

The Assembly met at 1:30 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, this afternoon I have a petition to present on behalf of people concerned about hospital closures and elimination of hospital beds. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to abandon any plans to reduce acute care or close any more hospitals in the North-East Health District.

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

Mr. Speaker, the signatures on this petition come from Nipawin, Prince Albert, Carrot River. I so present.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I also have petitions to bring in today on behalf of Saskatchewan's disenfranchised widows. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to have the Workers' Compensation Board Act amended whereby benefits and pensions are reinstated to disenfranchised widows and whereby all revoked pensions are reimbursed to them retroactively with interest to April 17, 1985.

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

These petitions, Mr. Speaker, come from the Saskatoon area. I so present.

**Mr. Toth:** — Thank you, Mr. Speaker. As well to present a petition regarding hospital closures. Reading the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to abandon any plans to reduce acute care or close any more hospitals in the Parkland Health District and to release the district's three-year strategic plan.

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

And, Mr. Speaker, the petitioners that have signed this petition are from the community of Hafford.

**Mr. Gantefer:** — Thank you, Mr. Speaker. I rise on behalf of citizens also concerned about hospital closures. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to abandon any plans to reduce acute care or close any more hospitals in the North-East Health District.

Signatures on this petition, Mr. Speaker, are all from the community of Carrot River. I so present.

**Mr. Hillson:** — Thank you, Mr. Speaker. This afternoon I present petitions requesting that the government immediately take action to correct the situation of the dangerous and confusing entrance to the city of North Battleford and especially to relocate the junction of Highway 40 with the Yellowhead Highway.

The petitioners come from Cando, Battleford, Cochin, Mayfair, Krydor, Radisson, Sweetgrass First Nation, and North Battleford.

**Mr. McPherson:** — Thank you, Mr. Speaker. I rise today to present many petitions in regards to the state of our highways.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to call on federal and provincial governments to dedicate a significantly greater portion of the fuel tax revenues toward road maintenance and construction so Saskatchewan residents may have a safe highway system that meets their needs.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I have hundreds if not some thousands of signatures here, all the way from Kindersley, Estevan, Arcola, Shaunavon, Regina, Saskatoon, Swift Current, Maple Creek, Midale — all throughout the province, Mr. Speaker.

I so present.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I rise to present petitions on behalf of citizens that are ashamed and concerned about the condition of our highways in this province and want the government to do something about it. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to call on federal and provincial governments to dedicate a significantly greater portion of the fuel tax revenues toward road maintenance and construction so Saskatchewan residents may have a safe highway system that meets their needs.

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

Mr. Speaker, those who've signed these petitions come from all across this province.

I so present.

**Mr. McLane:** — Thank you very much, Mr. Speaker. I'm happy to rise again today on behalf of the people of this province to present a petition. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to call on federal and provincial governments to dedicate a significantly greater portion of fuel tax revenues toward road maintenance and construction so Saskatchewan residents may have a safe



highway system that meets their needs.

Mr. Speaker, these petitions here have been signed by the good folks from the communities of Nipawin, Gronlid, and Tisdale.

And I so present.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'm happy this morning to present petitions on behalf of the people from the village of Golden Prairie and from the RM (rural municipality) of Big Stick. I'll read their prayer for crying for relief from the government:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately start work on the rebuilding of our secondary highway system to provide for safe driving on what are becoming known as pothole roads, to enter into negotiations with SARM and SUMA for a long-term plan of rural road restitution reflecting future needs, and to provide safety for all drivers as the new trucking regulation changes safety factors on these roads.

And as in duty bound your petitioners will ever pray.

Mr. Speaker, all of these pretty well come from the Golden Prairie community, but there are a couple as well from Maple Creek. And I'm happy to present them on their behalf.

#### READING AND RECEIVING PETITIONS

**Clerk:** — According to order the petitions presented at the last sitting have been reviewed and found to be in order and are hereby received.

#### PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

##### Standing Committee on Crown Corporations

**Ms. Lorje:** — Thank you, Mr. Speaker. Mr. Speaker, I present today the ninth report of the Standing Committee on Crown Corporations which I do now table.

And, Mr. Speaker, I move, seconded by the member for Regina Coronation Park:

That the ninth report of the Standing Committee on Crown Corporations be now concurred in.

Motion agreed to.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 26 ask the government the following question:

To the Minister of Post-Secondary Education: (1) what does the government charge students who request university transcripts; secondly, what is the average length of time for the department to produce these transcripts; and finally, what is the cost incurred to the government to

produce these transcripts?

**Mr. Goohsen:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 26 ask the government the following question:

To the members of the cabinet, SERM, Ag, and Finance particularly: how many elk and bison buffalo farms are there in the province? How many elk and bison are there on these farms? And how many species of exotic game birds and animals are raised in the capacity . . . in captivity rather, in Saskatchewan? What are they? What efforts are made by the Saskatchewan government to expand markets and what efforts are being pursued to process meat and other by-products from these species? How many abattoirs are there at present equipped and allowed to process specialty meats from these species? And what is the value of this industry in dollars and in jobs for Saskatchewan each year?

I so present.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I give notice that I shall on Monday next move first reading of a Bill, The Resumption of Services (Nurses — SUN) Amendment Act, 1999.

#### INTRODUCTION OF GUESTS

**Hon. Ms. MacKinnon:** — Thank you very much, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you and through you to all members of the Assembly, 23 grade 4 and grade 5 students from Mayfair Community School in my constituency of Saskatoon Idylwyld.

They are accompanied by their teachers Charlene Scrimshaw and Curtis Shepherd, and teacher associate Sharon Cousins. As well they are accompanied by parents Mrs. Lois Bond and Mr. Del Seckinger.

I would ask all members to give these very special guests a very warm welcome.

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

**Hon. Mrs. Teichrob:** — Thank you, Mr. Speaker. I would like to join with my colleague, the member from Idylwyld, in welcoming the students and teachers from Mayfair school here today. It happens that a very long time ago when I was in grade 1, I started school at Mayfair school, and my oldest children also started their education at Mayfair school. I know it to be a very fine school. And I want to join and to . . . to help me welcome these fine students and teachers.

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

**Hon. Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, today to you and through you to the members of the Assembly, I'd like to introduce two people in your gallery. The Public Service Commission has a series of tours as you know for public servants and the last tour apparently was pretty full, so there's a couple of people who didn't get to go but are here today to enjoy the proceedings.



In your gallery, Mr. Speaker, from Pork Central is Gary Belanger and Jennifer Mouly. Pork Central of course is the division of the Saskatchewan Agriculture and Food department that takes care of the hog industry and have done a fantastic job over the last few years in terms of increasing productivity and quality in this province.

I'd like all members to . . . have them rise and all members to thank them for their job and welcome them here today.

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

## STATEMENTS BY MEMBERS

### Letter from SUN Representative

**Ms. Draude:** — I rise today to talk to the members about letters I'm sure many of us have received lately from SUN (Saskatchewan Union of Nurses) members. Politicians, citizens, and nurses are all stressed with the current nurses' strike. And the nurses I've been talking to prefer to be looking after their patients than walking the picket lines. And they will be as soon as the government repeals Bill No. 23.

But I have one letter from Rae Nicholls, local 183, that says:

We are disappointed with the abuse of taxpayers' money by spending it on misleading media ads regarding S.U.N.'s negotiations and offers made. We understand there was no written proposal given to our Union by (Mr.) Romanow when he met with (the) . . . S.U.N. Bargaining Representatives.

**The Speaker:** — Order, order. Now I will remind the hon. member of a point that I raised yesterday as a matter of fact, the exact same point, that if the item is not a published document, then you must avoid the use of proper names and refer to members by their position in the House.

**Ms. Draude:** — I apologize, Mr. Speaker. It was written . . . just a fax. So I'll say:

. . . (that the) proposal given to our Union by . . . (the Premier) when he met with (the) . . . S.U.N. Bargaining Representatives. We feel this is another example of misuse of government power.

We await your support and assistance in this matter.

Thank you, Mr. Speaker.

### Tribute to Administrative Assistants and Secretaries

**Mr. Goohsen:** — Thank you, Mr. Speaker. I understand that next week is Secretaries' Week and we're going to pay tribute to our secretaries. I have a special reason though for wanting to jump the gun on this tribute to our assistants and our secretaries. Early this morning at, in fact I guess, 2:29 a.m. my assistant, Cheryl Friday and her husband, Joe, became the proud parents of their second son, Dawson Barry Michael. And so if people call my office and don't get an answer today, it's probably because she's with her new son.

I want to pay tribute to Cheryl and to all secretaries and to all assistants, Mr. Speaker. And by the way, both son and daughter are doing fine, and as a side note, Cheryl was accompanied by two nurses last night and the doctor stayed by her side through the entire affair. She pointed out to me that people at this point do not need to panic because there is adequate care and there is every reason to have confidence in the system to do what needs to be done.

Cheryl, like all assistants, has become my right arm, and I want Cheryl to know particularly that I never really miss her until she's gone. And this morning was a case in point when I discovered of course that a constituent called in and wanted some help and I thought right away well I'll get Cheryl to take care of that; but of course Cheryl wasn't there.

So I was running around like a chicken with my head chopped off when I finally discovered that I've also got to make some faxes and I didn't know the numbers. So I want to have Cheryl and all of the secretaries know that we don't really miss you until you're gone. And so I miss you.

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

### Carrot River Pork Producers

**Mr. Renaud:** — Mr. Speaker, on Tuesday I was happy to represent the Minister of Agriculture at the opening of a significant economic venture in the RM of Moose Range in my constituency of Carrot River Valley. The people of my constituency have long been leaders in agriculture diversification and value-added industries, and this opening is an excellent addition.

Carrot River Pork Producers officially opened its new modern facilities and they are impressive indeed, Mr. Speaker. The Carrot River Pork Producers facility will have the capacity of 8,000 animals from farrow to finish. Mr. Speaker, this is good news for the industry, for the province, for local farmers, for businesses, and local communities who will provide feed grains and other supplies to this project, not to mention the jobs and economic activity already created and yet to come.

Carrot River Pork Producers is a creation of the Saskatchewan Wheat Pool Heartland Livestock Services, local farmers, and the surrounding communities — a truly co-operative effort. And the programs in support of Saskatchewan Agriculture and Food assisted in this project.

Many individuals should be congratulated, in particular Dan Taylor, chairman of the management committee, and all the members of the committee who worked so hard to make this project a reality.

Thank you, Mr. Speaker.

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

### NDP Nominating Meeting in North Battleford

**Mr. Hillson:** — Thank you, Mr. Speaker. This evening the Premier is travelling to North Battleford for the NDP (New Democratic Party) nominating meeting. I want to wish him well



and hope that he enjoys our famous Battlefords' hospitality.

Of course he can't expect anything like the 450 people who turned out the last time the NDP had a nominating meeting in North Battleford, but I'm sure there will at least be a handful of diehard supporters there to cheer him on, or cheer him out, as the case may be.

I urge the Premier to make sure his driver drives carefully and is familiar with our road system. Unfortunately the entrance to North Battleford is confusing and dangerous and has been the scene of many accidents.

I also urge him not to go too far west and end up in Alberta where the Alberta NDP has officially disowned any connection or friendship with the Saskatchewan NDP.

The Premier should also bring along his cheque book. You see, in the Battlefords we already have the two-tiered medicine he's always talking about. Recently the cost of a basic ambulance trip went from \$145 to \$225.

I close with a wish that the Premier will enjoy his visit. He should check out our many historic and scenic attractions. Who knows? He may decide North Battleford is a good place to spend his pending retirement.

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

#### **International Special Librarians' Day**

**Mr. Shillington:** — Thank you very much, Mr. Speaker. Last week I wanted to know for my own purposes how many times a particular word had been used in the legislature during the first two weeks of the session. It struck me the word was being overused.

I had two choices. I could have read every word of *Hansard* again, an inviting prospect if ever I was faced with one, or I could call in the experts in resource management and retrieval at our Legislative Library. The answer came back in one hour — 272 times.

Mr. Speaker, today is the International Special Librarians' Day, the one day in the year when we recognize the kind of service which I described which we receive year-round. Special librarians are those who work in libraries devoted to special purposes, such as medical libraries and our Legislative Library.

Of course what makes our Legislative Library and our librarians so special is not only do they serve the demanding and perhaps sometimes quirky needs of a legislature and its staff, but this one serves the public as well. Our library is a remarkable public treasury and it deserves to be shared with the public.

Mr. Speaker, in the years I've been an MLA (Member of the Legislative Assembly), valuable information has multiplied itself many times over, only to be matched by the ability of the librarians here to retrieve it for us.

I know all members will want to join me in expressing our admiration and gratitude to Marian Powell and their remarkable staff, on this day devoted to them.

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

#### **Rosetown-Biggar Nomination Meeting**

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I understand that the member from Rosetown-Biggar will be holding his nomination meeting this evening. Mr. Speaker, I would like to say that it is a great disappointment that I will be unable to attend the nomination meeting as I have learned that the entrance into the meeting is limited to only NDP cardholders.

But anyway, Mr. Speaker, I would just like to go over the minister's record just for his constituents' sake. Minister of Agriculture — farmers lost GRIP (gross revenue insurance program), broke a contract, they remember the member quite famously all over this province. Minister of Environment — the minister went around the province and dug up all tanks . . . gas tanks in rural Saskatchewan and what do we have now? Many of the gas tanks . . . service stations are closed at this point in rural Saskatchewan.

The minister's record as Minister of Highways, guess what his solution was? Turned all our highways into gravel. That was his solution. And now, Mr. Speaker, as Minister of Intergovernmental Affairs, the minister went to Montana and the government of North Dakota decided to close the borders to Saskatchewan.

So I would suggest, just keep the minister at home. So I would hope that his constituents remember of the minister fondly when they go to his constituency meeting tonight, Mr. Speaker.

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

#### **Sense-ation '99 Careers in Action**

**Mr. Kowalsky:** — At this very time, there is a sensational event going on at Woodland campus of SIAST (Saskatchewan Institute of Applied Science and Technology) in Prince Albert. In fact, 4,500 students are attending a career symposium. They're coming to this from all parts of northern Saskatchewan and Prince Albert city.

Yesterday the Minister of Post-Secondary Education and I visited part of this symposium, which is appropriately named Sense-ation '99 — Experience Careers in Action. And we saw that . . . how this symposium would show students a lot about career opportunities and would encourage students to consider post-secondary education as an excellent way to a good career.

Mr. Speaker, Woodland campus students get jobs. A 1997 survey showed 94 per cent of respondents were employed; and we're very proud to say that 89 per cent of Aboriginal grads are employed. That's proof that investment in post-secondary education works.

I want to congratulate all those involved in the organization of this two-day event: from Woodland campus, Larry Fladager and Veesha Lato in particular; and from the Interprovincial Association on Native Employment (IANE), Frank Brooks and Roberta Burns in particular; and all staff and volunteers and teachers who brought their students to this event.



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

## ORAL QUESTIONS

### Collective Bargaining with Health Sector Unions

**Mr. D'Autremont:** — Thank you, Mr. Speaker. My question is for the Minister of Health. Well finally some good news amidst the NDP's health care disaster. It appears that both CUPE (Canadian Union of Public Employees) and SEIU (Service Employees' International Union) were able to settle their contracts when the NDP agreed to go outside the government's mandated 2, 2, and 2 wage cap.

According to sources in your own government, Madam Minister, the CUPE deal includes a 13.7 per cent increase in salaries and benefits. Sources also indicate SEIU was given a similar deal. But, Madam Minister, we still have 8,400 nurses on the picket line because the NDP refuses to even talk wages with them. In fact, your own back-to-work legislation is keeping nurses on the strike line because it precludes any opportunity to discuss wages.

Madam Minister, why is the NDP offering CUPE and SEIU an increase of as much as 13.7 per cent when the nurses are forced by legislation to accept 7 per cent?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, the member may recall that before Christmas the government indicated to the public that there were going to be three approaches to this round of collective bargaining with our health sector employees.

What the member will recall is that the health sector has undergone a tremendous reorganization of not only the districts but also, Mr. Speaker, of the various unions that now represent working people in our health sector. A number of different people from different unions have come together under one particular union and they've come together with different wages and working conditions.

We indicated before Christmas three things: (1) that there would be the general mandate; (2) that there would be provisions made to address the issues that have arisen as a result of Dorsey and wage inequities and benefit inequities; and we also indicated, Mr. Speaker, that the pay equity framework would apply to the health sector.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Three routes — threats, legislation, jail and fines was the government's role, Mr. Speaker.

Madam Minister, it's time for the Premier to set aside his ego and put the health of Saskatchewan people first. We've got a stalemate and nothing constructive is happening. The NDP even refuses to talk to the nurses unless they go back to work.

The nurses are refusing to talk until the NDP gets rid of its back-to-work legislation. We are in day eight of a full-blown nurses strike and what we have is both sides blaming each

other.

Madam Minister, nobody cares anymore who is right or wrong. It's time for cooler heads to prevail on both sides. It's time to find a solution. The Saskatchewan Party is proposing a compromise that gets negotiations started again.

Madam Minister, in light of the CUPE and SEIU agreement, will you consider amending your back-to-work legislation to allow for negotiations on wages outside the 7 per cent cap?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, as the people of this province will know, the Saskatchewan Union of Nurses has received a court order urging them to urge their membership to return to the workplace.

Our government has indicated that it is extremely important to us that the leadership of SUN encourage their members to return to the workplace. Once that occurs, Mr. Speaker, as I indicated in my letter to the president of SUN on Sunday, the Government of Saskatchewan will ensure that SAHO (Saskatchewan Association of Health Organizations), which is the employer representative, returns to the bargaining table. And we will get the kind of collective agreement that addresses the issues that nurses deal with not only in the workplace, but also, Mr. Speaker, the issue of pay equity, nursing recruitment and retention, and wages.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Madam Minister, people know that we're in the middle of a serious health crisis. The health of Saskatchewan families are at risk. Health districts are advising seriously ill patients to seek medical attention in the United States. And I wonder at whose cost.

It's a very dangerous situation, Madam Minister, that cannot be allowed to continue. Both sides must be willing to show some flexibility. Both the NDP and the nurses must be willing to compromise a little and get this terrible health crisis solved. The Saskatchewan Party is asking both sides to take a step back from the confrontation.

The stumbling block here is clearly the NDP's back-to-work legislation, and it's time to compromise. Madam Minister, will you consider a compromise if the nurses are also willing to compromise? The Saskatchewan Party has given notice of a Bill to amend your back-to-work legislation, allowing for negotiations outside the 2, 2, and 2 salary cap. Will you support and pass this legislation today?

**Hon. Ms. Atkinson:** — You will note in the collective agreements that have been tentatively agreed to with the Service Employees' International Union and CUPE that the wage mandate of 2, 2, 2 plus 1, which applies to all other public sector employees, and those issues around Dorsey and pay equity have been addressed.

Mr. Speaker, we have said very clearly that once the nurses return to work, we will ensure that nurses not only receive the



mandate, Mr. Speaker, but there will be other issues that can be addressed through Dorsey, Mr. Speaker, and through pay equity.

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

#### **Cost of Plains Health Centre Closure**

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I have a question on another matter to the Minister of Health.

A couple of years ago the Minister of Finance assured us that the Plains hospital closure was on budget and on time. On budget and on time — he must've said it at least 40 times. Of course we now know the Plains closure is millions of dollars over budget. The NDP has admitted it's at least \$10 million over budget; some media reports put the figure as much as \$40 million over.

This morning in Public Accounts, the Saskatchewan Party asked for a special investigation by the Provincial Auditor into the Plains closure. And as usual the NDP used its majority to shoot down the proposal and cover up its mismanagement.

Madam Minister, what are you hiding? Why won't you allow the auditor to do a special investigation into the money that has been wasted closing the Plains hospital?

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

**Hon. Ms. MacKinnon:** — Mr. Speaker, on behalf of the government, an answer here on the basis of process. The auditor automatically audits the Regina District Health Board and he will continue to do so. In fact, as I gather in his recent audit, he said some very favourable things about the Regina District Health Board.

So the process is, the auditor will be doing the auditing of the health board; he will report to the legislature through the Public Accounts Committee; and further the members opposite will have a chance during Health estimates to deal with this issue. So the process I think, Mr. Speaker, is clear.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Again to the Minister of Health and some questions that perhaps she can answer.

The Saskatchewan Party is asking this Provincial Auditor to answer some pretty basic questions. How much is the Plains closure over budget; what is the reason for the cost overruns; what can be done to prevent the costs from escalating even further?

These are responsible questions. A responsible government would want to get the answer to these questions, and to take steps to fix the problem before any more money is wasted. Madam Minister, why are you so intent on hiding your mismanagement of the Plains hospital closure? What are you hiding?

**Hon. Ms. MacKinnon:** — Mr. Speaker, once again to address

the process here. The auditor is an independent person who does very thorough audits of the agencies that he covers. And he will deal with that sort of question in his report.

But I must say it's passing strange to have the members opposite supporting the auditor and talking about being so clean and accountable when I remember what happened in this province during the 1980s, where we never even had such reports returned to the public.

So my point is, the process is clear, it's there for all to see, it's transparent, and it's accountable.

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

#### **Number of Fully Employable People on Social Assistance**

**Ms. Draude:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Social Services. Mr. Minister, yesterday in Social Services estimates you indicated that of as March 31 of this year there was 16,026 fully employable people receiving welfare benefits. According to Social Services department records, the number of fully employable people on welfare at the end of December 1998 was 14,351.

Mr. Minister, that means in just the past three months the number of fully employable on welfare has increased by a whopping 12 per cent. Can you explain that, Mr. Minister? Why is it that the number of fully employable people on welfare in Saskatchewan has exploded by 12 per cent in just the past three months?

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

**Hon. Mr. Van Mulligen:** — Mr. Speaker, I want to thank the member for the question because the member obviously didn't read all of the explanation that was provided in estimates yesterday. What I explained to the member who is asking the question that yes, there was an increase, but this is typical that every year because of seasonal variations that we get changes in the number of fully employable people to whom we provide social assistance.

I also explained however that the total number of people on social assistance was down from the same period the previous year. But we didn't have the figures for the fully employable category, but that that the total number was down and it continues a pattern, Mr. Speaker, of what we have been seeing in Saskatchewan. That is to say the number of people on social assistance going down, caseloads going down, because of a strong economy and because of designs, redesigns of the social assistance safety network that we have in this province, Mr. Speaker.

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

**Ms. Draude:** — Mr. Speaker, to the Minister of Social Services, he may not have those numbers, but we do. We have the numbers of fully employable people in 1991, and at that time, from the records that we have, there were 12,331 fully employable people on welfare in Saskatchewan. Those are the figures from your department, Mr. Minister. But today, after eight years of NDP power, there are 16,026 fully employable



people have been forced onto the welfare rolls. That's a 30 per cent increase over the NDP's . . . since the NDP have been in government for just eight years — 12 per cent in the last three months.

Mr. Minister, you can't blame the nurses for that. You can't blame the opposition. And you can't blame anybody but yourselves. And the reason is simple. The NDP has the very worst job creation record in Canada by a country mile.

Mr. Minister, isn't that the reason why your department is so busy? A full 30 per cent increase in employable welfare cases because the NDP has the worst job creation record in all of Canada.

**Hon. Mr. Van Mulligen:** — Mr. Speaker, the party opposite, the Tory Party's propensity for playing with figures is well known to the people of Saskatchewan when they were in government. And again they're showing now in opposition that they too have this propensity for playing with figures, Mr. Speaker.

What we've seen from that party is techniques designed to show anything but the truth about what is taking place in social assistance in Saskatchewan. What we have been seeing in Saskatchewan, Mr. Speaker, is that as a result of changes, as a result of changes in the unemployment insurance program — that I think all of the people of Saskatchewan are aware of — and changes as a result of federal treatment for social assistance for people who live off reserves, we saw a tremendous increase in social assistance caseloads in Saskatchewan.

And that increase went from 1991 to '94 — it did go up. But since that time, because of the strength of the Saskatchewan economy, caseloads have been going down, Mr. Speaker.

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

#### Negotiations With Nurses

**Mr. Aldridge:** — Thank you, Mr. Speaker. Yesterday, I was in Maple Creek talking with nurses on the picket line. They told me of poor conditions in the workplace. They're worried they may lose their licences over things like not having two nurses around when medication is being dispensed because they're forced to work with only one nurse on duty.

They're fed up, Mr. Speaker, because each time the community of Maple Creek gets a doctor, the doctor soon leaves the province for better working conditions.

Mr. Premier, you're jeopardizing the careers of nurses in Maple Creek and across this province. Mr. Premier, why don't you repeal Bill 23?

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

**Hon. Ms. Atkinson:** — Thank you. Mr. Speaker, as I understand the recent reports in the press that the physician in Maple Creek is leaving Saskatchewan because he does not like the taxes that we pay in this province. Mr. Speaker, that is why we feel so strongly that in order to get this province continuing on its road to fiscal sustainability that we have to be very, very

careful in terms of how we spend taxpayers' dollars.

Mr. Speaker, this province spends \$2 million a day on interest on the public debt. This province as it's become a little more sustainable is now increasing funding to programs that have seen reductions in the past in order to deal with that debt, Mr. Speaker. And what we're also trying to do is decrease taxes so that physicians like the one referred to from Maple Creek want to stay in the province of Saskatchewan.

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

**Mr. Aldridge:** — Mr. Speaker, yesterday I was on the picket line in Swift Current with nurses who told me of the latest effort by the NDP government to build on the ill will that they've created with the nurses and the general public through their full-page newspaper advertisements. This latest effort comes courtesy of the member for Swift Current, Mr. Speaker, who appears to have taken it upon himself to go door to door and apologize, Mr. Speaker — apologize for the nurses.

Will the Premier stop these actions by his MLAs and will he instead ask them to go door to door and seek forgiveness of their government's actions?

**Hon. Ms. Atkinson:** — Mr. Speaker, as the people will know by now, our Premier one week ago yesterday had a discussion with the leaders of SUN and the employers in order to see whether there was a way to address issues that registered nurses are faced with in this province, Mr. Speaker. Mr. Speaker, when SUN made the decision to have a province-wide strike, we received calls from districts and letters from districts extremely worried about patient safety in the province, Mr. Speaker.

Mr. Speaker, we cannot afford the kinds of demands that are being made on us in this fiscal year given that we have an \$8 million surplus. Mr. Speaker, we want to bargain with SUN. We want to return to the bargaining table.

And Mr. Speaker, what we do not want to do, as the Liberals have done through their leader, is encourage people to disobey the law, Mr. Speaker. We know that the law is an underpinning of democracy in this province and in this country. Once nurses return to work we will return to the bargaining table.

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

**Mr. Aldridge:** — Mr. Speaker, I have news for the member for Regina Coronation Park. Fact Man is after him. Remember Fact Man, the member's comic book featuring those falsifying fools, Miss Information and Fearmonger. Well now apparently, Mr. Speaker, the member's joined their ranks.

Last night, Mr. Speaker, a young Regina nurse had a conversation with the member from Regina Coronation Park. First he tried to convince her that she made more than the MLAs and that after a 40 hour work week she'd find more in her pockets than the MLA for Coronation Park would have in his.

Apparently the member then tried to use scare tactics with the nurse. Mr. Speaker, he claimed that all nurses will have a 10 per cent deduction off of their cheques in addition to the fines



levied against their unions.

Mr. Speaker, he then told the young nurse not to tell anyone where she got the information and tell her colleagues that their union was misleading them.

Mr. Speaker, I ask the Premier why is he directing . . .

**The Speaker:** — Order, order, order, order, order, order. Now the . . . Order! Order, order, order. Order. Order. Order! The hon. member has been extremely lengthy in his preamble and I'll ask him to go now immediately . . . directly with his question to a member of Executive Council regarding duties of Executive Council.

**Mr. Aldridge:** — Mr. Speaker, why . . .

**The Speaker:** — Order, order, order, order. Now the hon. member for Moosomin will not want to be commenting on the conduct of the Chair, and I'll simply ask the hon. member from Moosomin to withdraw his remark and apologize to the House.

**Mr. Toth:** — Mr. Speaker, I withdraw that remark.

**The Speaker:** — The Chair asked the hon. member to withdraw the remark and apologize to the House.

**Mr. Toth:** — Mr. Speaker, my apologies. I didn't exactly hear what you were saying but I apologize to the House.

**Mr. Aldridge:** — Mr. Speaker, why is the Premier condoning these sorts of actions?

**Hon. Ms. Atkinson:** — Mr. Speaker, one of the things that I've come to learn as a member of this Legislative Assembly, that sometimes comments that are made in this Legislative Assembly are not an accurate reflection of the facts, Mr. Speaker. Before I would at all count on the member's comment as being anything as factual, I would want to have an opportunity to check with the members who these allegations are being made against, Mr. Speaker.

Nevertheless, it does not take away from the facts of the situation in the province. The facts are, Mr. Speaker, that this government, the people of this province, are not in a position to afford the kinds of requests that are being made in this fiscal year. That's fact number one.

Fact number two: there is a judge's order that has been issued by a judge of the federal court that has indicated that SUN should encourage its members to return to the workplace. That's fact two.

Fact three: once people return to the workplace, we will bargain the kind of agreement that deals with the kinds of issues that registered nurses want to have addressed, Mr. Speaker.

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

**Mr. Aldridge:** — Mr. Speaker, yesterday I was visiting the nurses' picket line in Moose Jaw when a nurse told me about a meeting of the Moose Jaw Labour Council held the evening before. Apparently one of the local Moose Jaw MLAs was

astounded at the presence of a nurse at the labour council meeting. The MLA questioned whether the nurse was entitled to be at the meeting.

Mr. Speaker, my question to the Premier is: if this is part of a divide and conquer campaign to separate SUN from other workers, Mr. Premier, do you condone such tactics?

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

**Hon. Ms. Atkinson:** — Thank you. Mr. Speaker, once again we have an allegation that is being made and it would be incumbent upon me to determine whether in fact the allegation is in fact correct.

What I can say to the member is, after having some experience in this legislature, that oftentimes things are said that are not necessarily a proper reflection of reality.

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

### Farm Aid Package

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Agriculture. Mr. Minister, the members from Kindersley and Melfort just got back from a big auction in Melfort that attracted about 3,000 farmers. Bad news, Mr. Minister. All the farmers up there think your ag assistance program stinks.

They say the NDP sold them down the river. They say that basing the payout on income is just plain stupid. And they say the application process is designed to ensure that only the people who see any financial benefit are the accountants.

Mr. Minister, how actually is the application process going? How many applications have been submitted by Saskatchewan farmers and how many have been approved?

**Hon. Mr. Upshall:** — Mr. Speaker, I find this a little . . . somewhat lacking in credibility.

In November of 1998 that member's leader, Mr. Hermanson, agreed with our Minister of Finance that Saskatchewan shouldn't be footing this bill. In December . . . (inaudible interjection) . . . It's in the paper — read it. In December of the same year, a month later, a month later he said, well no, 70-30. And you know what? By January Mr. Hermanson was saying, just put your money in. And now they turn around and say, what did you do that for?

Mr. Speaker, I think the member, I think the member . . . I think the member over there knows we went in under protest for the reasons I've outlined many times in this House. I think the member, I think the member should ask the farmers out there if they're happy with the success rate of the Tory Conservative Party who took away \$635 million annually from farmers, from their policy.

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

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Well, Mr. Minister, you don't have to tell us you went in under protest.



You didn't want to put a nickel into the program to this day. And look what it's costing our Saskatchewan farmers.

Mr. Minister, I don't think the questions I asked were that complicated. I simply wanted to know how your farm program is going. I already know that it won't work, because you left farmers to fend for themselves when the feds were designing it.

Mr. Minister, nobody is surprised about that. You didn't know there was a farm crisis until it was too late and we told you. Then one morning right out of the blue you decided the farm crisis was over. Believe me, Mr. Minister, farmers had low expectations for your ability to negotiate and you didn't surprise them.

Mr. Minister, let's try it one more time. Please share with the farmers of Saskatchewan how your emergency farm program is going. How many farmers have applied for assistance at this time; what is the average payout, Mr. Minister?

**Hon. Mr. Upshall:** — Mr. Speaker, let's first of all talk about the credibility. He said when they told us there was a crisis. You know, Mr. Speaker, Mr. Speaker . . . Mr. Speaker, a year ago during the Throne Speech, reply to the Throne Speech, there wasn't one word said about an agriculture crisis from that group. Not in their reply.

And I'll tell you, Mr. Speaker, you go back and count the number of questions in the last session about agriculture. I could probably count them on both hands.

Mr. Speaker, no doubt they're a little sensitive. Mr. Speaker, anyone in this province would know what I said for months on this program . . . on this program. In fact, some people — farmers — are calling my office and saying, you know what, you were right, maybe we shouldn't have gone in.

Mr. Speaker, these people . . . if we would have had . . . If they hadn't argued to get rid of the Crow rate and succeeded . . . Crow benefit, \$320 million would have been in this province and we wouldn't need AIDA (Agricultural Income Disaster Assistance). If you hadn't argued for deregulation, another \$110 million would have been in this province annually and we wouldn't need AIDA. And if you hadn't argued to get rid of two-price wheat, we wouldn't need AIDA.

**The Speaker:** — Order, order, order. Question period has ended. Order.

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

#### STATEMENT BY THE SPEAKER

##### Conduct of Members in the House

**The Speaker:** — Order, order, order. Order. Before proceeding on the agenda before the House, the Chair would like just to make a brief comment regarding conduct of the members during question period today.

During question period today the Chair heard, without being able to identify specific sources, insults — personal insults — being shouted across the floor by members from both sides.

And I want all our members to know that it is not permissible to contribute to the decorum of conduct of debate expected in this House, it does not assist that with personal insults being shouted from side to side.

And I would ask for the co-operation of all members to preserve the dignity of the debate in this Assembly and to conduct yourself accordingly.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Before orders of the day, I ask leave to move first reading of the Bill that I gave notice for earlier named The Resumption of Services (Nurses-SUN) Amendment Act, 1999.

Leave not granted.

#### ORDERS OF THE DAY

**Hon. Ms. MacKinnon:** — Mr. Speaker, I ask for the leave of the Assembly to go to private Bills to consider items 1 and 4 and then to revert back to orders of the day.

**The Speaker:** — Order. Order. Order. The Chair would ask for the co-operation of the House. The House Leader is requesting leave which can be denied by any member and therefore worthy of attention of all members.

Leave granted.

#### PRIVATE BILLS

##### SECOND READINGS

##### Bill No. 301 — The Credit Union Central of Saskatchewan Act, 1999

**Mr. Wall:** — Thank you, Mr. Speaker. I move Bill No. 301, The Credit Union Central of Saskatchewan Act, 1999, be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

**The Speaker:** — Before proceeding, the Chair wants to advise the House that I think I misheard the request of the Government House Leader and therefore misrepresented it to the House. I said to the House she requested leave for items 1 and 4, but the request was intended to be 1 to 4 — items 1, 2, 3, and 4.

So let me ask the question for leave on that question to members of the House, to include private Bills, items 2, 3, and 4. Is leave granted?

Leave granted.

##### Bill No. 302 — The Group Medical Services Act, 1999

**Ms. Murray:** — Thank you, Mr. Speaker. I move Bill No. 302, The Group Medical Services Act, 1999, be now read a second



time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

**Bill No. 303 — The Saskatchewan Foundation  
for the Arts Act**

**Ms. Lorje:** — Thank you, Mr. Speaker. Mr. Speaker, The Saskatchewan Foundation for the Arts Act, Bill No. 303, provides for an endowment fund for the benefit of the arts. This Act will establish the Saskatchewan Foundation for the Arts in the parameters of its governance and operations. The purpose of the foundation is to act as a conduit for financial resources for the benefit of the people of Saskatchewan, specifically to benefit, support, and to promote the arts, and artists in Saskatchewan.

In this capacity the foundation will complement agencies and programs already in place, such as the Saskatchewan Arts Board, which operate for the benefit and well-being of all citizens of our province.

Mr. Speaker, I move Bill 303, The Saskatchewan Foundation for the Arts Act, 1999 be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

**Bill No. 304 — The Saskatchewan Medical  
Association Act**

**Ms. Lorje:** — Thank you, Mr. Speaker. Mr. Speaker, The Saskatchewan Medical Association was created in 1967. Since that time in the last couple of years they have undertaken a detailed review of their organization and structure to make sure that their bylaws are current and modern. This Bill will see no changes to the structure which has been in place since 1967. They have been operating under a parliamentary model with a representative assembly.

Mr. Speaker, they are currently incorporated under the corporations Act, but this Bill which we are now considering will incorporate the Saskatchewan Medical Association as a separate entity. There will be no change in the historical way the organization is established, structured, or run. It will simply now be a separate corporation.

Mr. Speaker, I move Bill No. 304, The Saskatchewan Medical Association Act, 1999 be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

**Hon. Ms. MacKinnon:** — Thank you, Mr. Speaker. Mr. Speaker, I request leave to move a number of routine estimates to the Standing Committee on Estimates.

Leave granted.

**MOTIONS**

**Referral of Estimates to Standing Committee on Estimates**

**Hon. Ms. MacKinnon:** — Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the member from Regina Victoria:

That the estimates for the Chief Electoral Officer, Vote 34; estimates for the Conflict of Interest Commissioner, Vote 57; estimates for the Information and Privacy Commissioner, Vote 55; estimates for the Legislative Assembly, Vote 21; estimates for the Ombudsman and the Children's Advocate, Vote 56; the estimates for the Provincial Auditor, Vote 28; and Supplementary Estimates, Vote 21, be withdrawn from the Committee of Finance and referred to the Standing Committee on Estimates.

Motion agreed to.

(1430)

**GOVERNMENT ORDERS**

**ADJOURNED DEBATES**

**SECOND READINGS**

**Bill No. 2**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 2 — The Municipal Employees' Pension Amendment Act, 1999** be now read a second time.

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker this is another very technical Bill that perhaps can be best addressed at the Committee of the Whole. However, I would like to make a couple of brief comments. This deals with municipal employees' pensions and it provides retirement benefits to municipal workers, school board employees, and some police officers and firemen. Currently there are 9,000 active and inactive members in the plan and 2,700 members draw benefits. So obviously it's important that we make effective legislation since a lot of people depend on the pension plan.

There are a number of technical changes to the plan that are being proposed, Mr. Speaker, and I think that these modest changes won't really change the overall effectiveness of the plan; and the details we have on those technical details we can deal with committee in . . . we can deal with in Committee of the Whole.

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

**Bill No. 19**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 19 — The Superannuation (Supplementary Provisions) Amendment Act, 1999** be now read a second time.

**Mr. Gantefer:** — Thank you, Mr. Speaker. Again, very



similar to Bill No. 2, it's a very minute technical changes to a pension Bill and that questions in this nature can be properly dealt with in the Committee of the Whole.

However, it is again important to mention that these pension plans and the Bills responsible for them have a fairly significant impact on the people that are affected by them. There are 5,200 active and inactive members which include SaskPower workers, compensation and the Saskatchewan transportation corporation.

A number of these technical amendments that are being proposed to make the legislation more effective, we feel we can very adequately address in Committee of the Whole. 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. 15

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Sonntag that **Bill No. 15 — The University of Regina Amendment Act, 1999** be now read a second time.

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, I have a few comments to make about Bill No. 15 after having had the opportunity to read it and to discuss with people affected. We wanted to find out some of the concerns that this Bill had.

Basically what the Bill is doing, Mr. Speaker, is it's dealing with two separate entities. One, the recent new University of Saskatchewan Act put into place a number of financing controls and short-term borrowing regulations that the University of Saskatchewan must follow. And as a result the University of Regina has found that it also requires amendments to The University of Regina Act to enable it to be able to act on the same basis as the University of Saskatchewan.

So we have had an opportunity to look at the borrowing requirements, the regulation concerned with the borrowing requirements, and that puts in place a process whereby there will be guidelines and there will be regulations for the University of Regina to be able to borrow on a short-term basis — no different than the current legislation that is in place for the University of Saskatchewan. So this clearly is a necessary item to enable the University of Regina to function as does the University of Saskatchewan Act.

The second concern in this Bill, Mr. Speaker, regards the interaction between the Wascana Centre Authority and the University of Regina, and that's regarding parking, Mr. Speaker — not an exciting topic in that respect and I don't think a controversial topic as well. But what it does do I think, and the need for this is addressed in the fact that the University of Regina will be given the authority to create its own bylaws, its own regulations regarding parking on the University of Regina property.

Currently even though that has been delegated by the Wascana Centre Authority to the University of Regina, it has become a bureaucratic nightmare to say the least as one official has indicated. Very difficult for the University of Regina to be

enacting, you know, the bylaws that have been put in place by the Wascana Centre Authority.

So the regulation as, or the — I'm sorry — the legislation, as we see it, clarifies that position, and what it will do is it will allow the University of Regina to put in place its own bylaws that will be also enforced by its own commissioners and parking regulations.

So, Mr. Speaker, after having had the opportunity to question some people on this, we do find that there will be need for clarifications regarding the responsibility of vehicle owners and vehicles that are parked by someone who is not the owner. There is indeed an attempt, we believe, to clarify it, and there will be some questions that we will pose to the minister regarding the definition of authorized person versus owner of the vehicle.

Those uncertainties are there, Mr. Speaker. But we believe very, very, very sincerely that we can do that during Committee of the Whole and we would allow the Bill to proceed to Committee of the Whole at this 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. 8 — The Assessment Management Agency Amendment Act, 1999

**The Chair:** — I will ask the minister to introduce her officials, please.

**Hon. Mrs. Teichrob:** — I thank you, Mr. Chair. On my left is John Edwards, the acting assistant deputy minister of Municipal Affairs, Culture and Housing. And on my right is Keith Comstock, who is the acting executive director of the program and policy development and review branch.

#### Clause 1

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. And I'd like to welcome the minister's officials here this afternoon.

Madam Minister, to start off today could you maybe just give us a brief overview of what the changes you've made here . . . what you are trying to accomplish by the changes in the Bill, the amendment?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, in general, the member opposite is likely aware that subsequent to the 1997 reassessment experience our department convened review committees to review the experience in which SAMA (Saskatchewan Assessment Management Agency) and the municipal organizations and everyone who was a stakeholder in the process was invited to make comments and suggestions for improvements for future cycles of reassessment.

And this Act, or these changes reflect those issues on which there was consensus that the issues that are dealt with here would improve the experience for the next cycle.



**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, before we start today I'd like to just bring to your attention . . . A lady had sent a number of concerns that deal with the last reassessment and the problems therein.

And I think the minister would agree that we had many, many problems that came out of the reassessment, the last one we had. And hopefully that they can be . . . the changes that we're making will help address some of these issues.

But I'd just like to go through them, Madam Minister. And they're not all really questions but they're comments from the lady. And some of them are questions, but I think she has got some really good points here of how maybe we could change some of the things that problems arose from the last time around. And some of them are comments but some of them . . . and I would ask for input from you on her comments.

She starts off by saying there should be an independent watchdog set up to oversee SAMA itself. There has to be somewhere for property owners to go with their concerns. This independent watchdog must have the authority to do something about those concerns.

She goes on to say SAMA has too much authority; they are an entity unto themselves. The SAMA agency answers to no one but the board of directors. And from my conversations with this lady, Madam Minister, her regard for the board itself is not high.

And I have had that concern brought to me before. They felt that the board itself was not really giving direction to SAMA. When concerns came in from taxpayers throughout the province, they felt that they were being paid lip service to and that the problems that they brought up were not being dealt with.

I believe, Madam Minister, I even had the occasion to sit in on one of the meetings with the board of directors. And I actually got that feeling myself from sitting there that, yes, they were listening to the people concerned but they were only waiting until they got out of there and nothing was going to be resolved.

And I think there's a problem when we see that happening, no matter who is sitting on these boards, Madam Minister.

I realize that every agency that's involved with reassessment is represented on that board, whether it be government, SARM (Saskatchewan Association of Rural Municipalities), SUMA (Saskatchewan Urban Municipalities Association), the SSTA (Saskatchewan School Trustees Association), whoever. But I think the feeling out there is that they were not . . . the public, the taxpayer concerns were not being represented and really being addressed by the board themselves.

And I wonder if you'd care to comment on that, Madam Minister.

**Hon. Mrs. Teichrob:** — Thank you, Mr. Chairman. I'll take the points that you raised in reverse, the last one being the representations of individuals. And I should assure you that in addition to the review process that I mentioned, which included the municipal organizations and other organized stakeholders,

we certainly did take account of many letters that we did receive from individuals describing their personal experience with the process.

So I think — I'm certain in fact — that those concerns were heard and that a number of the changes that are being proposed in this Act and in the municipal Acts that also relate to the assessment process, those changes and those concerns are reflected in the amendments that we're bringing forward.

(1445)

In terms of your comments about the accountability of the Assessment Management Agency, first of all they were created by an Act of this legislature, the Act that we're now considering in committee, the amendments thereto.

And we are changing a number of the provisions there, taking back into the department for example, certain types of taxation policy development that the original Act gave SAMA some authority in. And I believe that the Act sets out the parameters of their authority and accountability as an independent agency.

The nomination process from members of the board of directors is in an open, democratic meeting which is attended and the members of which are all the municipalities in the province, rural and urban, who elect some of the members to the board.

The other members are three that we appoint, one being the Chair, and two being independent members. The other members are appointed by the school trustees association, SUMA, the urban municipalities association, and the rural municipalities association. Then there's one member being a technical member who is a nominee and representative of the assessors association.

So I think there certainly is accountability there, a process for that. But some of the comments that you've made with the respect to their authority and parameters are being addressed within these amendments.

The very first point that you opened with was in terms of another watchdog. And we believe that the appeal process acts in that manner in that any individual who feels that the assessment is not appropriate can take it to the local board of revision. If they're not . . . And have a hearing there.

And we are, incidentally, changing some of the provisions in the legislation by these amendments that provide for the sharing of information; and that the deadlines for SAMA to provide information to the appellant will be exactly in the same time frame ahead of the hearing as the appellant is required to file, and some other changes of that nature.

So if the appellant still feels after the local process through the board of revision that they are not satisfied, they can take the decision of the local board of revision to the Saskatchewan Municipal Board which also has parameters of authority set out in their Act, The Municipal Board Act. And beyond that the last court of resort, I guess, is the Saskatchewan Court of Appeal.

So we really do believe that there is an integrity to the process; that there is set out a series of forms for an appellant to be heard



in an objective way.

So I think that creating another, for instance, ombudsmen or, in your words, independent watchdog would be a duplication and an expense that perhaps taxpayers would just as soon be without.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, I guess . . . and I've had more concerns brought to me about these issues that we're talking about right now.

The lady talks about an independent watchdog . . . And I agree with you, if everything was working the way it should work, we probably wouldn't need it; it's another expense we don't need. But I feel that this lady, the point she's trying to make here by asking for an independent watchdog — and I've had this concern brought me by others — that if the board of directors of SAMA were doing the job that many of these people feel they should be doing, we wouldn't need an independent watchdog. That would already be being looked after because they would be listening to the concerns that come in and they would be acting on them.

And I guess, Madam Minister, I've had many calls like this, and I would think you must have had calls saying that they didn't really feel that SAMA itself as a body was getting any direction from the problems caused by the last reassessment.

Madam Minister, the lady goes on to say there has to be full public accountability by the SAMA agency and its employees. Well we've touched on accountability and what she felt should be there. But the part about the employees . . . And I've had this problem brought to me before from a number of different areas in the province, and it's maybe not widespread but it is out there, Madam Minister.

And I know as a past reeve and having dealing with the assessors themselves, there's many personalities out there in the assessors. I would have to say overall the majority of these people that are out there assessing property are very good and very easy to deal with. But there are exceptions to the case.

And I guess what this lady is saying, and I would have to agree with her to an extent, that the attitude of some of the assessors that we have was very . . . was not working well with the people that they were working with, whether it was the personality of that assessor or whatever or just the attitude of the assessor.

And I think the problem being that once again that taxpayers out there felt that when there was a problem with a certain assessor because of attitude or the way he dealt with ratepayers, taxpayers out there, that no one was there to maybe address the issue. I don't think they felt — and I know that's happened to me in the past as a reeve — that nobody was really there to try and fix the problem.

And I guess I would again point to the board of directors. And I don't mean to just keep singling them out, but they are the final boss in this situation; they are responsible.

Madam Minister, have you had occasion to have this brought to your attention about the attitude of some assessors? And again I reiterate, it's probably a small number but they really are

noticed when it is brought to our attention.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I thank the member opposite for his questions. I would say that probably being a tax assessor is not the most popular job in the world. You can go back and read in the Bible about the taxman up in the tree . . . (inaudible interjection) . . . Being stoned, yes.

It's a difficult job that they do have, and of course there are bound to be a variety of different kinds of personalities. And in this kind of a situation where you're deciding on the value of a property that someone owns, there may not always be agreement. There's room for friction.

But I have — since the assessment . . . the reassessment experience in 1997 — I have made it a point to meet regularly with the members that we appoint, as government, as representatives of the people by order in council to receive their assessment — or maybe assessment isn't a very good word in this particular instance but their opinions — to ask them what kind of feedback they are getting as individual board members. We have made some changes and, as you know, there's been some change in the administration as well; and there's an acting chief executive officer right now and a recruitment process is going on for a permanent replacement.

So I think that under very trying circumstances, I think we have to remember that not only for ratepayers that own the property that was being assessed, but also for the personnel and the board members of the agency, this was a brand new experience. We had to . . . They were charged with the task of renewing our assessment system after 32 years of neglect so there were bound to be a few bumps and grinds, I think; and this new legislation that provides for . . . or these amendments that provide for a four-year cycle instead of a three. Because in that experience, three years just wasn't long enough to get the information, do the modelling, and allow everybody appropriate latitude to do the best, most conscientious job they would've liked to do.

So we've changed the, as you know, the cycle to a four-year cycle; the first year of that four-year cycle being 2001 instead of 2000 so we'll have a bit more time. And by the next reassessment, the personnel, the board, the government, the ratepayers of the province will all have benefited from the first experience.

We really hope . . . our objective would be in the long term that assessment would become really a seamless process. And it would be going on . . . the way the cities really in effect do it now, where they're doing the pickups and the re-evaluations on a constant basis, and so there are never any, you know, huge jars. And that eventually the whole thing will become a seamless process and we won't have to make the kind of adjustments that we did in 1997.

But I think based on that long 32-year lag that we had to catch up for, based on the stresses of the employees who used to be government employees, who were in the Department of Municipal Government when municipalities told the Local Government Finance Commission in the '80s that they wanted to own the system, they didn't want it to be a government function, so those employees had to be moved out of government into this independent agency, you know, in a



different setting operating under different parameters, and there were a great many adjustments to be made.

I think under the circumstances that everyone, the assessors in the cities who do their own assessments, the employees at SAMA, the board, and even may I say the ratepayers of the province, I think everyone did a really commendable job in making the changes and adjusting to the changes.

And where there were frictions and difficulties, those are the kind of issues that we're attempting to resolve by these amendments.

**Mr. Bjornerud:** — Thank you, Madam Minister. And I agree with the one-year extension that you're delaying the next reassessment. I think that's good. Because I think, had we have done this after we had brought in all the rules for the last reassessment, brought in all the numbers, and let the administrators out there — whether it's urban or rural — hypothetically run these numbers through, I think we could have avoided a lot of the problems that we saw and went under the old system for one more year.

I think if we had stuck with that, a lot of the problems that we saw with reassessment we could have avoided. Because in many cases the administrators themselves picked out problems that I think they saw coming with this. But because of the hurry-up and we were bringing it in in one year, we didn't have time to fix the problem before actually the problem hit home.

So I'm glad to see the one-year extension. I think that's a good thing to do. That one year isn't going to hurt anything and it'll give more time to be ready for the next reassessment.

The one thing I was talking about though, Madam Minister — and I saw it in the past as a reeve and I saw it as a taxpayer out there — and we'll go back to the employee for a minute, and I don't want to belabour the issue, but I think it is an important issue when personalities come in. But we know mistakes were made in the last reassessment and that was not avoidable. That had to happen with so much going on out there.

I think I saw the example where assessors actually assessed land from the edge of a quarter section of land for whatever reason — there might have been crop from corner to corner and they didn't want to go in and do it — but mistakes can be made and I don't think we can blame them for that. But I think it's the way we deal with those mistakes when they're brought to our attention that caused a lot of problems out of it, Madam Minister.

The lady goes on to say, Madam Minister, that there should be full disclosure of information as to how SAMA arrived at an assessment of property. And I wonder if you would comment on that, Madam Minister, because I think many felt that how they got to the numbers they got to, the taxpayer out there would like to have understood that and it might have solved some of the problems that we went through before we went into the appeal process. And a lot of that information, I know for a fact, was not passed on to the taxpayer or the appellant.

**Hon. Mrs. Teichrob:** — Thank you, Mr. Chairman. In answer to that question, we'll be able to have a fuller discussion if you

wish, under the committee review of The Urban Municipality Act, where section 253 amended adds this section, that:

“(4) At least 10 days before the date set for the appeal hearing, the assessor shall file with the secretary of the board of revision and serve a copy on all parties to the appeal:

(a) a complete assessment field sheet; and

(b) a written explanation of how the assessment was determined.”

So we've got not only the type of information that must be provided to the appellant but also a time frame of 10 days prior to the hearing, so that the appellant will have sufficient time to make use of that information.

**Mr. Bjornerud:** — Thank you, Madam Minister, I'm glad to hear that because that created a lot of problems for appellants out there trying to put an appeal together with an understanding of how really SAMA came up with the numbers they did.

The onus . . . and she goes on to say here, the onus of proof for assessment values has to be on the SAMA agency, not on the property owner. The property owner does not have access to the resources, the time, or the finances.

And I wonder if you'd comment on that, Madam Minister. Have we addressed that in any way?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I think in the member opposite's previous experience in local government himself, he will know that the basis for an appeal . . . in an appeal application the appellant has to set out the basis for the appeal. There has to be some basis, there has to be some comparison with a like property. And so we don't — we do not plan to incorporate what you're calling the onus of proof on the other side of the process.

(1500)

**Mr. Bjornerud:** — I think maybe we're going to address this as we get down farther in this, Madam Minister, but you talked about comparison . . . and I think, and I know, and the community involved with my home community of Saltcoats as you're well aware. But I think that was one of the problems is that the taxpayers out there that were so upset were not allowed to compare to another community of very similar size, same distance from Yorkton. And it seemed very unfair because . . . Well as you know, I think in some respects we were felt as we were a resort community because we have a small lake by our community which is very nice, but let me reiterate that this is not oceanfront property. And it seemed to be in the first assessment that come out . . . I know my dad and mom lived along it — and I didn't know they were that wealthy — and I'm really looking for this big inheritance down the road if that property stays that high value.

Madam Minister, the SAMA agency must recognize legal appraisals done by other institutions. At this point, SAMA only recognizes their own appraisals and does not recognize appraisals done by accredited institutions. And I guess this is



where the comparisons come in.

But I wonder, are we addressing that somewhere in this amendment, Madam Minister, and what's your opinion on that?

**Hon. Mrs. Teichrob:** — Mr. Chair, with respect to the oceanfront property, I mean, as lovely a spot as Saltcoats is, I know on some hot days in summer when the water levels are low, it's much . . . mighty like a marsh, not a lake.

But I think that we . . . We are attempting to come to grips with that issue by making again in the — I'm hoping to not have too much crossover here — but in the consideration of the municipalities Act in committee, we've added a section that says that, just to paraphrase it, that assessments must be . . . can be comparable within a school division, which changes the parameters quite a bit. And I think that addresses what it is — the point that you're raising.

And then on the question of other appraisals, certainly other appraisals of property, like professional appraisals sought by someone, can be tabled as evidence of the value at a hearing. But the problem there is that to protect the integrity of the system, the same manuals have to be used province-wide.

So what would happen if someone tabled a professional appraisal that they or a financial institution or someone had engaged for the subject property, that SAMA would be comparing the appraisal methodology that was used with the manual to make sure that there's a level playing field within the province.

But certainly those kind of appraisals can be used as evidence in an appeal hearing.

**Mr. Bjornerud:** — Well thank you, Madam Minister, because I think it's imperative that we fix the problems that we had with SAMA and you talk about comparative numbers being used right across the province and I agree with that. We have to have a basis in the whole province, but I think with the problems that we saw with SAMA in the last reassessment, I have had and you may have had yourself, some urban centres and quite a number of RMs for that matter even considering going to their own assessor, going back to their own assessor because they were very unhappy with the way that SAMA dealt with this problem — or the problems were caused by SAMA they felt — and I think we would lose that continuity across the province whether it be urban or rural if we didn't have one central agency.

Although I think if we go through reassessment again and have the same amount of problems, I'm afraid we're going to see an awful lot of RMs and small, especially small urban centres considering going together and hiring their own assessors to do it for them.

The lady goes on to say, Madam Minister, that the SAMA agency employees that perform property and land assessments must be fully accredited. In the operations section of SAMA there are only four employees out of 102 employees that have any accreditation. And I wonder do those numbers — is the lady right by using those numbers or are they wrong?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm certainly assuming that as members of the professional — the assessment profession — that the people who do assessments engaged by SAMA are all properly accredited but I could certainly undertake to find that out and let you know.

And then on your point that group municipalities or groups of municipalities may consider joining together and hiring their own assessor, some municipalities or groups of municipalities did consider that and rejected that option. Some . . . one group that I'm aware of, a fairly large group of municipalities in the west side of the province, undertook a study and their consultant indicated to them — he was an independent consultant — that they would be better off within the provincial system.

But it certainly is a option. And it's a deliberate option provided in the legislation that if municipalities wish to do so, they may. And of course there are some cities in the province that have traditionally done their own and continue to do so.

But I haven't got any figures for you here, but I would make the suggestion to you because ministers from other provinces, where they do have a privatized system if you like, spend more money auditing all the private systems to make sure that there's equal treatment across the province. They spend more money auditing it and supervising it than we spend on running our whole agency. So I think that's something to consider.

**Mr. Bjornerud:** — Well thank you, Madam Minister, although I must . . . I don't think I have to remind you that SAMA is not cheap at this present time. The amount of money that urban and rural municipalities are putting in to run SAMA is a fair expenditure in their costs and their mill rates every year.

Madam Minister, the lady involved here goes on and she talks about the appeal process. And we may have touched on some of this but I'd just like to go through it anyway. She says here:

The local boards of revision should have more authority as to what they can do. There should be in-depth informational workshops established for local boards of revision so the individuals sitting on these boards have a better understanding as to what their role is and more informed understanding as to what rights the local board has.

There should be in-depth informational workshops for property owners to make them aware of the process of procedures of an appeal, so as the property owner is aware of their rights during the appeal process, limited though those rights are as the appeal process now stands. The whole appeal process is a very intimidating process to a property owner. That intimidation in itself is a deterrent for a property owner to appeal. And if a property owner is deterred from appealing for whatever reason, then they are being denied their rights. The appeal process must be made more user-friendly to the property owner.

And I would have to agree with the lady here, Madam Minister. From some of the problems that have arose out of this, and in the case . . . some of the cases out there where SAMA themselves even had lawyers sitting at the table, it was very



intimidating to go through this whole process.

Number one, the information that they wanted to put their appeals together wasn't available, or if it was available came after the appeal hearing date, which did them absolutely no good. And that caused a big problem.

Having lawyers sitting at the table, Madam Minister, to deal with the average citizen out there I think is intimidating in itself and, really when you think about it, probably not all that fair because the taxpayer's dollars are paying for the lawyer to counteract what the taxpayer is saying.

And I think in this situation, different than our justice system, it should be a fair playing field where people feel comfortable going in to make an appeal and not have to be a Rhodes Scholar to do so.

Could you maybe comment on some of these comments, Madam Minister?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I thank the member opposite for his observations.

On the appeal process we did, in the last round, hold informational workshops for municipalities, for assessors, and we plan to do that again before the next round. And I think insofar as the ratepayers, information workshops for ratepayers, I believe that to be a responsibility of the municipality.

And you may have had this experience as a reeve — I know I certainly did — where we used to hold, when we sent out the assessment notices, we would hold information workshops prior to the deadline for appeals. And we'd hold them not just during the week but in the evenings and on Saturdays so the people that were working could come and receive information about their assessment — how it was arrived at, how it compared with others.

We always held those workshops. At the time they were always open so that comparisons could be made with like properties. And I'd like to think that we managed to satisfy a large number of people who would otherwise have appealed, who made a decision once they had an understanding of the process not to appeal.

Then I think we are correcting the other issue that you raised about information being available in the section that I read you from the municipal Acts about each party to the appeal. It was one-sided last time, I agree, because there was a deadline by which the appellant had to file but the same timelines didn't apply to the Assessment Management Agency. Well we're correcting that in the provision that I read to you.

The other thing that we are doing in this legislation is — and there may be some controversy around this, but I feel confident that we're taking the right approach — is we're barring membership on boards of revision to council members on the basis that they have a potential conflict of interest.

And I know the counter-argument to that is that a councillor, particularly in a small, a very small urban municipality or a rural municipality, might have a more intimate knowledge of

the circumstances of the appellant and so forth. But I think that there are, there are some pilot projects where . . . Well I shouldn't call them pilot projects. But when some municipal administrators observed the first legislation and started to acquaint themselves prior to 1997 with what the new process would be like, they felt there was a need to have a little more . . . not more complications but professionalism at the local board of revision level.

And some municipalities did go together and set up a professional, non-council board of revision that sits for more than one municipality. And by all accounts that has worked very well. So I think on your last intervention I think I've covered all the points that you made.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, I'd just like to thank the lady that sent this in. She's part of a concerned taxpayers' group, Debbie Koptie. I'm sure you know who the lady is. We may have created more questions than we even answered here for them, for those people this afternoon. But I hope not. At least they've got their chance to have their questions asked here today and I think that's what this process should be all about.

Madam Minister, I'd like to go on to some of the questions just with the Bill itself from my own point of view, and we may border on some of the questions that she's asked but if you'll bear with me this afternoon we'll get through this.

The Municipal Board, Madam Minister, has been removed from the technical advisory committee to avoid an appearance of conflict. Has there been accusations of such conflict in the past? Is that the reason for this to happen?

**Hon. Mrs. Teichrob:** — Mr. Chairman, no we've never heard from the public or an appellant at all on this issue. But it was the integrity of the Municipal Board themselves. They identified this issue because they felt uneasy. So we agreed with them and that's why we're making the change.

**Mr. Bjornerud:** — Thank you, Madam Minister. I agree with you; I think that would be a good thing to happen here.

You also say in the Act that the changes will make SAMA more accountable in terms of information and consultation. SAMA will now be required to put out forecasts of shifts in assessments stemming from rural changes. How detailed will these forecasts be and who will get this information when it does come out?

(1515)

**Hon. Mrs. Teichrob:** — Mr. Chairman, the information that you refer to would be submitted to us as a department and we would make it public. And the detail that they would have to provide would have to be sufficient for us to do the modelling that we're required to do for the analysis of what would happen to that bottom number on the right hand corner of the tax notice.

**Mr. Bjornerud:** — I may have missed this in your answer but, practically, how will this change help the average property owner trying to figure out which direction their taxes are going to head one way or the other, up or down?



**Hon. Mrs. Teichrob:** — Mr. Chairman, you may have noticed section 12 amended, section (f) says:

“(f) ensure that the public, municipal councils, boards of education and the Government of Saskatchewan are adequately informed respecting methods and orders relating to property and business assessment in Saskatchewan and, in pursuant of that objective, shall prepare and make available to the public, municipal councils, boards of education and the Government of Saskatchewan projections of shifts in assessments that may result from:

Changes in the base date, changes in the manual, or other orders established, or changes in legislation.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, if I understand right, it will also be mandatory that SAMA consult with all affected agencies prior to carrying out re-evaluations. Will it be mandated what form these consultations will take?

**Hon. Mrs. Teichrob:** — Mr. Chairman, consultations would take place at different levels, and so we wouldn't want to restrict that by . . . that kind of communication by prescribing it in the Act, because municipalities of different sizes might want to . . . depending on their populations and so on, they might want to configure their consultations in a certain way. We wouldn't want to restrict, for instance, the school trustees' association from having consultations with their boards.

So I think we . . . We were never criticized for restricting our consultations last time; the only criticism we received is that perhaps it wasn't . . . the cycle was too short and there wasn't enough time to use the deluge of new information that people were receiving. So I think we've corrected that with the cycle.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, SAMA will no longer have any input into the appeal procedures. And we've talked a bit on this before. But once again to avoid the appearance of conflict of interest, how much of a problem has this perception been, in your view, and how has it adversely affected the rights of appellants since the last reassessment in 1997?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I really think that that is . . . That's a matter of perception. And the appeal process did change somewhat, but I — in the last cycle — but I think that the changes that we're proposing here will improve it, not only in perception but in reality.

**Mr. Bjornerud:** — Madam Minister, you're going to set deadlines, if I understand it right, for getting the information out to municipalities in regulations, and you know how I like regulations. What do you foresee as the date at which information will be out? And as you know, this was a real point of contention during the last reassessment.

**Hon. Mrs. Teichrob:** — Mr. Chairman, we're still sorting out a number of issues with SAMA and with the stakeholder organizations. But this time we want to be sure that we have the legislation in place that describe the principles well in advance. You see, last time we were passing legislation in the spring

session of 1997, the year of reassessment, that had to be retroactive to the first of the year. And that made it very, very difficult for councils to acquaint themselves with the tax tools and the provisions that would be available to them. They just didn't have time to study it because they were in the middle of it as the legislation was being passed.

So this year we want to put as much of the framework in place as possible in this session so that everyone that's concerned with using the system or being a client of the system has lots of time to consider it. So if we put in the framework now, then we can develop the regulations.

Some of the issues are — let me see — the regulations about the frequency of assessment, of an actual physical re-inspection. And we haven't got a consensus on that yet because rural municipalities obviously will feel different about that than very . . . cities, for example, with very complex industrial developments and so on. Because if a quarter of land was sandy loam ten years ago, it's probably still sandy loam. You know what I mean, unless some cropping practices or natural disaster or something has changed it.

So rural municipalities obviously would opt for a much less frequent re-inspection than a city with more complex buildings. And that's another issue is that municipalities might want improvements to be physically re-inspected much more often than land because there's certainly, you know, with alterations and so on, likely to be changes in the value and assessment of improvements much more so than land.

So if you put the framework in place, so that municipalities can be assured by looking at the legislation that we are going to provide for a specific time frame for physical re-inspections, then they know that. Then when we reach an agreement with the different types of municipalities of the frequency that would make . . . that they'd be more comfortable with, because obviously they're paying for the field services that provide the more frequent re-inspection. So there's a balance to be found between keeping the assessment up-to-date and paying for it. And we need to find the right balance.

So I think it's appropriate. We try to avoid that whenever possible too, but I think that to provide some flexibility, that leaving some matters to regulation and not enshrining them in the Act where they're more difficult to change, is a good policy.

**Mr. Bjornerud:** — Thank you, Madam Minister. Mr. Deputy Speaker, at this time then — I'll have more questions later — but I'd would like to report progress on this Bill at this time.

#### **Bill No. 14 — The Urban Municipality Amendment Act, 1999**

##### **Clause 1**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. Madam Minister, if I am seeing what the three Bills are — the urban, the rural, and the northern Bill. Maybe if we could just start off here, if you could explain if there's really any differences in what you're doing here in any of the three Bills. And if there's not many changes I would probably deal with the urban . . . most of the questions would actually come under the urban Bill.



**Hon. Mrs. Teichrob:** — Mr. Chairman, in answer to the member's question on the three municipal Acts — urban, rural, and northern — there are no substantive differences between them, there might be something slight in wording but the intent is the same in all of them. And basically all the amendments deal with, and are parallel to, the changes to The Assessment Management Agency Act and they're confined to refining the assessment appeal process.

**Mr. Bjornerud:** — Thank you, Madam Minister. You're enlarging the requirements for comparability between properties which may lie in differing municipalities but are in the same school division. Can you give us some idea of how this will affect assessments throughout the province? And how many property owners will be affected positively by these changes?

**Hon. Mrs. Teichrob:** — Mr. Chairman, it will likely affect a large number of municipalities actually that fall within rural school divisions which most municipalities in the province do, except for the large urbans, and any municipality that's whose boundaries are not coterminous with a school division. A very good example would be your example of the oceanfront property at Saltcoats wherein it would be possible — it would be mandatory, in fact, under this legislation, that comparisons could be made with the assessments in that community and the assessments with any other community within that same school division. So in that respect, our intent is to provide an improvement and more equity.

**Mr. Bjornerud:** — Thank you, Madam Minister. I'm sure that will be an improvement from the concerns I've had brought to me by a number of taxpayers out there, that they feel that there should be some comparison made.

Well some of the changes that are contained in this Act will take effect immediately. This change will not take place until 2001. Was there no practical way this change could have been implemented quicker?

**Hon. Mrs. Teichrob:** — Mr. Chairman, this change will have a fairly substantial impact on the way SAMA does their assessments. So we had to provide time for that to be accomplished. So it wouldn't be practical to make it effective as of the day the legislation is proclaimed because there will be physical work that needs to be done to accomplish this.

**Ms. Draude:** — Thank you, Mr. Deputy Speaker. Madam Minister, and to your officials, welcome. The Bill that we're dealing with, we see that there was concerns raised by appellants over the last two years. Do you have any figures on how many appeals have been launched since the 1997 reassessment and comparable figures for the two previous years to reassessment?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I don't have the figures with me, but it seems to me that it was . . . generally speaking the number of appeals was much less than we expected. We had made some allowances in the budget of the Municipal Board, for example, anticipating that there would be a larger number of appeals.

In fact we anticipated a larger number of appeals in 1997, and when they didn't materialize we then thought there might be

more in 1998 because people were getting more accustomed to the system and that they might come forward in 1998.

But that didn't materialize either. And I was told by SAMA at one point — I think this would apply for the year 1997 — that the number of appeals were only approximately between 2 and 3 per cent of the total number of appeals in the province . . . or total number of assessments in the province, that only between 2 and 3 per cent were appealed.

**Ms. Draude:** — Thank you, Madam Minister. Can you give us an idea of what you had actually expected then?

**Hon. Mrs. Teichrob:** — Mr. Chairman, it couldn't have possibly been anything more than an educated guess after 32 years. But we just . . . we didn't have any particular numbers in mind. But certainly I think we would have anticipated that based on a catch-up of 32 years, that it might be something more than 2 or 3 per cent. So we were relieved when it was not.

**Ms. Draude:** — Thank you, Madam Minister. You'd indicated that in your budgetary process that you had reserved funding for the appeal system, and you hadn't used it. So was that money then allocated to a different part of the budget, or is it still there waiting in case there is a large number of appeals this year?

**Hon. Mrs. Teichrob:** — I think it was in 1997 where we made a slight increase in the Municipal Board budget. We left that amount in for the current year that we're in — or no, we're not in it any more — that we were in until March 31, the last fiscal year. Because we anticipated that as people got more accustomed to the system that the appeals might materialize in 1998. That didn't happen either.

Now this year I think we're at a stand-pat amount. The status quo is proposed for this year as last year because there have been some salary increases and an inflationary increase. It wasn't a large amount but whatever it was, it wasn't needed for a flood of appeals.

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. All that talk about oceanfront property had an effect on me, Madam Minister — I'm back.

Madam Minister, I was just wondering for my own curiosity, where did most of the appeals come from — private homeowners, or businesses, or industrial properties?

**Hon. Mrs. Teichrob:** — I wouldn't have that information at hand. Perhaps when we get to the — you might bear this in mind — when we get to the estimates on the Saskatchewan Assessment Management Agency on the budgetary side, they may have . . . they will have the answers to that. But I think there was certainly a good cross-section.

But one of the areas that we felt needed improvement and that we are providing for in the — we're now back to The Assessment Management Agency Act — but we're providing for appellants such as oil companies, railroads, grain companies, people that have a large number of properties scattered throughout the province, to go with a minimum assessment to go directly to the Saskatchewan Municipal Board and not have to launch a separate appeal in every municipality.



It might amount to hundreds of appeals in some cases where the appellant would actually have to have a representative physically present and so on. So that's another streamlining that we've done.

(1530)

**Mr. Bjornerud:** — Thank you, Madam Minister. You touched on the railroads there for a minute and I'm wondering — I know their assessment had climbed dramatically — did you get appeals on behalf of the railroads for those properties that they own?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm not conversant with the details of the appeals but I certainly do know that there were appeals.

**Mr. Bjornerud:** — Thank you, Madam Minister. Would you agree that even with the changes that we're making here the average person — and I think we're talking about making it easier for the average person out there to go through the appeals process — would you agree that, even with these changes, the average person is still at a rather severe disadvantage when it comes to appeals against SAMA?

Is your department considering any further changes to level the playing field more for the appellants fighting SAMA decisions? Is there any changes other than what we see here coming later on or are these all the changes that there will be?

**Hon. Mrs. Teichrob:** — Mr. Chairman, we're certainly open to any suggestions that the members opposite or any members of the public who are concerned would wish to suggest to us. But I do believe that it's largely a matter of perception. I know that I probably wouldn't be standing in this House today if I didn't start out my career as an appellant at boards of revision fighting about my taxes.

And I know it was a very daunting experience the first time to come in and the local board of revision consisted of 12 councillors, you know, all lined up in a row and there I was with my assessment and a couple of my neighbours, you know, and so on. But by the time they rejected my appeal and I appealed it to the Saskatchewan Municipal Board, I began to enjoy it after a while. I didn't always win but I learnt a great deal.

And it can be daunting but the other interesting thing is that someone else, another party, can appeal on your behalf. And I know even . . . You may have done this. I have even done this as a councillor, where I saw an assessment, a property that belonged to somebody, for instance, that was elderly or handicapped in some way or likely wouldn't carry forward and appeal on their own behalf. I could do that. So there are ways and there are ways to make it less intimidating.

And then as I mentioned to you the workshop approach is . . . we found it to be very productive in the municipality that I was on the council of. And it was a very non-threatening, user-friendly atmosphere — you know, send an invitation out with the assessment notice, give the hours that people will be available, and we always had an assessor there. Some members of the council would be there; some members of the

administration; some members of the — at that time it wouldn't have been SAMA yet — but the assessors, would be sitting in to answer people's questions and have coffee and it was . . . And we tried to make it easier.

And then if people, having got the information, decided that they did want to proceed with the appeal, we'd have our little worksheet, what the steps were, what the deadlines are, to assist them. We never tried to encourage individual ratepayers, you know, private or corporate from making appeals. And we tried to make it as user-friendly as possible.

**Mr. Bjornerud:** — Thank you, Madam Minister. I find it interesting that you had said that it's kind of odd how we end up here, some of us, because of maybe for some reasons that we've been wronged, you were talking about assessments or the amount of your taxes. And that's actually the same reason I ended up here but I felt that I was being wronged by your government. So it's very similar.

Madam Minister, you clarified how appellants must serve notices of appeals. One thing that hasn't been addressed is the electronic delivery of these notices. Do you think there is something that could have been addressed at this time and how long do you see before electronic delivery of such notices could be implemented?

**Hon. Mrs. Teichrob:** — Mr. Chairman, that method of communicating was considered during the drafting phase of the Bill. But there are some concerns yet to be resolved with this practice, including the problem of confirming who has actually filed a notice, the reliability of electronic filing, and the overall need for original documents and signatures to be filed prior to the deadline. And if the member opposite has ever surfed the Internet and found some of the strange things that people can inject into the electronic process, I think we would certainly be amenable, once we would be satisfied that electronic delivery maintains the total confidentiality and integrity that is required, to add that to the legislation. But those are the reasons it wasn't included in this phase.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, you're disallowing school board members and municipal councillors from sitting on local or district boards of revision. Can you give me an idea of how common this was? Was there lots of them sitting on these boards? And I can certainly see how a perception of bias could arise from that situation. Was that a real common practice across the province?

**Hon. Mrs. Teichrob:** — Mr. Chairman, school board members and council members sitting on or acting as boards of revision was a very common practice. And in my recollection, our whole . . . in all the neighbouring municipalities in our area, the council itself sat as the board of revision. And so I think in the places where, as I mentioned before, these other methods have been tried, it's proven to be a very positive experience.

And I didn't want to let you get away with something, but my colleague across the floor when he said that some of us get involved in . . . you know, end up in this House for different reasons. And he mentioned his reason, and I mentioned my experience on the board of revision. But also as a reeve I was getting sick and tired of getting downloaded on by the



provincial government, and I was going to get elected and change all that, hey?

**Mr. Bjornerud:** — Thank you, Madam Minister. It doesn't work quite that easy, does it?

Madam Minister . . . and our RM I know did the same. We all sat as the local board of revision. Now if I understand what you're doing here, it will be all completely independent people that will be sitting on here, and I would presume being reimbursed by the local municipality — is that the way that will work — for the time they sit on this board.

**Hon. Mrs. Teichrob:** — Mr. Chairman, yes. To my knowledge the ones that have been set up now that consist of other than councils, is that there's a board empanelled that's paid per diems for the days they sit, and then there's usually a permanent professional secretariat to the board that takes the notes, writes the reports, and so on. And they're paid either by the municipality that engages them, or by the groups of municipalities that engage them on a pro rata basis for the time they spend acting on behalf of each municipality.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, you're streamlining the appeal process — and we've touched on this a bit before — for more complex and industrial commercial cases because you say that quite often the expertise just does not exist at the local level to deal with these cases.

What is currently done with these matters which currently do have to go through the initial stages without this expertise in place?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I guess the answer really is that they do the best they can. Part of the problem that arises with that is that . . . And I certainly wouldn't say that the rural council I was a part of was really, you know, that sophisticated either, especially in some of the complex appeals. Like we had chemical plants, huge fertilizer manufacturers, you know those kind of things; we didn't have the expertise.

So the danger is that when the expertise doesn't reside at the local level, that it just sort of gets denied so that the whole process can move up to the municipal board, putting an undue load on them.

So the more expertise there is at the local level to resolve things there, the smoother the whole system runs and the less onus moves up to the municipal board at the provincial level.

**Mr. Bjornerud:** — Thank you, Madam Minister. And I hope I'm understanding what we're doing here, but once again there's going to be quite a bit of discretion used to decide which of these types of cases will go straight to appeal. Will there be solid guidelines set down so there's consistency in these judgments?

**Hon. Mrs. Teichrob:** — Mr. Chairman, that's a very good question. This is one of the issues that, I'm sure to the delight of the member opposite, will likely be dealt with in regulation because we're still discussing what the parameters will be. We have, certainly, agreement on the principle but not how it should be determined. So we've been talking about an

assessment amount, like for instance anything over — one figure that's been thrown around — is anything over \$5 million could be considered of a level that could go straight to the municipal board.

Whether there should be other parameters that should be considered in making that determination hasn't been completely agreed upon or decided upon yet, which is why we want to leave it and put it in regulations.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, I'm a little unclear about the provisions surrounding section 279.3. Can you give us just a little further explanation about what is being done here?

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman, this is a little bit complicated.

And in the amendments that were made in 1996, there was a provision where the taxing authorities, the school board usually, would set the levy or the mill rate necessary to raise the taxes on their behalf. And they would inform the municipality, or municipalities in the case of a rural school division, of what that was. And it permitted the application of mill rate factors to the mill rates set by other taxing authorities. And it was a little bit too loose.

So we had to make sure that once the mill rate factors are applied, that the school division, in the course of those adjustments, wouldn't lose money that they were entitled to or gain money. And so this is technical, but it's meant to clarify that provision.

**Mr. Bjornerud:** — Okay, thank you, Madam Minister. Madam Minister, decisions about whether or not to overlook procedural errors made by the appellants will be made, I understand, on a case-to-case basis at the sole discretion of the Municipal Board. Is my understanding right if that's what we're doing?

Madam Minister, then . . . and I'd agree with this, because I realize appellants in most cases aren't familiar with how the procedure works and it's brand new to them in many cases; they've never done it before. But do you have a concern that there may be inconsistencies with these decisions and therefore a perception of unfairness by some appellants may be out there. Some are . . . you know, I guess mistakes are being overlooked in some cases and maybe in some cases they aren't overlooked.

(1545)

**Hon. Mrs. Teichrob:** — Mr. Chairman, I think that there are not that many of these instances. But where they are, sometimes we are placed, we and others, were placed in a really embarrassing position.

I think you might recall one case in Regina that received some publicity where close to the end of the appeal period there was a document that had a wrong date on it which prevented the appellant from going forward with their appeal even though, you know, everything else was in place. And actually the person was eventually successful in the appeal, reduced the amount of taxes, but could not obtain a reduction for that year because of this technicality.



And those are the kind of things that we will trust the discretion of the Saskatchewan Municipal Board to decide what is substantive. But this is designed to make sure that instances like that, that inconvenience to ratepayers and embarrassment to municipalities just don't happen.

**Mr. Bjornerud:** — Thank you, Madam Minister. I believe that is one of the most common sense solutions that we've seen come into legislation. And you may well know that I often think that common sense isn't used that often when it comes to government, and for that matter, the bureaucracy.

Mr. Deputy Chair, I would like to report progress at this time on this Bill.

**Bill No. 13 — The Rural Municipality  
Amendment Act, 1999**

**Clause 1**

**Mr. Bjornerud:** — Madam Minister, I would be remiss if I didn't ask this question. I'd asked most of the questions because the Bills are so similar. But I think I would be remiss on behalf of farmers out there — and maybe I just missed it in this Bill and I hope I did — but is there anything in this legislation to deal with the inequities of those who own farmland and feel that the current system is unfair to do with education tax? Did I just happen to miss anything in this Bill where we may have removed part of that?

**Hon. Mrs. Teichrob:** — Mr. Chairman, how astute of the member opposite to observe. I think that he's probably looking in the wrong Bill for this. Perhaps when the Minister of Education comes forward with Bills there may be some reference to that situation.

**Mr. Bjornerud:** — I thank you, Madam Minister. I just thought maybe somewhere that the 60/40 that used to be in the government's favour is reversed now and the 60 per cent is in the municipalities to fund. I thought maybe I'd missed something there in the numbers and maybe there was something being addressed.

Mr. Deputy Chair, I would at this time then report progress on this Bill.

**Bill No. 12 — The Northern Municipalities  
Amendment Act, 1999**

**Clause 1**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. I just have very few questions on this Bill, Madam Minister, because it is very similar. But because northern municipalities are somewhat unique, I do have a few questions.

In your second reading speech, you indicated there are some differences in the Bill than in the other two municipal Acts. Perhaps you could just list the differences that don't exactly come to the forefront immediately?

**Hon. Mrs. Teichrob:** — Mr. Chairman, there are really only two and they both relate to, I guess, the uniqueness of the

North. But they both also relate to the appeal process.

One provision is to make the service on a board of revision for a property tax appeal or assessment appeal less onerous. And the other one relates to the reassessment of a property and it brings the rules for northern property right in line with the rules that apply in the South.

**Mr. Bjornerud:** — I guess that, Madam Minister, probably answers my next question. I was going to ask you: are appeals in the North dealt with the same as they are in the South.

Then I guess my question would be: did we find in the last reassessment, that in northern Saskatchewan, did we have the same number of appeals per population as we would in the South? Or was there far less? I guess maybe in the North I would feel that there's probably less appeals. What did we find up there?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I respectfully suggest that we could get a more appropriate answer to the frequency and number of appeals when we're considering the budget of the Saskatchewan Municipal Board in committee.

**Mr. Bjornerud:** — Thank you, Madam Minister. And I'd just like to take the opportunity at this time to thank your officials this afternoon in dealing with these Bills. And, Mr. Deputy Chair, I'd like to report progress on this Bill at this time.

The committee reported progress on Bill No. 8, Bill No. 14, Bill No. 13, and Bill No. 12.

**COMMITTEE OF FINANCE**

**General Revenue Fund  
Municipal Affairs, Culture and Housing  
Vote 24**

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

**Hon. Mrs. Teichrob:** — Thank you, Mr. Chairman. On my left is the acting deputy minister of Municipal Affairs, Culture and Housing, Brij Mathur. Behind me is Larry Chaykowski, I'm not sure of his exact title — executive director — and anyway he writes the cheques and looks after the money, and a fine job he does too. On my right is Peter Hoffmann, who is the president of the Saskatchewan Housing Corporation, and John Edwards, who was previously introduced.

**Subvote (MG01)**

**Ms. Draude:** — Thank you, Mr. Deputy Speaker. Welcome again, Madam Minister, and to your officials. It's nice to see everyone here waiting with bated breath to see what questions we can come up with. Madam Minister, before we get into some of the direct questions about the budget, we have a number of specific cases we'd like to talk about and ask for your help with or some clarifications of some problems.

The first one is in my area and it is a gentleman who talks about his own reassessment problem that he's having difficulty dealing with. He has 90 acres of land and his house on the



outskirts of town and his land is being classified as being within town limits, so he has to hire an assessment . . . the assessment is in taxes farmland. With the new assessment he now pays over \$1,100 in taxes on his property. He has appealed the assessment through SAMA unsuccessfully and he tried to get the land switched to the RM unsuccessfully.

He says the town says the assessment is SAMA's doing and SAMA says it's the town's. And he's wanting to know where he can go from . . . this problem, if he can actually get some help and which direction he can head to having his case looked at again.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm not sure from your question whether this landowner has taken the appeal to the provincial level. I mean if he hasn't received satisfaction at the local level, if his appeal has been denied, whether he has exhausted the opportunities for appeal, because, first of all, before there's any other intervention he should do that.

And if there's any other information or assistance that he needs he could write a letter to my office or to the municipal advisory branch of the department to see if there's any advice or information that could be provided to him.

**Ms. Draude:** — Thank you, Madam Minister, I will get some further information and perhaps later today or the next time you come in we can discuss it if he hasn't exhausted all the . . . if he has exhausted all his appeal procedures.

We also have a specific issue that has been brought to your attention by the village of Marquis. It's an issue that the village council has asked about quite a while ago and they want to . . . they want us to bring it up.

Without judging the case, we're just simply going to ask you to clarify some of the rules and procedures surrounding the decision.

First of all, as you aware, to a great extent the taxation issue that has arisen in the village of Marquis and the owner of some new agricultural buildings in that community. I'm aware that the village council wrote to you about this matter on March 8. Has your . . . (inaudible) . . . responded to the council of Marquis about their concerns?

(1600)

**Hon. Mrs. Teichrob:** — Mr. Chairman, to the member opposite. I do recall this letter, and I think if a reply hasn't gone out it's certainly in the process of being prepared. But I'd like to reserve comments on the letter until I have a chance to review the details because I just had it handed to me a few minutes ago.

**Ms. Draude:** — Madam Minister, I can appreciate that. And I'm just wondering if we can maybe get to some — not being specific then — just surrounding some of the details with this and without asking you to make a judgment.

Just to give you some background there. The problem has to do with farm buildings located within the urban boundaries of Marquis. And I believe this situation shows a flaw in the Act. I don't think anyone is proposing that farm buildings should be

opened up for assessment, and certainly I don't . . . we don't want that either.

I think the experience in Marquis shows some inequalities in law on how this rule applies. The problem the Marquis council is having is with the interpretation of the urban municipalities Act, more specifically section 239.1(4)(d). I'm sure you have memorized the Act and I will refresh your memory.

I believe that this section says in part that an urban council may enter into a fixed assessment agreement with the owner of agricultural land in the urban municipality.

Madam Minister, when we read the word "may" we believe it means the council has the option of entering into such an agreement, but it means they don't have to do it. And we're wondering if that is your interpretation of it.

**Hon. Mrs. Teichrob:** — Mr. Chairman, yes, where the word "may" is used, I would put the same interpretation on it that you've just described.

And I'm not sure about this particular case. There is another set of situations that has arisen resulting from the methodology used by SAMA, where they have deemed parcels of farmland, or land which is used solely for agriculture, to be within a certain area. For instance, a certain radius of an urban centre is deemed to be country residential rather than agriculture. And there's some . . . are some appeals in process on that issue as well.

But as far as I'm aware, no determinations have been made yet by the Saskatchewan Municipal Board on that. But I'm aware that there are some appeals of that nature moving from local boards of revision to the Municipal Board, which will be dealt with in due course.

**Ms. Draude:** — Thank you, Madam Minister. Then I'm going to ask for your indulgence and I'm going to ask you a number of questions that the council has asked us to ask you. And if there's specifics that you can't talk about at this time, we could relay that information to them.

I think you remember that the matter began last September when the council received a request under section 239 from a ratepayer in the community to exempt the assessment of all farm buildings located on that parcel of land. The village council denied this request, thinking it had the right to decide yes or no. And we're wondering, did they have this right, and could you explain your understanding of this provision?

**Hon. Mrs. Teichrob:** — Mr. Chairman, with the indulgence of the member, I would really prefer, because I do have a reply in progress to this letter — it's under consideration — and I want to make sure that before I say anything on the record here, that I have the opportunity to review it.

I remember . . . I recall getting the letter. I've read it. And I just want to make sure that what I say here will be in keeping with the response that may already have been mailed.

**Mr. Heppner:** — Thank you. Welcome, Madam Minister, and



to your officials. I have a number of questions that essentially come out of my constituency. One is one that's been ongoing for a long time, and that's the issue of libraries when it came to the RM of Rosthern, the town of Rosthern, and the town of Hague. And I guess the question is where this is going and why it's become such a convoluted sort of a thing.

I believe the last thing that happened was that there was an . . . essentially it was supposed to go to some sort of a court situation. And for some bizarre situation, instead of being able to go together on that situation, even though they're all working together on that library thing, they were told each had to go ahead and go through their process separately. And I guess my one question is why should they have to go through the process separately, why couldn't they go through that as a group because that's . . . basically their concern is as a group.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I think the most that I can say about this issue which was brought to my personal attention in, I believe 1997, and it had been going on for some time before I became aware of it. And then I did meet in Saskatoon with representatives of the Rosthern RM, town of Rosthern, with Hague. And we were operating then under the new library legislation that had just been proclaimed that year which attempted to set out a dispute-settling mechanism.

And I regret that this has gone on so long. I'm aware that it is inconveniencing those municipalities. I'm aware that there's friction between the two regional libraries that are involved. I guess the most I could say is that we're using a process that nobody was accustomed to in the new legislation. We detected some flaws in it that we intend to correct. And the whole thing could be described as a comedy of errors except it's not funny where it's affecting those municipalities and those regional libraries.

And I think recently there was a document that was technically out of place because of a date or something on it. So we are trying to work with these people and work this out. They're in the process of setting up an arbitration that we hope will resolve the issue fairly shortly.

**Mr. Heppner:** — Thank you, Madam Minister. I agree very much with the fact that there were a lot of errors there, and definitely in the view of the people there, they didn't find much comedy in it. And as you mention presently there was an arbitrator was supposed to be set up to take care of the issue. The arbitrator then finds that they're only dealing with one of those jurisdictions instead of all three and so the thing just becomes more convoluted.

And you said, it has been a year and a half that this has been in the process and it would have been a whole lot simpler if the communities would just have been allowed to make the decision that they wanted to make and things would be rolling on just fine at this particular point.

One further question on that — without going into the details of it itself — is without a doubt there's a lot of legal costs being incurred by the municipal bodies with regards to this concern and because of all the errors that have taken place, they should not be held responsible for those particular costs. Is your organization going to be covering those or do they have to

cover the costs that have been incurred because of all those errors that have taken place and seem to continue to take place?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the answer to the member's question is that all costs of any action need to be covered by the respective municipalities or libraries that are party to the action.

But I do want to take issue with what I would characterize as the member's oversimplification of just letting municipalities do what they want and everything will be fine because in a regional library setting — as the member knows — there are a number of member municipalities. In that particular case, I'm not sure how many but there would be . . . This move from one regional library to another of a number of municipalities . . . or a group of municipalities would affect the contributions, the levies for example to the regional library in both regional libraries and affect every municipality that's covered by those two regional libraries — probably about a fifth or a sixth of the province at least.

So there has to be a mechanism, when a group of municipalities leaves one regional library and joins another, to make up for the shortfall in revenue to the library they've left and make the adjustments in the one they're moving to. So it is not a simple matter and it's not a matter that affects only those municipalities that want to make a move.

It also affects all the other partners. And that's the reason for the notice having to be given to all of the other municipalities that are members. And it may seem cumbersome but it has an effect on those municipalities and they have a right to know what's being contemplated and be able to calculate what the effect might be on them.

**Mr. Bjornerud:** — Yes, Madam Minister, truly it is complicated and it's worse than that. It's become very convoluted because these municipalities have throughout the time tried to follow the directions as they're set out by your department to go ahead and enact this change and it seems that at every step that they take there's some sort of a roadblock put in their way. And as you said, those are errors but they're errors that essentially come from your department. I think they have basically operated in this area without making any particular mistakes.

The other concern that comes on the same issue, is that if some of the concerns that these particular municipalities had with the particular library they're with had been addressed, I don't think we would have come to this particular place. But there seems to be a certain amount of protectionism that's been going on with regards to that particular library that has created those problems.

But moving on to another issue, and this one is sort of a general nature but comes out of what the community of Osler has been trying to do for the last probably year or so, and that is save their elevator. And I believe they've contacted you, Madam Minister, to see if there was any aid available, and if I'm right, there wasn't any.

But I guess the question I have, and you may want to answer that one specifically, but of a more general nature, is that at present we have in Saskatchewan many elevators. They're



coming down at a fairly rapid rate. And I think the concern is that if we don't somewhere stand back and say, I think we need to save a few of these for posterity, we'll all of a sudden find ourselves with one or two elevators in an obscure place of the province that no one travels, are no really . . . any reasonable kind of roads to. And so then how do we take this bit of history and show it to other people of other provinces and other countries when they come to visit Saskatchewan.

And so to that end I think we need to look at some of the elevators located on let's say No. 1, the Yellowhead, possibly 11 and 12, and some of those north-south highways to make sure that we have a number of those things, those elevators, saved for posterity. Because once they're gone, no one's going to be rebuilding those just to have us look at those.

And I'm wondering if your department has done any soul-searching into that area and come up with some plan or concept to say that I think yes, we do need to save some elevators and this is where we would like to go.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I know the member opposite will be very pleased with the answer to this question he has just raised, in that in our heritage branch we initiated some months ago a study of the elevators in Saskatchewan. And I do have to say that we've got extremely good co-operation from all of the elevator companies in giving people access to their archives.

And the objective, I think . . . I just wrote a letter to the town of Osler just within the last couple of days in response to their request in outlining this . . . What we're doing is identifying not only the different locations of elevators but the history of them; like certain elevator companies used a certain kind of construction that's unique. I think if you wanted to save elevators you would want to make sure that none were destroyed that, for instance, where maybe the only quality example of a certain kind of architecture in the province that remains. I mean that one you would want because it's the only example. And there have been some successes, as the member from Rosthern would know. There is one elevator that's been saved as a working model in the town of Hepburn, that's in his constituency.

(1615)

Of course we don't have the money. But I think that once we get this study complete, and we're going at it with all possible haste so that we've got some benchmarks, so that people can make decisions on what sort of, and how many, elevators should be saved. I think we should be able to enlist . . . or the Heritage Foundation will be able to enlist the aid of perhaps some elevator companies and some communities of course that have particular interest in this, to save some representative examples of that really important architecture in the history of our province.

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. Madam Minister, I want to go into a different area now dealing with actually RMs and towns and that end of it, but mostly to start with from the rural municipal councils' perspective. At SARM convention there was a lobby on to get infrastructure money back into the system for municipalities. And I just wonder,

maybe my first question would be, is there anything in the offering that you can see from the federal government in helping us here in Saskatchewan get some money into an infrastructure program that we so badly need?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I'm sad to answer that question. I guess you know we never give up hope and we certainly have made representations for a renewal for a third stage at least of the federal-provincial infrastructure program of which there were two phases. Because it was set up in a very efficient way, it required very little administration and the municipal organizations had input. And before we let the program run out and collapsed that small group of people who are accustomed to dealing with it and turn them to other duties, we did try to get a renewal but we were unsuccessful so far.

But with the modest amount, but the \$10 million for municipal infrastructure that we were able to add to the budget this year, we hope to keep that process essentially intact so that if we ever can persuade the federal government to renew their contributions again that there won't be any delays because we'll have, you know, the whole administrative and review structure for applications still in place.

So that's one of the reasons that we wanted to establish that. So there would be a continuing contribution to infrastructure with or without the federal government, and hopefully with it.

**Mr. Bjornerud:** — Well thank you, Madam Minister. Because I sympathize with the situation you're in. And I'm very frustrated, and I'm sure you must be, your government must be, with our federal government for nothing more than really another avenue of downloading on their behalf.

When you see what the federal government puts into, say, for an example, Atlantic Canada, and I'm sure you're well aware of this Madam Minister, but I believe over that seven year period I believe it was going on — we're maybe halfway through that — their projected money that they were putting into the highway systems alone, and I believe it was Newfoundland and I could be corrected, but I know there was four hundred-and-some million for that province. Prince Edward Island, not even counting the bridge, there was over \$100 million or more put into there.

Each Atlantic province had X number of dollars put in there that totally shocked me compared to what I saw coming into the province of Saskatchewan.

And you may find this odd coming from me, Madam Minister, who . . . (inaudible) . . . very critical of the money that your government has put into our road system. But I can sympathize with what's happening because of what the federal government is not doing.

And I'm very disappointed, as I am sure you are, with our one MP (Member of Parliament) that we have in Saskatchewan, Mr. Goodale. When it comes to things like the farm aid that we've saw where Mr. Goodale seems to go in a little capsule that's covered over and we don't hear from him. And when it comes to our road system and our infrastructure money, Mr. Goodale disappears once again and we don't see him.



And it's really disappointing to me as an opposition member. It must be even more to you as a minister of an area where you definitely need federal dollars to come in and help us out.

The federal government seems to be right there when it comes time to charge GST (goods and services tax) or register our firearms or whatever it is to take money out of this province. They're very, very slow to be returning some of that money into an area such as infrastructure that we need so badly to survive out here. I think they treat us like second-rate citizens.

And maybe I would get you to comment on that, Madam Minister?

**Hon. Mrs. Teichrob:** — Well, Mr. Chair, you know there are some really positive examples about what can happen when levels of government work together. And we've got every library connected and the municipalities all on the Internet, all on the information highway. Those are both programs that were brought about as a result of municipal, provincial, and federal government co-operation. Same with the very positive results of the Canada/Saskatchewan infrastructure works projects that are just now winding down because the federal government hasn't renewed it.

Just last Friday, I was in Moose Jaw where the federal Heritage Department — and the minister was there — made a significant contribution to the completion of the restoration of the Claybank Brick Plant near Moose Jaw, which has real historic and heritage significance. And this was brought about as a result of the co-operation of the federal government, the provincial government, the Heritage Foundation, the local volunteers in the community that have done a great deal of work and continue to.

And so those are the good examples, and we would like to think that we would be able to build on those. But instead, on the infrastructure particularly, we've had the CAIP (Canada/Saskatchewan Agri-Infrastructure Program) contribution, which is now winding down. And I guess . . . I'm sure the Ministers of Highways and Agriculture are making representations to try to renew that.

But when the federal government on one hand takes \$320 million a year plus out of the Saskatchewan economy through the changes in the Crow, then allows accelerated deregulation and abandonment of rail traffic, which puts more stress on our road system . . . It is a shame that we're the only industrialized country in the world that doesn't have a national transportation program that's even-handed across the country.

So I hope in the future . . . and we continue to make those representations. And I'm sure that the municipalities of the province do that as well through the Federation of Canadian Municipalities at the federal level, trying to support the notion that with co-operation between the two or three levels of government, that we can have positive things happen. And I know that the matter is raised at the FCM (Federation of Canadian Municipalities) often, that we are the only industrialized country in the world without reliable, stable, continuing federal contributions to the transportation system, which especially in a trading country like ours is so vital.

**Mr. Bjornerud:** — Madam Minister, we definitely agree on that issue, and I would hope that the federal ministers would take heed to things like debate that we're having today in Saskatchewan and just for once stand up for Saskatchewan and maybe give us a little of our share which should be coming out here.

Madam Minister, I believe you're in the process of coming out with a new road classification system and I have only had partial information on this. I believe it's road categorized, maybe one to five, etc. Could you maybe just give me a breakdown of what you see coming in road reclassification and the purpose of that reclassification?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I think this might be more appropriately answered by the Minister of Highways, but I wouldn't want to comment on it right now because I think we're very close to reaching an agreement with SARM and we're having those discussions on two levels: one is the road reclassification system and the other is the distribution formula for the existing revenue sharing and the infrastructure — their rural municipality's share of the \$10 million infrastructure money.

So I think we're agreed on all the points but we haven't produced the last paper yet if you like, and so I'd like to reserve my comments until I'm sure that what I'm saying represents the full agreement of SARM because we have one more short negotiation with them to come.

**Mr. Bjornerud:** — Thank you, Madam Minister. Okay, then I understand that you can't give me the details because it's not fully addressed. But I guess then my question would be: what was the purpose of reclassification? What were you hoping to do or was this asked for by SARM or where did it originate from and where do you hope it will lead us to in the future for rural Saskatchewan?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I think that this is part of a much larger issue that includes the establishment of the area transportation councils and the whole notion that with scarce resources, and in the light of zero or very small contributions from the federal government, that we all would have to work together within the province to try to prioritize how to get the best value out of the limited dollars that we have.

And I think in the past perhaps the method of funding that we used by saying if you, the municipality, will build a certain standard of road we will pay X per cent, with the notion being that the higher the classification of road the more percentage we picked up.

I don't know whether some roads that were built might not have been built because they had to be in order to access the money. We have changed the approach that we take by making more of the money unconditional so that municipalities have more flexibility because they may very well want to use the money to gravel or maintain or rebuild the roads that they have rather than spending it on new construction in many cases.

So we're trying to give them more flexibility.

But I think . . . In short, that was the . . . the notion of road



reclassification was to try and help everybody that's involved in the process in prioritizing where the money would go that was available.

**Mr. Bjornerud:** — Well thank you, Madam Minister. And you talked about making more money unconditional. And I guess right off the top I would agree with that from being a past reeve, although I do have concerns about where we're heading with our road system out there in the continuity or the qualities of the roads we're building out there. And I know engineering is one of our biggest costs out there and I know this would be one way of getting out from under some of that.

But I do have concerns with some of the quality of roads that I see being built out there. Whether it's a three-to-one slope on the side of the roads or whatever it is, I don't think the quality on our secondary roads is going to be quite as good as it was before, just for the fact that we're really leaving a lot more up to the municipalities themselves.

Now I know most municipalities would say, well what are you talking about; we're asking for this. But I really have some concerns there.

Madam Minister, I'd like to just talk about — and I've had calls from RMs and we see it now with the problems in agriculture — but tax arrears. And I see in my home RM today, I checked with them, and in the short period of time that I've been elected to this House, and our tax arrears in our RM were high before, but the arrears I believe when I left were 21 per cent. Right now at the present time, Madam Minister, they're up to 28 per cent.

And I believe in many areas of the province we're seeing the same trend going and happening. And I think there's a big problem coming down the road with rural municipalities.

Another thing I think that will add to this is when we see our school tax come into that, Madam Minister. I believe your government this year put in — and correct me if I'm wrong — about \$13 million. But if the information we received from the trustees association is right, that would be approximately half of what they need to survive this year.

What I see happening out there is the education end of the mill rate, the school divisions going up and jacking their mill rate up at probably the worst time that this could be happening, when we already see our tax arrears climbing in this province, on top of the farm problems that are out there now. And seeing this year, Madam Minister, where we could have the makings of a really poor year. Grain prices — there's a number of things that could come into effect to affect that, Madam Minister.

And I just wonder, has your government sat down and talked about the repercussions this could have a year from now or two years from now? Have you talked about the education tax, how we're going to help alleviate this problem for municipalities, taking into consideration, remembering that your government used to fund 60 per cent and the municipalities 40 per cent; now it's a complete reverse of that, Madam Minister. Along with the other things that I've mentioned before already here, with, I know my RM as I mentioned has gone, I don't know how many per cent that is over all, but it's climbed drastically, the tax arrears, and I think we're seeing that happen in many areas.

Have you discussed that and are you working on something? Are you dealing with this problem in any way? Because I don't think this is one we dare let sneak up on us as we did the farm crisis of now by not dealing with it ahead of time.

(1630)

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'll leave the questions about education to others. But on the issue of arrears of municipal taxes, we don't have the figures for 1998 yet because the municipalities are just in the process of having their financial statements audited and so on. But it seems to be just like the situation in agriculture is, it's not uniform across the province by any means. There are some parts . . . and we haven't done any formal survey of this at all, but when I'm out and around and talking to municipalities or groups of municipalities, I'll ask them about the state of tax arrears.

And some of them will report to me in some parts of the province that it's actually better than it was in the early '80s when interest rates were high and when we definitely had a crisis. Others will say that . . . I actually haven't had very many tell me that they're worse, or certainly not that they're worse than they've ever been. In fact I've had quite a few remark when I just casually ask that they're not, their arrears are not to the proportions that they were in the early '80s.

And it just depends on the cropping practices, the weather. Like if you go to northwestern Saskatchewan where they've sustained four or five years now of drought, for grain farmers it's a serious problem. And throughout the province there are pockets where people have been affected by floods or drought or frost or something, you know, where there might be a problem. But I haven't had any indication that there's an overall situation of arrears that is alarming, not to this point.

**Mr. Bjornerud:** — Thank you, Madam Minister. I guess why I'm so concerned about this is maybe my experience on council before. But I think sometimes we have to look into the future and try and be prepared for that. And the AIDA program . . . and I know this is not your specific area, but the calls I get, and I'm sure the Minister of Agriculture must also get these calls, is that there are an awful lot of problems out there I don't even think the federal government isn't even seeing in Saskatchewan. I think the problem is much greater than anybody is letting on here.

And some of these calls are becoming to the point, they're very distressing to hear them coming in where farmers can't finish paying last year's bills off and are starting into another year and are just at the point where . . . Actually they don't even want to talk about putting a crop in this year. And you know you tie that into tax arrears. I think something has to give. Something won't get paid for.

And I'm afraid next year . . . You know the old saying, we haven't seen nothing yet? Well I think that's exactly what's going to happen in agriculture unless grain prices turn around quickly and I don't think we see that.

Madam Minister, when you put \$10 million into infrastructure money for our municipalities this year, how did you come up with seven and a half million urban, two million for rural, and a



half million for northern?

**Hon. Mrs. Teichrob:** — Mr. Chairman, when it comes to the distribution of the \$10 million of incremental infrastructure money, it's divided into pools that are pro rata in proportion to the population of the type of municipality. Like if it's northern municipalities, have about 3 per cent of the provincial population so that relates to about 500,000 of the 10 million. Rural municipalities represent about 20 per cent of the provincial population, so they would get 20 per cent of the 10 million, or 2 million. And then the urban municipalities, it's further broken down into cities representing 52 per cent population, where they get 5 million; and towns and villages have 25 per cent of the population, so they get, you know, that proportion. So that's what it was done.

So in a sense it isn't truly per capita. But the size of the pool that will be available to be applied for, is related to the percentage of population of that type of municipality.

**Mr. Bjornerud:** — Thank you, Madam Minister. In a way that somewhat concerns me because of what I see happening out in rural Saskatchewan and talking about our infrastructure and roads in rural Saskatchewan, and as you know, the population is dropping at a fairly high rate in rural Saskatchewan. If we continue to fund according to population — and I know that's the easiest way to go — but what I can see happening is that there will be less money for rural roads; every year we'll just keep dropping out there because our population's dropped.

But yet the infrastructure that we need out there to move all our kinds of products in rural Saskatchewan really doesn't change because the amount of farmlands stay the same — everything, all our costs out there stay the same except we're trying to pay that with less people. And if we use our grants out there tied to the population, I can see our problems actually increasing tenfold and a lot quicker.

Madam Minister, a couple of other points I'd like to make right now to do with the rural municipalities. Is amalgamation totally off now? And because I'm asking this, Madam Minister, is because I see your tenure coming to an end here and we're going to have a new Minister of Municipal Government — either ours or yours — whoever is re-elected.

But is amalgamation totally off the books? Is that gone? Is that a subject that we don't need to talk about anymore?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I'm not sure whoever wanted to talk about it, but it never was me.

And we actually had provided for — I don't know if this was the second or third year — but we had about a hundred thousand dollars budgeted for that we called a transition fund. And we have always maintained, and it is our position, that any amalgamation or reconfiguration of municipalities should be entirely a decision of the local people. And that we never had and don't plan to have, you know, any master plan to do this.

But what we did is, we did have some municipalities express an interest and say to us, how would we go about this. And so we said, okay, we'll put in a hundred thousand dollar of a budget for what we'll call a transition fund to assist those

municipalities that might voluntarily apply.

Like say two municipalities were going together, maybe even a village was reverting into an RM, and maybe they were going to combine their administrations and they needed a computer with more capacity or something. So I think the parameters kind of were that each participating municipality could get up to \$7,500 or 50 per cent of some cost that was identified if they wanted to.

But the draw, the applications to that, were very limited. And so we have ended it. In the proposed budget, the money's not there any more. There's no point in allowing for it if people aren't interested in it.

I think that as elevators close in some of the small villages and they see an erosion of their tax base spread over, you know, a very few remaining maybe elderly residents, there will be some interesting challenges there for rural municipalities who may want to accept the responsibility for, you know, grading the roads, doing the administration of tax, keeping the street lights on and so forth.

So I think we have a very sensitive and very responsible people in rural Saskatchewan that need to and want to be in charge of the design of the kind of community that they want to live in. And if they come to us with any ideas of how we could assist them we'd certainly be open to that but forced amalgamations are not on our agenda.

**Mr. Bjornerud:** — Glad to hear that, Madam Minister, and what you talk about is RMs starting to take over smaller communities voluntarily. I've had that happen in my constituency by the way, where I think it was the RM of Calder took over the Village of Wroxton voluntarily and it seems to be working fine. And that's good.

Why I bring this up, Madam Minister, is I found it very interesting on the weekend I was digging through some files that had been given to me when I ran in the last election, and it goes back to 1961 when a former member of the constituency of Saltcoats, a Jim Snedker, who happened to be Speaker of the House even for part of his tenure in here, but I was reading some of his speeches and they went back. It's funny what repeats itself in history because in 1961 a number of the speeches he gave in this House were debating the county system, and I believe it was your government that was in power that time, Madam Minister, so this is what brought that back to the forefront.

Madam Minister, the one other thing, and as a reeve of an RM that I thought was a very useful tool that we had, and you removed I believe possibly two years ago and wound it down, was the futures program.

Has there any consideration to be bringing the futures program back in because I know it was a tool that in our RM that we tried to build as much road as we could. It's totally taken away from us and I felt that was one of the best things we had out there. We financed it. We borrowed the money and got our grant back later. Is there any consideration to bringing the futures program back in?



**Hon. Mrs. Teichrob:** — Mr. Chairman, first of all, I would warn the hon. member not to get . . . wax too eloquent about finding some old speeches from Jim Snedker, because he was a Liberal. At least to my recollection — and I've been around a year or two.

To comment on the futures program. The answer to whether we're contemplating bringing that back is: we are not. It was available for quite a number of years and it wasn't accessed by the municipalities. And when their funding started to tighten up in the late '80s, municipalities started to avail themselves of this provision to do construction ahead of time and receive their grants in future years.

But what that really was, was a deferred payment to municipalities. I mean it was money that the province owed to municipalities. And in our current fiscal situation didn't seem appropriate, and in their current fiscal situation didn't seem appropriate that we should be owing them money on the one hand.

On the other hand it didn't seem appropriate that municipalities should be allowed to borrow unlimited into the future, which is interpreted as an addition to the . . . you know, it's a contingent liability on the provincial treasury because we owe that money.

And so what we did in lieu of that was to try and make more of the funding unconditional. And also there is the provision that municipalities might want to defer a construction project in favour of allowing another municipality to use that allocation — you know, to put together a bigger project. Well that's still there.

And I share your views about . . . I realize that there is a clear and present danger when you give unconditional money, that standards could erode. Because as you're aware, when we had conditional money the engineering was done, and upon completion of the project it would be inspected and it would have to meet a certain standard in order to attract a certain percentage of matching funding.

So we recognized that there was a risk, but overall I haven't seen or heard any evidence that municipalities are constructing major roads of standards to the point where they would be deficient or dangerous. If we became aware of that, we would have to review the program no doubt. But that's what we have done in lieu of the futures. And hopefully in the future as the economy improves and our ability to fund infrastructure in the province, or if we get the federal government on board ever to make a contribution, we'll be able to maintain the quality of our road network.

**Mr. Bjornerud:** — Thank you, Madam Minister. Madam Minister, when you talked about Mr. Snedker being a Liberal, how quick we forget. I was one.

Madam Minister, still going and talking about the futures program though, was there actually a dollar cost for the government at the time? I know there was a minimal cost but was there a great cost to having a futures program other than an accounting procedure? I mean it was money on the books that municipalities borrowed and you honoured your share of it as time come due, but was there an actual dollar cost for the

government of the day?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I think at the time that we decided to pay the futures out, being our liability owing to the provinces was something just over \$17 million. And while there might not have been a huge cost in cash — because we weren't paying it out any faster than what the revenue-sharing pool would have allowed on an annual basis — as a bookkeeping entry it certainly was a liability and showed up as part of the provincial debt because it was money that we owed to municipalities.

**Ms. Draude:** — Thank you, Mr. Deputy Speaker. And, Madam Minister, and to your officials, welcome. I've got a number of questions I'd like to ask you and I probably am going to be skipping all over so I hope I don't cause you a lot of problems.

My first question is that you talked about a number of smaller towns and villages and hamlets that you're taking into the RMs. How many have actually been taken into the RM in the last couple of years, last number of years?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm not sure that I know the exact numbers. There hasn't been a huge wave but there certainly have been several examples that I can think of. And there are a number of arrangements that have been made that you wouldn't recognize in a formal way, but I think the member from Saltcoats was mentioning one municipality that's administering for another. And Kindersley, the town of Kindersley administers for the village of Brock.

And you know there's quite a few examples all over the province where . . . There's one near Davidson where one rural administrator is actually administering for five municipalities. And so there's quite a lot of that going on of sharing of resources and sharing of administrators and offices and so on that isn't necessarily recognized in any formal way as a boundary change or, you know, as an amalgamation; but it is co-operation.

**Ms. Draude:** — Thank you, Madam Minister. I have a number of questions about SaskFILM.

I notice that there's I think \$1.1 million being spent on SaskFILM. Can you give me an idea of how that money is spent, what the criteria is, if it's different film companies or production companies, and how they decide if it's an issue that the government is going to cost share on?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the appropriation shown in the budget to SaskFILM is the same as last year.

And that goes to the organization SaskFILM to administer in terms of grants to production companies, usually the small grant that SaskFILM . . . And they have an adjudication process with criteria where they receive applications and then they make appropriations.

And usually SaskFILM's contribution just is a small part of the total production cost. But that amount that they might get might help them to leverage a contribution from, say, Telefilm Canada, Heritage Canada — other granting agencies. And it also . . . that initial seed money also helps companies make



proposals to the private sector and get private funding to put together enough money for a whole project.

And then the other \$100,000 that is new is, we are paying SaskFILM to administrate the film tax credit that was initiated last year. Rather than having personnel within the department do it, we're contracting with SaskFILM because they're in a very good position, having all the technical expertise to adjudicate the applications for the film tax credit. But that does take personnel, and so we've assigned and contracted that responsibility to them.

**Ms. Draude:** — Thank you, Madam Minister, I was wondering if this department had anything to do with last year's actual tax credit. I imagine the monies from that is actually . . . We'd have to question the Department of Finance on that but . . . Or am I wrong, does this money come through your department?

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman, the tax credit that will be paid out per se would not be within our budget. It's just this portion of — because it's a Finance issue — and it's just the portion of the administration that's included in SaskFILM that would be represented here.

**Ms. Draude:** — So do you make the criteria on who will . . . SaskFILM makes the criteria or does your department make the criteria on who will be eligible for the tax credit, which films are eligible? And is there any minimum or maximum amount a certain production company can get?

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman, there is actually an Act with regulations that governs this. And it's actually quite complex and there would be quite a few provisions of — federal income tax for example — like what is allowed to be used. And then we have the parameters of . . . they get a certain percentage back if the work is done within an urban centre and a larger percentage of tax credit if it's done away from the major cities in an attempt to have some activity out in rural Saskatchewan — which has worked fairly well, by the way.

But the rules are quite discreet and SaskFILM knows them; they use those guidelines and that Act in their administration.

**Ms. Draude:** — And, Madam Minister, is there any guidelines within this Act to ensure that there isn't a stacking of grants available for SaskFILM?

**Hon. Mrs. Teichrob:** — Yes, Mr. Chairman, there is very specific reference to stacking so that there is a well understood way of treating, say WEPA (Western Economic Partnership Agreement) grants, or you know other grants, from other granting institutions and other governments to make sure that there's not stacking.

**Ms. Draude:** — Madam Minister, you had indicated that this program was working very well. Can you give us an idea of what the cost is that the SaskFILM industry has managed to allocate this year?

**Hon. Mrs. Teichrob:** — Mr. Chairman, we don't know yet because the member will know I think that we just announced this provision in the budget last year. And the way it works is once the production is complete, then all the records of the

activity within that production, the number of employees, because that's partly what it is based on, and all of the costs eligible and not eligible — there's a complete audit done of the whole production. And then the tax credit is calculated and it's paid out.

So, like, we're just at the end of the first production year, so we wouldn't be finished yet paying out on the activity that took place in 1998. But I can tell you that the amount of activity that took place was even far beyond the film industry's projections where there was almost 50 . . . there was more than doubled the level of activity up to almost \$50 million. In fact someone told me the other day that it may exceed for the year ended March 31, \$50 million. And that's a huge growth. Because in 1992 I believe we were at 1.5 million, and then we went up to 5. And there was slow growth until the tax credit when the activity doubled.

So we don't know the cost yet. We will when the audits are in. But they won't be paid out until the fiscal year that we're now in. But one thing for sure is that there's been a huge payback in terms of jobs and activity . . . economic activity.

**Ms. Draude:** — Thank you, Madam Minister. You probably won't have any arguments on this side of the House if you want somebody to believe that reducing taxes will actually create employment. We've been saying that quite loudly for the last couple of years, and not just targeting certain areas.

Madam Minister, just one last question on this issue. We were talking about companies getting different grants, being able to apply under this for credits. Can you tell me, can you apply for two films? Can a company produce two films in one year and get the tax credit?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the application process is project based. So producers of films, proponents that are putting forth applications, they would be judged not on who they were, but the merit of their project. And so it could be possible that one producer would have more than one project approved in a cycle.

**Ms. Draude:** — Then, Madam Minister, it is possible then to have film companies have one employee that's covered by a tax credit for the full year then if they have a number of films that are accepted under the criteria of SaskFILM?

**Hon. Mrs. Teichrob:** — Mr. Chairman, no that's not possible. That kind of double-dipping is specifically excluded in the legislation.

**Ms. Draude:** — I told you I had a last question, but maybe this will be the last one then. Then in the procedure of the audit, then each person is audited instead of the film?

**Hon. Mrs. Teichrob:** — Mr. Chairman, yes. The regulations are very specific on those issues because the intent of this is to create jobs, quality jobs, not to reimburse employers for employees that are doing more jobs. It's very specific as to the number of employees, the number of hours each employee puts in, you know, and the hourly remuneration for each employee and what their part was in that specific production.



**Ms. Draude:** — Madam Minister, I also notice that under the cultural tourism facilities, there's something — oh I guess it's under Culture and Recreation — there's also a new program called cultural industries development. Could you explain that to me?

**Hon. Mrs. Teichrob:** — Yes, we had a group of industry people over the last couple of years — they actually reported to us in the fall — developing some recommendations for our cultural industries' development strategy. And that would be cultural industries other than film — like book publishing, like sound recording, like the crafts, manufacture, and sale and so on.

This \$200,000 is expected to be seed money for them to start developing a strategy. But it is not . . . it's only part of our contribution. They've recommended a five-year strategy, and this is just an initial \$200 just to get them started.

The committee reported progress.

The Assembly adjourned at 4:58 p.m.



