy more permanence and stability.

Mr. Speaker, I respectfully urge members to join me in support of this Bill which will further enhance and improve the development of our municipalities in northern Saskatchewan.

I move second reading of Bill No. 52, The Northern Municipalities Amendment Act, 1998.

Thank you.

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

(1145)

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I will not attempt the title.

Mr. Speaker, again, as across the rest of Saskatchewan, the assessments and reassessments have caused a great deal of difficulty, and it's a good thing that the government is taking a look at reviewing this on how it's done because it certainly is needed.

When you come to dealing with the sharing of the trust accounts, Mr. Speaker, and northern grant programs, I think it's important that the stakeholders be thoroughly consulted and that they be given the opportunity to express whether or not the program . . . the Bill actually addresses the needs and concerns that they have in relationship to the allocation of these grant programs, and exactly what they're being funded and how it's being funded and how it's determined which projects will actually receive any of the money.

I think it's very important that Northerners should have an opportunity to have some input into that, but they also need an opportunity to express whether or not this Bill does deliver that in the terms that they require, Mr. Speaker. Therefore I would move that we adjourn debate on this particular Bill.

Debate adjourned.

## ADJOURNED DEBATES

### SECOND READINGS

## Bill No. 32

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Scott that **Bill No. 32 — The Wildlife Amendment Act, 1998** be now read a second time.

**Mr. Heppner:** — Thank you. I'm sort of on my feet the way people were with their pronunciation there just a minute ago.

The official opposition agrees, Mr. Speaker, with the general intent of this Bill. We have seen several areas of concern that we wish to address, Mr. Speaker.

As the minister pointed out, this Bill basically does three particular things. It increases the maximum fine for all major hunting offences to \$100,000. It strengthens — this is the second one — it strengthens legislative references to night hunting. And it strengthens the Crown's power to seize and cause forfeitures of articles involved in hunting offences such as vehicles.

Clearly all of us in this Assembly should be concerned about growing problems with night hunting and other hunting offences. Our province's natural resources are a vital part of our environment, our tourist industry, and our overall quality of life. Mr. Speaker, it is a valuable commodity that we must protect at all times.

Many people talk about hunting as an integral part of the native way of life, and that is probably certainly true. In addition, I think we should all acknowledge that hunting and fishing are a similar part of the rest of Saskatchewan's way of life — no matter whether you are native or non-native.

That way of life has increasingly come under attack as poachers, night hunters, animal parts exporters, and other hunting criminals kill off our wildlife in an unethical and unsustainable way. To that degree, we certainly support what this Bill's attempting to do. However, there are several areas where we believe it needs improvement.

Since this Bill was introduced and first debated, a new court ruling has come out regarding Metis hunting. It is vital that the impact of this ruling is fully reflected in the provisions of this Bill, Mr. Speaker.

As our caucus has previously noted, the original Act described a range of penalties for different sorts of offences. Some incurred fines of up to \$500 while others went up to as much as \$25,000. I think, Mr. Speaker, we can all agree that in many cases those maximum fines were clearly too low, which is supported by the fact that other jurisdictions already had much higher penalties than we had here in Saskatchewan.

None the less, the approach of this Bill seems peculiar. Instead of creating a new range of fines, it simply jacks them all up to a maximum of \$100,000. Our caucus still remains to be convinced that this one big fine approach is the best way to handle infractions. You have to wonder if some of the minor offences or first offences that are now going to be covered by this 100,000 limit really deserve it.

As legislators, Mr. Speaker, we always have to be mindful to

ensure that the penalty fits the crime. Our caucus is not convinced that this Bill accomplishes that goal. At a minimum, our caucus will want to hear assurances from the government in committee that this Bill will be accompanied by regulations that will spell out a definite schedule of the penalties within that \$100,000 upper limit.

This is especially important because fines and penalties like this are often subject to abuse at the enforcement level. While we want to do everything we can to ensure that illegal hunting is stopped, none of us would want to see law-abiding hunters being harassed by the provisions of this Bill. It is this kind of bureaucratic abuse that has made firearms legislation such a flashpoint and we don't want to see that sort of a thing repeated here.

The official opposition also wants to take this opportunity to repeat our call for a complete and unequivocal end to night hunting. We appreciate that the government is trying to do something about it in this Bill. However, it is still uncertain whether they have the cooperation of the Metis community in enforcing it. More can and should be done to ensure this dangerous and abusive practice is eliminated.

Finally, Mr. Speaker, I want to touch on the provisions that increase the Crown's power to seize and expropriate vehicles and other articles that are involved in night . . . in hunting crimes.

Again, this is an important power to have when dealing with criminals, but we have all heard horror stories of one hunter or another who got involved in a minor hunting infraction or who was accused and later cleared of an infraction who none the less had his vehicle impounded for a long period of time.

As I mentioned earlier, Mr. Speaker, whenever we look to punishing criminals, we have to be sure that we are not punishing innocent people at the same time, and we would like to review all of these concerns again in the Committee of the Whole. But at this time we see no reason to delay second reading passage of this Bill. Thank you, Mr. Speaker.

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

### Bill No. 33

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Nilson that **Bill No. 33 — The Provincial Court Act, 1998** be now read a second time.

**Mr. Heppner:** — Thank you. I would like on this particular one to reiterate the importance of this particular piece of legislation. It is a Bill which deals with the appointment, compensation, and in turn the independence of a judiciary. I think this is becoming very important in our province as we've seen some concerns in these areas voiced by the public of the province.

This legislation therefore is crucial because it is clear that the people of Saskatchewan have lost faith in this government's justice system. And I think that's been very indicative by the various meetings that have happened across this province. But,

Mr. Speaker, although this Act is important I would like to make the point that this government's actions speak louder than words.

Mr. Speaker, they put this Bill before the Assembly to create an independent commission to determine compensation levels for judges. Sound good? More important, doesn't that sound familiar? Doesn't the previous minister of Justice create . . . or didn't they create a similar commission? Sure he did.

But what did he do when that commission put forward recommendations that his government didn't like at that time, Mr. Speaker? Well, Mr. Speaker, I'll tell you and the members opposite exactly what he did. He got rid of it. Interesting, Mr. Speaker. This government seems to shop around for commissions like they shop around for lawyers.

And the result of this government's actions, Mr. Speaker, was a potential court battle between the government and provincial judges. Certainly this created a rift between the two arms of government, a breach of trust that will take some time to repair.

So although we are pleased to see the members opposite are giving this commission another go, we have very little confidence that we won't find ourselves passing new legislation next session to create another new commission because this government may decide they're not happy with this one.

That is why I say, Mr. Speaker, that actions speak louder than words. And that would be a lesson well learned for this government. Judicial independence is simply too important a principle to only pay lip-service to. I would also like to say, Mr. Speaker, that besides judicial independence, the other important issue we must discuss whenever we are discussing appointments this government has to say, is patronage.

I do have some concerns that what may be a minor change in this legislation gives the government an ability to appoint judges who plan to retire after two years. Now that on its own may not sound too serious, but I certainly have some questions about the section of this Bill which shortens the requirement period for life pension to two years. This could be a powerful loophole for the government, and on behalf of the people of Saskatchewan I want to ensure that isn't the case.

But certainly, Mr. Speaker, these questions I have just raised can be raised further in Committee of the Whole.

Thank you.

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

### Bill No. 36

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 36 — The Vital Statistics Amendment Act, 1998/Loi de 1998 modifiant la Loi sur les services de l'état civil** be now read a second time.

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

## COMMITTEE OF THE WHOLE

### Bill No. 27 — The Public Service Act, 1998

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

**Hon. Mr. Calvert:** — Thank you, Mr. Chair. Today we're joined by Mr. Rick McKillop at my side, who is the executive director of the employee relations division of the Public Service Commission. Just behind Rick, Mr. Darryl Bogdasavich from the Department of Justice. Immediately behind myself, Wynne Young, who is the Chair of the Public Service Commission. And seated in the back is Nancy Croll, a policy adviser with the Public Service Commission.

#### Clause 1

**Mr. Heppner:** — Thank you. Welcome, Mr. Minister, and to your officials. On The Public Service Act we do have a number of questions, and a lot of those are matters of interpretation. We would like to ask a few of those.

The summary that accompanied the Bill, Bill 27, made some rather bold pronouncements and I'll quote a number of lines first then ask a question that comes out of that:

This new Act is required to facilitate the process of human resource management transformation, a process currently under way which will ultimately redesign the human resource management function with respect to governance, structural design, and with changes to systems and processes.

And the question coming out of that quote, Mr. Minister, is the following one. Define exactly what is involved in this human resource management transformation.

(1200)

**Hon. Mr. Calvert:** — Thanks, Mr. Chair, to the member for the question. There's a rather lengthy response in fact to the member's question. I will try to highlight it. But when we speak of a human resource management transformation, we are talking about a broad subject here and there are many, many facets. Through 1996, 1997 we conducted a rather broad review of human resource functions across government generally.

That articulated division within the public service and the Public Service Commission, which then was put to paper and described as a picture for the future of human resource management. Here are some of then the principles of what we would describe as the management transformation.

We would talk about human resources as a management partnership integrating an alliance to support strategic goals of public service. We would want to develop further line management of accountability where managers are provided more responsibility and therefore more accountability for the management of human resources in their specific areas in government or departments.

This vision talks about continuous learning for the public

service, and to begin to view learning and development in the public service, to see it as valued and to see it also as an investment in the future. Understandably I think the member will understand we're always in search of less costly, more efficient processes for our human resource delivery systems.

With the changing technology that we're all aware of and involved in, we want to see that technology as a real enabler to our public service. And to be sure that our information technology, that IT, is nicely aligned with timely decision making and what is essential to the work.

We want to emphasize again some of the very fundamental principles and values, and that to be sure that those principles and values become the basis for decisions.

We want to see again a re-emphasis in terms of management transformation partnership with our unionized workers within the public service, human resource competence. And we want to be sure that we are in partnership with all of our professionals within the public service. And again, part of that vision is to capture the representativeness of the general Saskatchewan population within the public service.

I know it's broadly spoken, and we could provide the member a copy of the vision and some of this material if you would be interested in it. That's broadly spoken, what we're talking about when we talk about human resource management transformation.

**Mr. Heppner:** — Thank you, and I realize, as I said when I read the question, it was a fairly involved one, so no problem with the length of the answer. It needed to be that.

In section 3(d) there's a statement made that the purpose of the Act will be, and I quote again, "to strive to develop a public service that represents the diversity of the people of Saskatchewan." And I guess essentially it's the concept of the diversity of people of Saskatchewan — what is meant by that specifically? Who's going to define that one? Because I'm sure each one of us has different definitions of it. And is it going to be based on race, sexual preference, age, other factors? And will this ultimately, once that has been done, lead to a type of quota system for public service jobs?

**Hon. Mr. Calvert:** — When we talk about diversity in the public service it is in a twofold sense. We want to, on one hand, recognize within our public service the diversity of Saskatchewan's population; so that we would look towards the kind of equity things that we've talked about before, we may talk more about today — to be sure that within our public service we recognize the diverse races and cultures and so on of our population generally.

On the other hand, diversity in the workplace also says to us that within the workplace itself we want to recognize the diversity of those who are public servants in our province, recognizing each others' differences, making sure that this is a fair and equitable workplace for all who will come therein.

We have, as you know, an ongoing employment equity policy that has targeted four groups. Those being women in management and non-traditional roles, persons of aboriginal

ancestry, persons of visible minorities, and persons with disabilities. I would hope as minister that our public service could reflect in its diversity those groups in some appropriate match to their representation in the population. It doesn't mean that there's different requirements for any particular position.

The qualifications for positions are established in a different way. Equity seeks to bring those under-represented groups into more representation within the public service and thereby reflect the diversity in the province.

**The Deputy Chair:** — Why is the member for Lloydminster on her feet?

**Ms. Stanger:** — With leave, to introduce guests.

Leave granted.

### INTRODUCTION OF GUESTS

**Ms. Stanger:** — I want to thank the member opposite for allowing me to introduce my family. I'd like to introduce some four very important people in my life, my grandchildren. Would you stand when I name you, please? Desiree, Sonia, Alex, and Bjorn, the youngest one; my youngest daughter, Denise, and her husband, Scott.

They have taken the day off from teaching in Duck Lake and have come to the legislature to watch proceedings and to visit and see my office. And my oldest daughter, Dawn, also joins them. And I'd like to welcome all of you to the legislature today and ask the members to welcome them also.

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

### COMMITTEE OF THE WHOLE

#### Bill No. 27 (continued)

#### Clause 1

**Mr. Heppner:** — Thank you, and if I may, I'll just sort of add a little welcome there as well. Having taught at Duck Lake, it's always good to find someone else that's been there. I've heard about those grandchildren many, many times, having spent a long trip with their grandmother at another time.

Mr. Minister, I believe in the answer that you've stated, and I'll give you a chance to clarify this, you said something that went something like this: that you're going to redefine the qualifications needed for a job to ensure that this affirmative action program can work. Did I understand that correctly or at least in meaning?

**Hon. Mr. Calvert:** — I'm glad that the member raised that because it was just the opposite. Just the opposite. That the qualifications for any position within the public service, the qualifications for the position are established by what is required in that particular position. Qualifications are established quite outside of any equity initiatives.

Then after the qualifications are established, equity

considerations may be given to filling that position. But for the position to be filled, it must be filled by a qualified applicant. If I can give an example, we're now establishing an office of disability issues. I think it would be understandable that we would see that as an equity position within government where some or all or a portion of those who will be at work in that area would have, would be a person with a disability. But the qualifications for the work are described without reference to who might fill the position. So the qualifications are set outside of equity.

**Mr. Heppner:** — Thank you. It seems that we're going to end up in a bit of a problem situation because on the one hand, government seems to have an intention to develop some directions as far as affirmative action hiring is concerned. On the other hand, we've just been told that the qualifications for the job are . . . sorry, the only criteria that are there, and government will always hire the best qualified person.

I personally happen to think that any of the, I believe it was four groups you mentioned, should be as able and have the qualifications and could do those jobs as well as anyone else could. And therefore to go ahead and even verbalize that always puts into suspect whether, when you're doing the hiring, you are actually hiring the best qualified person.

And I think you can find each one of those four areas without specifically saying we're going to do this, and we're still going to hire the best qualified person. I think we're walking down two different roads at the same time.

However in the list of definitions for the Act, the definition for war veteran, which was included in the previous Act, has been dropped. And I'm wondering why that was done. I believe in the past there was some very good reasons why that was put into place. And I'm wondering what the thinking is that that has been removed?

**Hon. Mr. Calvert:** — Mr. Chair, all members today had an opportunity, thanks to the member opposite, to again be reminded of the importance of the veterans, particularly those who fought in the second war, some still from the first war, some from the Korean War, and so on.

As the son of a veteran and an active member of the Royal Canadian Legion, in fact I was, I much appreciated what your caucus did today. In terms of The Public Service Act, the clause which identified as a specific category of individuals war veterans, was put in place immediately after the Second World War when many of the vets were returning, many of them young, of course. And there was some real need in those days to seek re-employment opportunities for the veterans as they came home.

As the member I think will recognize, the number of veterans from that conflict is now growing smaller, and certainly they are growing much older. And very few of that generation of Canadian war veterans would today be making any application for the Saskatchewan public service, given that it's now 53 years since the armistice was signed in May 1945. Most of those who are now in their 70's are not actively applying for positions within the Saskatchewan public service.

Equally, at that time we routinely used in the public service in those days, in the '40s, late '40s — and remember we're dealing with a Bill that hasn't been amended essentially since the '40s — we used to use what . . . or the commission used to use what were called employment examinations. We had such things as employment examinations to determine who were eligible to work in the public service and which employment examination used to inquire about military service and overseas service and so on.

Those employment examinations are no longer used and so the specific reference in the Act to war veterans is being taken out. Now that is not to say that when we are in the process of receiving applications for positions in the public service, of course we invite résumés, and anyone who has had experience with the Canadian military, that would become a significant part, I believe, of their résumé in seeking positions now.

**Mr. Heppner:** — Section 12, Mr. Minister, deals with the issue of allowing the Public Service Commission to delegate its powers. And that's always rather an interesting concept when a commission delegates its powers. And I guess I have two questions on that particular section and the delegation of powers.

One is, in what way do you foresee that that's going to improve the functioning of the commission? And the second part is, does the commission maintain responsibility for the actions of whoever or whatever is delegated to fill in?

**Hon. Mr. Calvert:** — This is a crucial question the member raises. It may be the most crucial question which is at the heart of some of the change which is happening as a result of these changes. This is a very crucial issue.

By delegation, point number one, the commission does not in any way delegate its ultimate responsibility for the public service of Saskatchewan. Accountability and responsibility will remain with the Public Service Commission.

And what is meant by delegation is to provide greater flexibilities for departments and managements and human resource folks in the departments, to make decisions — to make decisions. To reduce what has become over the years a huge, a huge bureaucratic chain for decisions to be made within government around human resources.

And so the concept is we will provide to those people who are actually at the front lines or closer to the front lines in the department, responsibility for making decisions in terms of hiring.

Now I can give you an example. In some circumstances if you want to get a maternity leave with government it has to be approved by about 32 people all the way up and then all the way back down, for something as simple and as is guaranteed within contract and so on as a maternity leave. It's that kind of thing we want to smooth out.

However your question is absolutely crucial because in delegating this, responsibility and accountability must be maintained by the Public Service Commission. And so what we will do before any process of delegation is undertaken is that

the commission will work with whichever particular department in question, and create between the commission and the department what we will describe as a service agreement, which will absolutely ensure that expectations and standards are outlined.

(1215)

And results will be monitored for compliance, and should we find a circumstance where the standards and the expectations are not being met, then that service agreement would be severed and we would take the appropriate steps.

So I want to make it very clear that in delegating, the commission is not delegating either its responsibility or accountability. We are trying to find a more efficient, and we think more attuned human resource mechanism for the late 1990s and the early 21st century.

**Mr. Heppner:** — Thank you. And I think that covers most of what I was asking but probably not all. To the extent . . . and I think the example that you gave is fairly impressive, that you have to go through a number of dozen of okays to get that particular leave you were referring to. And to the extent that it lessens red tape, I think we support that.

My next question comes out of sort of the last part of what your answer included, and that was that a delegation could be revoked if someone who's been delegated abuses that position. Is there any other disciplinary action that the commission can take simply just in saying well, your delegation of authority has now been revoked and you're back to where you were before?

**Hon. Mr. Calvert:** — Mr. Chair, my officials assure me that if a circumstance arose — which we would hope and pray would never arise — but if a circumstance arose where someone having received the delegation of authority abused that circumstance or did something totally inappropriate, of course there would be other further disciplinary measures in the ordinary course of discipline of either in-scope or out-of-scope people.

We would not anticipate that happening, but if it did happen the commission would take what I think would be the appropriate steps.

**Mr. Heppner:** — Thank you. And I guess that question sort of came out of what has happened with SaskPower where people were delegated authority to sell things and do things and we know that that just ran very badly amuck. And hopefully none of this would happen on that same scale, but still the concern is there.

Moving on to section 14(2), and again I'll quote briefly from it and then come up with a question:

Before making the regulations, the commission may allow any trade union representing employees in the public service to review and comment on the proposed regulations.

And that seems to be rather special privilege where you picked one group out of society and said, you can go ahead and tell us

what you think of the changes to regulations. And I'm wondering why is it necessary to give the unions what seems to be a special privilege because they've been isolated and identified.

**Hon. Mr. Calvert:** — Just to note with the member that, point number one, this section of the Act speaks only of those trade unions which represent employees in the public service. And so we are here talking about public service government employees, not extending that to other trade unions. Secondly, the same kind of privilege would be naturally extended to management.

Thirdly, this provision is not new; it has been in the Act for many years. We do believe that we will build better regulations for the government and the public service if we do in fact consult with those who are organized workers, those who are out-of-scope workers, and those who are at senior levels who will be recommending and making some of the regulatory change.

There's no change here in what has been the practice. The section only of course commits to giving opportunity for comment. There is no sense of veto built into this provision, and it's only extended to those public servants who are unionized within the Saskatchewan public service. We extend the same kind of a consultative process to out-of-scope people.

**Mr. Heppner:** — Continuing down that same road to some extent. I guess the question is why did we not expand that clause so that more stakeholders in the Public Service Commission could have some input. And I'll give an example.

Public service regulations affect who is hired into the civil service — and we know that; we've talked about it already this morning and afternoon. This would affect college graduates who may be preparing for a public service career. Maybe the post-secondary education community who is looking at that area very definitely should be given an opportunity to have some input in those regulations as well.

**Hon. Mr. Calvert:** — In doing this, the work of the Public Service Commission, which is essentially providing for the staffing of government departments and programs, we do, not through the mechanism of consultation around specific regulations that will be attached to the Act, but in what we do generally, the commission does in fact consult with the broader public. That will happen through the elected folks of course, but it also happens through the commission. And the example you raise is not a bad example.

For instance, if our universities or our technical schools are developing co-op programs, then we will be in contact. We'll work with them to see if there is a relationship between some of the co-op programs and the training institutions and the universities and opportunities that we might provide in the public service. So that kind of consultation does go on.

We're not regulating or legislating that it would happen in terms of specific regulations to the Act. They tend much more to apply to the actual functioning of those who are at work in government and those who manage government.

**Mr. Heppner:** — Thank you. We're discussing right now the

discussion with the various stakeholders before passing regulations, and the one I mentioned was one in addition to the unions. And I guess I'm just a little concerned about sort of enshrining the unions in that area.

Now you did mention that unions would not have a veto over every regulation. But in spite of that fact, as we well know, unions are frequently known to pursue political agendas because there're very political animals. So by the inclusion of that clause, it would seem to the public I believe to diminish what should be the appearance of the commission to be very politically independent, and it doesn't do that at that point.

**Hon. Mr. Calvert:** — Two things, Mr. Chair. The provision that we're discussing right now has been in the Act since 1947. This is not a new provision. It's been there since 1947. Over these 51 years it has not been a problem or an issue.

I also, point number two, would ask the member to remember that in the in-scope employees of government, their trade union is their legal representative who speaks on behalf of the employees. And that is only appropriate, it's only right, and in fact it's the law. And we want to have the opportunity to communicate and consult with our employees. Their trade union is their legal representative body.

It just seems to me entirely appropriate therefore, and it has seemed for the last 51 years to be appropriate, that this provision be part of the Act.

**Mr. Heppner:** — Thank you. Moving on to section 36, and I'll again make a quote from there. In section 36 it states that the commission may, and I quote: "engage the services of or retain any technical, professional or other advisers, specialists or consultants that the commission . . . (may deem) necessary." And I would like to know how this coordinates with section 12, the section on delegating powers, once these outside contractors are retained. Are they then eligible to have the commission's powers delegated to them and is there any danger in allowing these short-term employees to exercise the authority of the commission?

**Hon. Mr. Calvert:** — That's an appropriate question, Mr. Chair, in my view. The answer clearly is no. No, there could not be delegated to any contracted agency the powers of the commission. The delegation of the powers of the commission must go to the designated head of a government department or agency. It could then be designated by that chief or deputy minister to someone else within that department. But there could not be a circumstance where we would delegate authority or power to a contracted body.

**Mr. Heppner:** — Thank you, Mr. Minister. And that concludes the questions that I have on Bill No. 27. And thank you to your officials as well.

Clause 1 agreed to.

Clauses 2 to 43 inclusive agreed to.

Schedule agreed to.

The committee agreed to report the Bill.

## THIRD READINGS

**Bill No. 27 — The Public Service Act, 1998**

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

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

(1230)

## COMMITTEE OF FINANCE

**General Revenue Fund  
Public Service Commission  
Vote 33**

**The Deputy Chair:** — Before I call the first item I will invite the minister to introduce his officials.

**Hon. Mr. Calvert:** — Mr. Chair, again we're joined by Wynne Young, who is the Chair of the Public Service Commission, now at my side; behind Wynne, Sharon Roulston, who is the director of the administrative information and services division of the Public Service Commission; directly behind me, Mr. Rick McKillop, the executive director of employee relations division; and just at the back, Ms. Nancy Croll, who is our policy adviser.

## Subvote (PS01)

**Ms. Draude:** — And welcome to your officials, Mr. Minister. I have just a few questions to ask you today. I'm wondering if you can tell me how many people are now in the public service and how this number has changed from last year?

**Hon. Mr. Calvert:** — Mr. Chair, these figures are as of March this year, 1998. The actual total, and this includes permanent, temporary, part time, casual, and labour service employees, the entire workforce, March 1998: 10,136, compared to March of 1997: 10,004. And so there will have been a growth in the period of 132 positions. But again I repeat, that may be part time, that's the entire public service.

**Ms. Draude:** — Mr. Minister, the budget for the Public Service Commission is going to go up by about \$200,000. Can you give me an idea of where this extra expenditure is going?

**Hon. Mr. Calvert:** — This, Mr. Chair, is essentially in three areas. The largest area would be in labour relations, working to build what we believe is a strengthening and growing union-management committee structure, interest-based bargaining, some of the resources going there.

Some will be going into new resources to management development, education and development. And some of it is going into information technology around the year 2000 problem in the computers.

**Ms. Draude:** — Mr. Minister, under the employee relations subvote, the operations expenditures are nearly doubling. Can you first explain to me what this particular . . . what role this particular office actually plays and why the budget is doubling

this year?

**Hon. Mr. Calvert:** — I would ask the member if she could provide a little more clarity. In our summary of expense, employee relations last year was at 2.087 million; this year 2.3 million — the 200,000, or thereabouts that we just talked about. That's not a doubling at all, that's the increase of about 200,000, little better — 300, not quite.

**Ms. Draude:** — I said it like a man, so here I am, apologizing. I believe a couple of years ago when the government unveiled its early retirement program there was a number of individuals took part in that. Can you tell me how many government employees actually took advantage of this program?

**Hon. Mr. Calvert:** — Mr. Chair, we have the figures for '97-98 if that will suffice for the member. Those who took advantage were . . . employees retired, 101 people took early retirement in '97-98.

**Ms. Draude:** — How many were actually eligible under this program?

**Hon. Mr. Calvert:** — We wouldn't have, Mr. Chair, I think exact numbers of those who would be eligible, total, to the public service. The criteria for this early retirement is essentially twofold. It requires years of service plus age to equal 80, and it also requires that a position is being eliminated or abolished from the public service.

And so only in that circumstance, where your position is being abolished, or in fact a position could be traded for your position, but only where a position is abolished is an early retirement position then opened.

And so it's not a voluntary early retirement where anyone who desired early retirement could step forward and take advantage. It had those two criteria — age plus years of service equalling 80 and a circumstance where a position was being abolished.

**Ms. Draude:** — So then in order for the 101 people to actually retire early there must have been a lot of positions that are no longer required, or what happened in that area?

**Hon. Mr. Calvert:** — That is correct. There will have been then 101 positions. And again we're here speaking government wide, but that would be correct. Through changes in programing, changes in departments and so on, those 100 positions will no longer be in the public service.

**Ms. Draude:** — I believe the staffing and development component of the Public Service Commission is charged with developing the government's employment equity program. Is it also overseeing the pay equity development issue?

**Hon. Mr. Calvert:** — Mr. Chair, no. Staffing and development — although every segment of the Public Service Commission will have interest in the pay equity issues in question — staffing and development are not particularly charged with the pay equity issues. In government generally we have focused the centre of the pay equity issue in the Women's Secretariat, who oversee the pay equity issues from the Women's Secretariat.



The Public Service Commission has involvement in pay equity, particularly through the process that we've adopted as government, and that is to negotiate pay equity through our negotiations with the public sector unions. That process falls to, essentially, to the Public Service Commission, the process of negotiation, the process of developing the class plans that bring about pay equity.

And we've been very hard at work, across government, the commission has been very hard at work, working with departments to bring forward pay equity. We've now seen a number of our workplaces reach pay equity. And we're working very hard with our very largest representative employee body, the SGEU (Saskatchewan Government Employees' Union), at achieving that equity government wide.

**Ms. Draude:** — In terms of the hiring policies of government, can you tell us the changes in last year in terms of the percentage of women that are in the Public Service Commission?

**Hon. Mr. Calvert:** — Mr. Chair, here are the current numbers for the four criteria which I identified in some earlier discussion. Here we talk of women in management of the public service — not women generally in the public service, but women in management — now represents 35.2 per cent of the public service.

Women in what would be described as non-traditional positions, i.e., positions not traditionally filled by women, now is 19.2 per cent.

Visible minorities represented in the public service, 2.5 per cent. Persons with disabilities, 3.1 per cent. And people of aboriginal ancestry, 7 per cent.

**Ms. Draude:** — Mr. Minister, does the government have a goal that it is trying to reach for each of those areas?

**Hon. Mr. Calvert:** — Mr. Chair, I should have done that while I was on my feet. Again, to go through the categories, and maybe I'll lay the numbers side by side because they indicate we have made progress; they indicate equally that we have much distance to travel.

Women in management now at 35.2 per cent, our goal would be 45 per cent. Women in non-traditional positions, now at 19.2 per cent; our goal would again be 45 per cent. Visible minorities, now at 2.5 per cent; our goal would be 5.1 per cent. Persons with disabilities, 3.1 per cent now; our goal would be 9.7. And persons of aboriginal ancestry, now at 7 per cent; our goal would be 12.2. And our goals essentially are set around the demographics of our province, trying to match our public service I said, to represent the diversity of our province.

The employment equity program has been in place since 1989 I believe. We've done some tracking since 1991. We have seen improvement as I say, but we have not reached our goals. For instance in 1991, persons of aboriginal ancestry represented only 2.9 per cent of the public service. We're now up to 7 per cent. We're headed in the right direction. We haven't set sort of a target completion date, except every year we want to see these figures becoming better.

**Ms. Draude:** — Mr. Minister, for some time we've been hearing about the government's grand scheme for pay equity. Can you give us a update of where you're at right now with the introduction of pay equity?

**Hon. Mr. Calvert:** — As I indicated a little earlier, Mr. Chair, we have chosen as government to work through the negotiating process with our representative trade unions and management to achieve pay equity in the various workplaces that are in the public sector, and here I refer also to the Crowns, the agencies, and to the direct departments of government.

We have concluded those negotiations and arrangements now with the Workers' Compensation Board, with the Saskatchewan Gaming Corporation, and with SaskEnergy.

(1245)

We have completed work around the first jointly developed classification plan. And we are now in negotiation, and my reports tell me successful, ongoing and progressing negotiations, with our largest employee representative group, being the Saskatchewan Government Employees' Union, SGEU, and that we hope certainly by the end of this year, to have had the new class plan which will bring about pay equity within the largest of the government employee bodies.

And then we will be continuing to work along, as we are in some of the other Crowns and some of the other, smaller agencies.

To date we have completed the work with the Workers' Compensation Board, Sask. Gaming Corporation and SaskEnergy.

**Ms. Draude:** — I believe there was some sort of committee set up that was going to try and work out a formula to determine the value of work. Can you give us the nature of that formula that they worked out?

**Hon. Mr. Calvert:** — As I indicated earlier, Mr. Chair, the member may also want to have some of this discussion with the minister responsible for the Women's Secretariat, who has a depth of knowledge in this area.

The criteria being used to establish the sort of evaluations for the jobs and so on are four: the skill required for a position; the effort required; the responsibility attached to that position; and the working conditions which surround that position. And so those are the four broad categories which are used to assess and classify the position.

**Ms. Draude:** — Mr. Minister, I think you probably will agree that there is a lot of confusion, not only in Saskatchewan but probably in the country, regarding pay equity. More often than not most people take it to mean that people in the same job should be paid the same wage or salary. And very few people really disagree with that.

I think the truth is though that it means equal pay for equal value, which means somebody is deeming that, and that's totally different. And I'm just wondering if that's your view as well, that the people in the province probably are not under the

same . . . they're not thinking in the same way as we are when we talk about pay equity and the other issues?

**Hon. Mr. Calvert:** — I think it's fair to say — I think the member's comment is accurate — that there is and there can be confusion around the definitions when we are talking of pay equity. Labour standards by law guarantees that there must be equal pay for equal work. If I and you both work the same number of hours in the workplace, there must be, for those same number of hours, equal pay — that's a labour standard — if we're doing the same work.

What pay equity seeks to achieve of course, is equal pay for work of equal value. And that takes us then into the need to define, as you say, the value of certain workplaces and occupations and so on. To do that is the work that is going on based on the criteria which we talked about a moment ago — skill, responsibility, working conditions, and so on.

That is the difference and it can be I think confusing when we're using the language of equal pay or pay equity.

**Mr. D'Autremont:** — Thank you, Mr. Chairman. Mr. Minister, and officials, thank you for coming today.

It's my understanding that the Public Service Commission deals with the hiring procedures within government and that the Public Service Commission is to do that in a non-partisan manner in the sense that partisan politics is not to play a role in how someone is hired or why they're hired; rather it's to be done on a merit basis, not on a political basis. Yet I have a long list here of people who are on the government payrolls with obvious partisan political connections.

Mr. Minister, can you give us the assurance that the people that are hired . . . the procedures that the Public Service Commission goes through in dealing with employees are done on a non-partisan basis, that politics plays absolutely no role in the hiring and the training in anything that the employees deal with?

**Hon. Mr. Calvert:** — I want to assure the member who asked the question here this morning that that is the case without question.

He will have of course lists of those who work for the provincial government, some of whom I'm sure at election time will have an NDP sign on their lawn. I'm sure of that.

I am sure that there are those in the public service today — I don't understand it quite myself — but I am sure they will have a Conservative sign on their lawn. And I'm sure there are . . . (inaudible interjection) . . . No, I'm sorry they won't have a Conservative sign, that's right. They will have for sure . . . some will have Liberal signs.

In a public service of 10,000 people in this province, there's no doubt about it that you will find people from every political persuasion represented in there. No doubt about that. But I want to assure the member that when it comes to the classified service — and here we're talking about the work that the Public Service Commission does, the classified public service — that there is no partisan, there's no partisan choices being made by

the Public Service Commission, I guarantee you that.

There are those positions in government that do not fall under the purview of the Public Service Commission, those positions which are placed by order in council. They are very few, they are very few in number.

Last year the commission reminds me that the province of Saskatchewan's public service hired 1,007 people; 99.3 per cent of the hirings were done through the Public Service Commission in the classified service. I think I read somewhere there was eight people hired outside of the Public Service Commission, or a number like that, without a competition.

So I want to assure the member, and all members, that, in terms of the Public Service Commission and in terms of the Act that we just moved through the House, that that is guaranteed.

**Mr. D'Autremont:** — Thank you, Mr. Minister. Can you guarantee that there is no partisan activity taking place within the Public Service Commission?

**Hon. Mr. Calvert:** — Yes, I can. I want to repeat though that I'm sure that within the Government of Saskatchewan, you will find employed, people who support the political party of the current government. You will find people who support the party to which the member belongs and you will find people who support the Liberal Party, and there may be someone in the province who supports the Green Party.

**Ms. Draude:** — Thank you, Mr. Chair. I just have one other set of questions to go through and maybe I can just ask the minister now whether this is . . . if I should be asking him through his department or if I should be dealing with it through the Women's Secretariat. I'm not sure which department deals with this.

The March 26, 1998 article in the *Leader-Post* talks about government employees with same-sex partners being eligible for spousal benefits. I'm wondering if this initiative is dealt with through your department or through the Women's Secretariat? If it's your department, can you tell me when this change was made?

**Hon. Mr. Calvert:** — Mr. Chair, in fact the matter of benefits are in PEBA, the Public Employees Benefits Agency, and now that is technically the Department of Finance that manages the file there, but I can share with the member that the change was made in response to a human rights complaint. The change was effective October, 1997.

**Ms. Draude:** — Normally when the government makes something that's considered a major change, and I guess I believe this is a major change, there is a news broadcast made or some kind of a public announcement. Is this considered a major change to the Public Service Commission?

**Hon. Mr. Calvert:** — Again, Mr. Chair, it is to the PEBA regulations not to the Public Service Commission. But again I'm happy . . . and the member may want further questioning with Finance, but given the circumstances across Canada where in fact many of these benefits are being paid federally in other provincial jurisdictions, given that the change here came in

response to a human rights complaint and on the basis of court decisions, Human Rights Commission decisions across Canada, while we see it as an important change, we would not have viewed it as a major change.

**Ms. Draude:** — According to an internal memo from the Health department dated April 24, and obtained by the media, the Department of Health now recognizes gay and lesbian couples as families and they'll extend employment benefits. Is this part of the earlier policy that we were just talking about?

**Hon. Mr. Calvert:** — Mr. Chair, I'm a little unclear of the reference that the member makes to, I believe she said, employee benefits. We're having a little trouble getting a clear understanding of her question. Perhaps if she wanted to provide us a copy of the memo we could refer to it or say a little more perhaps.

**Ms. Draude:** — I think we read in the paper that there was . . . the Department of Health specifically announced that they recognized gay and lesbian couples and that they would extend employment benefits, and I'm wondering if this is actually part of that policy.

**Hon. Mr. Calvert:** — Mr. Chair, if we're here talking about employees of the Department of Health because they are employees of government and because they will be involved with the PEBA plans, therefore this policy in that circumstance would apply to employees of the Department of Health. I mean it would not extend to others who would not be employees of the Department of Health that may be funded by the Department of Health, but not employees thereof. This change reflects a change that was made in PEBA which affects employees of government proper.

**Ms. Draude:** — Mr. Minister, does the provincial government not recognize same-sex couples on par with common-law relationships in legal terms?

**Hon. Mr. Calvert:** — Mr. Chair, this has only to do with the benefits provided by the Public Employees Benefits Agency, PEBA. This is not reflective of beyond that; it is reflective of that alone. The change was made as a result of a human rights complaint and in sync generally with what's happening in benefit plans across Canada and in other governments and federal government.

So it doesn't reflect on anything broader than the Public Employees Benefits Agency.

**Ms. Draude:** — Thank you, Mr. Minister. We sent out some global questions awhile ago to the department. We haven't received any of them back again, and just with the understanding that we will receive them as quickly as possible, I have no further questions for you or for your officials. And I thank you for attending, and have a good weekend.

**Hon. Mr. Calvert:** — Mr. Chair, the questions have been . . . the work is almost completed and we'll have them to you just as soon as possible. I want to thank the member for her questions today.

I also want to, just before taking my place, thank the officials

who have joined us here today and so ably, ably assist us in the House but who on a day-to-day basis very ably assist the people of Saskatchewan, and working particularly as they do with the public service of Saskatchewan. So I want to, on behalf of all members, to thank them for their work.

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

Subvote (PS01) agreed to.

Subvotes (PS02), (PS03), (PS04) agreed to.

Vote 33 agreed to.

**Supplementary Estimates 1997-98  
General Revenue Fund  
Public Service Commission  
Vote 33**

Subvotes (PS03), (PS04) agreed to.

Vote 33 agreed to.

The committee reported progress.

**The Speaker:** — It now being past the hour of adjournment, this House stands adjourned until Tuesday afternoon at 1:30 o'clock. And with that I recommend to all hon. members to enjoy the long weekend with your constituents and your families. Have a wonderful and relaxing long weekend. This House stands adjourned.

The Assembly adjourned at 1:05 p.m.

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